

Consent to certain actions for the purposes of the Initial Enforcement Order made by the Competition and Markets Authority (CMA) on 25 February 2016

Completed acquisition by Beijer Ref AB (Publ) of HRP Holdings Limited

We refer to your email dated 10 March 2016 requesting that the CMA consents to derogations to the Initial Enforcement Order of 25 February 2016 (**Initial Order**). The terms defined in the Initial Order have the same meaning in this letter.

Under the Initial Order, save for written consent by the CMA, Beijer Ref AB (Publ) (**Beijer Ref**) and HRP Holdings Limited (**HRP**) are required to hold separate the Beijer Ref business from the HRP 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 derogations from the Initial Order, based on the information received from you and in the particular circumstances of this case, Beijer Ref may carry out the following actions, in respect of the following specific paragraphs:

Derogation from paragraph 5(g) of the Initial Order: discount negotiation

We note that HRP and Beijer Ref currently have direct trading relationships with a number of common suppliers. These suppliers are listed at Annex 1 to this derogation letter.

To ensure the continuity and viability of the HRP business, the CMA gives its consent for Beijer Ref to use its existing commercial position with these suppliers to negotiate additional discounts which HRP may benefit from should it choose to place orders with those suppliers. Where a discount is negotiated, only [X] at Beijer Ref may communicate the nature of that discount to [X] at HRP.

Notwithstanding the above, at all times and for the duration of the Initial Order, both parties will continue to maintain trading relationships with these suppliers independently of one another.

This derogation **does not**, under any circumstances, permit Beijer Ref:

- to request or receive information about actual orders placed by HRP with a given supplier, nor the actual price paid on a per unit or per order basis, from either HRP or the relevant supplier.
- to coordinate the purchasing of any products with, nor purchase products on behalf of, HRP.

Beijer Ref will inform the CMA on a 2-weekly basis of the nature of any such discounts obtained in a form agreed with the CMA.

