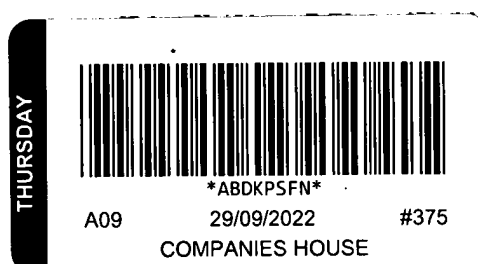


**Registered number: 02264638**

**SUEZ UK Group Holdings Limited**

**Annual report and financial statements**

**For the Year Ended 31 December 2021**



## **SUEZ UK Group Holdings Limited**

### **Company Information**

<b>Directors</b>	C Thorn C Lampre (appointed 29 July 2022)
<b>Company secretary</b>	M H Thompson
<b>Registered number</b>	02264638
<b>Registered office</b>	SUEZ House Grenfell Road Maidenhead Berkshire SL6 1ES
<b>Independent auditor</b>	Mazars LLP 90 Victoria Street Bristol BS1 6DP

## **SUEZ UK Group Holdings Limited**

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## **SUEZ UK Group Holdings Limited**

### **Strategic report For the Year Ended 31 December 2021**

#### **Business review**

The Company acts as a holding company. During the year ended 31 December 2021, the Company received and incurred interest on its intercompany balances.

#### **Principal risks and uncertainties**

SUEZ UK Group Holdings Limited is a holding company, and as such, is subject to the risks faced by its subsidiary trading companies. These risks are described in detail in the subsidiary company directors' reports.

#### **COVID-19**

The Board continued to closely monitor developments of the COVID-19 pandemic, managed through a Gold and Silver cell structure, implementing and improving the Business Continuity Plans for all sites and offices to ensure that they were COVID-19 secure, including the distribution of required Personal Protective Equipment (PPE) to ensure business continuity and the health and safety of all employees. These groups worked within the advice from The SUEZ Recycling and Recovery UK Group ("The Group") and Public Health England, having daily calls to determine any actions needed.

##### *Operational update:*

The year has seen the business face a number of challenges from the evolving COVID-19 pandemic, including, HGV driver shortages and fuel supply issues, particularly the hospitality sector, with service requirements changing throughout the year. Despite this, the municipal crews successfully managed higher tonnages and navigated the access issues created by the shift to more residents working from home.

This in turn affected our team in the customer hub who saw a large increase in calls from customers in one week. The introduction of our new, Customer Relationship Management (CRM) system, and a new call centre system, is improving our customers' experience, with the hub team able to resolve more queries at first contact with the customer.

Against the pandemic backdrop, we started our retained contracts in Kensington and Chelsea, introduced new services and rolled out food waste collections in Bracknell and new contracts in Monmouthshire Household Waste Recycling Centre (HWRC) and South London Waste Partnership Street Sweepings. Our account managers and sales teams worked hard to retain 91.2% of our customers and win new contracts including Dry Mixed Recycling (DMR) contracts in Aberdeenshire, Highlands, Solihull and Blackburn and Darwen, amongst others.

One of our contract managers gave an interview on local BBC Radio to help highlight the impact of verbal and physical abuse on our crews and other frontline workers.

The Directors are proud of our teams who pulled together throughout the year to weather the various storms and maintaining essential services for our customers.

#### **Ukraine Conflict**

The Directors have considered the impact of the war in Ukraine on The Group in the UK. The Group is not directly reliant on Ukrainian or Russian suppliers or customers and as such The Group's exposure is mainly due to macroeconomic factors. Whilst inflationary pressure is being seen on labour, fuel and raw materials costs, The Group has some protection due to many of its contracts with public bodies also being index linked. The Group has no variable rate debt and as such is not exposed to any increased interest costs should interest rates rise further.

The Group has made a donation to the Disasters Emergency Committee fundraising programme in response to the Ukraine crisis, and has enabled employees to do likewise through payroll giving. Many of our sites have collection points for clothing and other practical items which have been donated by members of the public. The Group also continues its Wellbeing programme to support employees who have been affected by the crisis.

**Section 172 statement**

The Directors are aware of their duty under section 172 of the Companies Act 2006 (as amended) (the Act) to act in a way which they consider good faith and would be most likely to promote the success of the Company for the benefit of the shareholders as a whole. The Board approaches its decision making having regard to the matters set out in section 172(1) (a) – (f) of the Act, ensuring wider stakeholder engagement, as set out in the below examples.

*S172(1)(a) The likely consequences of any decision in the long term*

During the year, the Directors, in consultation with the senior management of the Company, developed and approved business plans and targets for the current and proceeding financial years. Following which, the Directors closely monitored the Company's implementation throughout the year.

In developing such business plans and targets, the Directors, in addition to considering the views of stakeholders and the wider group objectives, also considered other factors such as economic, political and ongoing challenges within the waste management sector to ensure both financial and operating strategy are set at sustaining levels in achieving the long term success of the Company.

The focus of the Board has been the SUEZ/Veolia merger and to drive The Group towards achieving its goals alongside its commitment to improve in each of the following eight Critical Success Factors (CSFs):

- Safety;
- Sustainable environment;
- Social value;
- Digitisation and data accuracy;
- Customer loyalty;
- Profitable business;
- Continuous improvement;
- Engaged and empowered people.

CSFs are the lens through which the Company judges how well the Company is meeting its goals and targets and provides an indication of how, and where, to prioritise future focus areas, particularly with regards to the SUEZ/Veolia merger.

The lean process is critical to improving our customer and employee value and it is the method of continuous improvement towards excellence through the alignment of the voice of customers, businesses, and shareholders. It is instrumental in developing our culture towards a lean and systems thinking approach. Periodic reviews are carried out and the Company will continue to focus on analysing processes and organising workplaces to improve efficiency at an operational and local department level.

