
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to what action to take, you should consult your stockbroker, solicitor, accountant or other appropriate independent professional adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all your shares in Clipper Logistics plc, please forward this document and the Form of Proxy to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee.



CLIPPER LOGISTICS PLC

(Incorporated and registered in England and Wales with Registered Number 3042024)

Notice of Annual General Meeting

The Annual General Meeting ("**AGM**") of Clipper Logistics plc will be held at the offices of Squire Patton Boggs (UK) LLP at 6 Wellington Place, Leeds, LS1 4AP on 12 October 2021 at 11.00am. A Form of Proxy for the AGM is enclosed and should be completed and returned as soon as possible. To be valid, the Form of Proxy together with any power of attorney or other authority under which it is signed (or a duly certified copy thereof) must be received by Clipper's registrars, Equiniti Limited at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, no later than 48 hours (ignoring non-working days) before the meeting, being 11.00am on 8 October 2021.

Completion and return of the Form of Proxy will not prevent you from attending and voting at the AGM in person, should you so wish.

Alternatively, if you are a member of CREST, you may register the appointment of a proxy by using the CREST electronic proxy appointment service. Further details are contained in the Notice of Annual General Meeting contained in this document.

In the event that you wish to attend the AGM in person, it is requested that you pre-register your intention to attend by emailing co-sec@clippergroup.co.uk no later than 6:00pm on 11 October 2021, or by ticking the relevant box on the Form of Proxy.

At the time of writing, there are no COVID-19 restrictions or Government guidance in place which prevent us from convening the AGM in the usual way. However, it is possible that the evolving COVID-19 pandemic and Government restrictions or guidance in response to any developments may mean that it is no longer possible for Shareholders to attend the AGM in person. Any changes to the AGM will be communicated to Shareholders before the meeting through our website at <https://www.clippergroup.co.uk/investor-relations/> and where appropriate, by RNS announcement.

Please do not attend the AGM in person if you have symptoms that may be caused by COVID-19, if you are waiting for a COVID-19 test or the results of a COVID-19 test, if you have received a positive COVID-19 test result within the ten day period immediately prior to the AGM, if you live with someone displaying COVID-19 symptoms, or if you live with someone who has tested positive for COVID-19 within the ten day period immediately prior to the AGM.

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Definitions

“Act” the Companies Act 2006, as amended;

“Annual General Meeting” or **“AGM”** (save where the context requires otherwise) the annual general meeting of Clipper called by the Notice, including any adjourned meeting;

“Annual Report and Accounts” the consolidated financial statements of the Company for the financial period ended on 30 April 2021 together with the reports of the Directors and the auditor;

“Clipper” or **“the Company”** Clipper Logistics plc;

“CREST” the electronic trade settlement system for uncertificated securities;

“CREST Manual” a reference manual for the users of CREST as provided by Euroclear UK & Ireland Limited;

“Directors” or **“Board”** the directors of Clipper;

“Executive Directors” Steve Parkin, Tony Mannix and David Hodkin;

“FCA” the United Kingdom Financial Conduct Authority;

“Form of Proxy” the form of proxy accompanying this document for use by Shareholders in connection with the AGM;

“Group” Clipper and its subsidiary and associated undertakings;

“Latest Practicable Date” 8 September 2021 being the latest practicable date prior to the publication of this document;

“Listing Rules” the listing rules made by the FCA pursuant to part VI of the Financial Services and Markets Act 2000, as amended;

“Non-Executive Directors” Stuart Watson, Constantino (Dino) Rocos and Christine Cross;

“Notice” the notice to Shareholders of Clipper’s Annual General Meeting as detailed on pages 3 and 4 of this document;

“Official List” the Official List maintained by the FCA;

“Ordinary Shares” ordinary shares of 0.05 pence each in the capital of Clipper;

“PSP” the Clipper Logistics plc 2014 Performance Share Plan;

“PSP Awards” share awards made pursuant to the rules of the PSP;

“Share Awards” together, the PSP Awards and the Sharesave Awards;

“Shareholders” holders of Ordinary Shares;

“Sharesave Awards” share options made available pursuant to the rules of the Sharesave Plan; and

“Sharesave Plan” the Clipper Logistics plc 2014 Sharesave Plan.

