

**Taking action
for the resource
revolution**





SUES

2016

Integrated

Report

about this report

For the second consecutive year, SUEZ is publishing an Integrated Report, offering a complete vision of the company, its strategic and forward-looking vision and the link between its economic, financial and extra-financial challenges.

In 2016, SUEZ decided to publish a single Integrated Report that replaced the Group's Annual Report and its Sustainable Development Report. It covers the 2016 fiscal year and is based on the data in the 2016 Reference Document and the results of reports on the Sustainable Development Goals that were set by the 2012-2016 Road Map.

SUEZ's approach, which draws inspiration from the frame of reference of the International Integrated Reporting Council (IIRC), is contributing to a movement that is gathering steam on a worldwide scale (today, 3,000 companies have adopted an Integrated Thinking approach), even if it remains modest in France, where 20 companies published an Integrated Report in 2016, compared with five in 2015. The trend is there and it is growing, because the expectations of investors, customers, business partners, NGOs and employees are all converging to demand greater readability, clarity, coherence, materiality and connectivity of information.

Written with the Group's governing bodies and business units, the report is based on robust tools, including the 2015 materiality analysis that revealed and prioritised issues according to their potential impacts

on SUEZ's activities and their importance to the stakeholders that were questioned (over 4,900 interviews in 49 countries with individuals and organisations from public and private spheres).

Designing the Integrated Report is, in itself, a driver of change within the Group as it generates strong internal motivation. It builds bridges between organisational silos and identifies links between social and environmental performance, and their shareholder and economic value.

Having included materiality analysis, its business model and its carbon value chain in the 2015 issue, SUEZ has added some other key elements, including:

- the socio-economic footprint of the Group's activity in Europe,
- the global value generated by the highlights of 2016,
- the new Sustainable Development Road Map, which incorporates emerging issues and proposes a medium-term vision of the company, with the goals to be reached by 2021.

Once again, the company's internal and external stakeholders contributed to this year's Integrated Report, questioning and enriching it. SUEZ would like to thank them heartily.

how to use the Integrated Report

Identifying the challenges of today's world and their impact on the markets in which SUEZ operates



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The challenges of a changing world



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- > Population growth
- > Climate change
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SUEZ in figures 2016

€15.3

billion in revenue

Present on

5 continents

83,921 employees

28%

of women in management

3.9 million
tonnes of secondary
raw materials produced

6,254 GWh
of renewable energy
produced in Europe

5.3 billion m³
of water produced

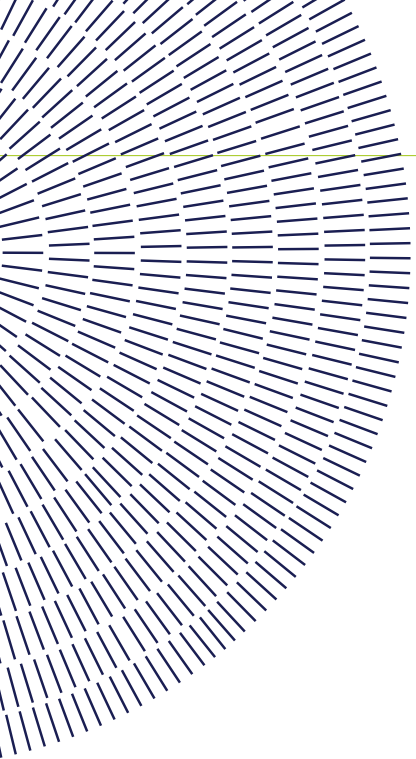
246,334 km
of distribution networks

16.9 million
tonnes of waste
recovered in Europe

882 million m³
of reused wastewater

9.5 MtCO₂e
GHG emissions
avoided by our customers





The Group delivers solutions that contribute to the fight against climate change, the main challenge we are facing at the start of the 21st century.



Today's world is facing some major and profound changes, from population growth to exploding urbanisation, climate change, the increased scarcity of resources and the digital revolution.

For a Group like SUEZ, that is working for a radically new, smarter and sustainable management of resources, it is vitally important that we make commitments and offer solutions. This is what the Group aims and works for every single day.

Throughout 2016, the Group delivered solutions that help to fight climate change, which is the main challenge facing mankind at the start of the 21st century.

The Group sent a strong signal to the markets **by including a carbon price in its investment decisions,** to encourage investments

in clean energy and to promote an increasingly carbon-free economic and environmental model. Without this, it will be difficult to limit global warming below 2°C as set by the Paris Agreement on climate change.

Similarly, and in keeping with the new climate commitments it made at the end of 2015, the Group also played a leading role at the COP22 conference in Marrakesh. It stepped up its contribution to the conservation of resources and the promotion of the circular economy, in particular by joining an international initiative to include the circular economy in the agenda of the COP23 conference.

SUEZ also announced the creation of the Business Alliance for Water and Climate Change. Under SUEZ's impulse, this project encourages businesses to measure and

reduce their impact on water. **The resilience of water resources is also at the heart of the fight against climate change** an issue that demands a global climate agreement. The Group is also keenly aware of the role played by the oceans in the fight against climate change, which is why it proposes solutions on land and at sea and takes concrete actions to limit land-based pollution.

Meanwhile, **the Group has taken its own transformation up a gear since its launch in 2015.** This internal transformation will enable the Group to better meet its customers' new needs and expectations. It continued to innovate and to simplify its organisation and operational procedures, in order to become a more integrated Group and to pursue its growth by improving its global performance and turning to the activities of the future.

This transformation is at the heart of the strategy pursued by SUEZ, which is now an autonomous group that aims to strengthen its leadership through the dual revolution it is now undergoing: the digital revolution and the resource revolution.

Gérard Mestrallet
SUEZ Chairman of the Board of Directors



suming fewer resources. The resource revolution is also a digital revolution and a revolution in attitudes. It is prompting us to transform our core businesses, by resolutely opting for the circular economy and connected solutions. It is opening up new frontiers all over the planet and is strengthening our position with industrial customers.

The company is present on the financial markets. It is also present in society. The company contributes to the smooth working of society, using the resources that society entrusts it with. This contribution is only beneficial to all the stakeholders if it is part of a drive towards economic, social and environmental progress. I am confident about the advent of a positive economy, because it will incite the company to strive for global performance. The very purpose of the 2016 Integrated Report is to describe the links between society's issues and SUEZ's financial and extra-financial results.

Today's society presents us with a number of challenges: the impact of climate change, population growth and changing life styles. In order to offer sustainable answers, **I have committed SUEZ to the resource revolution** in other words, to imagining the products and services that will enable us to grow, while con-

In 2016, **this strategy was behind numerous business successes** that improved the environmental performance of our customers, the appeal of towns and cities, the competitiveness of industrial manufacturers and the management of water risks by farmers. It allows us to look to the future with confidence, because the transformation that it is driving is a responsible one. It calls on the implementation of an open innovation ecosystem, and is combined with a support policy for employees that gives every one of them a sense of purpose and enables them to evolve in harmony with our changing activities. **It is driving us towards a more matrix-based organisation and, finally, is making the company more democratic,** through the appointment in 2016 of a third director to represent our employees. The ongoing acquisition of GE Water confirms the pertinence of our strategy. The smart technology will make us stronger on industrial markets in Europe and worldwide, and will help us address what will probably

be the greatest challenge of the 21st century — the conflicting use of water for industrial, agricultural and domestic purposes. Indeed, industry accounts for 20% of global water consumption.

Our ambition **to become the leader in sustainable resource management** is now based on a new Road Map. It renews some of the commitments made for 2012-2016 by setting even more ambitious goals, particularly in employee health and safety, material recovery and waste-to-energy, and the reduction of our greenhouse gas emissions. It also addresses emerging issues by launching action plans to meet the challenges of globalisation, such respecting human rights, favouring collaborative ways of working and providing our customers with modular and more flexible solutions. SUEZ's new commitments, which are based on the United Nations' Sustainable Development Goals (SDGs) and the Global

I am confident about the advent of a positive economy, because it will incite the company to strive for global performance.

Compact, were designed to further the greater good, in particular by protecting the oceans and by promoting biodiversity and access to essential services for all.

The new Road Map marks out our path to 2021. A path that we will follow alongside our stakeholders to reinforce SUEZ's positive contribution to society and to establish a long-term, resource-efficient development model.

Jean-Louis Chaussade
Chief Executive Officer of SUEZ



the challenges of a changing world

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The risks and opportunities in a fast-moving world

The four trends

that make the resource revolution all the more necessary

The trends identified in SUEZ's first Integrated Report, which are all issues that impact the prospects of its global business activities, have been confirmed. Population and urban growth, climate change, the digital revolution and new societal aspirations all came together in 2016 to warn us that the resource revolution is more urgently needed than ever.



Coping with global population growth

In 2050, the planet will be inhabited by 9.7 billion people. This forecast raises the question of the availability of resources in sufficient quantities to meet the population's basic needs. Looking beyond the figures, it also raises the question of the political (birth rates), behavioural (eating habits) and economic (the fight against food waste) solutions to be adopted.