The Directors of the Company delegated certain duties and responsibilities to various committees, further details can be found on pages 3-4 of the strategic report, and received regular and timely information (at least monthly) on all key aspects of the business including health and safety, risks and opportunities, the financial performance of the business, strategy, operational matters, market conditions and sustainability.

In addition to the above the following were part of a list of strategic priorities identified by the Directors and senior management throughout 2021 including:

- Development of The SUEZ Way and The SUEZ Way management system;
- Development and roll out of The SUEZ Way Leadership Programme;
- Supporting SUEZ Performance and Operations Transformation (SPOT) 2023, The Group's transformation performance plan focused on how to work together as efficiently and effectively as possible for the benefit of our customers and shareholders;
- Delivery and implementation of The Group's Six Golden Rules;
- Supporting sites with preparation for Lean maturity reviews;
- Maintaining the SUEZ Business System (SBS) audits;
- Delivery of the lean academy training programme.

*S172(1)(b) The interests of the Company's employees*

The Directors of the Company and senior management engage with, and take into account, the views of employees in making decisions which are likely to affect their interests through a number of initiatives including:

- Group-wide employee surveys as well as other ad-hoc surveys on employee experience and workplace related matters. In November 2021 a climate survey covering health, safety and wellbeing was carried out to determine how behaviours, values, tools, resources and the vision within the organisation is perceived by all employees;
- The SUEZ UK Works Council (SWC) established a forum for dialogue between people leaders and employees who through their representatives are informed and consulted on key business issues that are likely to have a substantial impact on their working environment as well as making recommendations to improve employee experience and well-being. With regards to the SUEZ/Veolia merger, consultation with the European Works Council (EWC) started on 6 May 2021. The EWC is the European equivalent of our SWC upon which two of our SWC representatives also sit. This is an important process where more information around the specific details of the transaction was discussed and consulted upon. Similarly, in the UK we followed the procedures laid down within the SWC constitution and consulting on the process with the UK works council;
- Regular employee communications including newsletters and business updates;
- The SUEZ Way Leadership programme for senior management was launched in 2021, developed by the Transformation and Learning and Development teams, with the aim to develop our managers' lean leadership capabilities so we have consistent working practices throughout the Company. The course consists of two modules – a foundation module that will provide a refresher on leadership best practice, followed by a module that blends this learning with advanced lean leadership;
- Supporting a growing number of active employee-led networks on matters including diversity and inclusion, gender equality, LGBT+ and religious and cultural understanding;
- Supporting a number of group-wide and local health and wellness initiatives which includes encouraging employees to volunteer, focus on physical or emotional health, or spend time on personal and/or career development; and
- The group-wide Inclusion and Diversity Council is made up of team members from across The Group's business and functions who create and review detailed plans to ensure accountability and achievement of diversity goals across The Group.

*S172(1)(c) The need to foster the Company's business relationships with suppliers, customers and others*

The Directors oversaw a broad program of stakeholder engagement by the Company in ensuring good corporate citizenship as well as bilateral and multilateral dialogue with key stakeholders throughout the year as follows:

- The Directors and senior management regularly engaged and consulted with the Company's customers, suppliers and partners in a variety of forums and through everyday operations to obtain feedback, build closer relationships and resolve day-to-day business matters. The Company employed various customer experience insight tools and obtained customer satisfaction and other related data through customer surveys. The insight tools enabled us to identify customer needs and build customer value propositions and services tailored to meet these. Understanding performance of our Customer Standards from customers' perspective, gives key insights to direct continuous improvement activities through transformation projects or/and small incremental changes. The insight supports our efforts to make it easy for our customers to deal with us – one of the fundamental customer needs and supports our continuous service improvement and relationships deepening efforts.;
- The Company participated in a number of customer and industry events at a local and group-wide level including presenting at the 26th United Nations Climate Change Conference of the Parties (COP26) live event in Glasgow focusing on the resources sector and its involvement in the decarbonisation objectives set out by COP and hosting a site visit and tour of our engineering facilities at Packington Landfill near Birmingham by the Worcestershire branch of the Institute of Mechanical Engineers (IMechE);
- Government and industry engagement is regularly undertaken including through membership of recognised organisations such as the Environmental Services Association (ESA), Chartered Institution of Wastes Management (CIWM), and local authority trade bodies such as the Association of Directors of Environment, Economy, Planning and Transport (ADEPT), Local Government Organisation (LGA), The Local Authority

**Strategic report (continued)**  
**For the Year Ended 31 December 2021**

- Recycling Advisory Committee (LARAC), Confederation of British Industry and Let's Recycle; and
- The Company's Compensation and Benefits functions regularly engaged with, and where appropriate consulted, the trustees of the Company's pension schemes, updating and consulting the Board, as appropriate on key matters and decisions.

*S172(1)(d) The impact of the Company's operations on the community and the environment*

The Company and our employees believe it is important to give something back to the communities we work in and to society. We do this in many ways. We organise these activities into a programme under our corporate responsibility strategy and call it 'Giving Something Back'. The programme aims to encourage everyone in the Company to get involved with local causes and support national charities.

Engagement normally takes place locally through our local offices and sites, with many individuals from our operations and the planning team having regular two-way conversations with community representatives to discuss our activities and the local topics that impact us both. The Science, Technology, Engineering and Mathematics (STEM) programme helps to improve the learning and career prospects of local people at the same time as enhancing our reputation and helping to develop our people, our education programmes, community consultation and involvement through various community Trusts. In 2021 we supported the annual one day schools STEM event at the 'Festival of Innovation' in Malvern Worcestershire at which a STEM Ambassador staffed an Institute of Mechanical Engineers' stand and, although attendance was down from over 800 students to 240, this face-to-face event was positively received.

We maintain a collaborative and positive relationship with our key environmental regulators, the Environment Agency and Scottish Environmental Protection Agency. More details of how the Company promotes its purpose of protecting our environment by putting waste to good use is set out in the Environmental matters section of the Directors' report (page 9).