Letter from the Chairman

Registered office:
Gelderd Road
Leeds
West Yorkshire
LS12 6LT

To all Shareholders of Clipper Logistics plc and persons enjoying information rights

Notice of Annual General Meeting

Dear Shareholder

9 September 2021

This document contains the Notice of the 2021 Annual General Meeting of Clipper Logistics plc ("**AGM**"). On behalf of the Board I am delighted to invite you to attend our AGM which will be held at the offices of Squire Patton Boggs (UK) LLP, 6 Wellington Place, Leeds, LS1 4AP, at 11.00am on 12 October 2021. The formal notice of AGM is set out on pages 3 and 4 of this document. If you are unable to attend the meeting in person your vote is still important and I would ask you to complete, sign and return the enclosed form of proxy ("**Form of Proxy**") to register your vote.

In the event that you wish to attend in person, it is requested that you pre-register your intention to attend by emailing co-sec@clippergroup.co.uk no later than 6:00pm on 11 October 2021, or by ticking the relevant box on the Form of Proxy.

Important notice regarding COVID-19

At the time of writing, there are no COVID-19 restrictions or Government guidance in place which prevent us from convening the AGM in the usual way. However, it is possible that the evolving COVID-19 pandemic and Government restrictions or guidance in response to any developments may mean that it is no longer possible for Shareholders to attend the AGM in person. Any changes to the AGM will be communicated to Shareholders before the meeting through our website at <https://www.clippergroup.co.uk/investor-relations/> and where appropriate, by RNS announcement.

Please do not attend the AGM in person if you have symptoms that may be caused by COVID-19, if you are waiting for a COVID-19 test or the results of a COVID-19 test, if you have received a positive COVID-19 test result within the ten day period immediately prior to the AGM, if you live with someone displaying COVID-19 symptoms, or if you live with someone who has tested positive for COVID-19 within the ten day period immediately prior to the AGM.

Further information

Financial information on Clipper is set out in Clipper's Annual Report and Accounts for the year ended 30 April 2021. Further information relating to the resolutions contained in the Notice of AGM is provided in the explanatory notes to the resolutions on pages 5 to 7 of this document. At the AGM it is intended that the Company will take a poll on each of the resolutions put to Shareholders.

Recommendation

Your Directors, as a whole, believe that the proposals will promote the success of Clipper for the benefit of Shareholders as a whole and unanimously recommend that you vote in favour of Resolutions 1 to 17 (inclusive) as they intend to do in respect of their entire holdings which amount to 16,172,752 Ordinary Shares, representing approximately 15.81% of Clipper's issued share capital as at the Latest Practicable Date.

Yours faithfully



Steve Parkin
Executive Chairman

Notice of the 2021 Annual General Meeting

Notice is hereby given that the Annual General Meeting of Clipper Logistics plc (the "**Company**") will be held at the offices of Squire Patton Boggs (UK) LLP, 6 Wellington Place, Leeds, LS1 4AP on 12 October 2021 at 11.00am, to consider and, if thought fit, to pass the following resolutions. It is intended to propose Resolutions 14 to 17 as special resolutions. Resolutions 1 to 13 will be proposed as ordinary resolutions. Voting on all resolutions will be conducted on a poll.

Defined terms used in this Notice are set out on page 1 of this document.

