

DEROGATION LETTER IN RESPECT OF INITIAL ENFORCEMENT ORDER 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 10 August 2026

Completed acquisition by NRG Fleet Services Limited of Specialist Fleet Services Limited

We refer to your submission dated 14 August 2026 requesting that the CMA consents to a derogation from the Initial Enforcement Order of 10 August 2026 (the **Initial Order**). Unless otherwise stated, the terms defined in the Initial Order have the same meaning in this letter. NRG and SFS, together, are referred to henceforth as the **Parties**.

Under the Initial Order, save for written consent by the CMA, the Acquirer Group is required to hold separate the SFS business and refrain from taking any action which might prejudice a reference under section 22 of the Act or impede the taking of any remedial action following such a reference.

After due consideration of your request for a derogation from the Initial Order, based on the information received from you and in the particular circumstances of this case, the Parties may carry out the following actions, in respect of the specific paragraphs:

1. Paragraphs 4(a), 5(a), 5(f) and 5(l) of the Initial Order – Integration of IT Infrastructure

The CMA understands that, prior to the completion of the transaction (as defined in the Initial Order), SFS's IT hardware, infrastructure and support (the **IT Infrastructure**) was provided by SFS's previous owner, Paragon Bank (**Paragon**). NRG submits that pursuant to a transitional services agreement (**TSA**) between NRG and Paragon, SFS's IT Infrastructure is due to migrate from Paragon's systems onto NRG's systems before the relevant transitional arrangements expires in January 2027. Following that migration, NRG is due to provide ongoing maintenance and support for SFS's IT Infrastructure on SFS's behalf.

The Parties therefore request a derogation from paragraphs 4(a), 5(a), 5(f) and 5(l) of the Initial Order to permit NRG to: (i) plan its proposed integration of SFS's IT Infrastructure onto NRG's own systems, from Paragon's systems; (ii) execute the integration of SFS's IT Infrastructure onto its own systems; (iii) provide ongoing maintenance and support in relation to SFS's IT Infrastructure, post-migration; and (iv) permit the IT Integration Authorised Individuals to receive the limited SFS information strictly necessary to plan, integrate and provide ongoing maintenance and support in relation to SFS's IT Infrastructure.

The CMA therefore consents to a derogation from paragraphs 4(a), 5(a), 5(f) and 5(l) strictly on the basis that:

- a) It is strictly necessary in order to preserve SFS's viability and competitive capability that NRG plan and execute the IT Infrastructure integration process and subsequently provide ongoing maintenance and support for the SFS business's IT Infrastructure.
- b) This derogation will not impact the SFS business's ability to compete against NRG in any of the markets affected by the transaction.
- c) The SFS business's information provided to NRG will be limited to what is strictly necessary for NRG to plan and execute the integration process and subsequently provide ongoing maintenance and support for the SFS business's IT Infrastructure.
- d) Information will only be provided to the named individuals (the **IT Integration Authorised Individuals**) for whom it is strictly necessary to see the SFS business's information to enable NRG: (i) to plan and execute the integration process, and (ii) with the exception of [X], to subsequently provide ongoing maintenance and support for the SFS business's IT Infrastructure. The IT Integration Authorised Individuals are:
 - i [X];
 - ii [X];
 - iii [X]; and
 - iv [X].
- e) For the avoidance of doubt, as an IT Integration Authorised Individual, [X] will only be involved to the extent strictly necessary for the planning and integration of SFS's IT Infrastructure on NRG's systems. Once these processes are complete, [X] shall cease to be an IT Integration Authorised Individual for the purpose of this derogation and shall no longer be permitted to receive, access or use any of the SFS business's information under this derogation, including in relation to the ongoing maintenance and support of the SFS business's IT infrastructure.

- f) The IT Integration Authorised Individuals shall enter into non-disclosure agreements in a form approved by the CMA.
- g) The Parties shall submit to the CMA a summary of the information shared with the IT Integration Authorised Individuals, should the CMA request this.
- h) The IT Integration Authorised Individuals do not have any responsibility for NRG's commercial or strategic operations and shall not use any information provided by SFS in any way to intervene in the management or operation of NRG or SFS.
- i) IT firewalls and/or other ring-fencing measures will be put in place to prevent any unauthorised individuals within the NRG business from accessing the information shared with the IT Integration Authorised Individuals for the purposes of this derogation.
- j) NRG will ensure that any third party to whom it provides the SFS business's information is aware of the terms on which the information has been provided and that the information must not be provided to any NRG individual other than in compliance with the Initial Order and this derogation.
- k) No changes to the IT Integration Authorised Individuals are permitted without the CMA's prior written consent (which can be given via email).
- l) NRG's integration planning, execution of the integration process and subsequent provision of ongoing maintenance and support for the SFS business's IT Infrastructure:
 - i will have no influence upon the commercial direction of the SFS business during the term of the Initial Order; and
 - ii will not be difficult or costly to reverse.
- m) Should the transaction be prohibited or NRG be required to divest all, or part of, the SFS business, NRG will ensure that any records or copies (electronic or otherwise) of business secrets, know-how, commercially-sensitive information, intellectual property or any other information of a confidential or proprietary nature, wherever they may be held, that were received from the SFS business for the purposes of this derogation will be returned to the SFS business and any copies destroyed, except to the extent that record retention is required by law or regulation.
- n) This derogation will not result in any pre-emptive action which might prejudice the outcome of a reference or impede the taking of any remedial action which may be justified by the CMA's decision on a reference.

- o) This derogation will not result in any integration between the SFS business and the NRG business beyond what is strictly necessary for the IT Infrastructure.

Yours sincerely,

Matteo Alchini
Assistant Director, Mergers
Competition and Markets Authority
21 August 2026