Using the Social Profit Calculator tool, The Group can now understand and demonstrate the social value created at the level of a local community or individual project, as well as Company-wide. We know the social value commitments we make to our clients and this is guiding decision-making across the business. Our four values are:

- Having passion for the environment by contributing to preserving and restoring the planet's natural capital,
- Putting the customer first by being accountable and open-minded developing a partnership culture to provide the best solutions for our customers and clients,
- Respect by caring for the safety and wellbeing of everyone, acting ethically and with integrity and respecting diversity of skills, personalities and background, and
- Team spirit by learning from and trusting others.

The Group agreed a renewable electricity self-supply deal, which enables SUEZ to power UK operations with 100% own-generated renewable electricity. Thereby reducing the businesses impact on the environment when compared with non-renewable sources.

As a net exporter of energy with over 300 sites in the UK, many of which generate renewable electricity, SUEZ aims to close the loop by using own-generated electricity from its facilities to power all business operations in the UK. The renewable electricity generated by us is a combination of energy generated from energy-from-waste facilities (Efw) and landfill gas sites. In the UK, approximately 10% of the renewable electricity generated is supplied directly back to the business through the self-supply deal.

SUEZ receives a Renewable Energy Guarantee of Origin (REGO) certificate for every megawatt hour of renewable electricity generated, from the regulator, Ofgem, which verifies that the electricity is 100% renewable. SUEZ is able to supply the rest of the business and operations at all of its 300 sites across the UK with own-generated renewable power. This includes self-supply to large Private Finance Initiative (PFI) waste contracts, including Greater Manchester, Cornwall and West London. As the deal is REGO certified, the electricity is guaranteed as 100% renewable.

Under Sustainable Environment we celebrated biodiversity improvements across the business including:

- The team from our road sweeping facility in Walsall demonstrated The Group's commitment to sustainability and social value by helping a local infant school go green by donating upcycled planters, bird boxes, bug hotels and water bottles;

**Strategic report (continued)**  
**For the Year Ended 31 December 2021**

- Significantly reduced fly-tipping around the river water pumping station in Bolton where we supply power to the Council's CCTV system;
- Flora and fauna around the various sites including Tees Valley and Maidenhead are developing nicely;
- Five beehives installed at Seghill in collaboration with a local beekeeping society have already started producing honey and the enhancement of our biodiversity programme.

We also launched our Sustainable Environment Activity Tracker (SEAT) app which makes it easier for our employees to capture and communicate all the positive social and environmental actions we undertake. The data from the app is used to identify and promote good ideas and practices across the business and for our sustainability report and social profit calculations to ensure we are calculating our future social profit based on all of our activities. At the end of 2021 there were 2578 completed events recorded in the SEAT. We began recruiting for our Sustainability Champions as well as continuing our charity endeavours raising £165,789 for our corporate charity partner, Macmillan Cancer Support!

Throughout the year, the Directors and management of the Company actively encouraged the Company's employees to participate in a number of activities including:

- The Group allows employees of the Company to donate their time and talent to their local community;
- The Company and its workforce participated in group-wide Global Day initiative through a number of UK sponsored events which helped various charitable causes and local communities; and
- Throughout the year, despite the pandemic, our employees found ways to improve our environment and support our local communities from litter picks and creating habitats for wildlife, to supporting local charities and projects with schools.

The Group is committed to providing products and services that are environmentally safe throughout their lifecycles and conduct operations in an environmentally responsible and sustainable manner.

Accordingly, the Company participates in a number of group-wide initiatives on environmental responsibility and sustainability, further details of which can be found in our sustainability report for 2021 which went live in October 2021 and is available to download from our website [www.suez.co.uk](http://www.suez.co.uk).

*S172(1)(e) The desirability of the Company maintaining a reputation for high standards of business conduct*

The Group has group-wide policies as well as mandatory annual Ethics training which apply to the Company's entire workforce and govern business practices and provides guidance for ethical decision making. These group-wide policies govern conduct with the Company's customers, suppliers, partners as well as matters relating to anti-corruption, conflicts of interest, amenities, workplace harassment and supply chain responsibility amongst many other key matters.

The Group has a separately designated standing Audit team and function which continuously throughout the year, on a weekly basis, conducts internal compliance audits of The Group's business operations and functions including those of the Company.

Every person in their day-to-day behaviour, in the way they perform their roles and responsibilities and in their business dealings with others, must apply The Group's values and ethics principles, which are:

- Acting in accordance with laws and regulations;
- Establishing a culture of integrity;
- Behaving fairly and honestly;
- Respecting others.

Each person should seek to use good sense and judgment in his/her actions, which is why it is normal and natural to discuss the ethical questions and dilemmas inherent in any professional activity with colleagues and line managers. Identifying ethical conduct and avoiding mistakes are processes that contribute to the pursuit of excellence. Ethical behaviour requires both personal and team commitment.

*S172(1)(f) The need to act fairly as between members of the Company*

For the year under review, we have been a wholly owned subsidiary within The Group. With the Chief Executive Office and the Finance Director also sitting on our Board. Relevant decisions of the Board are also discussed,




**SUEZ UK Group Holdings Limited**

**Strategic report (continued)**  
**For the Year Ended 31 December 2021**

where relevant, at the meetings of the Parent Company Board.

This report was approved by the board on 28 September 2022 and signed on its behalf.

  
Chris Thorn [Sep 28, 2022 16:52 GMT+1]

**C Thorn**  
Director

## **SUEZ UK Group Holdings Limited**

### **Directors' report For the Year Ended 31 December 2021**

The directors present their report and the financial statements for the year ended 31 December 2021.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £NIL (2020 - £26,468,000).

The profit for the year is attributable to dividends received.

A dividend of £NIL was paid during the year (2020- £7,359,000).

