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 June 30, 2026

OR

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

For the transition period from __________ to __________

Commission File Number 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 1,852,474,917 shares of common stock outstanding on June 30, 2026 (the latest practicable date that is closest to the filing date).

CSX CORPORATION
FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2026
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CSX CORPORATION
PART I - FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

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

	Second Quarters		Six Months	
	2026	2025	**2026**	2025
Revenue	**$ 3,935**	$ 3,574	**$ 7,417**	$ 6,997
Expense				
Labor and Fringe	**831**	791	**1,643**	1,612
Purchased Services and Other	**644**	710	**1,260**	1,484
Depreciation and Amortization	**411**	427	**826**	852
Fuel	**446**	269	**748**	544
Equipment and Other Rents	**97**	94	**181**	181
Total Expense	**2,429**	2,291	**4,658**	4,673
Operating Income	**1,506**	1,283	**2,759**	2,324
Interest Expense	**(211)**	(212)	**(424)**	(421)
Other Income - Net	**25**	22	**48**	48
Earnings Before Income Taxes	**1,320**	1,093	**2,383**	1,951
Income Tax Expense	**(318)**	(264)	**(574)**	(476)
Net Earnings	**$ 1,002**	$ 829	**$ 1,809**	$ 1,475
Per Common Share (Note 2)				
Net Earnings Per Share, Basic	**$ 0.54**	$ 0.44	**$ 0.97**	$ 0.79
Net Earnings Per Share, Assuming Dilution	**$ 0.54**	$ 0.44	**$ 0.97**	$ 0.78
Average Shares Outstanding *(In Millions)*	**1,855**	1,867	**1,858**	1,878
Average Shares Outstanding, Assuming Dilution *(In Millions)*	**1,859**	1,869	**1,860**	1,881

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

	Second Quarters		Six Months	
	2026	2025	**2026**	2025
Total Comprehensive Earnings (Note 10)	**$ 1,005**	$ 832	**$ 1,813**	$ 1,483

See accompanying notes to consolidated financial statements.

CSX CORPORATION
ITEM 1. FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS
(Dollars in Millions)

	(Unaudited) June 30, 2026	December 31, 2025
ASSETS		
Current Assets:		
Cash and Cash Equivalents	**$ 1,007**	$ 670
Short-term Investments (Note 9)	**383**	5
Accounts Receivable - Net (Note 8)	**1,456**	1,298
Materials and Supplies	**406**	390
Other Current Assets	**156**	187
Total Current Assets	**3,408**	2,550
Properties	**54,464**	53,816
Accumulated Depreciation	**(17,518)**	(17,005)
Properties - Net	**36,946**	36,811
Investment in Affiliates and Other Companies	**2,675**	2,634
Right-of-Use Lease Asset	**478**	464
Goodwill and Other Intangible Assets - Net	**261**	267
Other Long-term Assets	**958**	956
Total Assets	**$ 44,726**	$ 43,682
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts Payable	**$ 1,111**	$ 1,149
Labor and Fringe Benefits Payable	**549**	532
Casualty, Environmental and Other Reserves (Note 4)	**182**	184
Current Maturities of Long-term Debt (Note 7)	**1,702**	708
Income and Other Taxes Payable	**188**	118
Interest Payable	**172**	170
Other Current Liabilities	**250**	272
Total Current Liabilities	**4,154**	3,133
Casualty, Environmental and Other Reserves (Note 4)	**300**	295
Long-term Debt (Note 7)	**17,162**	18,165
Deferred Income Taxes - Net	**8,000**	7,914
Long-term Lease Liability	**493**	479
Other Long-term Liabilities	**529**	536
Total Liabilities	**30,638**	30,522
Shareholders' Equity:		
Common Stock, $1 Par Value	**1,852**	1,860
Other Capital	**1,087**	948
Retained Earnings	**11,352**	10,560
Accumulated Other Comprehensive Loss (Note 10)	**(209)**	(213)
Non-controlling Minority Interest	**6**	5
Total Shareholders' Equity	**14,088**	13,160
Total Liabilities and Shareholders' Equity	**$ 44,726**	$ 43,682

See accompanying notes to consolidated financial statements.

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CONSOLIDATED CASH FLOW STATEMENTS *(Unaudited)*

(Dollars in Millions)

	Six Months	
	2026	2025
OPERATING ACTIVITIES		
Net Earnings	**$ 1,809**	$ 1,475
Adjustments to Reconcile Net Earnings to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	**826**	852
Deferred Income Taxes	**84**	(1)
Other Operating Activities	**(71)**	(50)
Changes in Operating Assets and Liabilities:		
Accounts Receivable	**(190)**	(36)
Other Current Assets	**15**	(13)
Accounts Payable	**54**	14
Income and Other Taxes Payable	**70**	(362)
Other Current Liabilities	**2**	11
Net Cash Provided by Operating Activities	**2,599**	1,890
INVESTING ACTIVITIES		
Property Additions	**(1,119)**	(1,495)
Purchases of Short-Term Investments	**(515)**	—
Proceeds from Sales of Short-term Investments	**146**	69
Proceeds and Advances from Property Dispositions	**137**	49
Business Acquisition, Net of Cash Acquired	**—**	(14)
Other Investing Activities	**30**	(63)
Net Cash Used In Investing Activities	**(1,321)**	(1,454)
FINANCING ACTIVITIES		
Shares Repurchased	**(518)**	(1,172)
Dividends Paid	**(520)**	(488)
Long-term Debt Repaid (Note 7)	**(9)**	(3)
Long-term Debt Issued (Note 7)	**—**	600
Other Financing Activities	**106**	81
Net Cash Used in Financing Activities	**(941)**	(982)
Net Increase (Decrease) in Cash and Cash Equivalents	**337**	(546)
CASH AND CASH EQUIVALENTS		
Cash and Cash Equivalents at Beginning of Period	**670**	933
Cash and Cash Equivalents at End of Period	**$ 1,007**	$ 387

Certain prior year data has been reclassified to conform to the current presentation.
See accompanying notes to consolidated financial statements.