Ordinary resolutions

1. To receive the accounts for the financial year ended 30 April 2021, together with the reports of the Directors and of the auditors thereon.
(Resolution 1)
2. To approve the Directors' Remuneration Report (other than the part containing the Directors' Remuneration Policy) as set out in pages 70 to 85 of the Annual Report and Accounts for the financial year ended 30 April 2021.
(Resolution 2)
3. To declare a final dividend of 7.1 pence per Ordinary Share due and payable on 15 October 2021 to holders of Ordinary Shares on the Company's register of Shareholders at 6.00pm on 17 September 2021.
(Resolution 3)
4. To re-appoint RSM Audit UK LLP as auditors of the Company to hold office until the conclusion of the Company's next annual general meeting to be held in 2022.
(Resolution 4)
5. To authorise the Audit Committee of the Board to set the remuneration of the auditors.
(Resolution 5)
6. To re-elect Mr Steven Parkin as a director of the Company.
(Resolution 6)
7. To re-elect Mr Antony Mannix as a director of the Company.
(Resolution 7)
8. To re-elect Mr David Hodkin as a director of the Company.
(Resolution 8)
9. To re-elect Mr Stuart Watson as a director of the Company.
(Resolution 9)
10. To re-elect Mr Constantino (Dino) Rocos as a director of the Company.
(Resolution 10)
11. To re-elect Mrs Christine Cross as a director of the Company.
(Resolution 11)
12. To authorise the Directors generally and unconditionally pursuant to section 551 of the Companies Act 2006 (the "**Act**") to exercise all of the powers of the Company to allot shares in the Company and grant rights to subscribe for, or convert any security into, shares in the Company:
 - (a) up to an aggregate nominal amount of £17,050, (such amount to be reduced by the nominal amount allotted or granted under paragraph (b) of this Resolution in excess of such sum); and
 - (b) comprising equity securities (within the meaning of section 560(1) of the Act) up to an aggregate nominal amount of £34,101 (such amount to be reduced by any allotments or grants made under paragraph (a) of this Resolution) in connection with an offer by way of a rights issue:
 - (i) to holders of Ordinary Shares in proportion (or nearly as may be practicable) to their existing holdings; and
 - (ii) to holders of other equity securities as required by the rights attached to those securities or as the Directors otherwise consider necessary,and so that the Directors may impose any limits or restrictions and make any arrangements as the Directors deem necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, any legal, regulatory or practical problems in, or under the laws of, any territory, or any other matter, such authority to expire at the end of the next annual general meeting of the Company (or, if earlier, on 31 October 2022), but, in each case, prior to such expiry the Company may make an offer or agreement which would or might require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority expires and the Directors may allot shares or grant rights to subscribe for or convert securities into shares in pursuance of such an offer or agreement as if the authority had not expired.
(Resolution 12)
13. That, the Company be authorised, subject to and in accordance with the provisions of the Companies Act 2006, to send, convey, or supply all types of notices, documents or information to Shareholders by electronic means, including making such notices, documents or information available on a website.
(Resolution 13)

Special resolutions

14. To permit the calling of a general meeting of the Company, other than an annual general meeting, on not less than 14 clear days' notice.

(Resolution 14)

15. That if Resolution 12 is passed, the Directors be authorised to allot equity securities (as defined in section 560(1) of the Act) for cash under the authority given by Resolution 12 and/or to sell Ordinary Shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such authority to be limited to:

(a) the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (b) of Resolution 12, by way of a rights issue only):

- (i) to holders of Ordinary Shares in proportion (or as closely as may be practicable) to their existing holdings; and
- (ii) to holders of other equity securities as required by the rights attached to those securities or as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements as the Directors deem necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, any legal, regulatory or practical problems in, or under the laws of, any territory, or any other matter; and

(b) the allotment of equity securities or sale of treasury shares (otherwise than under paragraph (a) of this Resolution) up to a nominal amount of £2,558,

such authority to expire at the end of the next annual general meeting of the Company (or, if earlier, on 31 October 2022) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

(Resolution 15)

16. That if Resolution 12 is passed, the Directors be authorised, in addition to any authority granted under Resolution 15, to allot equity securities (as defined in section 560(1) of the Act) for cash under the authority given by Resolution 12 and/or to sell Ordinary Shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such authority to be:

- (a) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £2,558; and
- (b) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice,

such authority to expire at the end of the next annual general meeting of the Company (or, if earlier, on 31 October 2022) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Directors may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

(Resolution 16)

17. That the Articles of Association set out in the document produced to this meeting (and signed by the Chairman of the meeting for the purposes of identification) be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association of the Company.