#### **Directors**

The directors who served during the year were:

F Duval (resigned 31 October 2021)

C Thorn

E Taupin (resigned 28 July 2022)

C Lampre (appointed 29 July 2022)

#### **Future developments**

The directors intend the Company to continue to be a holding company for the foreseeable future.

## **SUEZ UK Group Holdings Limited**

### **Directors' report (continued) For the Year Ended 31 December 2021**

#### **Going concern**

The Company's going concern is intrinsically linked to the performance, risks and going concern of the SUEZ Recycling & Recovery UK group ("The Group"). The Group has considerable financial resources together with long term contracts with a number of customers across different geographic areas and within different sectors of the recycling industry. As a result, the directors believe that The Group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

Following the change in ownership post year end (note 15), The Group now benefits from a current account overdraft facility from the French parent company SUEZ SA, now known as Vigie SA (ultimately owned by Veolia Environnement SA) to finance day to day activities. This facility is held by SUEZ UK Group Holdings Limited. It also benefits from long term loans with SUEZ SA, now known as Vigie SA (ultimately owned by Veolia Environnement SA) (Veolia) regarding some of our major infrastructure projects. The loans are subject to contractual terms and repayment schedules in line with the operational activities of the infrastructure that they finance.

The Group currently has no external (non group) loans in place. Cashflow forecasts for The Group show that it is not expected that the overdraft facility will be breached in the next 12 months, with significant headroom for any unknown events also. Therefore no sensitivity analysis has been performed.

On 21 September 2022, Veolia SA announced its intention to sell its interests in SUEZ Recycling and Recovery activities in the UK to SUEZ SA (new SUEZ) following a review by the UK Competition and Markets Authority (CMA). Veolia is obliged to continue its financial support to SUEZ Recycling and Recovery activities in the UK until this sale is complete. The sale is expected to involve SUEZ UK Group Holdings Limited (the Company) divesting of its interest in SUEZ Recycling and Recovery UK Group Holdings Limited and its subsidiaries for consideration significantly in excess of the investment carrying value.

Having made enquiries the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

**Directors' report (continued)**  
**For the Year Ended 31 December 2021**

**Engagement with suppliers, customers and others**

*Customers*

The Board engages with key customers and clients through the Regional Directors who provide the Board with regular information about customers in various reports produced throughout the business by the commercial and management teams.

During 2021, as well as the results of the Customer Effort Scores, the metric by which we measure customer satisfaction, which showed very strong performance in all areas, the Company received thanks and praise coming in from our customers and residents via its social media channels and staff from our collection contract.

*Suppliers*

The Group primarily engages with our suppliers via its website and procurement teams as well as through other business support functions including the commercial and legal.

The Board receives information through various group's Board reports produced throughout the business.

To contribute to Digitalisation and Data Accuracy, during the year The Group started working on a new Customer Relationship Management (CRM) system, launched the sub-contractor portal and successfully rolled out CORE in-cab technology in 140 new municipal vehicles in Somerset. The in-cab system replaces paper route sheets and forms with electronic checks and automated accurate and up-to-date service information. It enables staff to be better informed, helps to reduce the number of data entry errors and missed bins as well as allowing quicker reaction and effective resolution to complaints and service calls. The reporting and analytics studies of the data collected enables the Company to reallocate resources and optimise performance.

*Other stakeholders*

Other key stakeholders include the Government, Regulators and Local Authorities and due to COVID-19, face-to-face meetings and site visits were replaced by video-conferencing and calls.

The CEO, some Directors and senior managers had calls with members of Government, other political parties and senior officials to provide an overview of the recycling and recovery industry and to provide feedback on potential changes being considered by the Government.

The Group's business is heavily regulated with a large number of our key clients being local authorities. We perform customer engagement surveys and the performance of the business is regularly reported to the Board and OpCom on a monthly basis. The findings are used to improve customer engagement with knowledge being shared across The Group. On all large contracts, The Group hosts local community events to engage with local stakeholders.

During the year the Directors engaged with the Competition and Markets Authority (CMA) in relation to the SUEZ/Veolia merger providing fortnightly reporting and more frequently as matters progressed, seeking derogations where necessary.

*The Environment*

The Group's goals are to provide products and services that are safe and environmentally sound throughout their lifecycles, and conduct operations in an environmentally responsible manner. To accomplish this, the Company will:

- Pursue pollution prevention, energy conservation and waste reduction in operations;
- Design and manufacture products to be safe to use and to minimise their environmental impact;
- Offer customers environmentally responsible end-of-life management services for products; and
- Require suppliers to conduct their operations in a socially and environmentally responsible manner.

The Company achieves this by integrating these objectives into business planning, decision-making, performance tracking and review processes to ensure that goals are reached and continually improved upon.

## **SUEZ UK Group Holdings Limited**

### **Directors' report (continued) For the Year Ended 31 December 2021**

#### **Directors' indemnity**

The Company has granted indemnity to one or more of its directors against liabilities in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

#### **Disclosure of information to auditor**


Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

#### **Auditor**

The auditor, Mazars LLP, is deemed to be reappointed in accordance with section 386 of the Companies Act 1985 by virtue of an elective resolution passed by the members on 7 July 2003.

This report was approved by the board on 28 September 2022 and signed on its behalf.

  
Chris Thorn (Sep 28, 2022 16:52 GMT+1)

C Thorn  
Director

## **SUEZ UK Group Holdings Limited**

### **Independent auditor's report to the member of SUEZ UK Group Holdings Limited**

#### **Opinion**

We have audited the financial statements of SUEZ UK Group Holdings Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

In forming our opinion on the financial statements, which is not modified, we draw your attention to the directors' consideration of the going concern basis of preparation in note 2.3 which details the impact of the change of control post year-end as well as the outcome of the Competition and Markets Authority's investigation in to the Veolia / SUEZ merger. Based on the information available at this point in time, the directors have assessed that adopting the going concern basis for preparation of the financial statements is appropriate.

