

**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 (the Act) to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority ('CMA') on 1 February 2021**

**Completed acquisition by Veolia Environnement S.A. of a minority shareholding in Suez S.A. (the 'Transaction').**

We refer to your letter and accompanying note dated 3 May 2021 requesting that the CMA consents to derogations to the Initial Enforcement Order of 1 February 2021 (the '**Initial Order**'). The terms defined in the Initial Order have the same meaning in this letter, except that the term '**Suez UK business**' has the same meaning as defined in the CMA's Revocation Letter of 19 March 2021.

Under the Initial Order, save for written consent by the CMA, Suez S.A. ('**Suez**') and Ondeo Industrial Solutions UK Ltd, Suez Water Tech & Solutions UK Limited and Suez UK Group Holding Ltd (together, '**Suez UK**') are required to hold separate the Suez business from the Veolia Environnement S.A. ('**Veolia**') business and refrain from taking any action which might prejudice a reference under section 22 of the Enterprise Act 2002 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, Suez and Suez UK may carry out the following actions, in respect of the specific paragraph:

**1. Paragraph 7(h) of the Initial Order**

The CMA understands that Suez may wish to terminate a contract [X]. Suez will terminate the [X] in the event that [X].

The CMA understands that, [X]. The CMA also understands that there has been and will be no disruption to the waste disposal services that Suez provides [X]. The CMA therefore consents to a derogation from paragraph 7(h) of the IEO to permit

Suez to terminate [✂], strictly on the basis that the derogation will not cause disruption to the Suez UK business and will not impact its ongoing viability.