

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

Dear [✂]

Consent under section 72(3c) of the Enterprise Act 2002 (the Act) to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority (CMA) on 26 April 2024

Completed acquisition by GXO Logistics, Inc. of Wincanton Plc

We refer to your emails dated 24 April 2024, 3 May 2024 and 13 May 2024 requesting that the CMA consents to a derogation from the Initial Enforcement Order of 26 April 2024 (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 Wincanton are required to hold separate the Acquirer Group business from the Wincanton business 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 a derogation from the Initial Order, based on the information received from you and in the particular circumstances of this case, the Acquirer Group may carry out the following actions, in respect of the specific paragraphs:

Paragraphs 5(a) and 5(l) of the Initial Order

The CMA understands that upon completion, GXO became the sole owner of all of Wincanton’s outstanding stock and Wincanton’s stock has ceased to be publicly traded.

[✂].

The Parties therefore request a derogation from paragraphs 5(a) and 5(l) of the Initial Order to permit (a) [✂]; and (b) [✂].

The CMA grants this derogation strictly on the basis that:

- (1) this derogation will not result in GXO having any influence over the commercial or strategic direction of Wincanton or in Wincanton having any influence over the commercial or strategic direction of GXO;
- (2) this derogation will not result in Wincanton staff being disincentivised from acting in the best commercial interests of Wincanton;
- (3) [REDACTED];
- (4) Wincanton information provided to GXO will be limited to what is strictly necessary for GXO to: (i) [REDACTED]; and (ii) [REDACTED]. For the avoidance of doubt, this will not involve the exchange of any commercially sensitive information between Wincanton and GXO, with the limited exception of [REDACTED];
- (5) commercially sensitive information will only be provided to [REDACTED] (the '**Authorised Individuals**') for whom it is strictly necessary to see [REDACTED];
- (6) the Authorised Individuals do not have a commercial or strategic role with GXO for which the commercially sensitive information shared under this derogation would be relevant and shall not use any information provided by Wincanton in any way to intervene in the management or operation of Wincanton, or for any purpose other than the purpose for which this derogation was granted;
- (7) the Authorised Individuals shall enter into non-disclosure agreements in a form approved by the CMA. The Parties shall submit to the CMA a summary of the information shared with the Authorised Individuals, should the CMA request this;
- (8) IT firewalls and/or other ring-fencing measures will be put in place to prevent any unauthorised individuals within GXO from accessing the information shared with the Authorised Individuals for the purposes of this derogation;
- (9) no changes to the Authorised Individuals are permitted without the prior written consent of the CMA (including via email);
- (10) should remedial action be required by the CMA in relation to the Wincanton business, any records or copies (electronic or otherwise) of business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature, wherever they may be held, that were received from the Wincanton business for the purposes of this derogation will be returned to the Wincanton business and any copies destroyed, except to the extent that record retention is required by law or regulation;
- (11) should remedial action be required by the CMA in relation to the Wincanton business, [REDACTED];
- (12) this derogation shall not prevent any remedial action which the CMA may need to take regarding the Transaction; and

(13) this derogation will not result in any integration between the Wincanton business and the GXO business.

Yours sincerely,

Matteo Alchini

Assistant Director, Remedies Business and Financial Analysis

20 May 2024