**Independent auditor's report to the member of SUEZ UK Group Holdings Limited (continued)**

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Independent auditor's report to the member of SUEZ UK Group Holdings Limited (continued)**

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to impairment of investments and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



## **SUEZ UK Group Holdings Limited**

### **Independent auditor's report to the member of SUEZ UK Group Holdings Limited (continued)**

#### **Use of the audit report**

This report is made solely to the company's member in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member for our audit work, for this report, or for the opinions we have formed.



Jon Barnard (Sep 28, 2022 19:28 GMT+1)

Jonathan Barnard (Senior statutory auditor)  
for and on behalf of  
**Mazars LLP**  
Chartered Accountants and Statutory Auditor  
90 Victoria Street  
Bristol  
BS1 6DP  
Date: Sep 28, 2022

## SUEZ UK Group Holdings Limited

### Statement of comprehensive income For the Year Ended 31 December 2021

	Note	2021 £000	2020 £000
Income from shares in group undertakings	5	-	66,468
Amounts written off investments		-	(40,000)
Interest receivable and similar income	6	518	652
Interest payable and similar expenses	7	(518)	(652)
<b>Profit before tax</b>		-	26,468
<b>Profit for the financial year</b>		-	26,468
<b>Total comprehensive income for the year</b>		-	26,468

The notes on pages 18 to 31 form part of these financial statements.

All profit and total comprehensive income are attributable to discontinuing operations.

**SUEZ UK Group Holdings Limited**  
**Registered number: 02264638**

**Statement of financial position**  
**As at 31 December 2021**

	Note	2021 £000	2020 £000
<b>Fixed assets</b>			
Investments	9	522,156	522,156
		<u>522,156</u>	<u>522,156</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	124,244	144,365
		<u>124,244</u>	<u>144,365</u>
Creditors: amounts falling due within one year	11	(98,672)	(118,793)
		<u>25,572</u>	<u>25,572</u>
<b>Net current assets</b>		<u>25,572</u>	<u>25,572</u>
<b>Total assets less current liabilities</b>		<u>547,728</u>	<u>547,728</u>
<b>Net assets</b>		<u>547,728</u>	<u>547,728</u>
<b>Capital and reserves</b>			
Called up share capital	13	505,000	505,000
Share premium account	14	3,491	3,491
Capital redemption reserve	14	13,940	13,940
Profit and loss account	14	25,297	25,297
		<u>547,728</u>	<u>547,728</u>
<b>Shareholder's funds - equity</b>		<u>547,728</u>	<u>547,728</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 September 2022.

  
Chris Thorn (Sep 28, 2022 16:52 GMT+1)

**C Thorn**  
Director

The notes on pages 18 to 31 form part of these financial statements.

**SUEZ UK Group Holdings Limited**

**Statement of changes in equity  
For the Year Ended 31 December 2021**

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Capital redemption reserve</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 1 January 2021	505,000	3,491	13,940	25,297	547,728
Profit for the year	-	-	-	-	-
<b>Other comprehensive income for the year</b>	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	-	-
Dividends: Equity capital	-	-	-	-	-
<b>At 31 December 2021</b>	<b>505,000</b>	<b>3,491</b>	<b>13,940</b>	<b>25,297</b>	<b>547,728</b>

The notes on pages 18 to 31 form part of these financial statements.

**Statement of changes in equity  
For the Year Ended 31 December 2020**

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Capital redemption reserve</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
At 1 January 2020	505,000	3,491	13,940	6,188	528,619
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	26,468	26,468
<b>Other comprehensive income for the year</b>	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	26,468	26,468
Dividends: Equity capital	-	-	-	(7,359)	(7,359)
<b>At 31 December 2020</b>	<b>505,000</b>	<b>3,491</b>	<b>13,940</b>	<b>25,297</b>	<b>547,728</b>

The notes on pages 18 to 31 form part of these financial statements.

## **SUEZ UK Group Holdings Limited**

### **Notes to the financial statements For the Year Ended 31 December 2021**

#### **1. General information**

SUEZ UK Group Holdings Limited is a private company limited by shares, incorporated and domiciled in the United Kingdom. These financial statements cover the individual entity. The address of its registered office and principal place of business is SUEZ House, Grenfell Road, Maidenhead, Berkshire SL6 1ES.

The principal activity of the Company is that of a holding company.

The Company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

At the balance sheet date, the immediate parent company is SUEZ Groupe SAS, a company incorporated and registered in France.

At the balance sheet date, the smallest and largest group in which the Company is incorporated into is SUEZ SA (following Veolia's acquisition now known as Vigie S.A.). The consolidated financial statements of SUEZ SA may be obtained from 21 Rue La Boetie, 75008 Paris, France.

The ultimate ownership of SUEZ UK Group Holdings Limited has changed since the balance sheet date, see note 15 for details.

The financial statements have been presented in Pounds Sterling as this is the functional currency of the Company and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006. The recognition, measurement and disclosure requirements of International Financial Reporting Standard have been applied to these financial statements and, where necessary, amendments have been made in order to comply with the Companies Act 2006 and The Large and Medium sized Companies and Groups Regulations 2008/410 ('Regulations').

These financial statements have been prepared under the historical costs convention.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

**Notes to the financial statements  
For the Year Ended 31 December 2021**

**2. Accounting policies (continued)**

**2.2 Financial Reporting Standard 101 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures.
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement.
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment; and
  - paragraph 118(e) of IAS 38 Intangible Assets.
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements.
- the requirements of IAS 7 Statement of Cash Flows.
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures.
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.
- the requirements of paragraphs 6 to 21 of IFRS 1 First-time adoption of International Financial Reporting.
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers.

The Company has NOT taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations.
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held For Sale and Discontinued Operations.
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
  - paragraph 50 of IAS 41 Agriculture.