CSX CORPORATION
ITEM 1. FINANCIAL STATEMENTS

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

Six Months 2026	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, 2025	1,859,659	$ 2,808	$ 10,560	$ (213)	$ 5	$ 13,160
Comprehensive Earnings:						
Net Earnings	—	—	807	—	—	807
Other Comprehensive Income	—	—	—	1	—	1
Total Comprehensive Earnings						808
Common stock dividends, $0.14 per share	—	—	(260)	—	—	(260)
Share Repurchases	(5,686)	(6)	(216)	—	—	(222)
Excise Tax on Net Share Repurchases	—	—	(1)	—	—	(1)
Stock Option Exercises and Other	3,858	94	1	—	1	96
Balance March 31, 2026	1,857,831	$ 2,896	$ 10,891	$ (212)	$ 6	$ 13,581
Comprehensive Earnings:						
Net Earnings	—	—	1,002	—	—	1,002
Other Comprehensive Income	—	—	—	3	—	3
Total Comprehensive Earnings						1,005
Common stock dividends, $0.14 per share	—	—	(260)	—	—	(260)
Share Repurchases	(6,269)	(6)	(278)	—	—	(284)
Excise Tax on Net Share Repurchases	—	—	(2)	—	—	(2)
Stock Option Exercises and Other	749	49	(1)	—	—	48
Balance June 30, 2026	**1,852,311**	**$ 2,939**	**$ 11,352**	**$ (209)**	**$ 6**	**$ 14,088**

(a) Accumulated Other Comprehensive Loss balances shown above are net of tax. The associated taxes were $58 million as of December 31, 2025, $57 million as of March 31, 2026, and $57 million as of June 30, 2026. 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)

Six 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

(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 and $58 million as of June 30, 2025. 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

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 "second quarter(s)" or "six months" indicate CSX's fiscal periods ending June 30, 2026, and June 30, 2025, and references to "year-end" indicate the fiscal year ended December 31, 2025.

New Accounting Pronouncements

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 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.

In December 2025, the FASB issued ASU 2025-10, *Accounting for Government Grants by Business Entities*. This standard establishes the accounting for government grants received by a business entity, including guidance for both grants related to an asset and grants related to income. This guidance is effective beginning first quarter 2029, though early adoption is permitted, and can be applied using a modified prospective, modified retrospective, or full retrospective transition approach. The Company is currently evaluating the impact of this guidance but does not anticipate that adoption will have a material impact on the Company's results of operations or financial position.

NOTE 2. Earnings Per Share

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

	Second Quarters		Six Months	
	2026	2025	**2026**	2025
Numerator *(Dollars in Millions)*:				
Net Earnings	**$ 1,002**	$ 829	**$ 1,809**	$ 1,475
Denominator *(Units in Millions)*:				
Average Common Shares Outstanding	**1,855**	1,867	**1,858**	1,878
Other Potentially Dilutive Common Shares	**4**	2	**2**	3
Average Common Shares Outstanding, Assuming Dilution	**1,859**	1,869	**1,860**	1,881
Net Earnings Per Share, Basic	**$ 0.54**	$ 0.44	**$ 0.97**	$ 0.79
Net Earnings Per Share, Assuming Dilution	**$ 0.54**	$ 0.44	**$ 0.97**	$ 0.78

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 in-the-money outstanding stock options were exercised are included, net of shares CSX could repurchase using the proceeds from these hypothetical exercises. 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.

	Second Quarters		Six Months	
	2026	2025	**2026**	2025
Antidilutive Stock Options Excluded from Diluted EPS *(Units in Millions)*	**1**	5	**1**	5

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. On May 12, 2026, the Board of Directors authorized a new share repurchase program, providing $5 billion of incremental authority to that remaining under the existing October 2023 share repurchase program. Total repurchase authority was $5.7 billion as of June 30, 2026.

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 second quarters and six months ended June 30, 2026, and June 30, 2025, the Company engaged in the following repurchase activities:

	Second Quarters		Six Months	
	2026	2025	**2026**	2025
Shares Repurchased *(Millions)*	**6**	14	**12**	38
Cost of Shares *(Dollars in Millions)*	**$ 284**	$ 401	**$ 506**	$ 1,152
Average Price Paid per Share	**$ 45.30**	$ 28.28	**$ 42.31**	$ 30.39
Excise Taxes Paid for Net Share Repurchases *(Dollars in Millions)* (a)	**$ 12**	**$ 20**	**$ 12**	**$ 20**

(a) Excise tax payments made in 2026 were related to share repurchases in 2025. Excise tax payments made in 2025 were related to share repurchases in 2024.

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.

Dividend Increase

In February 2026, the Company's Board of Directors authorized an 8% increase in the quarterly cash dividend to $0.14 per common share effective March 2026.

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.

	Second Quarters		Six Months	
(Dollars in Millions)	**2026**	2025	**2026**	2025
Share-Based Compensation Expense:				
Performance Units	**$ 16**	$ 2	**$ 18**	$ 2
Restricted Stock Units	**4**	7	**8**	13
Stock Options	**4**	3	**7**	6
Employee Stock Purchase Plan	**3**	3	**5**	5
Stock Awards for Directors	**—**	—	**2**	3
Total Share-Based Compensation Expense	**$ 27**	$ 15	**$ 40**	$ 29
Income Tax Benefit	**$ 5**	$ 3	**$ 12**	$ 6

Long-term Incentive Plan

In February 2026, the Company granted the following awards under a new long-term incentive plan ("LTIP") for the years 2026 through 2028, which was adopted under the CSX 2019 Stock and Incentive Award Plan.

	Granted *(Thousands)*	**Weighted Avg. Fair Value**
Performance Units	637	$ 50.18
Restricted Stock Units	255	42.65
Stock Options	1,271	12.83

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

Performance Units

Units vest based on performance approximately three years after grant with payouts made in CSX common stock. The 2026-2028 plan's performance measures are Return on Invested Capital ("ROIC") and relative Total Shareholder Return ("rTSR"). These measures are assessed independently of each other and weighted at 60% ROIC and 40% rTSR, respectively, for a total payout of 100% of the grant value. If the maximum ROIC and maximum rTSR are achieved, then the measures would generate a payout of 120% and 80%, respectively, for a total payout at 200%.

ROIC is calculated by dividing net operating profit after taxes, adjusting for certain items as defined in the Plan, by invested capital to measure how effectively the Company uses its capital to generate returns. Net operating profit after taxes is calculated as net income, adjusted to exclude the cost and tax impact of interest, including implied lease interest. Invested capital is composed of the average of the Company's debt, including financing and operating leases, and shareholders equity as of the end of the most recent five quarters.

The rTSR measure shows how the Company performed compared to its competitors by ranking the companies in the S&P 500 Industrials from highest to lowest according to their respective TSRs and calculating the percentile performance of CSX relative to the peer companies. The fair values of the rTSR component of performance units were calculated using a Monte-Carlo simulation model.

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. Immaterial awards outside of the annual LTIP program were granted to certain management employees during the second quarters and six months ended June 30, 2026, and June 30, 2025.

