

**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 of 25 July 2022 requesting that the CMA consent to a derogation from 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, Veolia UK, Suez and Suez 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, Suez and Suez UK may carry out the following actions, in respect of the following specific paragraphs:

**Paragraphs 6(c) and 6(i) of the Initial Order**

The CMA consents to Suez's request for a derogation from the scope of the obligations in paragraph 6(c) and 6(i) of the Initial Order to allow Suez to appoint [X] as [X] of Suez Waters Technologies & Solutions ('**SWTS**').

The CMA consents to the appointment of [X] as [X] of SWTS on the basis of Suez's representations that:

- a) [X] has the necessary capability and experience to effectively take on the responsibilities of the role of [X] of SWTS. As a result, this derogation will not disrupt Suez's business and will not impact its ability to compete effectively;
- b) no management or key staff changes will be made to the Suez UK business or UK-related assets; and

c) this derogation will not lead to any integration of the Suez businesses and the Veolia businesses.

Tim Geer  
Director, Mergers  
11 August 2022