The adoption of the following mentioned standards, amendments and interpretations in future years are not expected to have a material impact on the Company's financial statements:

Effective from 1 January 2022:

- Annual Improvements Cycle 2018 – 2020.
- IAS 37 Amendment: Onerous Contracts: Cost of Fulfilling a Contract.
- IAS 16 Amendment: Property, Plant and Equipment: Proceeds before Intended Use.
- IFRS 3 Amendment: Reference to the Conceptual Framework.

Effective from 1 January 2023:

- IAS 1 Amendment: Classification of Liabilities as Current or Non-current and Deferral of Effective Date.
- IAS 1 Amendment: Disclosure of Accounting Policies.
- IAS 8 Amendment: Definition of Accounting Estimates.
- IAS 12 Amendment: Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

**Notes to the financial statements  
For the Year Ended 31 December 2021**

**2. Accounting policies (continued)**

- IFRS 17 Insurance Contracts and IFRS 17 Amendment: Amendments to IFRS 17.

**2.3 Going Concern**

The Company's going concern is intrinsically linked to the performance, risks and going concern of the SUEZ Recycling & Recovery UK group ("The Group"). The Group has considerable financial resources together with long term contracts with a number of customers across different geographic areas and within different sectors of the recycling industry. As a result, the directors believe that The Group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

Following the change in ownership post year end (note 15), The Group now benefits from a current account overdraft facility from the French parent company SUEZ SA, now known as Vigie SA (ultimately owned by Veolia Environnement SA) to finance day to day activities. This facility is held by SUEZ UK Group Holdings Limited. It also benefits from long term loans with SUEZ SA, now known as Vigie SA (ultimately owned by Veolia Environnement SA) (Veolia) regarding some of our major infrastructure projects. The loans are subject to contractual terms and repayment schedules in line with the operational activities of the infrastructure that they finance.

The Group currently has no external (non group) loans in place. Cashflow forecasts for The Group show that it is not expected that the overdraft facility will be breached in the next 12 months, with significant headroom for any unknown events also. Therefore no sensitivity analysis has been performed.

On 21 September 2022, Veolia SA announced its intention to sell its interests in SUEZ Recycling and Recovery activities in the UK to SUEZ SA (new SUEZ) following a review by the UK Competition and Markets Authority (CMA). Veolia is obliged to continue its financial support to SUEZ Recycling and Recovery activities in the UK until this sale is complete. The sale is expected to involve SUEZ UK Group Holdings Limited (the Company) divesting of its interest in SUEZ Recycling and Recovery UK Group Holdings Limited and its subsidiaries for consideration significantly in excess of the investment carrying value.

Having made enquiries the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

**2.4 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.5 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**Notes to the financial statements  
For the Year Ended 31 December 2021**

**2. Accounting policies (continued)**

**2.6 Financial Instruments**

**Financial assets:**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

**Financial liabilities:**

Financial liabilities at amortised cost are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Statement of financial position.

**2.7 Creditors**

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**2.8 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.9 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**2.10 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.11 Borrowing costs**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.



**Notes to the financial statements  
For the Year Ended 31 December 2021**

**2. Accounting policies (continued)**

**2.12 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income statement, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

Due to uncertainties inherent in the estimation process, the Company regularly revises its estimates in light of currently available information. Final outcomes could differ from those estimates.

The key estimates used by the Company in preparing the Financial statements relate to:

- the measurement of the recoverable amount of investments. In order to determine whether impairments, or reversal of previous impairments, are required for non-financial assets, there is an assessment of whether there are any indicators for further impairment or reversal during the year. The assessment includes a review of changes in markets and discount rates over the year, together with a review of business performance against expectations. The 2021 review concluded there were no indicators of further impairment or reversal. At the 31 December 2021 the value was £522,156,000.

As well as relying on estimates, the Company management also makes judgments to define the appropriate accounting treatment to apply to certain activities and transactions, when the effective IFRS standards and interpretations do not specifically deal with the related accounting issue.

**4. Profit before tax**

For the year ended 31 December 2021 and the prior year, auditors' remuneration was borne by a fellow group company.

The Company has no employees other than the directors and thus incurred no staff costs during the year (2020 - £NIL).

During the year, no director received any emoluments (2020 - £NIL).

## **SUEZ UK Group Holdings Limited**

### **Notes to the financial statements For the Year Ended 31 December 2021**

#### **5. Income from shares in group undertakings**

During the year the Company didn't receive any dividend income. During the prior year the Company received a dividend from SUEZ Recycling and Recovery UK Group of £25,000,000 and United Water UK Limited of £41,468,000.

#### **6. Interest receivable**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Interest receivable from group companies	<b>518</b>	<b>652</b>
	<b>518</b>	<b>652</b>

#### **7. Interest payable and similar expenses**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Interest payable from group undertakings	<b>518</b>	<b>652</b>
	<b>518</b>	<b>652</b>

#### **8. Dividends**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Interim dividends - nil (2020: 5.46p per share)	<b>-</b>	<b>7,359</b>
	<b>-</b>	<b>7,359</b>

**SUEZ UK Group Holdings Limited**

**Notes to the financial statements  
For the Year Ended 31 December 2021**

**9. Fixed asset investments**

	<b>Investments in subsidiary companies £000</b>
<b>Cost</b>	
At 1 January 2021	<b>564,237</b>
At 31 December 2021	<b>564,237</b>
<b>Impairment</b>	
At 1 January 2021	<b>42,081</b>
At 31 December 2021	<b>42,081</b>
<b>Net book value</b>	
At 31 December 2021	<b>522,156</b>
<i>At 31 December 2020</i>	<b>522,156</b>
<b>Subsidiary undertakings</b>	
Details of subsidiaries can be found in Note 16.	