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

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 reflected in the consolidated balance sheets as shown in the table below.

	June 30, 2026			December 31, 2025		
(Dollars in Millions)	**Current**	**Long-term**	**Total**	Current	Long-term	Total
Casualty:						
Personal Injury	**$ 60**	**$ 103**	**$ 163**	$ 60	$ 94	$ 154
Occupational	**6**	**52**	**58**	6	53	59
Total Casualty	**66**	**155**	**221**	66	147	213
Environmental	**50**	**98**	**148**	49	107	156
Other	**66**	**47**	**113**	69	41	110
Total	**$ 182**	**$ 300**	**$ 482**	$ 184	$ 295	$ 479

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 six months ended June 30, 2026, or June 30, 2025.

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 six months ended June 30, 2026, or June 30, 2025.

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 210 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.

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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 $3 million to $87 million in the aggregate at June 30, 2026. 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.

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.

NOTE 5. Commitments and Contingencies, *continued*

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. Briefing on the appeal is complete. Next, the court will schedule a date for oral argument.

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.

On March 2, 2022, EPA issued a Notice Letter to Pharmacia, Occidental and eight other parties, including Nokia of America Corporation (“Nokia”), 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.

NOTE 5. Commitments and Contingencies, *continued*

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.

On October 2, 2025, Occidental Petroleum Corporation announced a definitive agreement for Berkshire Hathaway to acquire Occidental’s chemical business, which had been separated into its own entity as a result of Occidental having completed a divisive merger under Texas law that divided its overall business into two entities. A newly formed Texas corporation also called Occidental Chemical Corporation (“New Occidental”), now holds the company’s manufacturing assets, while Environmental Resource Holdings, also a Texas corporation (“ERH”), holds legacy environmental liabilities, including those related to the Lower Passaic River. This transaction, through which Occidental Petroleum Corporation sold all equity interests in New Occidental to Berkshire Hathaway, closed on January 2, 2026. On February 6, 2026, a group of parties, including Pharmacia, filed a complaint in New Jersey federal court seeking a declaratory judgment that New Occidental remains jointly and severally liable with ERH for CERCLA liability related to the Lower Passaic River.

On June 29, 2026, Nokia filed a complaint in the United States District Court for the District of Columbia against the United States, EPA, the U.S. Department of Justice, and related federal officials challenging EPA’s decision to exclude Nokia from the CD and its classification of Nokia as a party responsible for performing or funding the Lower Passaic River cleanup. The complaint seeks declaratory and injunctive relief relating to Nokia’s treatment in EPA’s enforcement and settlement process.

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.

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			
	Second Quarters		Six Months	
(Dollars in Millions)	**2026**	2025	**2026**	2025
Service Cost Included in Labor and Fringe	**$ 5**	$ 5	**$ 11**	$ 10
Interest Cost	**25**	28	**50**	55
Expected Return on Plan Assets	**(37)**	(40)	**(74)**	(80)
Amortization of Net Loss	**6**	5	**12**	11
Total Included in Other Income - Net	**(6)**	(7)	**(12)**	(14)
Net Periodic Benefit Credit	**$ (1)**	$ (2)	**$ (1)**	$ (4)

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 2026.

NOTE 7. Debt and Credit Agreements

Total activity related to long-term debt during the quarter ended June 30, 2026, is shown in the table below. For fair value information related to the Company's long-term debt, see Note 9, *Fair Value Measurements*.

(Dollars in Millions)	Current Portion	Long-term Portion	Total
Long-term Debt as of December 31, 2025	$ 708	$ 18,165	$ 18,873
2026 Activity:			
Long-term Debt Repaid	(9)	—	(9)
Reclassifications	1,002	(1,002)	—
Hedging, Discount, Premium and Other Activity	1	(1)	—
Long-term Debt as of June 30, 2026	**$ 1,702**	**$ 17,162**	**$ 18,864**

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 $4 million and $9 million as of June 30, 2026, and December 31, 2025, respectively.

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 2032 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 $9 million and $14 million as of June 30, 2026, and December 31, 2025, 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 $94 million and $87 million as of June 30, 2026, and December 31, 2025, respectively, and is included in other long-term liabilities on the consolidated balance sheet.

The swaps expire between 2032 and 2055. 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.

(Dollars in Millions)	**June 30, 2026**	December 31, 2025
Notional Value of Hedged Notes	**$ 1,300**	$ 1,300
Fair Value Asset Adjustment to Hedged Notes	**13**	23
Fair Value Liability Adjustment to Hedged Notes	**(94)**	(87)
Carrying Amount of Hedged Notes	**$ 1,219**	$ 1,236

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NOTE 7. Debt and Credit Agreements, *continued*

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.

	Second Quarters		**Six Months**	
(Dollars in Millions)	**2026**	2025	**2026**	2025
Interest Expense Impact (Increase)/ Decrease	**$ (3)**	$ (5)	**$ (6)**	$ (10)

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, which is expected to occur no later than 36 months following the maturity of those 2027 notes. CSX executed a final settlement of the notional value of the cash flow hedges in second quarter 2024, so no unsettled aggregate notional value of these swaps remained and there is no related asset or liability as of June 30, 2026, and December 31, 2025.

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. As these swaps were fully settled in 2024, subsequent gains or losses are only attributable to tax effects. The unrealized gain associated with the settled portion of the hedges 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.

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

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 June 30, 2026, 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 second quarter 2026, 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 June 30, 2026, the Company had no outstanding debt under the commercial paper program.

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.

	Second Quarters		Six Months	
(Dollars in Millions)	**2026**	2025	**2026**	2025
Chemicals	**$ 774**	$ 701	**$ 1,496**	$ 1,399
Agricultural and Food Products	**444**	418	**853**	826
Automotive	**332**	320	**607**	591
Forest Products	**266**	250	**495**	499
Metals and Equipment	**256**	224	**476**	433
Minerals	**242**	218	**434**	399
Fertilizers	**132**	126	**273**	262
Total Merchandise	**2,446**	2,257	**4,634**	4,409
Intermodal	**620**	491	**1,138**	984
Coal	**520**	477	**978**	938
Trucking	**226**	211	**428**	413
Other	**123**	138	**239**	253
Total	**$ 3,935**	$ 3,574	**$ 7,417**	$ 6,997

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)	**June 30, 2026**	December 31, 2025
Freight Receivables	**$ 1,116**	$ 932
Freight Allowance for Credit Losses	**(20)**	(23)
Freight Receivables - Net	**1,096**	909
Non-Freight Receivables	**378**	404
Non-Freight Allowance for Credit Losses	**(18)**	(15)
Non-Freight Receivables - Net	**360**	389
Total Accounts Receivable - Net	**$ 1,456**	$ 1,298

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 second quarters or six months ended June 30, 2026, or 2025.