By 2050, 66% of the world's population will be urban, particularly in Asia and Africa, which will account for 86% of worldwide urban growth. While towns and cities play an increasingly important role in wealth creation, they also put **additional pressure on resources**, chip away at our rural regions and produce 80% of CO₂ emissions, according to the OECD. This outlook explains the rise of the sustainable city, which promotes a smart resource management model.



October

adoption of a "New Global Urban Agenda" at the Habitat III conference in Quito, Ecuador, to transform towns and cities by optimising their contribution to the Sustainable Development Goals

175 kilos

of edible goods per habitant are thrown away every year in Europe

36%



of the world's population still does not have access to a wastewater collection system



RISKS: pressure on resources, pollution, inequality, insecurity.

OPPORTUNITIES: rise in standards of living, smart cities, new consumer behaviours, rising needs for infrastructures.





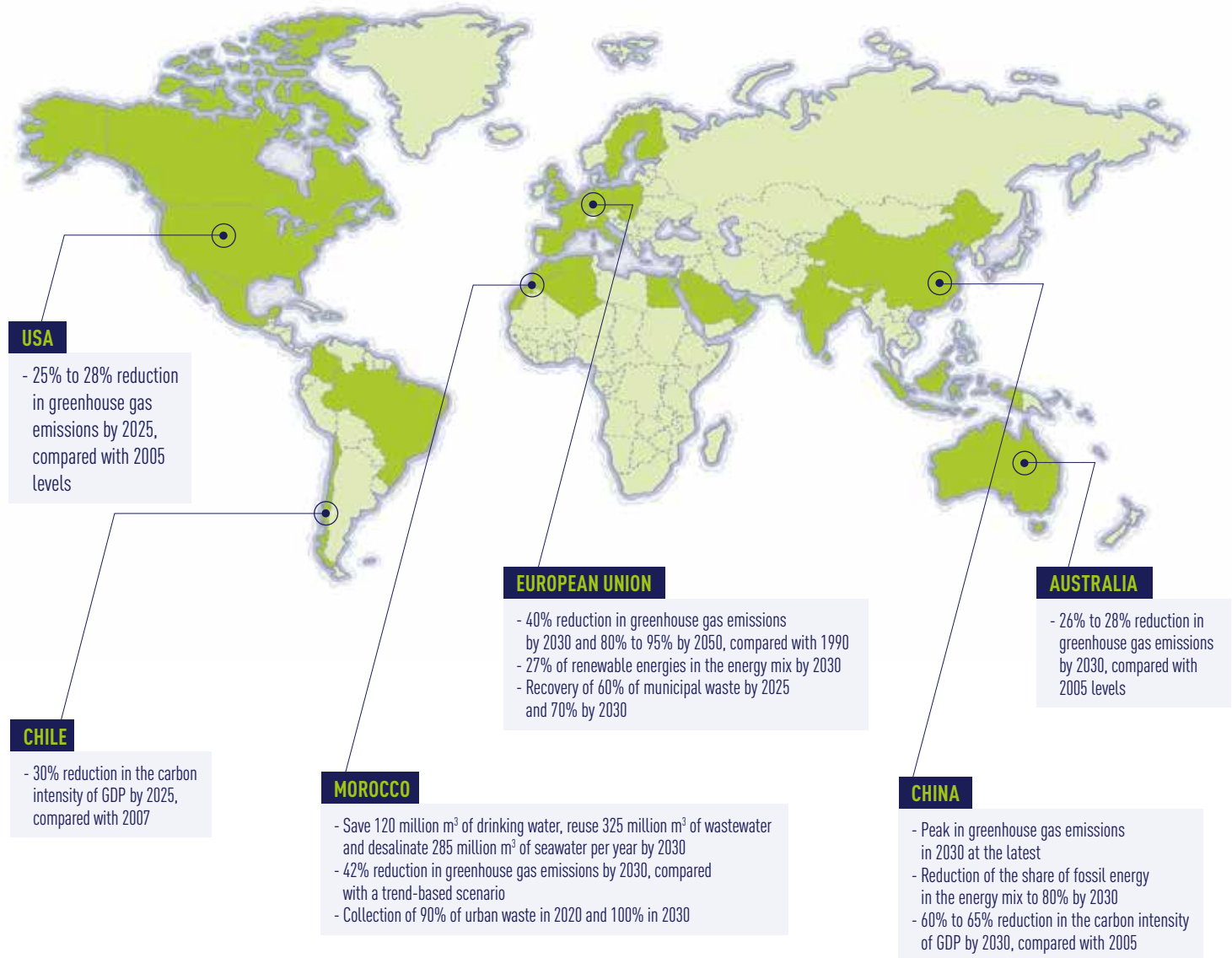
Climate change: from awareness to action

2016 outstripped the forecasts of the IPCC, and was the hottest year since meteorological records began, according to the World Meteorological Organisation. According to the World Bank, extreme climatic phenomena cause **several hundreds of billions of dollars of losses every year.**

The Paris Climate Agreement came into force on 4 November 2016. To date, it has been ratified by 127 of the 197 parties that attended the conference, representing almost 80% of global greenhouse gas emissions. More than 90% of the commitments made by the States include an adaptation strategy that makes water one of its priorities.

The COP22, which took place in Marrakesh in November 2016, was dedicated to **mobilising non-state players to take climate action,** particularly economic players. A total of 2,138 companies from 145 countries, representing a turnover of about \$37,000 billion, made commitments on the United Nations NAZCA platform (Non-State Actor Zone for Climate Action).

The Paris Agreement: commitments made by the key zones in which SUEZ operates



RISKS: global warming and its multiple impacts on water, biodiversity, health and migrations.

OPPORTUNITIES: low-carbon solutions, the circular economy, smart water.



The new frontiers of digital technology

In 2017, there will be more connected objects than human beings. In 2020, the volume of data will be 44 times greater than in 2009. Digital technology allows for dematerialised procedures, the structuring of short circuits and the smart management of facilities. It is the strategic instrument for more efficient resource management.

The internet gives individuals more power to act and democratises knowledge and power.

At the Open Government Partnership Global Summit in Paris in December 2016, France agreed to publish all its public sector contracts in Open Data and is currently developing its action plan for open government for 2017-2019.

But digital technology also has negative effects that are attracting more and more attention from decision-makers. The exponential growth in data and electronic equipment incurs significant environmental costs and multiplies the risks related to cybersecurity and the protection of privacy.



RISKS: dematerialisation of the value chains of traditional activities, environmental costs, cybersecurity, privacy.

OPPORTUNITIES: democratisation of knowledge, smart management of resources and assets, innovation and new services.



12%

of the adult population of sub-Saharan Africa makes payments with a smartphone, compared with only 2% on a worldwide scale.



Societal aspirations up against mistrust

53% of the 33,000 people questioned in 28 countries for the Edelman barometer in November 2016, said that they had "totally lost faith in the system".

In this unprecedented context of mistrust, and as we enter the "post-truth" era, **changes to the modern world are giving rise to new concerns:**

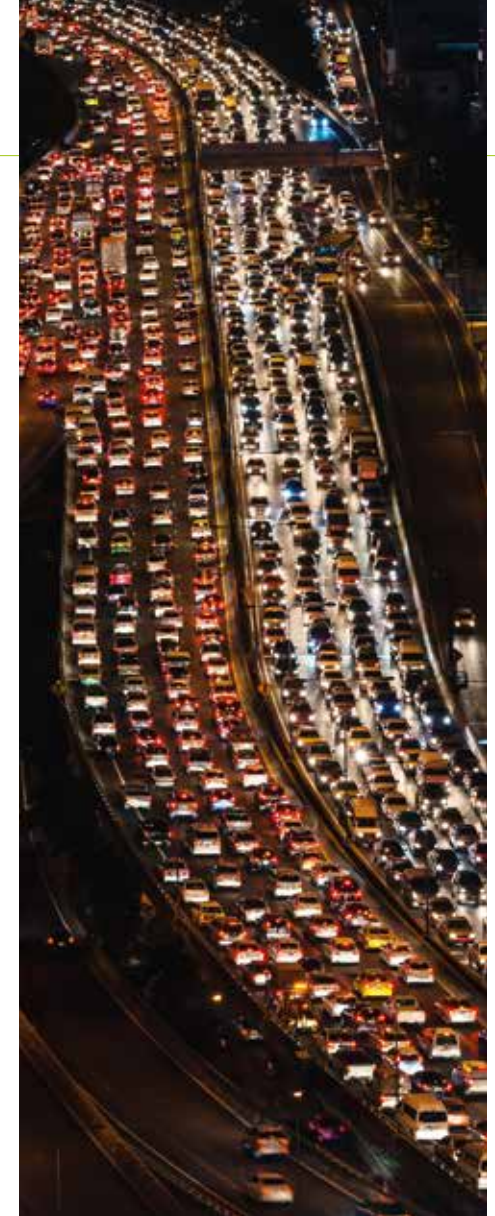
- inequality between those taking part in the transition towards the fourth industrial revolution and the rest,
- an ageing population that is concealed by global demographic growth. While the median age in the 1970s was 22, it could reach 36 by 2050,
- the sharp rise in expectations in terms of health. In China, air pollution and climate change are no longer environmental issues. They have become public health issues.