**SUEZ UK Group Holdings Limited**

**Notes to the financial statements  
For the Year Ended 31 December 2021**

**10. Debtors**

	2021 £000	2020 £000
Amounts owed by group undertakings	124,243	144,364
Other debtors	1	1
	<u>124,244</u>	<u>144,365</u>

**11. Creditors: Amounts falling due within one year**

	2021 £000	2020 £000
Amounts owed to group undertakings	98,671	118,793
Accruals	1	-
	<u>98,672</u>	<u>118,793</u>

**12. Financial instruments**

	2021 £000	2020 £000
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	<u>124,244</u>	<u>144,365</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(98,672)</u>	<u>(118,793)</u>

Financial assets measured at amortised cost comprise intercompany debtors and other debtors.

Financial liabilities measured at amortised cost comprise intercompany payables and accruals.

**13. Share capital**

	2021 £000	2020 £000
<b>Allotted, called up and fully paid</b>		
505,000,000 (2020 - 505,000,000) ordinary shares of £1.00 each	<u>505,000</u>	<u>505,000</u>

These shares carry no rights to fixed income nor have any preferences or restrictions attached on them.

**Notes to the financial statements  
For the Year Ended 31 December 2021**

**14. Reserves**

**Share premium account**

A non-distributable reserve where the premium paid for new shares above their nominal value is recognised.

**Capital redemption reserve**

The capital redemption reserve is a non-distributable reserve into which amounts are transferred following the redemption or purchase of The Group's own shares.

**Profit & loss account**

The profit and loss account is distributable reserves made up of retained earnings.

**15. Post balance sheet events**

**Veolia takeover**

On the 18 January 2022 the global agreement between the SUEZ and Veolia Groups was finalised, with Veolia acquiring ownership of the SUEZ businesses worldwide and in the UK, including SUEZ UK Group Holdings Limited. However, the SUEZ Group within the UK continued to operate independently from Veolia because of a hold separate order put in place by the UK Competitions and Markets Authority (CMA), whilst the CMA conducted a review into the impacts of the transaction on competition within the UK market. On the 25th August 2022, the CMA concluded that Veolia will be required to sell its interests in SUEZ Recycling and Recovery activities in the UK to remedy the competition concerns found.

On 21 September 2022, Veolia SA announced its intention to sell its interests in SUEZ Recycling and Recovery activities in the UK to SUEZ SA (new SUEZ) following a review by the UK Competition and Markets Authority (CMA). The sale is expected to involve SUEZ UK Group Holdings Limited (the Company) divesting of its interest in SUEZ Recycling and Recovery UK Group Holdings Limited and its subsidiaries.

## **SUEZ UK Group Holdings Limited**

### **Notes to the financial statements For the Year Ended 31 December 2021**

#### **16. Subsidiary undertaking**

The following subsidiaries are incorporated in England and Wales and have the same registered office as Suez UK Group Holdings Limited as disclosed in note 1. They have 100% shareholding with operations classed as Landfill site operator;

- Suez UK Environment Ltd\*
- Cliffeville Limited\*
- Shropshire Waste Management Ltd\*
- Midland Land Reclamation Ltd\*
- Northumberland Waste Management Limited\*

The following subsidiary is incorporated in England and Wales and have the same registered office as Suez UK Group Holdings Limited as disclosed in note 1. They have 50% shareholding with operations classed as Landfill site operator;

- Lidsey Landfill Ltd\*

The following subsidiary is incorporated in England and Wales and have the same registered office as Suez UK Group Holdings Limited as disclosed in note 1. They have 100% shareholding with operations classed as Energy from waste plant;

- Suez Recycling and Recovery Suffolk Ltd\*

The following subsidiaries are incorporated in England and Wales and have the same registered office as Suez UK Group Holdings Limited as disclosed in note 1. They have 100% shareholding with operations classed as Municipal services;

- Suez Recycling and Recovery South Gloucestershire Ltd\*
- Suez Recycling and Recovery UK Ltd\*

The following subsidiary is incorporated in England and Wales and have the same registered office as Suez UK Group Holdings Limited as disclosed in note 1. They have 100% shareholding with operations classed as Remediation activities and other waste management services ;

- Suez RR IWS Remediation Ltd\*

The following subsidiaries are incorporated in England and Wales and have the same registered office as Suez UK Group Holdings Limited as disclosed in note 1. They have 100% shareholding with operations classed as Waste disposal;

- Suez Recycling and Recovery Surrey Ltd\*
- Suez Connect UK Limited\*
- Suez Recycling and Recovery South East Ltd\*

The following subsidiary is incorporated in England and Wales and have the same registered office as Suez UK Group Holdings Limited as disclosed in note 1. They have 100% shareholding with operations classed as Waste disposal and electricity generation;

- Suez Recycling and Recovery Kirklees Ltd\*

## **SUEZ UK Group Holdings Limited**

### **Notes to the financial statements For the Year Ended 31 December 2021**

#### **Subsidiary undertaking (continued)**

The following subsidiary is incorporated in England and Wales and have the same registered office as Suez UK Group Holdings Limited as disclosed in note 1. They have 88% shareholding with operations classed as Waste disposal and electricity generation;

- Suez Recycling and Recovery Tees Valley Ltd\*

The following subsidiaries are incorporated in England and Wales and have the same registered office as Suez UK Group Holdings Limited as disclosed in note 1. They have 100% shareholding with operations classed as Waste disposal and landfill site operator;

- Suez Recycling and Recovery North East Ltd\*
- Suez Recycling and Recovery Packington Ltd\*
- Tyne Waste Limited\*
- Suez Recycling and Recovery Lancashire Ltd\*
- Suez Recycling and Recovery Southern Ltd\*

The following subsidiary is incorporated in England and Wales and have the same registered office as Suez UK Group Holdings Limited as disclosed in note 1. They have 100% shareholding with operations classed as Water collection, treatment and supply;

- Suez Advanced Solutions UK Limited\*

The following subsidiaries are incorporated in England and Wales and have the same registered office as Suez UK Group Holdings Limited as disclosed in note 1. They have 100% shareholding with operations classed as Holding company;