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 June 30, 2026, and June 30, 2025, 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.

	June 30, 2026			December 31, 2025		
(Dollars in Millions)	**Level 1**	**Level 2**	**Total**	Level 1	Level 2	Total
Exchange-traded Funds	**$ 6**	**$ —**	**$ 6**	$ 5	$ —	$ 5
Time Deposits	**—**	**375**	**375**	—	—	—
Corporate Bonds	**—**	**75**	**75**	—	82	82
Government Securities	**—**	**72**	**72**	—	71	71
Asset-backed Securities	**—**	**23**	**23**	—	29	29
Total Investments at Fair Value	**$ 6**	**$ 545**	**$ 551**	$ 5	$ 182	$ 187

The Company's debt securities include corporate bonds, government securities and asset-backed securities. The fair values of these securities totaled $170 million as of June 30, 2026, and $182 million as of December 31, 2025, and the amortized costs totaled $172 million and $181 million, respectively. All investment assets other than exchange-traded funds have stated contractual maturity dates as summarized in the following table:

(Dollars in Millions)	**June 30, 2026**	December 31, 2025
Less than 1 year	**$ 383**	$ 5
1 - 5 years	**89**	94
5 - 10 years	**40**	42
Greater than 10 years	**33**	41
Total Investments at Fair Value	**$ 545**	$ 182

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:

(Dollars in Millions)	**June 30, 2026**	December 31, 2025
Long-term Debt (Including Current Maturities):		
Fair Value	**$ 17,159**	$ 17,305
Carrying Value	**18,864**	18,873

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 fixed-to-floating interest rate swaps are Level 2 inputs. The fair value of the Company’s fixed-to-floating interest rate swaps was an asset of $13 million and $23 million (for swaps entered in 2025 and 2023), and a liability of $94 million and $87 million (for swaps entered in 2022) as of June 30, 2026, and December 31, 2025, respectively.

Changes in interest rates no longer impact the fair value of the Company’s forward starting interest rate swaps because they are fully settled. See Note 7, *Debt and Credit Agreements*, for further information.

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 $1.0 billion and $832 million for second quarters 2026 and 2025, respectively, and $1.8 billion and $1.5 billion for the six months ended June 30, 2026 and 2025, 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.

(Dollars in Millions)	Pension and Other Post-Employment Benefits	Interest Rate Derivatives	Other	Accumulated Other Comprehensive (Loss) Income
Balance December 31, 2025, Net of Tax	$ (337)	$ 152	$ (28)	$ (213)
Other Comprehensive Income (Loss)				
Amounts Reclassified to Net Earnings	9	—	(3)	6
Tax Expense	(2)	—	—	(2)
Total Other Comprehensive Income (Loss)	7	—	(3)	4
Balance June 30, 2026, Net of Tax	**$ (330)**	**$ 152**	**$ (31)**	**$ (209)**

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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.

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

The table below presents information about the Company's significant expenses and the required reportable segment reconciliations for the quarters ended June 30, 2026, and June 30, 2025.

	Second Quarters			
	2026		2025	
(Dollars in Millions)	**Rail**	**Reconciliation to Consolidated**	Rail	Reconciliation to Consolidated
Revenue [(a)]	**$ 3,709**		$ 3,363	
Reconciliation of Revenue				
Trucking Revenue [(a)]		**229**		219
Elimination of intersegment revenues		**(3)**		(8)
Total Consolidated Revenue		**$ 3,935**		$ 3,574
Expense [(b)]				
Labor and Fringe	**$ 782**		$ 736	
Purchased Services and Other	**535**		605	
Depreciation and Amortization	**396**		410	
Fuel				
Locomotive	**379**		226	
Non-Locomotive	**34**		23	
Equipment and Other Rents	**92**		90	
Gain on Property Disposition	**(2)**		(4)	
Segment Operating Income	**$ 1,493**		$ 1,277	
Reconciliation of Operating Income				
Trucking Expenses [(b)]		**216**		213
Elimination of intersegment expenses		**(3)**		(8)
Total Consolidated Operating Income		**$ 1,506**		$ 1,283
Interest Expense		**(211)**		(212)
Other Income - Net		**25**		22
Earnings Before Income Taxes		**$ 1,320**		$ 1,093

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

The table below presents information about the Company's significant expenses and the required reportable segment reconciliations for the six months ended June 30, 2026, and June 30, 2025.

	Six Months			
	2026		2025	
(Dollars in Millions)	**Rail**	**Reconciliation to Consolidated**	Rail	Reconciliation to Consolidated
Revenue [(a)]	**$ 6,989**		$ 6,584	
Reconciliation of Revenue				
Trucking Revenue [(a)]		**434**		426
Elimination of intersegment revenues		**(6)**		(13)
Total Consolidated Revenue		**$ 7,417**		$ 6,997
Expense [(b)]				
Labor and Fringe	**$ 1,544**		$ 1,510	
Purchased Services and Other	**1,084**		1,269	
Depreciation and Amortization	**795**		820	
Fuel				
Locomotive	**630**		451	
Non-Locomotive	**63**		52	
Equipment and Other Rents	**171**		172	
Gain on Property Disposition	**(46)**		(5)	
Segment Operating Income	**$ 2,748**		$ 2,315	
Reconciliation of Operating Income				
Trucking Expenses [(b)]		**423**		417
Elimination of intersegment expenses		**(6)**		(13)
Total Consolidated Operating Income		**$ 2,759**		$ 2,324
Interest Expense		**(424)**		(421)
Other Income - Net		**48**		48
Earnings Before Income Taxes		**$ 2,383**		$ 1,951

(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.

CSX CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

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

Capital expenditures made by the rail segment were $561 million and $766 million, for the second quarters 2026 and 2025, respectively, and $1,098 million and $1,457 million, for the six months ended June 30, 2026, and June 30, 2025, respectively. The total of the rail segment's reportable assets was $44.6 billion and $43.5 billion as of June 30, 2026, and December 31, 2025, respectively, out of total consolidated assets of $44.7 billion and $43.7 billion for the respective periods. The remaining non-rail assets are comprised of assets held by the trucking operating segment.

SECOND QUARTER 2026 RESULTS

- Revenue increased $361 million, or 10%, year over year.
- Expenses increased $138 million, or 6%, year over year.
- Operating income of $1.5 billion increased $223 million, or 17%, year over year.
- Operating margin of 38.3% improved 240 basis points versus the prior year.
- Earnings per diluted share of $0.54 increased $0.10, or 23%, year over year.