Against this backdrop of widespread mistrust, corporations are faring better than other institutions. 73% of the people questioned believe that business can solve society's major problems. The concept of CSR is becoming increasingly relevant and is paving the way for a new type of contract between business and society.



RISKS: political tension, the rise of populism, the temptation of protectionism.

OPPORTUNITIES: the rise in environmental aspirations, the values of the new generations.

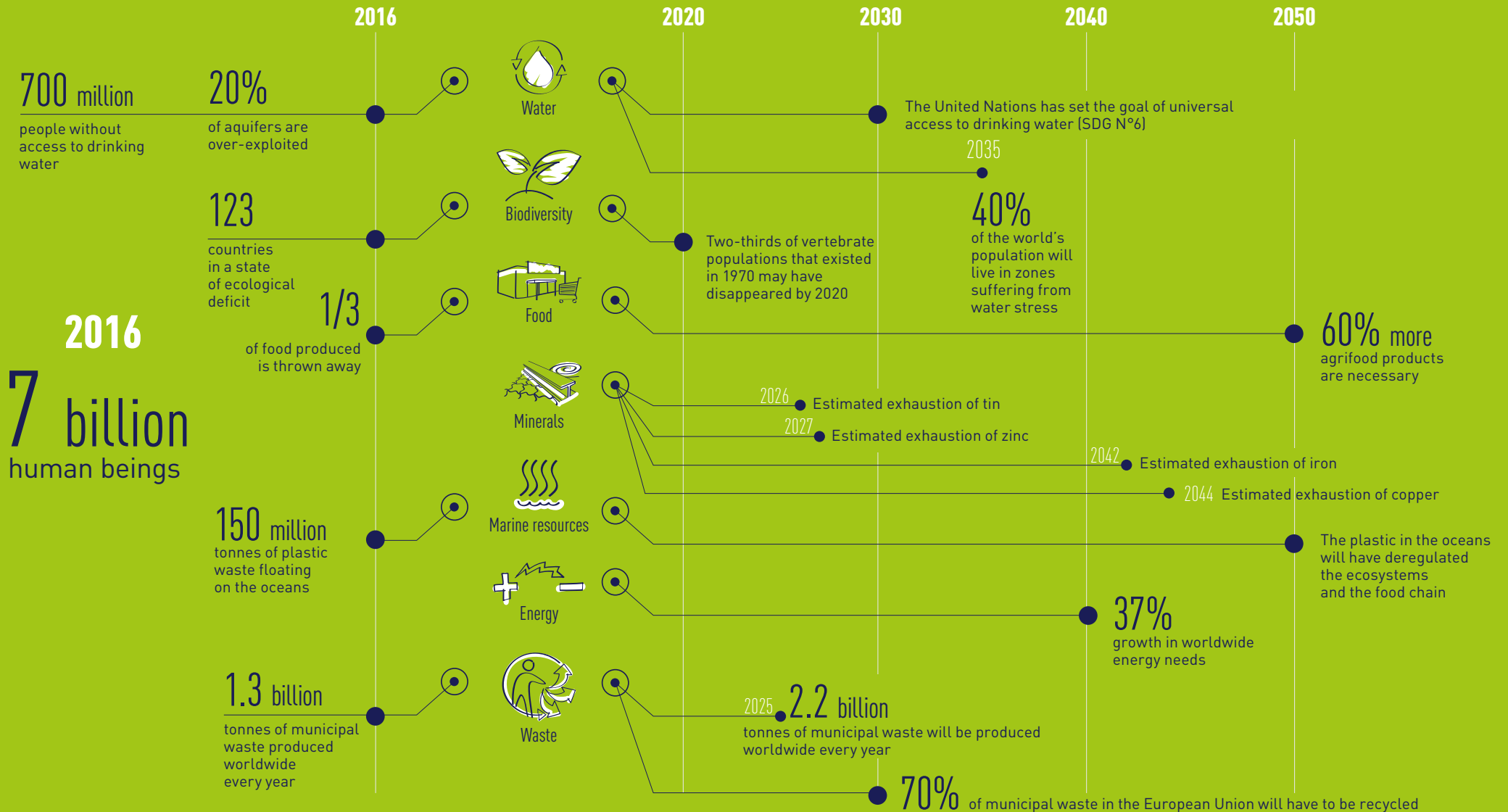


The resource revolution: an absolute necessity

Because they are finite by definition (the case, for example, of oil, but also of sand or a number of minerals, such as tin or copper), or because they are being depleted by the transformation of our societies and their technologies (the disappearance of bees), the increased scarcity of resources is a proven reality that is being amplified by the growth of the world's population, urbanisation and climate change.

2050

10 billion
human beings



Towards green growth

While the world now has 17 Sustainable Development Goals for 2030, global aspirations for a growth model that consumes fewer resources were brought to the fore in 2016. Whether, according to geographical zone, we talk of green growth, efficient resource management or the circular economy, the desire to separate growth from the consumption of natural resources is gaining strength. A fact reflected by changes in regulations, the stance adopted by the world of finance and an analysis of the environmental market's needs.

Protection of resources is at the heart of the new Sustainable Development Goals

The United Nation's new Sustainable Development Goals, which came into force on 1 January 2016 and apply to both governments and civil society, aim to achieve the following objectives by 2030:

- the sustainable management and rational use of natural resources,
- a significant reduction in the production of waste through prevention, reduction, recycling and reuse,
- a sharp increase in the share of renewable energy in the worldwide energy mix.

A regulatory context that is increasingly favourable to the circular economy

The new Circular Economy Package prepared by the European Commission, which was put before parliament in the first quarter of 2017, sets higher goals for recycling than initially planned, with the recovery of 60% of municipal waste by 2025, and 70% by 2025, and the recovery of 65% of biowaste by 2025, and 70% by 2030.

In France, the first measures to apply the law on energy transition for green growth, which aims to "combat waste and promote the circular economy", came into force in January 2017. Their primary goal is to increase the energy self-sufficiency of regions by issuing calls for tender for the construction of methanation units.

In China, the law on the circular economy adopted in 2008 is starting to bear fruit. In 2010, 78% of municipal waste produced went to landfill. By 2014, this figure had dropped to 65%.

In emerging and developing countries the circular economy can be a genuine growth driver. A fact illustrated by the inclusion of waste management in the commitments made by some of them to reduce greenhouse gas emissions.



 **70%**
of municipal waste will be recovered in Europe by 2030

 **7.5 billion**
tonnes of CO₂e could be avoided by 2030 through the universal implementation of national circular economy strategies

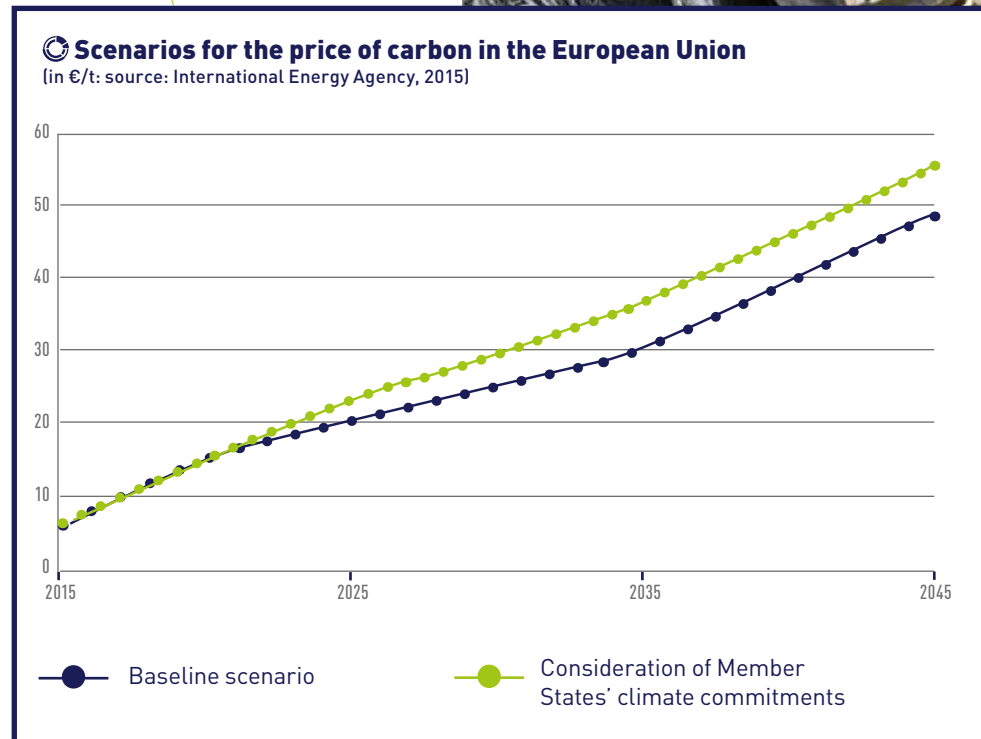
More than 40 countries worldwide already have, or have plans for, carbon pricing.