(Resolution 17)

By order of the Board

Marianne Hodgkiss
Company Secretary
9 September 2021

Registered Office:
Gelderd Road
Leeds
West Yorkshire
LS12 6LT
United Kingdom

Explanatory notes to the resolutions

Resolution 1: To receive the Annual Report and Accounts

The Directors are required to lay before the Company at the Annual General Meeting ("AGM") their Annual Report and Accounts of the Company for the financial year ended 30 April 2021. The Directors ask that Shareholders receive the Company's Annual Report and Accounts, including the reports of the Directors and the auditor.

Resolution 2: Annual Directors' Remuneration Report

Shareholders are asked to approve the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) which is set out on pages 70 to 85 of the Annual Report and Accounts (available to download from the Clipper website at www.clippergroup.co.uk/investor-news). This vote will be held annually and is advisory in nature.

Resolution 3: Approval of final dividend

The Board proposes a final dividend of 7.1 pence per Ordinary Share for the year ended 30 April 2021. Resolution 3 is to approve this final dividend. If approved, the recommended final dividend will be paid on 15 October 2021 to all Shareholders who are on the register of members on 17 September 2021.

Resolution 4: Re-appointment of auditors

The Board recommends the re-appointment of RSM to hold office from the end of the AGM until the end of the next annual general meeting at which accounts are laid before Shareholders.

Resolution 5: Remuneration of auditors

This Resolution is to authorise the Audit Committee of the Board to fix the remuneration of the auditors.

Resolutions 6 to 11 (inclusive): Re-election of Directors

Resolutions 6 to 11 deal with the re-election of Steven Parkin, Antony Mannix, David Hodkin, Stuart Watson, Constantino (Dino) Rocos and Christine Cross as directors of the Company. In accordance with the Company's Articles, one third of the Directors in office must retire by rotation at each annual general meeting of the Company and each Director must retire from office at least once every three years. As recommended by the 2018 UK Corporate Governance Code, notwithstanding the Company's Articles, the Directors have determined that all Directors shall retire from office annually at the annual general meeting, and shall be eligible for re-election at that same annual general meeting. Accordingly, Steven Parkin, Antony Mannix, David Hodkin, Stuart Watson, Constantino (Dino) Rocos and Christine Cross are retiring and offering themselves for re-election. Biographies of each of those Directors seeking re-election are below:

Steven (Steve) Parkin, Executive Chairman

Steve, a fashion logistics specialist, founded Clipper in 1992. As Executive Chairman, Steve is responsible for the strategic direction of the Group. Steve has extensive experience of retail logistics. He holds and pursues strategic level discussions with major retailers. In addition, Steve drives the Group's acquisition strategy.

Steve is the Chairman of the Nomination Committee.

Antony (Tony) Mannix, Chief Executive Officer

Tony was appointed Chief Executive Officer of the Group in May 2014. Tony joined Clipper in 2006 as Managing Director of the UK logistics division. Tony has over 30 years' experience in the logistics sector, and held a number of senior roles with Roseby's plc (which became part of Homestyle Group plc), ultimately becoming Logistics Director.

Tony has particular experience of operating in complex retail logistics environments, including the design and specification of both distribution centres and warehouse management systems. Tony began his career in logistics with the Burton Group, after working in the construction industry following his graduation with a degree in architectural engineering.

David Hodkin, Chief Financial Officer

David joined Clipper as Group Chief Financial Officer in 2003. He held a variety of board level roles prior to joining Clipper, including Group Finance Director of Symphony Group plc and Finance Director of Kunick Leisure Limited and held a number of senior roles in Magnet Limited. David is a member of the Chartered Institute of Management Accountants.

Stuart Watson, Independent Non-Executive Director

Stuart joined the Group as Non-Executive Director in March 2019.

Stuart is a Chartered Accountant and was a partner with Ernst & Young from 1998 until retiring from the partnership in 2017. Stuart was an audit partner working mainly with listed and private equity backed companies and was the Senior Partner for Yorkshire and the North East. He is also a member of the Council of the University of Bradford and of the University's Audit Committee.

Stuart is Chairman of the Audit Committee and is a member of the Nomination Committee and the Remuneration Committee.

Constantino (Dino) Rocos, Independent Non-Executive Director

Dino joined the Group as Non-Executive Director on 1 January 2020, and was appointed to be a member of the Nomination, Remuneration and Audit Committees on that date. Dino also holds positions as non-executive chair of Segura Systems Ltd and non-executive director with Microlise Group plc where he chairs the remuneration committee.