	Second Quarters				Six Months			
	2026	2025	*Fav / (Unfav)*	*% Change*	**2026**	2025	*Fav / (Unfav)*	*% Change*
Volume *(in Thousands)*	**1,676**	1,580	*96*	*6 %*	**3,235**	3,098	*137*	*4 %*
(in Millions)								
Revenue	**$ 3,935**	$ 3,574	*$ 361*	*10*	**$ 7,417**	$ 6,997	*$ 420*	*6*
Expense	**2,429**	2,291	*(138)*	*(6)*	**4,658**	4,673	*15*	*—*
Operating Income	**$ 1,506**	$ 1,283	*$ 223*	*17 %*	**$ 2,759**	$ 2,324	*$ 435*	*19 %*
Operating Margin	**38.3 %**	35.9 %	*240 bps*		**37.2 %**	33.2 %	*400 bps*	
Earnings Per Diluted Share	**$ 0.54**	$ 0.44	*$ 0.10*	*23 %*	**$ 0.97**	$ 0.78	*$ 0.19*	*24 %*

Volume and Revenue (Unaudited)

Volume (Thousands of Units); Revenue (Dollars in Millions); Revenue Per Unit (Dollars)

Second Quarters

	Volume			Revenue			Revenue Per Unit		
	2026	2025	% Change	**2026**	2025	% Change	**2026**	2025	% Change
Chemicals	**177**	164	8 %	**$ 774**	$ 701	10 %	**$ 4,373**	$ 4,274	2 %
Agricultural and Food Products	**119**	117	2	**444**	418	6	**3,731**	3,573	4
Minerals	**105**	99	6	**242**	218	11	**2,305**	2,202	5
Automotive	**102**	103	(1)	**332**	320	4	**3,255**	3,107	5
Metals and Equipment	**72**	70	3	**256**	224	14	**3,556**	3,200	11
Forest Products	**70**	70	—	**266**	250	6	**3,800**	3,571	6
Fertilizers	**50**	47	6	**132**	126	5	**2,640**	2,681	(2)
Total Merchandise	**695**	670	4	**2,446**	2,257	8	**3,519**	3,369	4
Intermodal	**792**	729	9	**620**	491	26	**783**	674	16
Coal	**189**	181	4	**520**	477	9	**2,751**	2,635	4
Trucking	**—**	—	—	**226**	211	7	**—**	—	—
Other	**—**	—	—	**123**	138	(11)	**—**	—	—
Total	**1,676**	1,580	6 %	**$ 3,935**	$ 3,574	10 %	**$ 2,348**	$ 2,262	4 %

Six Months

	Volume			Revenue			Revenue Per Unit		
	2026	2025	% Change	**2026**	2025	% Change	**2026**	2025	% Change
Chemicals	**345**	330	5 %	**$ 1,496**	$ 1,399	7 %	**$ 4,336**	$ 4,239	2 %
Agricultural and Food Products	**235**	232	1	**853**	826	3	**3,630**	3,560	2
Minerals	**187**	178	5	**434**	399	9	**2,321**	2,242	4
Automotive	**189**	190	(1)	**607**	591	3	**3,212**	3,111	3
Metals and Equipment	**137**	135	1	**476**	433	10	**3,474**	3,207	8
Forest Products	**134**	140	(4)	**495**	499	(1)	**3,694**	3,564	4
Fertilizers	**99**	95	4	**273**	262	4	**2,758**	2,758	—
Total Merchandise	**1,326**	1,300	2	**4,634**	4,409	5	**3,495**	3,392	3
Intermodal	**1,549**	1,445	7	**1,138**	984	16	**735**	681	8
Coal	**360**	353	2	**978**	938	4	**2,717**	2,657	2
Trucking	**—**	—	—	**428**	413	4	**—**	—	—
Other	**—**	—	—	**239**	253	(6)	**—**	—	—
Total	**3,235**	3,098	4 %	**$ 7,417**	$ 6,997	6 %	**$ 2,293**	$ 2,259	2 %

Second Quarter 2026

Revenue

Total revenue increased 10% in second quarter 2026 when compared to second quarter 2025 primarily due to increased fuel surcharge revenue together with higher volume and pricing across merchandise, intermodal and coal.

Merchandise Volume

Chemicals - Increased due to higher shipments of plastics, waste, petcoke and sand.

Agricultural and Food Products - Increased due to higher shipments of export grains and domestic feed ingredients, partially offset by decreased shipments of domestic feed grain.

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

Automotive - Decreased due to the impact of a temporary outage at a customer location associated with re-tooling efforts.

Metals and Equipment - Increased primarily due to higher pipe and scrap shipments, partially offset by lower steel shipments, which includes the impact of customer plant closures.

Forest Products - Flat as higher lumber shipments, including benefits from a tighter trucking environment, were offset by lower shipments of pulp and paper products, which include the impacts of both customer plant closures and temporary outages.

Fertilizers - Increased due to higher short-haul phosphates shipments.

Intermodal Volume

Domestic shipments increased due to wins with key customers, new service offerings and a tightening truck environment. International shipments were relatively flat to prior year levels.

Coal Volume

Export coal increased due to higher shipments of metallurgical and thermal coal, including the benefits of increased production from re-opened mines. Domestic coal decreased due to lower shipments to utility plants, partially offset by higher shipments to steel manufacturing locations and lake terminals.

Trucking Revenue

Trucking revenue increased $15 million versus the prior year due to higher fuel surcharge.

Other Revenue

Other revenue decreased $15 million due to an increase in the reserve for freight in transit in the current year compared to a decrease in the prior year.

Expenses

Expenses of $2.4 billion increased $138 million, or 6%, in second quarter 2026 when compared to second quarter 2025. Fuel expense increased $177 million compared to prior year while total non-fuel expense decreased $39 million.

Labor and Fringe expense increased $40 million due to the following:

- Incentive compensation increased $56 million driven by higher expected payouts.
- An increase of $32 million was due to inflation.
- All other net costs decreased $48 million primarily due to lower headcount.

Purchased Services and Other expense decreased $66 million due to the following:

- Efficiency savings, net of inflation, of $54 million were driven by cost reductions across operating and support functions.
- A decrease of $14 million was due to the effects of network disruptions and congestion in the prior year, including rerouting impacts.
- Gains on property dispositions of $17 million in second quarter 2026 were primarily due to the sale of the Company's last remaining aircraft in the asset group. Gains were $8 million in the prior year.
- All other net costs increased $11 million, primarily due to intermodal volume increases and advisory expenses related to potential industry consolidation. These increases were partially offset by an insurance recovery related to 2024 property damage on the Blue Ridge subdivision.