- Suez Recycling and Recovery UK Group Holdings Ltd
- Suez Advanced Solutions Holdings UK Limited
- Suez Recycling and Recovery Holdings UK Ltd\*
- Group Fabricom Ltd\*
- SHUKCO Ltd\*
- SHUKCO 327 Ltd\*
- SHUKCO 320 Ltd\*
- SHUKCO 340 Ltd\*

The following subsidiary is incorporated in England and Wales and have the same registered office as Suez UK Group Holdings Limited as disclosed in note 1. They have 100% shareholding with operations classed as leasing trade;

- SHUKCO 345 Ltd\*

The following subsidiaries are incorporated in England and Wales and have the same registered office as Suez UK Group Holdings Limited as disclosed in note 1. They have 100% shareholding with operations classed as Dormant;

- SHUKCO 343 Ltd\*
- SHUKCO 323 Ltd\*
- SHUKCO342 Ltd\*
- SHUKCO 350 Ltd\*
- Hemmings Waste Management Ltd\*
- Dorset Waste Management Ltd\*
- SHUKCO 341 Ltd\*

## **SUEZ UK Group Holdings Limited**

### **Notes to the financial statements For the Year Ended 31 December 2021**

#### **Subsidiary undertaking (continued)**

- Suez Recycling and Recovery UK Pensions Plans Trustees Ltd\*
- Nene Valley Waste Ltd\*
- SHUKCO 2020 Ltd\*
- SHUKCO 303 Limited\*
- Attwoods Limited \*
- Attwoods Holdings Limited\*
- Attwoods Israeli Investments Limited\*
- SITA UK Ltd\*
- Pritchard Industrial Services Limited\*
- Gurteens Limited\*
- Ryton Waste Disposal Ltd\*
- Sortwaste Environmental Limited\*
- Wm E Christer (Gravel) Limited\*
- United Waste Property Limited\*
- A&J Bull Limited\*
- Whinney Hill Stone Sales Limited\*
- LWS Collection Services Limited\*

The following subsidiary is incorporated in England and Wales. The registered office Unit C1 Acorn Industrial Park, Crayford Road, Crayford, Dartford, England, DA1 4AL. They have 100% shareholding with operations classed as Other professional, scientific and technical activities;

- Latis Scientific Limited\*

The following subsidiary is incorporated in England and Wales. The registered office Orchard Bungalow Offices, Binn Farm, Glenfarg, Perthshire, United Kingdom, PH2 9PX. They have 50% shareholding with operations classed as dormant;

- Glenfarg Organics Limited\*

The following subsidiary is incorporated in England and Wales. The registered office Unit 2 Park Road Industrial Estate, South Consett, Consett, County Durham, England, DH8 5PY. They have 100% shareholding with operations classed as Technical testing and analysis;

- Derwentside Environmental Testing Services Limited\*

The following subsidiary is incorporated in Scotland. The registered office 15 Atholl Crescent, Edinburgh, EH3 8HA. They have 100% shareholding with operations classed as Landfill site operator;

- Binn Landfill (Glenfarg) Limited\*



## **SUEZ UK Group Holdings Limited**

### **Notes to the financial statements For the Year Ended 31 December 2021**

#### **Subsidiary undertaking (continued)**

The following subsidiary is incorporated in Scotland. The registered office C/O Brodies LLP Capital Square, 58 Morrison Street, Edinburgh, EH3 8BP. They have 100% shareholding with operations classed as Waste disposal;

- Suez Recycling and Recovery Scotland Ltd\*
- Stoneyhill Waste Management Limited\*

The following subsidiary is incorporated in Isle of Man. The registered office Isle of Man Energy from Waste Facility, Richmond Hill, Isle of Man. IM4 1JH. They have 100% shareholding with operations classed as Energy from waste plant operator;

- Suez Recycling and Recovery Isle of Man Ltd\*

\*Indirect Subsidiary

#### **Associates**

The following associates are incorporated in England and Wales and have the same registered office as Suez UK Group Holdings Limited as disclosed in note 1. They have 33% shareholding;

- Cornwall Energy Recovery Holdings Ltd (Holding company)
- Cornwall Energy Recovery Ltd (Waste Disposal)
- West London Energy Recovery Holdings Ltd (Holding company)
- West London Recovery Ltd (Waste Disposal)

The following associates are incorporated in England and Wales and have the same registered office as Suez UK Group Holdings Limited as disclosed in note 1. They have 42.5% shareholding;

- Northumberland Energy Recovery Holdings Ltd (Holding company)
- Northumberland Energy Recovery Ltd (Waste Disposal)

The following associates are incorporated in England and Wales and have the same registered office as Suez UK Group Holdings Limited as disclosed in note 1. They have 45% shareholding;

- South Tyne & Wear Energy Recovery Holdings Ltd (Holding company)
- South Tyne & Wear Energy Recovery Ltd (Waste Disposal)

The following associates are incorporated in England and Wales and have the same registered office as Suez UK Group Holdings Limited as disclosed in note 1. They have 40% shareholding;

- Merseyside Energy Recovery Holdings Ltd (Holding company)
- Merseyside Energy Recovery Ltd (Waste Disposal)

## **SUEZ UK Group Holdings Limited**

### **Notes to the financial statements For the Year Ended 31 December 2021**

#### **17. Controlling party**

At the year end the ultimate parent undertaking was SUEZ SA (following Veolia's acquisition now known as Vigie S.A.), a company incorporated in France.

The smallest and largest group of which SUEZ UK Group Holdings Limited is a member and for which group financial statements are drawn up is that headed by SUEZ SA, whose consolidated financial statements are available from 21 Rue La Boetie, 75008 Paris, France.

In the opinion of the directors, at the balance sheet date SUEZ SA controls the company as a result of controlling 100% of the issued share capital of SUEZ Group Holdings Limited.

Ownership of SUEZ UK Group Holdings Limited has changed since the balance sheet date, see Note 15 for details.