The emergence of green finance

→ More and more banks, asset managers and insurers are eliminating carbon from their portfolios, or directing their investments according to environmental, social and governance (ESG) criteria, by inviting companies to report on their climate strategy. In December 2016, the task force chaired by Michael Bloomberg, which was launched at COP21 at the request of COP20, proposed guidelines for what could become the financial transparency of corporations with regard to the climate.

→ The green bonds market is growing strongly, with a diversity of issuers and countries. \$120 billion in 2016, \$200 billion at the start of 2017, with the prospect of reaching \$250 billion by the end of 2017.

→ In 2016, 13% of global greenhouse gas emissions were covered by an explicit pricing system. More than 40 countries and 20 provinces or cities already have, or have plans for, a carbon pricing system, while the emissions quota exchange system in the European Union is currently being reformed. At the time of the COP21 and COP22 conferences, more than 1,000 companies and investors had publicly voiced their support for carbon pricing policies. Some of them, including SUEZ, have set an internal carbon price.

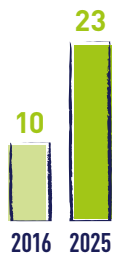


Confirmation of the rise in needs of the environmental market



Climate change adaptation markets

The worldwide seawater desalination market¹
(in € billions per year)



between
€130 and €280 billion



cost in 2030 of measures to adapt to climate change in developing countries²

Smart water and industrial water markets

The global market for digital technologies for water³
(in € billions per year)



The global smart networks market⁴
(in € billions per year)



The global industrial water market⁵
(in € billions per year)

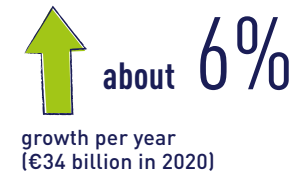


Circular economy markets

Recycling of waste electronic equipment⁶
(in € billions per year)



The global waste-to-energy market⁷



Anaerobic digestion solutions⁷



The soil remediation market⁸

€35 billion
per year until 2020 in China

Activity generated by better resource management

€12 to €23 billion
worth of activity would be generated for every percentage point of reduction in resource consumption⁹

Sources: 1-Global Water Intelligence, April 2017. 2-PNUE. 3-Global Water Intelligence, October 2016. 4-Navigant Research, October 2016. 5-Bluefield Research, 2017. 6-Transparency Market Research, March 2016. 7-Nasdaq GlobeNewswire, March 2016. 8-huanbao.bjx.com, August 2016. 9-Institut Montaigne, 2016 / Bernd Mayer's study for the European Commission, 2011.

The dilemmas facing a responsible company

Changes in today's world can cause conflicts between approaches that, when taken separately, are legitimate: short or long-term approaches, usages, responsibility. Which is the right path, and who decides? Companies often face dilemmas. SUEZ decided to formulate these dilemmas and to consult stakeholders on a regular basis in order to resolve them. Some examples of problems we discussed this year:

How far can CSR go?

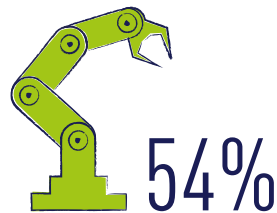
How does the company's social and societal responsibility fit in with that of the state and the individual? This question was debated at length in readiness for the law on the duty of vigilance. When a state does not share the concepts of human rights that exist in Europe, how should companies behave?

SUEZ believes that a company with sound ethical and societal policies operating in so-called sensitive countries can be a catalyst for improvement. A fact that can be observed in one specific category of human rights: the right to water and sanitation. But there are numerous pre-conditions. First, opening dialogue with local stakeholders.

Another trend that was confirmed in 2016 places companies in a similar dilemma - the will to focus not only on labour relations, but also on human relations and, therefore, **to come up with policies conducive to personal fulfilment.** Where is the border between work and private life? For example, can we legitimately talk about being happy at work?

Do robotisation and the development of digital technology go hand in hand with job losses?

The emergence of artificial intelligence and robots is turning the labour market on its head. But opinions differ on the speed at which the situation is changing and the scale of the corresponding social impacts.



of jobs worldwide are "under threat" from robotisation in the medium term

Not all countries are equal in the face of these changes.

→ According to a recent study*, the average rate of jobs threatened by robotization on a worldwide scale is 54%, compared with 45% in the United States, which appears to be better prepared for the transition.

→ In Europe, **the proportion of impacted jobs** could vary between 45% and 60%, depending on the country. The least qualified workers would be hit hardest by the social imbalance.

But human intelligence will move towards **new ways of using technology and, therefore, new resources.** In the water and waste sectors, robotisation could do away with the most arduous tasks, and digital technologies could allow for more efficient management of facilities. Human resources will focus on analytical tasks or, for employees in contact with users, on communication.

This requires an ambitious transformation strategy and training policy to help employees take these technologies on board and develop new skills.

* Source: Breugel European Institute, 2014.

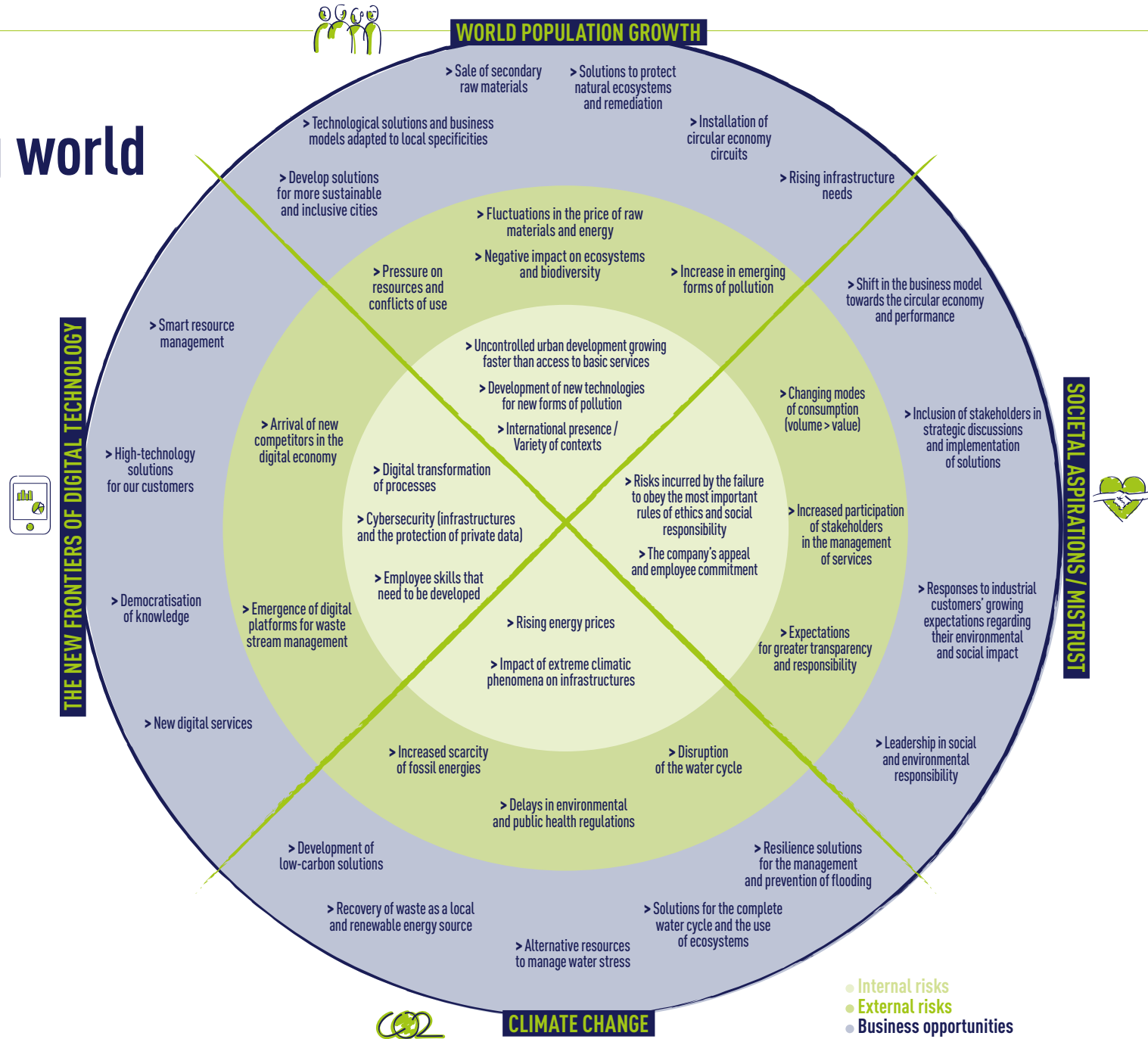


Risks and opportunities in a fast-moving world

The changing demographic and environmental factors that characterise the world we live in today are setting a new scene for SUEZ customers (governments, local authorities, industry) and for the Group's business activities. Despite a macro-economic context that remains uncertain, the need for new environmental services continue to grow. And at a time when change happens fast, the demand for responsiveness and agility is a new challenge in itself. Strong and selective analysis of risks and opportunities is now more necessary than ever before.