Depreciation and Amortization expense decreased $16 million primarily as a result of an equipment depreciation study.

Fuel costs increased $177 million primarily due to a 74% increase in locomotive fuel prices as well as higher non-locomotive fuel prices, partially offset by efficiency savings.

Equipment and Other Rents expense increased $3 million.

Interest Expense

Interest expense decreased $1 million.

Other Income - Net

Other income - net increased $3 million primarily due to higher interest income.

Income Tax Expense

Income tax expense increased $54 million primarily due to higher earnings before income taxes.

Six Months Results of Operations

Revenue increased $420 million primarily due to volume and price growth in merchandise, intermodal and coal as well as higher fuel recovery.

Total expense decreased $15 million as efficiency savings, gains on property dispositions and other decreases were largely offset by higher fuel prices, inflation and higher incentive compensation.

Interest expense increased $3 million.

Other income - net was flat.

Income tax expense increased $98 million primarily due to higher earnings before income taxes.

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.

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 increase in FCF before dividends of $1.2 billion from the prior year is primarily due to prior year payments of previously postponed taxes, decreased property additions driven by completion of the Blue Ridge subdivision rebuild, and higher cash-generating net earnings. Prior year property additions include approximately $295 million related to rebuilding the Blue Ridge subdivision, which was reopened in September 2025.

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

	Six Months	
(Dollars in Millions)	**2026**	2025
Net cash provided by operating activities	**$ 2,599**	**$ 1,890**
Property Additions	(1,119)	(1,495)
Proceeds and Advances from Property Dispositions	137	49
Free Cash Flow (before payment of dividends)	$ 1,617	$ 444

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 second quarter of 2026, velocity improved by 3% while dwell increased by 6% versus prior year. Carload trip plan performance decreased by 5% and intermodal trip plan performance decreased by 2%. The Company continues to focus on operational improvements and executing the operating plan to deliver safe, reliable, and efficient service to customers.

The Federal Railroad Administration ("FRA") personal injury frequency index of 0.83 in second quarter 2026 improved 19% compared to prior year and the FRA train accident rate of 2.72 improved 30%. 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.

	Second Quarters			Six Months		
	2026	2025	*Improvement / (Deterioration)*	**2026**	2025	*Improvement / (Deterioration)*
Operations Performance						
Train Velocity *(Miles Per Hour)*	**18.0**	17.5	*3 %*	**18.4**	17.6	*5 %*
Dwell *(Hours)*	**11.0**	10.4	*(6)%*	**10.9**	11.0	*1 %*
Cars Online	**131,642**	129,738	*(1)%*	**127,745**	130,962	*2 %*
On-Time Originations	**70 %**	69 %	*1 %*	**71 %**	68 %	*4 %*
On-Time Arrivals	**54 %**	55 %	*(2)%*	**57 %**	55 %	*4 %*
Carload Trip Plan Performance	**71 %**	75 %	*(5)%*	**73 %**	72 %	*1 %*
Intermodal Trip Plan Performance	**88 %**	90 %	*(2)%*	**88 %**	90 %	*(2)%*
Fuel Efficiency	**0.94**	0.98	*4 %*	**0.96**	0.98	*2 %*
Revenue Ton-Miles *(Billions)*						
Merchandise	**34.4**	33.2	*4 %*	**67.0**	65.5	*2 %*
Coal	**9.1**	9.3	*(2)%*	**17.6**	17.7	*(1)%*
Intermodal	**7.9**	7.5	*5 %*	**15.4**	14.6	*5 %*
Total Revenue Ton-Miles	**51.4**	50.0	*3 %*	**100.0**	97.8	*2 %*
Total Gross Ton-Miles *(Billions)*	**99.7**	99.6	*— %*	**193.2**	193.5	*— %*
Safety						
FRA Personal Injury Frequency Index	**0.83**	1.03	*19 %*	**0.79**	0.98	*19 %*
FRA Train Accident Rate	**2.72**	3.88	*30 %*	**2.68**	3.76	*29 %*

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.

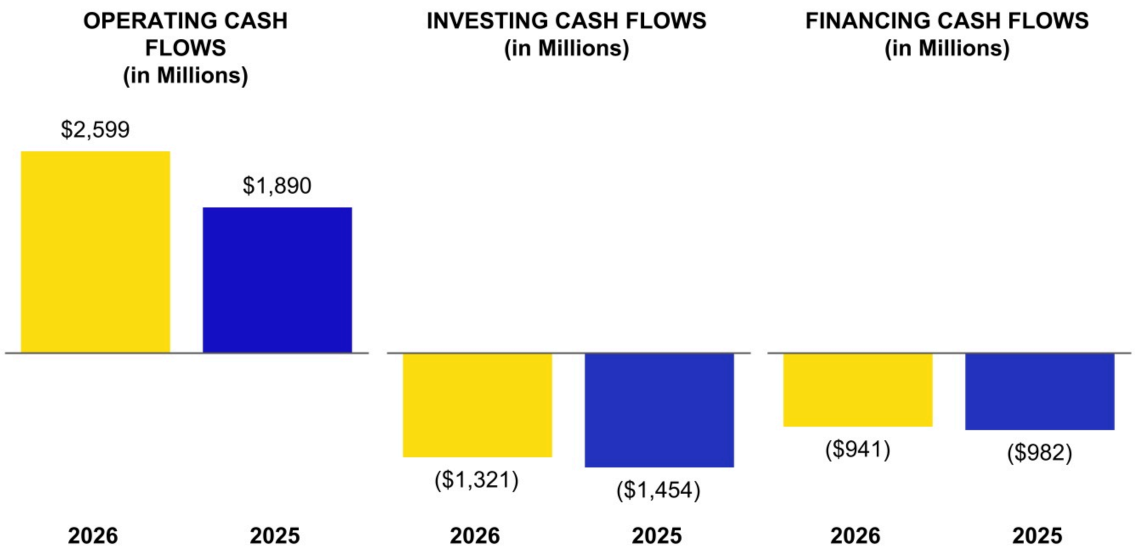
FRA Train Accident Rate - Number of FRA-reportable train accidents per million train-miles.

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

The following chart highlights the operating, investing and financing components of the net increase of $337 million and decrease of $546 million in cash and cash equivalents for the six months ended June 30, 2026, and June 30, 2025, respectively.