Dino is a Fellow of the Chartered Institute of Logistics and a highly experienced supply chain leader bringing with him over 40 years' retail industry experience at the UK's leading omni-channel retailer, John Lewis Partnership, where he served for many years as a senior management board member with responsibility for the development of supply chain strategies working within the industry to develop propositions, capabilities and fulfilment solutions.

Dino is the Group's designated Non-Executive Director with responsibility for engagement with the workforce ("**Workforce Representative**").

Christine Cross, Senior Independent Non-Executive Director
Christine was appointed to the Board on 3 June 2020.

Christine is a highly experienced non-executive director, with FTSE 100 and FTSE 250 experience, and currently holds non-executive directorships with Coca-Cola European Partners plc and Hilton Food Group plc (where she chairs the remuneration committees), and Zooplus AG. She is also chair of Oddbox, a VC-owned purpose-led D2C business. Previously, Christine served as a non-executive director on the boards of several retailers, including Next plc and Fenwick Ltd, and was chief retail advisor to PwC for five years.

Prior to this Christine had a 15 year executive career at Tesco where she was involved in a programme of acquisitions, and the establishment of a global direct sourcing operation, together with the leadership of Tesco's UK and International clothing business.

Resolution 12: Authority to allot Ordinary Shares

The purpose of this Resolution is to renew the Directors' power to allot shares in line with guidance issued by the Investment Association. Under section 549 of the Act, the Directors are prevented, subject to certain exceptions, from allotting shares in the Company or from granting rights to subscribe for or to convert any security into shares without the authority of the Shareholders in a general meeting.

Paragraph (a) of Resolution 12 would give the Directors the authority to allot shares up to an aggregate nominal amount equal to £17,050. This amount represents approximately one-third of the issued ordinary share capital of Clipper as at the Latest Practicable Date.

Paragraph (b) of Resolution 12 would give the Directors authority to allot shares or grant rights to subscribe for or to convert any security into shares in connection with a rights issue in favour of Shareholders up to an aggregate nominal amount equal to £34,101, as reduced by the nominal amount of any shares previously issued under paragraph (a) of the Resolution. This amount (before any reduction) represents approximately two-thirds of the issued ordinary share capital of Clipper as at the Latest Practicable Date.

The authorities sought under paragraphs (a) and (b) of Resolution 12 will expire at the earlier of 31 October 2022 (the last date by which Clipper must hold an annual general meeting in 2022) or the conclusion of the annual general meeting of Clipper to be held in 2022. The Directors have no immediate plans to allot or agree to allot shares, except to satisfy Share Awards under the Sharesave Plan and the PSP, but the Board wishes to ensure that the Company has maximum flexibility in managing the Group's capital resources.

Resolution 13: Electronic communications to Shareholders

This Resolution seeks to allow the Company to take advantage of electronic communications rules as set out in the Act. These rules concern communications between companies, shareholders and others.

This Resolution, if passed, would allow the Company to use electronic communications with Shareholders as the default position by placing documents such as the annual financial report and accounts on a website rather than having to send them in hard copy. The Company will notify Shareholders, by post or email if they have provided an email address, that the document is available on the website. Shareholders can, however, ask for a hard copy of any document at any time.

Under the Act, the Company can write to Shareholders asking for their consent to receive communications via the website, or by other electronic means. The request applies to all documents including but not limited to, the annual financial report and accounts, notices of general meetings, any document which the Company is required to send under the Listing Rules, or other rules the Company is subject to, and any documents sent pursuant to the articles of association. A Shareholder who does not respond within 28 days of receiving the notice will be deemed to have consented to receive communications via the website.

If this Resolution is passed, the new arrangements are expected to result in potential administrative, printing and postage cost savings for the Company, whilst preserving Shareholders' rights to receive hard copy documents if they wish.