AN INTEGRATED RISK MANAGEMENT SYSTEM

The company's integrated risk management system aims to provide an overview of the risk portfolio using methods and tools that are common to all subsidiaries and functional divisions. The risks are categorised (strategic, financial, operational), assessed (in terms of importance and frequency) and quantified where possible. The way risks are processed is regularly reviewed to provide input for action plans at the various levels of the company.



An aerial photograph of an industrial facility, likely a refinery or chemical plant, featuring numerous large storage tanks and processing units. A white grid pattern is overlaid on the image. A green rectangular box highlights the word 'strategy' in dark blue. To the left, the words 'driving the resource revolution' are written in large white font. On the right side, three callout boxes are connected to a central point by white lines. The top callout box is labeled 'P.18' and contains the text 'Two strategic pillars'. The middle callout box is labeled 'P.25' and contains the text 'Accelerators of transformation'. The bottom callout box is labeled 'P.29' and contains the text '2017-2021 Sustainable Development Roadmap'.

strategy

**driving the
resource
revolution**

P.18

Two strategic pillars

P.25

Accelerators
of transformation

P.29

2017-2021 Sustainable
Development
Roadmap

Be the leader in sustainable resource

The only international company focusing exclusively on water and waste management, SUEZ's aim is to be the world leader in sustainable resource management. Confronted with the challenges of urbanization, demographic pressure and climate change, cities, manufacturers and farmers have an ever more pressing need for secure access to high-quality, efficient, recovered resources. Working closely with its customers, SUEZ is taking part in the resource revolution following a strategy that now comes under a single brand and focuses on two strategic pillars.



1

TRANSFORM OUR ACTIVITIES

- Focus on the circular economy
- Accelerate the deployment of smart solutions



2

OPEN UP TO NEW MARKETS AND CLIENTS

- Support environmental transition across the globe
- Develop integrated solutions for industry

Perspectives from



DAVID PALMER-JONES

Managing Director
Recycling & Recovery UK
P. 19



BRUNO HERVET

Executive Vice-President
Smart & Resourceful Cities
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STEVE CLARK

Managing Director, Asia
P. 21



ANA GIROS

Managing Director of the following
Business Units: Latin America,
Industrial Water Europe and Global
Business Line Industrial
P. 22

1 TRANSFORM OUR ACTIVITIES



SUEZ accelerates the implementation of innovative programmes to transform waste into new resources. It is also digitalising operational activities.

Focus on the circular economy

Tapping new sources of recyclable materials a significant challenge: the partnership signed in 2016 with Terracycle (a company specialising in selective collection devices designed to recycle around a hundred specific waste flows) will boost SUEZ Circular Economy offer.

The goal: to continually recycle more waste, even for the most complex.

To achieve this, we must maximise recovery rates by **modernising existing sorting centres** and creating high-tech sorting centres. Quality is the key to competing with raw materials.

In particular, SUEZ is striving to **optimise the recycling of plastics**. In 2016, with Chemelot Ventures in the Netherlands, the Group built a new polymer manufacturing plant to produce high-quality materials for manufacturing. SUEZ is also pursuing ambitious goals

in the field of energy recovery, with the aim of **increasing production of renewable energy by 10% by 2021**. As a pioneer and leader in the recovery of biomethane from wastewater, the Group intends to double biogas production over the next five years and develop liquefaction solutions.

From very early on, SUEZ secured a sound position in the European material and energy recovery markets, giving the Group a head start and enabling it to export its expertise to industrial customers and to countries that are opening up to the circular economy:

→ China, whose 13th five-year plan, for example, includes a project to develop waste-to-energy production;

→ the Maghreb and the Middle East, where there is a growing demand for municipal waste treatment and recycling solutions.



In 2016, at SUEZ's invitation, writer, economist, and member of the French Academy, Erik Orsenna, took a look behind the scenes of the circular economy in "21 Journeys to the lands of new resources" and on www.24hours.earth.



DAVID PALMER-JONES,
Managing Director, Recycling & Recovery

“**Places such as the United Kingdom, Germany, and the Benelux Union are at the forefront of the circular economy**

and provide a glimpse of what may lie ahead for the rest of the world: consumers are highly attuned to the importance of sorting waste at the source and to the value of recycling. In the United Kingdom in particular, the cost of dropping off refuse at waste storage centres has increased significantly over the past few years, favouring the implementation of circular economy solutions.

Energy recovery from residual waste is a part of the circular economy: it is a competitive alternative to filling landfills and is virtuous because it limits the use of fossil fuels and reduces CO₂ emissions. SUEZ Recycling & Recovery in the United Kingdom operates eight Energy Recovery Units that generate 200 MW of electricity, enough power to supply a city of 350,000. A ninth unit is under construction. The British government's new industrial strategy offers great opportunities for the future: supplying industrial actors with cost-effective local energy by installing waste recovery units near their sites will both contribute to their competitiveness and promote dynamic green growth.”

**Energy recovery
is a sustainable solution.**

Accelerate the deployment of smart solutions

Three million meters have been installed in the networks managed by the Group. These meters have enabled us to develop the new line of Advanced Solutions services. In 2016, we launched the digital Aquadvanced® Sanitation solution (real-time monitoring of sanitation networks to limit the risk of flooding and to control the quality of discharges into the environment), deployed in Europe and in Singapore. They also provide farmers, particularly in Spain, with an optimised means of managing water consumption.



september

launch of the Aquadvanced® Sanitation offer



3 million
smart water
meters installed
to date

With regard to recycling and waste recovery activities, SUEZ intends to pursue its strategy to develop smart services (developing a "smart waste" offer) by deploying connected tools. In France, sensors on more than 3,500 voluntary bring waste disposal sites and industrial skips optimise waste collection by monitoring the containers' fill rates.

SUEZ aims to **put people at the heart of this digital revolution**, starting with the three million smart water meters sold to date and household waste bins equipped with sensors. Another contributor to this revolution will be **the development of e-commerce platforms, real online sales** solutions to optimise recycling and recovery of household waste. They solutions, which have already been deployed in Germany, Sweden, the Netherlands and Belgium, and are now arriving in France, are also designed for traders and professionals.

Digital technologies improving the quality of life in cities.

BRUNO HERVET,
Executive Vice-President
Smart & Resourceful Cities



“ Our first step was to make networks and meters "smart".

Our current goal is to use digital technologies to manage not just all types of flows, but the entire ecosystem of flows that characterise a city. "Digital Saint-Etienne", our response to the "Industrial Demonstrators for the Sustainable City" call for projects, enables us to think of cities as systems rather than silos, thanks to a digital tool for the use of services by residents, managers and policy-makers.

This type of project illustrates the new expectations of public stakeholders: to renew the use of urban services to improve quality of life in the city. The applications that we are developing with our partners make this possible: realtime information on traffic conditions and the number of available parking spaces makes travel easier and optimises fuel consumption; digital solutions connecting local residents can give everyday objects a new lease of life; instant access to water and energy consumption data enables inhabitants to control their bills; urban lighting that is modulated according to use, improves comfort and safety and optimises communities' energy expenditure. These solutions, which we are implementing with start-ups, NGOs and other companies, illustrate SUEZ's goal to help to create resource cities: cities capable of generating and conserving the resources they require to function."



The rise of environmental awareness knows no borders.

Support environmental transition across the globe

SUEZ aims to raise environmental awareness by promoting local partnerships and by proposing modular solutions that can be adapted to local specifics.

→ In 2017, the focus is on **Latin America** and more specifically on Panama and Mexico: SUEZ intends to strengthen its presence through a multi-unit business organisation, deploying solutions for wastewater reuse and desalination through reverse osmosis. In 2016, the Group won the contract in **Rosarito** to build and operate the largest desalination unit on the American continent.

→ SUEZ is also strengthening its long-running presence in the **Middle East** with a new desalination plant, the largest in the Sultanate of Oman.

→ **In India**, where consumption is expected to double by 2050, water is a chief concern for the government, which has launched a five-year plan to develop the country's infrastructures for access to water and sanitation. SUEZ has just won two new municipal contracts in Calcutta and Mumbai, and has acquired a majority stake in the Indian company Driplex, one of India's leading providers of industrial water treatment solutions.

→ The Group also intends to strengthen its presence **in Africa** through the six contracts it won in 2016 to construct drinking water production facilities in Burkina Faso, Kenya, Mali, Ivory Coast, Nigeria and Benin.

→ In the countries where it has a historical foothold (USA, China, Australia), SUEZ is well positioned to accelerate the resource revolution. In **Australia**, for example, the increased use of desalination and the opportunities created by recycling wastewater, particularly in the industrial and mining sectors, should increase the weight of the largest Business Unit in the Group's International Division.