- The Company generated $709 million more cash from operating activities primarily driven by higher cash-generating net earnings and favorable working capital activities, which included the impact of the prior year payment of $429 million in previously postponed taxes that was partially offset by higher accounts receivable commensurate with higher revenues.
- CSX used $133 million less cash for investing activities primarily due to lower property additions following the completion of the rebuilding of the Blue Ridge subdivision in prior year and increased proceeds from property dispositions in the current year. The decrease was partially offset by net purchases of short-term investments in 2026.
- The Company used $41 million less cash for financing activities as lower share repurchases were mostly offset by reduced cash from debt issuance.

Sources of Cash and Liquidity and Uses of Cash

As of the end of second quarter 2026, CSX had $1.4 billion 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 six months ended June 30, 2026, CSX did not issue any 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 June 30, 2026, 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 June 30, 2026, the Company had no debt outstanding under the commercial paper program.

Planned capital investments for 2026 are expected to be less than $2.4 billion. Spending to sustain core infrastructure with a focus on safety and reliability will 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.

Material Changes in the Consolidated Balance Sheets and Working Capital

Total assets increased $1.0 billion from year end primarily due to $715 million increase in cash and short-term investments, a $158 million increase in accounts receivable commensurate with increased revenue, and a $135 million increase in net property consistent with planned capital expenditures.

Total liabilities increased $116 million from year end primarily due to an $86 million increase in deferred income taxes primarily driven by bonus tax depreciation and a $70 million increase in income and other taxes payable due to increased earnings and the timing of tax payments. Total shareholders' equity increased $928 million from year end primarily driven by net earnings of $1.8 billion, partially offset by dividends paid of $520 million and share repurchases of $506 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 $746 million as of June 30, 2026, and $583 million as of December 31, 2025. This deficit increase of $163 million since year end was primarily driven by a $1.0 billion reclass of long-term debt to current and a $70 million increase in income and other taxes payable. These increases were partially offset by a $715 million increase in cash and short-term investments as noted above and a $158 million increase in accounts receivable. 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 16,600 of the Company's approximately 22,200 employees are members of a rail labor union and covered by national agreements with the Class I railroads or CSX-specific agreements. 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.

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.

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, including impacts to 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 and cybersecurity incidents compromising the security, stability, availability, or reliability of information technology systems or data;
- 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;

- 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.

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.

ITEM 4. CONTROLS AND PROCEDURES

As of June 30, 2026, 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 June 30, 2026, 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 second quarter of 2026 that have materially affected or are reasonably likely to materially affect the Company's internal control over financial reporting.

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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. On May 12, 2026, the Board of Directors authorized a new share repurchase program, providing $5 billion of incremental authority to that remaining under the existing October 2023 share repurchase program. Total repurchase authority remaining as of June 30, 2026, was $5.7 billion. For more information about share repurchases, see Note 2, *Earnings Per Share*. Share repurchase activity for the second quarter 2026 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			
Second Quarter	**Total Number of Shares Purchased**	**Average Price Paid per Share**	**Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs**	**Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs**
Beginning Balance				$ 988,639,327
April 1 - April 30, 2026	1,341,830	$ 43.14	1,341,830	930,747,490
May 1 - May 31, 2026	2,380,111	45.30	2,380,111	5,822,917,820
June 1 - June 30, 2026	2,547,352	46.44	2,547,352	5,704,621,786
Ending Balance	6,269,293	$ 45.30	6,269,293	$ 5,704,621,786

CSX CORPORATION
PART II

Item 3. Defaults Upon Senior Securities

None

Item 4. Mine Safety Disclosures

Not Applicable

Item 5. Other Information

During the second quarter of 2026, 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* ***	Amendment to the CSX Executives' Deferred Compensation Plan, effective as of June 1, 2026	
10.2* ***	Employment Separation Agreement and Release, effective as of May 26, 2026, between CSX Corporation and Stephen Fortune	
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 June 30, 2026, filed with the SEC on July 22, 2026, formatted in inline XBRL includes: (i) consolidated income statements for the quarters and six months ended June 30, 2026, and June 30, 2025, (ii) condensed consolidated comprehensive income statements for the quarters and six months ended June 30, 2026, and June 30, 2025, (iii) consolidated balance sheets at June 30, 2026, and December 31, 2025, (iv) consolidated cash flow statements for the six months ended June 30, 2026, and June 30, 2025, (v) consolidated statements of changes in shareholders' equity for the quarters and six months ended June 30, 2026, and June 30, 2025, 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: July 22, 2026

Exhibit 10.1

AMENDMENT
to the
CSX Executives’ Deferred Compensation Plan

(originally effective January 1, 2005, as amended and restated effective January 1, 2021, and as further amended and restated effective as of July 11, 2023)

WHEREAS, CSX Corporation (“CSX”) sponsors the CSX Executives’ Deferred Compensation Plan (originally effective January 1, 2005, as amended and restated effective January 1, 2021, and as further amended and restated effective as of July 11, 2023) (the “Plan”); and

WHEREAS, pursuant to the terms of the Plan, CSX reserves the right to amend the Plan in whole or in part at any time.

NOW THEREFORE, the Company hereby amends the Plan as follows, effective as of June 1, 2026:

* * * * *

Section 12.05 of the Plan is hereby amended in its entirety to read as follows:

“12.05. **Nonalienation.**

Except to the extent otherwise required by law, or as provided in the last sentence of this Section 12.05, the right to receive any benefit under this Plan may not be transferred, assigned, pledged or encumbered by a Member, beneficiary or contingent beneficiary in any manner and any attempt to do so shall be void. No such benefit shall be subject to garnishment, attachment or other legal or equitable process without the prior written consent of the Affiliated Companies. Notwithstanding the foregoing, the Administrator shall permit the payment of part or all of a Member’s benefit under the Plan to an individual other than the Member to the extent necessary to fulfill a domestic relations order (as defined in Section 414(p)(1)(B) of the Code).”

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 below in accordance with the provisions of the CSX Corporation Executive Severance Plan, as amended and restated (the "Plan"):

1. Termination of Employment. Subject to my right to revoke this Employment Separation Agreement and Release (this "Agreement") as provided in this Agreement, I understand that my employment relationship with the Company has been terminated. My employment will cease and terminate in all capacities on May 14, 2026 (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 Date, my compensation and other employment terms, conditions and benefits will be as set forth in Paragraph 5 below. I also hereby resign effective immediately from all elected, appointed or other positions held within the Company.