Resolution 14: Notice period for general meetings

The Companies Act 2006 (as amended) increased the notice period required for general meetings of the Company to at least 21 clear days unless Shareholders approve a shorter notice period which cannot however be less than 14 clear days. Annual general meetings will continue to be held on at least 21 clear days' notice. Prior to these amendments to the Act, companies whose equity securities were admitted to the Official List were able to call general meetings, other than annual general meetings, on at least 14 clear days' notice without obtaining such shareholder approval. In order to preserve this ability, Resolution 14 seeks the necessary Shareholder approval. The approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed. The Company will also need to meet the requirements for electronic voting under the Act in order to be able to call a general meeting on 14 clear days' notice. The flexibility offered by this Resolution will be used where, taking into account the circumstances, the Directors consider this appropriate in relation to the business to be considered at the meeting in question, and would not be used as a matter of routine.

Explanatory notes to the resolutions continued

Resolutions 15 and 16: Disapplication of pre-emption rights

If the Directors wish to allot new Ordinary Shares and other equity securities (as defined in the Act), or sell treasury shares for cash (other than in connection with an executive or employee share scheme), the Act requires that these shares are offered first to Shareholders in proportion to their existing holdings. The existing authority disapplying this pre-emption right which was conferred by a special resolution on 30 September 2020 will expire at the conclusion of the AGM. It is therefore proposed that it be renewed.

Resolution 15, if passed, would renew the Directors' authority to allot shares (or sell any shares which the Company elects to hold in treasury) for cash without first offering them to existing Shareholders in proportion to their existing shareholdings. This authority is limited to allotments or sales in connection with pre-emptive offers and offers to holders of other equity securities if required by the rights attaching to those shares or as the Board otherwise considers necessary, except under paragraph (b) of Resolution 15 which permits non-pre-emptive offers up to an aggregate nominal amount of £2,558 (representing 5,116,000 Ordinary Shares). This aggregate nominal amount represents approximately 5% of the issued ordinary share capital of the Company as at the Latest Practicable Date.

In accordance with the Pre-Emption Group's Statement of Principles published in March 2015, the Directors are also seeking authority to issue a further 5% of shares on a non-pre-emptive basis for acquisition or specified investment purposes at this year's AGM. Resolution 16 seeks this separate authority. Where the authority granted under Resolution 16 is used the circumstances that have led to its use and the consultation process undertaken will be disclosed by the Company in its next annual report.

The Board confirms its intention to follow the provisions of the Pre-Emption Group's Statement of Principles regarding cumulative usage of unrestricted disapplication authorities (excluding authorities for an additional 5% in connection with an acquisition or specified capital investment as referred to above) within a rolling three year period where the Statement of Principles provides that usage in excess of 7.5% of issued ordinary share capital of the Company (excluding treasury shares) should not take place without prior consultation with Shareholders.

These authorities will expire at the earlier of 31 October 2022 (the last date by which the Company must hold an annual general meeting in 2022) or the end of the annual general meeting of the Company to be held in 2022. Your Directors do not have any present intention of exercising this authority, but consider it desirable to have the flexibility to use it should the need arise.

Resolution 17: Adoption of New Articles of Association

The Company's current Articles of Association ("**current Articles**") have not been updated since 15 May 2014. The Company is taking the opportunity at the AGM to propose certain amendments to the Company's Articles of Association principally in order to reflect developments in technology and practice and to provide clarification and additional flexibility.

The Company is proposing amendments to the current Articles of Association ("**proposed new Articles**"). The proposed new Articles include provisions enabling the Company to provide additional opportunities for Shareholders to participate in general meetings electronically but do not permit the holding of 'virtual only' general meetings.

An explanation of the principal differences between the current Articles and the proposed new Articles is set out in Appendix 1 on page 10. Other changes, which are of a minor, technical or clarifying nature, have not been noted. A copy of the proposed new Articles and a copy marked to show the changes from the current Articles will be available for inspection at the AGM for at least 15 minutes prior to and during the meeting and at Clipper's registered office and at Squire Patton Boggs (UK) LLP, Premier Place, 2 & A Half Devonshire Square, London, EC2M 4UJ during normal business hours from the date of this Notice until the close of the AGM (Saturdays, Sundays and public holidays excepted), and are on the Company's website at <https://www.clippergroup.co.uk/investor-relations/> and at the Company's registered office.

