

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 submission dated 18 March 2025 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 its subsidiaries are required to hold separate the GXO 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 CMA consents to GXO carrying out the following actions, in respect of the specific paragraphs:

Paragraphs 4(b), 5(c) and 5(l) of the Initial Order

The Parties submit that prior to the Transaction, awards to executive directors (and other participants) under the annual bonus plan would have been reviewed by independent non-executive directors of Wincanton's board of directors prior to being approved. The Parties submit that following the Transaction, Wincanton's board of directors is comprised solely of the Wincanton executive management team and does not include any independent non-executive directors [✂].

The Parties therefore request a derogation from paragraphs 4(b), 5(c) and 5(l) of the Initial Order to allow [✂], GXO (the **Authorised Individual**) to (i) review the full details of the

awards made under Wincanton's 2024 annual bonus plan and the 2024 annual bonus plan , and (ii) review, approve, and potentially revise the terms of Wincanton's 2025 annual bonus plan (including the 2025 annual bonus plan eligibility criteria) to [REDACTED] (together the **Permitted Purpose**).

The CMA grants this derogation strictly on the basis that:

- (1) [REDACTED];
- (2) [REDACTED];
- (3) if requested by the CMA, the Authorised Individual will provide the CMA with a copy of Wincanton's revised 2025 annual bonus plan prior to finalisation;
- (4) if requested by the CMA, the Authorised Individual will provide a summary of the information shared with the Authorised Individual for the purpose of this derogation;
- (5) any confidential information shared with the Authorised Individual will be strictly necessary for the Permitted Purpose;
- (6) the information provided to the Authorised Individual will only be used for the Permitted Purpose;
- (7) the Authorised Individual will observe strict confidentiality provisions and will not report any of Wincanton's confidential information back to any other individuals employed in connection with GXO's UK business, except as is strictly necessary for compliance with regulatory and/or accounting obligations;
- (8) in the event that the Authorised Individual wishes to share any confidential information with GXO that is not strictly necessary for compliance with regulatory and/or accounting obligations, the Authorised Individual will first contact GXO's legal advisors, who will apply for a subsequent derogation from the CMA to enable any further sharing of confidential information;
- (9) the Authorised Individual will enter into a confidentiality undertaking in a form approved by the CMA;
- (10) no changes will be made to the Authorised Individual without written consent from the CMA (including via email);
- (11) firewalls will be put in place to prevent any unauthorised individuals from accessing the information provided by Wincanton to the Authorised Individual for the Permitted Purpose;
- (12) in the event that the CMA requires a remedy, GXO and Wincanton will ensure that any confidential information exchanged for the purpose 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, insofar as it relates to any part of the Wincanton business which GXO will not retain;

(13) this derogation will not result in any integration between GXO and Wincanton; and

(14) this derogation shall not prevent any remedial action which the CMA may need to take regarding the Transaction.

Yours sincerely,

Matteo Alchini
Assistant Director, Mergers
26 March 2025