COP21 and 22 revealed the huge impact of waste on global warming, particularly in emerging countries. The demand for new lines for waste treatment is increasing significantly in countries such as those in the Maghreb. Meanwhile, in other countries, regulations that promote waste-to-energy and waste-to-material provide SUEZ with new prospects for strengthening its presence.

In the United States, for example, the waste market was, above all else, a landfill market, on which SUEZ played a marginal role. A situation that is likely to change, due to the way people's expectations are changing and to the new strategic partnership that SUEZ has entered into with Atlanta-based Rubicon Global, the world's leading provider of Cloud solutions for waste management and recycling.



STEVE CLARK,
Managing Director, Asia

In China, a new generation of services is on the horizon.

“ We aim to strengthen our leadership in China:

by extending our historic partnership with NWS Holdings Limited to include all the water, recycling and recovery activities, we will be able to strengthen our position in mainland China, Hong Kong, Macao and Taiwan. The Chinese market, driven by regulations that promote the protection and recovery of resources, is evolving and opening up to smart solutions for water and waste-related activities. This is an ideal opportunity for us to offer our Advanced Solutions and promote a smart infrastructure management system that can increase resource security and efficiency. The Internet boom in China has allowed us to propose new services to consumers: we became part of the WeChat network (a single app with numerous functions that is accessible to all the Chinese) to enable our customers to pay their bills using their smartphones, whether they are in Chongqing or Changshu.”

Develop integrated solutions for industry

Our ongoing acquisition of GE Water, announced on 8 March 2017, will enable SUEZ to achieve significant operational and financial synergies on the global industrial water market, estimated at €95 billion and growing every year.

Industrial players are setting increasingly ambitious environmental targets, whether they are aimed at improving their water footprint or optimising their waste flows. 34 international companies, members of the Association Française des Entreprises Privées (AFEP, French Association of Private Companies), have made 100 commitments in favour of the circular economy.



5%
annual growth
of the industrial
water market



Ballast water
new regulation for
ballast water treatment

SUEZ has **seven Roadmaps** to offer solutions to the seven key industrial sectors. With one goal: to propose local circular economy loops. In the specialised chemistry, pharmacy and petrochemicals markets, SUEZ is developing its expertise in the field of hazardous waste, which now has its own specific business unit in Europe (IWS). In this way, the Group is meeting the growing demand for the reliable treatment and recovery of increasingly complex waste

SUEZ is also entering new markets, such as ballast water treatment for fleets of ships, a growing market following the ratification of a new regulation on 8 September 2016. In addition to recycling plastic, this agreement will help protect the oceans, another priority of the 21st century.

ANA GIROS,
Managing Director of the following
Business Units: Latin America,
Industrial Water Europe and Global
Business Line Industrial



Optimising the value chain of our industrial customers.

“ By expanding its offer with disruptive solutions that favour the circular economy

SUEZ is strengthening its presence on the international industrial market. Control of the water and waste cycles is a major concern for the industrial sector, which must constantly strive to optimise costs and improve economic and environmental performance. We are working with our industrial customers for the resource revolution too. Working within the framework of performance contracts, based on environmental footprint measurements, we intervene at the heart of their processes to optimise their value chain. Whether it is by reusing domestic wastewater for industrial processes in San Luis Potosi, Mexico, or by reinjecting biogas thanks to the recent innovation currently being installed at Cargill Redon in Nantes, France, SUEZ is constantly offering more efficient and innovative solutions for the sustainable conservation of resources.”

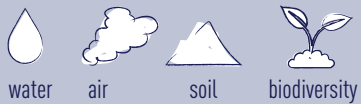
The SUEZ value creation chain in 2016

CAPITAL

HUMAN CAPITAL



NATURAL CAPITAL



FINANCIAL CAPITAL



INTELLECTUAL CAPITAL



€74 million
invested in R&D per year

6 research and experts centres

SUEZ brand value

SOCIETAL CAPITAL

An open innovation ecosystem
Suppliers
Industrial partners
Partnerships with start-ups,
think tanks, NGOs and universities

INCOMING FLOWS

Household and industrial
Waste

41 million
tonnes of waste treated

1,612 million
m³ collected

Raw and waste
Water

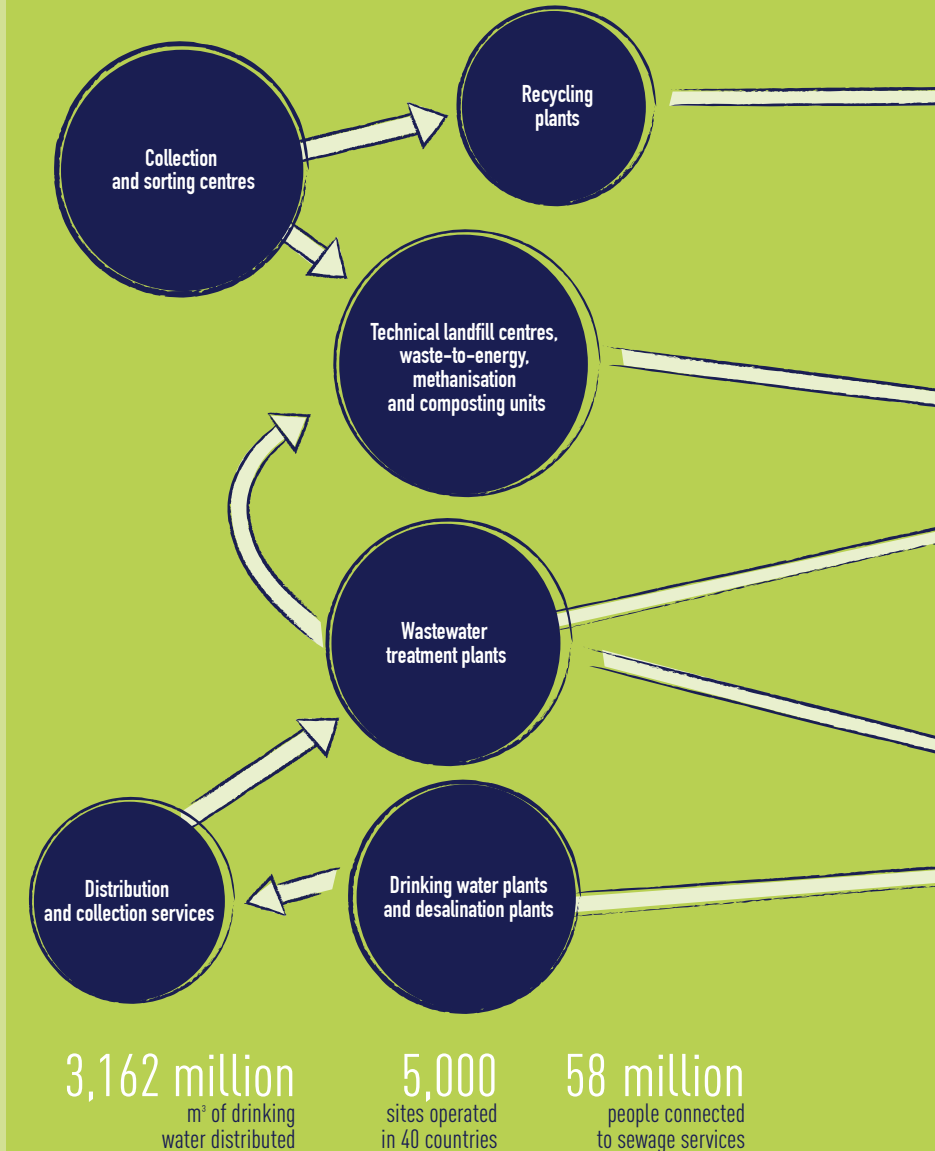
4,250 million
m³ extracted

Other

Construction materials
Reagents
Energy (electricity, fuels)

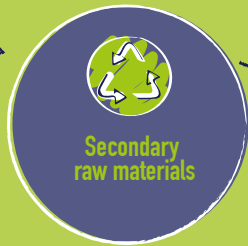
VALUE

Construction and management



CREATED

Products of the circular economy



- Green polymers
- Glass
- Metals
- Paper
- Compost



- Recovered solid fuels
- Electricity
- Heat
- Biogas
- Biomethane/BioLNG



- Recycled wastewater
- Desalinated water

882 million
m³ of recycled wastewater

6.2 TWh
of renewable energy
produced in Europe

2.1 million
tonnes of recovered
solid fuels sold

Environmental services



6
Advanced
Solutions



2,9 million
tonnes of hazardous
waste treated

21%
of customers
equipped with
remote reading meters



6
e-commerce
platforms

3.9 million
tonnes of secondary
raw materials produced

SHARED VALUE

HUMAN CAPITAL

€3,990 million
of wages

NATURAL CAPITAL

9.5 MtCO₂e
of greenhouse gas emissions avoided

92%
of wastewater depolluted

FINANCIAL CAPITAL

€602 million*
distributed to shareholders

INTELLECTUAL CAPITAL

1.4 million
hours of employee training

SOCIETAL CAPITAL

€8,563 million*
of purchases from suppliers and service providers

€1,003 million*
of taxes paid to States and local authorities

*Refer to page 47 for more details of redistribution of financial flows generated by SUEZ's activity in 2016.