Resolution 17, if passed, would result in the proposed new Articles taking effect from the conclusion of the AGM.

Notes to the Notice of Annual General Meeting

Proxies

1. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend, speak and vote on their behalf at the meeting. A Shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder. A proxy need not be a Shareholder of the Company, but must vote as you instruct and must attend the meeting for your vote to be counted. Details of how to appoint the Chair or another person as your proxy using the Form of Proxy are set out on the Form of Proxy and in its notes. A Form of Proxy which may be used to make such appointment and give proxy instructions accompanies this Notice. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact the Company's Registrar Equiniti Limited at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA or by telephone on 0371 384 2030. Lines are open 8.30am to 5.30pm Monday to Friday. Overseas telephone: +44 121 415 7047. To appoint more than one proxy you may photocopy the Form of Proxy. Please indicate the proxy holder's name and the number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned to Equiniti at the above address together in the same envelope.
2. Shareholders who are CREST members may use the electronic proxy voting service provided by Euroclear UK and Ireland Limited ("Euroclear") as described below.
3. To be valid, any Form of Proxy or other instrument appointing a proxy, together with any power of attorney or other authority under which it is signed (or a duly certified copy thereof), must be received by post or (during normal business hours only) by hand at the Company's registrar Equiniti Limited at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA no later than 11.00am on 8 October 2021.
4. The return of a completed Form of Proxy, other such instrument or any CREST Proxy Instruction (as described in paragraph 6 below) will not prevent a Shareholder attending the AGM and voting in person if he/she wishes to do so.
6. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear's specifications, and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID number RA19) no later than 11.00am on 8 October 2021. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which Equiniti is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
7. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his/her CREST sponsor or voting service provider(s) takes(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsor or voting system provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
8. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (the "Regulations").

Documents on display

Instructions for electronic proxy appointment through CREST

5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM, and any adjournment(s) thereof, by using the procedures and to the address described in the CREST Manual (available via www.euroclear.com) subject to the provisions of the Company's Articles. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
9. Copies of service agreements under which the Executive Directors of Clipper are employed together with copies of the terms and conditions of appointment of Non-Executive Directors are available for inspection at Clipper's registered office during normal business hours from the date of this Notice until the date of the AGM (Saturdays, Sundays and public holidays excepted) and will be available for inspection at the place of the AGM for at least 15 minutes prior to and during the meeting. A copy of the proposed new Articles, along with a copy of the current Articles marked to show all the changes proposed by Resolution 17 will be available for inspection at Clipper's registered office and at Squire Patton Boggs (UK) LLP, Premier Place, 2 & A Half Devonshire Square, London, EC2M 4UJ during normal business hours from the date of this Notice until the close of the AGM (Saturdays, Sundays and public holidays excepted) and will be available for inspection at the place of the AGM for at least 15 minutes prior to and during the meeting.
10. A copy of this Notice, and other information required by section 311A of the Act, can be found at: www.clippergroup.co.uk/investor-news.

Notes to the Notice of Annual General Meeting continued

Nominated persons

11. The right to appoint proxies does not apply to any person to whom this Notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a "Nominated Person"). Nominated Persons are hereby informed that they may, under an agreement between him/her and the Shareholder by whom he/she is nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights.

Voting at the AGM

12. It is intended that voting on all resolutions at the AGM will be conducted on a poll, rather than a show of hands. The Directors believe that this produces more democratic results, as all shares represented at the AGM and those lodged before the AGM are included in the results of the voting on a one share, one vote basis.

Right to attend and vote

13. Pursuant to Regulation 41 of the Regulations and section 360(B)(2) of the Act, the Company has specified that in order to have the right to attend and vote at the meeting (and also for the purpose of determining how many votes a person entitled to attend and vote may cast), a person must be entered on the register of members of the Company by 6.30pm on 8 October 2021, or in the event of any adjournment, by 6.30pm on the date which is two days (for these purposes, ignoring non-working days) before the day of the adjourned meeting. Changes to entries on the register of members after this time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

Total number of shares and voting rights

14. As at the Latest Practicable Date, the Company's issued share capital comprised 102,302,743 Ordinary Shares of 0.05 pence each, of which 102,302,743 carry voting rights in relation to all circumstances at general meetings of the Company. Therefore, the total voting rights in the Company as at the Latest Practicable Date were 102,302,743.

