

**DEROGATION LETTER
IN RESPECT OF FINAL ORDER ISSUED
PURSUANT TO SECTION 84 OF ENTERPRISE ACT 2002**

Consent pursuant to Article 11 of the Final Order made by the Competition and Markets Authority ('CMA') on 29 March 2022 to certain actions.

Completed acquisition by Facebook, Inc. (now Meta Platforms, Inc.) of Giphy, Inc (the 'Merger')

Dear Mr. Kilpatrick,

We refer to your submission dated 21 April 2022 requesting that the CMA consents to derogations to the Final Order of 29 March 2022 (the '**Final Order**'). Unless otherwise stated, the terms defined in the Final Order have the same meaning in this letter.

Under the Final Order, save for prior written consent by the CMA, Meta Platforms, Inc. ('**Meta**') and its subsidiaries, and Giphy, Inc. ('**Giphy**') shall not, from the Commencement Date until the Final Disposal, take any action that might prejudice the Final Disposal, the CMA's decisions in the Final Report or otherwise impair the CMA's ability to take such action for the purpose of remedying, mitigating or preventing the SLCs or any adverse effect which has resulted from, or may be expected to result from, the SLC findings.

After due consideration of your request for derogations from the Final Order, based on the information received from you and in the particular circumstances of this case, the CMA consents to Giphy carrying out the following actions, in respect of the specific paragraphs:

1. Paragraph 4.2(j) of the Final Order

Giphy submitted that [X] at Giphy, will shortly depart on parental leave for a period of approximately six months. Ms [X] is a member of key staff for the purposes of the Final Order.

Giphy has proposed that [X], will assume Ms [X]'s responsibilities, with the exception of duties relating to the ongoing competition authority investigations, for the duration of Ms [X]'s parental leave. In respect of Ms [X]'s responsibilities relating to the competition authority investigations, these will be taken on by [X] at Giphy, who will delegate responsibilities to other members of the investigations team or external legal counsel, as appropriate.

Giphy submitted that it is confident that this arrangement will not lead to any detriment or disruption to the Giphy business because Ms [X] has the requisite experience and is familiar with the Giphy business having previously acted for Giphy prior to and during its sale to Meta. Further, Giphy has a sufficient buffer in the legal

budget to pay for this external resource and for any additional external legal support required on investigation matters.

Accordingly, Giphy requests a derogation from paragraph 4.2(j) of the Final Order to permit the key staff change noted above, specifically for Ms [X] to assume Ms [X]'s responsibilities on an interim basis for the duration of Ms [X]'s parental leave, and for Mr [X] to assume Ms [X]'s duties specifically relating to the ongoing competition authority investigations (and delegate as appropriate).

The CMA consents to a derogation from paragraph 4.2(j) of the Final Order, strictly on the basis that:

- (i) Giphy has represented that Ms [X] and Mr [X] have the necessary capacity and experience to effectively take on Ms [X]'s responsibilities during her absence, and Giphy will ensure a smooth handover of responsibilities from Ms [X] to Ms [X] and Mr [X], with a view to ensuring that the change in key staff will not have any adverse impact on the ongoing operation and viability of the Giphy business;
- (ii) for the avoidance of doubt, none of Ms [X]'s responsibilities will be redistributed to any Meta personnel;
- (iii) except as otherwise permitted by this derogation, no other organisational or key staff changes will be made to the Giphy business as a result of the temporary departure of Ms [X] and subsequent assumption by Ms [X] and Mr [X] of Ms [X]'s responsibilities;
- (iv) this derogation will not lead to any integration of the Meta business and the Giphy business; and
- (v) this derogation will not result in any pre-emptive action which might prejudice the reference or impede the taking of any action which may be justified by the CMA's decision on the reference.

Margot Daly

Deputy Chair, Meta/Giphy Remedy Implementation Group

12 May 2022