Accelerators of transformation

SUEZ benefits from some major strengths to take up these challenges: support for employees, synergies between its activities, a climate strategy, open innovation etc. The Group consolidates these strengths to speed up its transformation in a responsible manner.

Support for its employees, the people who bring about change

In 2016, we took transformation of our activities up a gear by introducing **more integrated structures** better suited to the necessary changes in decision-making processes: fewer management lines, closer cooperation, cross-functional expertise and shared support functions.

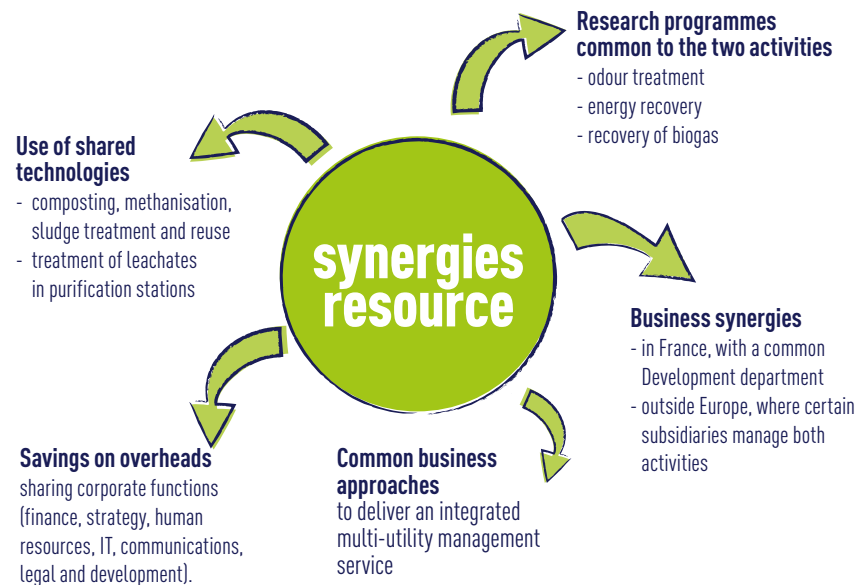
These changes require support systems for our employees, who take pride in the single-brand strategy and want to make a genuine contribution to the resource revolution, as they showed us in our commitment surveys. Our human resources policy focuses on four key areas for support:

- a better explanation of strategy,
- intensified training and skills development, in line with changes to the market and to Group activities,
- reinforcement of the internal mobility policy,
- implementation of spin-off processes.

Synergies between activities for greater agility and efficiency

The Group has a comprehensive command of the complete water and waste cycles. This is a strategic asset in its transformation, because it favours synergies within and between activities.

These synergies promote business agility and efficiency. The Group is in a position to offer a comprehensive service offer that guarantees a balanced economic model, with varying levels of exposure: short, medium and long-term service contracts, local authorities and industrial customers, regulated and unregulated markets.





Lower operating costs mean lower greenhouse gas emissions.


Operational performance that supports profitability and protects the environment

In 2016, the Group maintained its continuous improvement measures, including industrialization process, purchasing efficiencies, and the reduction of SG&A costs. Net permanent gains amounted to more than €200 million, compared with an initial target of €150 million, which was increased to €180 million in the course of the year. All of the Group's subsidiaries contributed to achieve these good results.

Transforming activities and integrating them in a circular economy model, **is driving optimisation** of operational performance. By digitalising processes (geolocalisation tools, promoting e-invoices etc.), optimising management of waste streams and collection rounds, improving control of energy consumption and boosting waste-to-energy and wastewater-to-energy capacity, we can cut costs and, therefore, cut greenhouse gas emissions.

€3.3 million
of savings made by improving the energy efficiency of Group facilities

 **8.8%**
of trucks run on alternative fuels

 **7.95 MtCO₂e**
of CO₂ emissions produced by SUEZ

 **2**
prosecutions related to incidents affecting the environment

 **87%**
of satisfied Water customers

76.8%
yield of drinking water distribution networks (worldwide scale, globally integrated contracts)

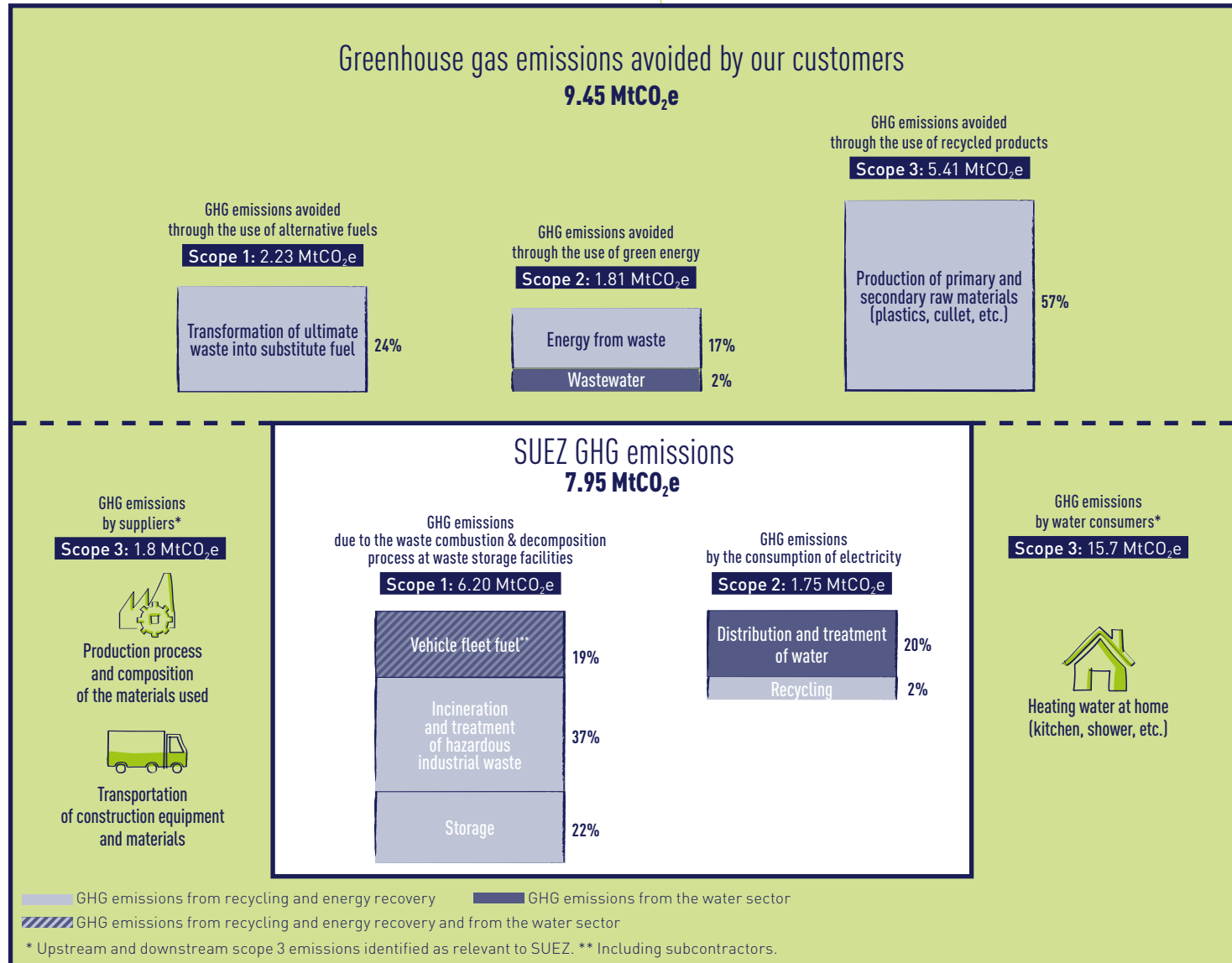
A climate strategy that includes the price of carbon in project management

SUEZ's climate strategy forms an integral part of its ambition to be the leader in sustainable resource management. Its commitment applies to both the reduction of greenhouse gas emissions across the Group's entire scope (30% in 2030) and to its capacity to reduce its customers' greenhouse gas emissions, thanks to circular economy solutions (60 million tonnes of greenhouse gas avoided for its customers by 2020).

In broader terms, **the goal is to promote climate responsible models.** In keeping with the commitment made in October 2015 as part of its climate strategy, SUEZ has decided to adopt a reference price for carbon, which will be used for arbitration purposes based on the impact that a carbon price would have on the calculation of internal profitability rates. This reference price is currently being integrated:

- in investment project business plans, on the basis of prices derived from international and/or European regulations (e.g. €30/tCO₂ in 2030 in the European Union, according to the International Energy Agency's News Policies scenario),
- in business plans for low-carbon solutions currently being studied in R&D programmes.

