

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 20 December 2021.

Acquisition by Veolia Environnement S.A. of Suez S.A. (the 'Transaction').

We refer to your email dated 9 June 2022 requesting that the CMA consents to a derogation to the Initial Enforcement Order of 20 December 2021 (the '**Initial Order**'). The terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order, save for written consent from the CMA, Veolia Environnement S.A. ('**Veolia**') and Veolia UK Limited ('**Veolia UK**') are required to hold separate the Veolia business from the Suez business and refrain from taking any action which might prejudice a reference under section 33 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, Veolia and Veolia UK may carry out the following actions, in respect of the specific paragraphs:

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

Veolia proposes to appoint [X] to the role of [X] with effect from [X].

Veolia submits that:

- [X], is to step down from [X] role as [X] on [X];
- [X] will continue in [X] role as [X]; and
- [X] will also [X].

Veolia submits that [X] appointment as [X] will be the [X].

Veolia submits that the appointment of [X] to the role of [X] and to the [X] is incapable of giving rise to pre-emptive action because:

- [X] is highly qualified for the role. [X] has over [X] experience at Veolia, and has held [X] role as [X] since [X]. Prior to that, [X] held a number of [X] within the Veolia business, including as [X] between [X].
- [X] will be supported in [X] duties by a team of experienced professionals within Veolia.
- The proposed change will not lead to any integration between Veolia and Suez.

On the basis of Veolia's representations above, the CMA consents to [X] replacing [X] as [X] and to [X] appointment [X] provided these changes are consistent with [X].

Tim Geer

Director, Mergers

10 June 2022