Website publication of audit concerns

15. Under section 527 of the Act, Shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on its website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Act (in each case) that the members propose to raise at the AGM. The Company may not require the Shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on its website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Act to publish on its website.

Corporate Shareholders

16. A Shareholder which is a corporation may authorise a person or persons to act as its representative(s) at the AGM. In accordance with the provisions of the Act, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual Shareholder, provided that they do not do so in relation to the same shares. It is no longer necessary to nominate a designated corporate representative.

Right to ask questions

Any Shareholder attending the AGM has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered. If you are a Shareholder and would like to ask the Board a question on the formal business of the AGM, but will not be attending the AGM, please email your question to co-sec@clippergroup.co.uk by 11.00am on Friday 8 October 2021. Answers to questions will be published on our website at www.clippergroup.co.uk/annual-general-meeting/ as soon as is practicable after the close of the AGM.

Communication

17. You may not use any electronic address (within the meaning of section 333(4) of the Act) provided in this Notice (or in any related documents including the Annual Report and Accounts and the Form of Proxy) to communicate with Clipper for any purposes other than those expressly stated.

Appendix 1

It is proposed in Resolution 17 to amend the Company's current articles of association ("**current Articles**") principally in order to reflect developments in technology and practice and to provide clarification and additional flexibility thereafter being ("**proposed new Articles**"). The principal changes introduced in the proposed new Articles are summarised below. Minor, technical and clarifying changes have not been noted.

Electronic participation in general meetings

The proposed new Articles include provisions enabling the holding of general meetings of the Company by means of a combined physical and electronic meeting whereby a general meeting will continue to be held at a physical venue but the Company will have the option to put in place additional facilities to enable Shareholders to attend the meeting by electronic means. This would include by means of electronic facilities such as websites, conference call systems or other electronic devices. The proposed new Articles are intended to allow (but not require) the Company to embrace and utilise new technology as it develops. The proposed new Articles are in line with best practice and do not allow the holding of 'virtual only' general meetings. Nothing in the proposed new Articles will preclude physical general meetings being held.

Election, appointment and retirement of Directors

The Company's current Articles require each Director to retire at the annual general meeting in the third calendar year following the year in which he or she was elected or last re-elected by Shareholders. In line with the provisions of the 2018 UK Corporate Governance Code, the proposed new Articles provide for automatic retirement of all of the Company's Directors at each annual general meeting of the Company as has been the Company's practice for a number of years. The proposed new Articles also contain necessary related changes (allowing additional appointments or automatic re-election) so that the Company can continue to operate, and comply with its legal and regulatory obligations, in the event that not enough Directors are able to act because the resolutions for re-election put to an annual general meeting have not been passed.

Scrip dividends

The proposed new Articles will allow Shareholders to pass an ordinary resolution for Shareholders to receive dividends paid in whole or in part by extra ordinary shares, instead of cash, for a maximum of three years from the date of the resolution, rather than five years. This change has been made to reflect guidance from the Investment Association.

Untraced Shareholders

The proposed new Articles will amend the provisions of the current Articles relating to Shareholders who are considered untraced after a period of 12 years. The proposed new Articles will give the Company more flexibility when trying to trace Shareholders. The proposed new Articles replace the requirement to place notices in newspapers with a requirement for the Company to take reasonable steps to trace the Shareholder and to let the Shareholder know that the Company intends to sell their shares. This can include engaging an asset reunification company or other tracing agent to search for Shareholders who have not kept their details up-to-date, or taking any other steps the Company considers appropriate. Shareholders whose shares are sold following this process will not be able to claim the proceeds of the sale and the Company can use these funds as the Board thinks fit. The Company intends to use any funds raised in this way as the Board thinks fit. The proposed new Articles provide that money from the sale of the shares of an untraced Shareholder will be forfeited if it is not claimed after two years.



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