

**DEROGATION LETTER  
IN RESPECT OF INITIAL ENFORCEMENT ORDERS ISSUED  
PURSUANT TO SECTION 72(2) ENTERPRISE ACT 2002**

**Consent under section 72(3C) of the Enterprise Act 2002 to certain actions for  
the purposes of the Initial Enforcement Order made by the Competition and  
Markets Authority ('CMA') on 17 May 2022**

**ACQUISITION BY GXO LOGISTICS, INC. (GXO) OF CLIPPER LOGISTICS PLC  
(Clipper)**

Dear Josh Chamberlain,

We refer to your submission dated 29 July 2022 requesting that the CMA consents to derogations to the Initial Enforcement Order of 17 May 2022 (the '**Initial Order**'). Unless otherwise stated, the terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order, save for written consent by the CMA, the Acquirer Group and its subsidiaries are required to hold separate the Acquirer Group business from the business of Clipper and its subsidiaries and refrain from taking any action which might prejudice a reference under section 22 of the Act or impede the taking of any remedial action following such a reference.

After due consideration of your request for derogations from the Initial Order, based on the information received from you and in the particular circumstances of this case, the CMA consents to GXO carrying out the following actions, in respect of the specific paragraphs:

**1. Paragraphs 6(c) and 6(i) of the Initial Order**

The CMA understands that GXO intends to release [X] from his duties as [X] (the **Role**), effective from the granting of this derogation. He will be retiring from his position in the following entities: [X].

The CMA understands that [X] was appointed to the Role on [X] to focus on [X] and to facilitate [X]. [X] was appointed to the role of [X] on [X]. GXO submits that the Role was intended to be temporary and [X]'s final position at GXO before his retirement, and now that [X]'s onboarding is complete, [X] intends to retire as planned.

The CMA understands that the role of [X] does not confer responsibilities which impact GXO's activities in the UK.

The CMA understands that [X] will go on garden leave upon the granting of this derogation until [X] to [X]. GXO submits that [X].

GXO has requested a derogation from paragraphs 6(c) and 6(i) of the Initial Order to allow the retirement of [X] to take place.

The CMA considers the Role to be key staff. After due consideration, the CMA consents to this derogation on the basis that (1) the retirement of [X] will not have an adverse impact on GXO's or Clipper's operations or alter their strategic direction, which will continue to be the independent responsibility of GXO's and Clipper's respective existing management, nor will it affect the ongoing viability of GXO or Clipper and (2) the retirement will not prejudice a CMA reference or impede the taking of any action which may be justified by the CMA's decision on a reference.

Yours sincerely,

Shantanu Kafle  
Assistant Director  
Mergers  
18 August 2022