2. Release of Claims.

(a) 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 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) 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) my right to file a charge or complaint with the EEOC, U.S. Department of Labor or similar federal or state agency, or my ability to participate in any investigation or proceeding conducted by such agency; and (3) 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 ("<u>SEC</u>") 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) 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. 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.

(d) 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.

(b) 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 its 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. (a) Severance Payment. I understand that I will, if I sign, and do not revoke, this Agreement in accordance with Paragraphs 15 and 16, receive severance pay that is 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 of the Company. Severance pay will be in an amount calculated pursuant to the Plan equal to the sum of (i) one (1) times my current base salary and (ii) one (1) times my current target bonus under the CSX Management Incentive Compensation Plan in effect for 2026 (the "2026 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 2026 MICP. I understand that I will receive this severance pay in the form of monthly installment payments for a period of 12 months on or about the first of each month beginning the first day of the month following the date this Agreement becomes effective under Paragraph 16.

I understand that the Company will withhold appropriate amounts for federal, state and local income and employment taxes and all other legally required withholdings.

I further understand that throughout the period of time during which I receive severance pay in monthly payments, I will remain eligible to continue to participate in medical and dental benefits to the extent provided under such plan. Except as otherwise expressly provided in the Plan, I understand that I will not be eligible: 1) to receive any further contributions under the CSX Corporation 401(k) Plan, ("CSXtra"); 2) to receive dependent care reimbursement benefits; 3) to participate in the Company's disability plan; 4) to participate in the Travel Accident Plan; 5) to accrue sick leave or vacation days; 6) to continue life insurance benefits, subject to the conversion and portability language of the relevant plan document; or 7) to receive any form of incentive compensation.

(b) Outplacement. I understand that I shall be eligible for outplacement services for one (1) year following my Termination Date through an organization designated by the Company, provided that I initiate these outplacement services within six (6) months after my Termination Date.

(c) Bonus. I understand that I will be eligible for a prorated bonus under the 2026 MICP, based on the number of days in 2026 through my 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 2026 MICP following the end of the 2026 performance year, paid in a lump sum at the time bonuses are normally paid under the 2026 MICP, but in no event later than March 15, 2027.

(d) Long Term Incentives. For the 2024 – 2026, 2025 – 2027 and 2026 – 2028 Long-Term Incentive Plans, I understand I will retain a prorated portion of Performance Units, Restricted Stock Units and Stock Options in accordance with the terms set forth in the applicable award agreements governing these awards, which provide for such proration based on the number of full months since the preceding vesting date (or if there has not yet been a vesting date, since the grant date) and through and including the month in which the Termination Date occurs, with such prorated portion being settled or becoming exercisable (as applicable) on the original schedule as set forth in the award agreement that would have applied had I remained employed through the next applicable vesting date (and in the case of Performance Units, subject to the satisfaction of the applicable performance conditions at the end of the performance period). Further, notwithstanding anything to the contrary in the applicable award agreements, any of my Stock Options that are vested as of my Termination Date (including those that vest on a pro-rated basis pursuant to this Section 5(d)) will remain exercisable through the original expiration date of such Stock Options as set forth in the applicable award agreement (which, for the avoidance of doubt, is no later than ten (10) years from the applicable grant date). 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. I have reviewed Exhibit 1 carefully, and I attest that it accurately states all of my prorated awards that will vest. For purposes of measuring the pro-ration, the last day of my employment will be deemed to have been the Termination Date.

(e) Financial Planning Assistance. I understand that I will receive financial and tax planning assistance for one (1) year following my Termination Date through organizations designated by the Company.

(f) Health Continuation. I understand that I will remain eligible to continue participation in the Company's medical and dental plans on the same basis as I participated as of immediately prior to the Termination Date, for a period ending on the earlier of (i) twelve (12) months following the Termination Date and (ii) the date on which I become eligible for health coverage from a subsequent employer. Access to other applicable benefits in which I participated as of immediately prior to the Termination Date will be offered in accordance with the requirements of the Consolidated Omnibus Budget Reconciliation Act.

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. Non-Disparagement. Subject to the employee protections set forth in Section 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 respective officers, directors, operations, services or employees. Notwithstanding the above, I understand that nothing herein shall be construed to prevent or restrict me 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.

8. Administrative Action. For the avoidance of doubt, I understand that nothing in this Agreement, including Paragraph 2(b), Paragraph 6 (Cooperation), Paragraph 7 (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.

9. Waiver of the Right to Re-employment. I agree that I waive any right to reemployment with the Company. I understand and agree that if I reapply for employment with the Company, my application may be subject to rejection and that this Agreement is valid legal grounds for rejecting my application. Notwithstanding the above, I acknowledge and agree that in the event that I apply for, am offered a position and accept and the Company does not exercise its right to reject my application under this Paragraph 9, or if I am reinstated with the Company, I may be obligated to repay to the Company a portion of the severance pay that I receive in accordance with this Agreement and under the Plan, and I accept that obligation as a condition of

this Agreement. In any case, if I accept a position or if I am reinstated during the period that I am receiving severance pay under this Agreement, I understand and agree that I will not be eligible to receive continued severance pay, effective upon the date of my acceptance of a position or upon my reinstatement.

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 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. Review Period. The Company advised me to take this Agreement home, read it, and carefully consider all of its terms before signing it. I acknowledge that I was given a period of twenty-one (21) days to review and consider this Agreement, and that I was advised and 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. I further acknowledge that at the beginning of this 21-day period, I received a copy of the Plan.

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

CSX
Attn: Michelle Mullen
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, this Agreement will become effective and irrevocable. I understand that if I do not sign or if I revoke this Agreement, I will not receive the payments or benefits described in Paragraph 5 of this Agreement. If I do not revoke 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.

17. 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. This Agreement may not be changed orally, and any written change or amendment must be signed and accepted by the Company.

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

19. 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 the Plan or this Agreement, (x) no payments under the Plan 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 OR IN THE PLAN. 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.

/s/ STEPHEN FORTUNE
Stephen Fortune [Redacted]

May 19, 2026
Date

CSX Corporation

/s/ M. RIZWAN CHAND
M. Rizwan Chand
Chief Human Resources Officer

Date: May 27, 2026

Exhibit 31

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: July 22, 2026

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

I, Kevin S. Boone, 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: July 22, 2026

/s/ KEVIN S. BOONE
Kevin S. Boone
Executive Vice President and Chief Financial Officer

Exhibit 32

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 June 30, 2026, 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: July 22, 2026

/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 June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kevin S. Boone, 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: July 22, 2026

/s/ KEVIN S. BOONE
Kevin S. Boone
Executive Vice President and Chief Financial Officer