

Paris, May 14, 2021

## **Veolia and SUEZ have signed a Combination Agreement between themselves and a Memorandum of Understanding with Meridiam–GIP–Caisse des Dépôts/CNP Assurances for the acquisition of the new SUEZ**

Veolia and SUEZ announce that they have signed a Combination Agreement, confirming the terms of the agreement in principle to merge concluded on 11 April, following approval by their respective Boards of Directors. This agreement:

- enables Veolia to acquire the strategic assets needed to pursue its goal of building a global champion in ecological transformation, while guaranteeing a coherent and sustainable industrial and social footprint for the new SUEZ,
- reiterates the social commitments made by Veolia,
- confirms that the acquisition price per share of the SUEZ Group will be raised to €20.50 (cum dividend).

This revised Veolia offer would be recommended by the SUEZ Board of Directors before 29 June, after obtaining a fairness opinion from the independent expert (Finexsi) and the opinion of the Group Committee.

### **Veolia and SUEZ welcome the offer submitted by the Consortium of investors to create the new SUEZ.**

A Memorandum of Understanding has been signed between SUEZ, Veolia, and the Consortium of investors composed of Meridiam–GIP–CDC/CNP with a view to creating a new SUEZ with revenues of nearly €7 billion, comprising SUEZ' Water and Recycling & Recovery businesses in France as well as international assets, and growth prospects and development capacities both internationally and in France. The agreement provides a framework for the negotiation of the final terms of the agreement to be concluded between SUEZ, Veolia and the Consortium on the basis of the offer submitted by the Consortium. The offer from the Consortium remains subject to several conditions, including notably concerning the investors' confirmatory due diligence.

The offer submitted by the Consortium has been studied by the Boards of Directors of Veolia and SUEZ, which consider it to be satisfactory in light of the objectives set out on 11 April, and, in particular, with regard to the governance of the new SUEZ, the reiteration of social commitments, and the alignment of the enterprise value with the valuation of the SUEZ Group implied by the revised price of €20.50 per share offered by Veolia. The Consortium is committed to the new SUEZ for the long term and will be capable of supporting its development and its growth.

At the same time as the closing of Veolia's public offer, GIP and Meridiam, each with a 40% stake, and the Caisse des Dépôts et Consignations Group (including CNP Assurances), with a 20% stake, would become shareholders of the new SUEZ. The Consortium's offer also provides for an initial employee shareholding of 3%, which could be increased to 10% of the capital within 7 years.

**Antoine Frérot**, Chairman and CEO of Veolia, said: *"This agreement represents a giant step forward for Veolia, for the French approach to ecological transformation, and for the preservation of the environment. I am very happy to welcome the SUEZ teams to be soon part of our project to build the world champion of ecological transformation, and very satisfied that we will also be able to assure the sound, stable, and sustainable development of the new SUEZ: as I promised, this is a "win-win" agreement"*.

#### **SUEZ**

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**Philippe Varin**, Chairman of the Board of Directors of SUEZ, said: *“The agreement between our two groups maintains France’s leading position in essential environmental services. The new SUEZ will be able to draw on its technological and industrial know-how to develop in the water and waste businesses, with the support of a robust Consortium. Veolia will benefit from the support of the teams joining from SUEZ and will hence pursue its project”.*

**Bertrand Camus**, CEO of SUEZ, said: *“With this agreement, the New SUEZ will benefit from a robust industrial and technological foundation. Supported by a stable shareholder base with significant employee shareholding, the future Group will be in a strong position to drive international development, with solid investment capacity to ensure the best quality of service for our customers. This agreement is the recognition of the quality of all SUEZ teams, which I want to thank for their commitment and which will make it last within Veolia or within the future Group ”.*

### Scheduled next steps

The steps of the overall timetable have all been aligned to today’s agreement:

- Following the signature of the preliminary agreement today, the SUEZ Group Committee’s information-consultation procedure has begun.
- By 29 June 2021 at the latest:
  - ✓ Reasoned opinion of the SUEZ Board of Directors for the recommendation of the public tender offer,
  - ✓ Public offer raised to €20.50 per Veolia share (information memorandum and note in response filed with the *Autorité des Marchés Financiers*)
  - ✓ Submission of a binding offer by the Consortium
- 30 June 2021: SUEZ Annual General meeting
- Following the finalization of the information-consultation process with SUEZ employees, conclusion of a final agreement with the Consortium for the creation of the new SUEZ
- Subject to obtaining regulatory and competition approvals, SUEZ and Veolia have set a common objective of the simultaneous closing of the public offer and the sale of the new SUEZ to the Consortium, planned for the end of 2021.

### SUEZ:

Since the end of the 19th century, SUEZ has built expertise aimed at helping people to constantly improve their quality of life by protecting their health and supporting economic growth. With an active presence on five continents, SUEZ and its 90,000 employees strive to preserve our environment’s natural capital: water, soil, and air. SUEZ provides innovative and resilient solutions in water management, waste recovery, site remediation and air treatment, optimizing municipalities’ and industries’ resource management through “smart” cities and improving their environmental and economic performance. The Group delivers sanitation services to 64 million people and produces 7.1 billion m3 of drinking water. SUEZ is also a contributor to economic growth, with more than 200,000 jobs created directly and indirectly on an annual basis, and a provider of new resources, with 4.2 million tons of secondary raw materials produced. By 2030, the Group is targeting 100% sustainable solutions, with a positive impact on our environment, health, and climate. SUEZ generated total revenue of €17,2 billion in 2020.

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Find out more about the SUEZ Group  
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