The SUEZ Group's carbon value chain in 2016





A new open innovation ecosystem

New solutions for resource protection or disruptive economic models often originate in start-ups or positive-impact enterprises. SUEZ has chosen to work with them to build an open innovation ecosystem that takes a number of forms:

- **SUEZ Ventures:** SUEZ's investment fund that operates as an investor and an industrial partner for young companies developing innovative technologies,
- the **"Innovation Technological Tests":** a system that tests the innovative solutions developed by SUEZ's partners under industrial conditions, thereby significantly reducing time to market,
- the **"SUEZ Collaborative Tour":** since July 2016, the tour has been organising meetings between Group managers and social and environmental entrepreneurs in a given region, with a view to co-building new and positive-impact offers.

This innovation ecosystem is part of a worldwide scientific and technical network, made up of 600 experts and researchers. In 2016, they worked on more than 80 research and development programmes that address, in particular:

- **the circular economy,** with experiment programmes on new processes to recover organic waste, such as biofuels (launch of the BioresourceLab platform), or to compare the different methods used to produce chemicals by treating waste (the Horizon 2020 programme: BIOFOREVER),
- **the protection of public health,** with new programmes, including the collab-

orative innovation programme with the city of Lausanne to prevent exposure to micropollutants.

A responsible purchasing policy

With almost €6 billion worth of purchases from 95,000 suppliers, purchasing is of strategic importance to SUEZ. As part of the reorganisation of its purchasing activity, SUEZ has deployed a responsible purchasing policy that aims to:

- qualify suppliers according to legal, solvency and CSR criteria, with the aim of reducing risks
- contribute to the integration of suppliers in new services and solutions in the circular economy,
- promote support for SMEs and promote diversity amongst suppliers (workplace integration, protected worker sector), to contribute to regional cohesion and development.



The new Sustainable Development Road Map at the heart of the strategy

In keeping with previous versions (2008-2012 and 2012-2016), the new 2017-2021 Road Map was drawn up on the basis of an extensive internal and external consultation procedure targeting over 5,000 people and using different types of tools: a materiality analysis that enabled us to prioritise all the different issues at stake, and consultative panels of employees, individual shareholders and external stakeholders. This strong process of dialogue enabled us to include new and emerging issues.

The new Road Map, which was adopted by the Management Committee in December 2016, and by the Ethics and Sustainable Development Committee in February 2017, covers all Group activities worldwide. **It will support the resource revolution** and fulfils two functions:

- to drive and manage Group transformation. The Road Map is made up of 17 time-limited, quantified commitments, along with action plans to fulfil these commitments by 2021,
- to help achieve the Sustainable Development Goals defined by the UN in 2015.

As with the 2012-2016 Road Map, these new commitments will be accompanied by indicators of results and progress, and will be published annually in the Group's Integrated Report, along with a verification by an independent third party. They will provide the opportunity for annual dialogue with a panel of internal and external stakeholders, who will challenge and, if necessary, adjust how the action plans are implemented.



INTEGRATION OF SUSTAINABLE DEVELOPMENT IN GROUP PROCESSES

The new Road Map relies on integrated governance, as required by commitment 17. The Road Map is managed by the Group's Sustainable Development department, which provides the Management Committee and the Ethics and Sustainable Development Committee with an annual report on progress towards set goals and action plans deployed. Every member of the Executive Committee sponsors one specific Road Map goal.

Group subsidiaries implement the Road Map in accordance with the priority expectations of the stakeholders in their region and depending on the contribution to Road Map goals that the Group expects them to make. A contract is signed with each subsidiary, setting goals and defining reporting processes. An annual review is held in collaboration with the Group Sustainable Development department.

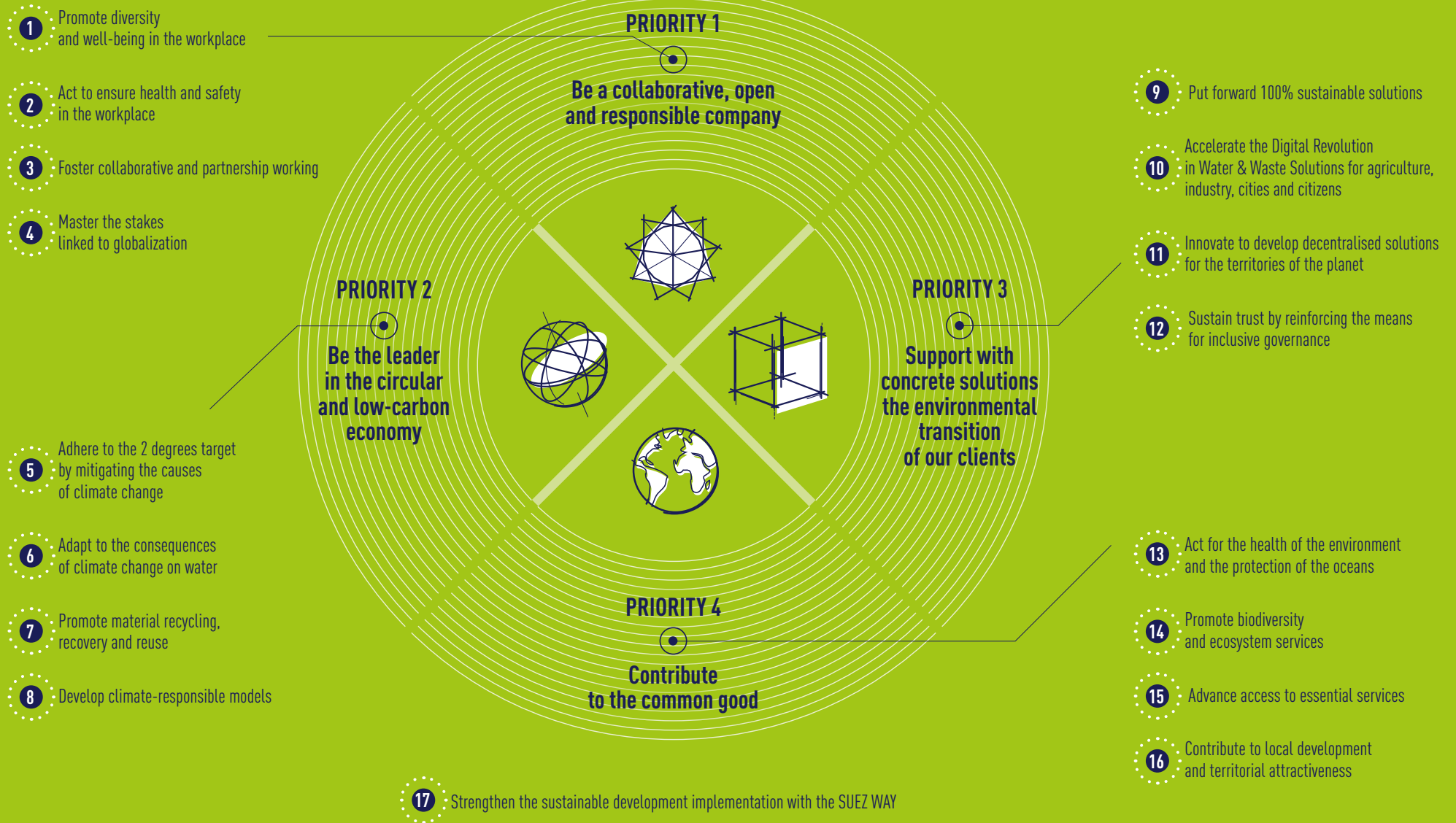
The offers and solutions deployed are also assessed using an internal tool and according to the Group's sustainable development criteria.



17 commitments for 2021 for the resource revolution



MORE
Refer to Page 65 for the detailed objectives and indicators of the new Road Map



for a global performance

P.33

A review of results in 2012-2016
Proof of our global performance

P.37

Significant commercial
successes in 2016
for a positive economy
The resource revolution
begins at home

P.44

Integration: a factor of social performance
Examples of contributions to the general interest
Economic profitability that benefits all

P.49

A responsible performance
hailed by rating agencies

SUEZ, a player in the positive economy

In its Sustainable Development Road Map, initiated in 2012, SUEZ made quantitative commitments for 2016. So the time has come to take stock of our performance in 2016, which is reviewed in the following pages. The review reveals that **a large majority of these objectives were reached**, or even exceeded:

- integration of SUEZ activities in the circular economy (indicator: the ratio between recovery and disposal of waste) was comfortably achieved,
- rate of installation of smart meters for customers, an indicator of smart solution roll-out, was above target,
- on the safety front, the 2016 target to reduce the severity rate to 10% was reached, while frequency was cut by 32.2%,
- employee development saw the average number of hours of training per person per year stabilise at a high level,
- knowledge sharing was demonstrated by providing training to 149 water and sanitation professionals and managers in developing countries,
- the proportion of women in the total breakdown grew regularly over the period. However, the target of 30% of women in management positions was not reached.

This Road Map, which was designed as a tool to manage Group strategy, was also intended to promote a global vision of economic, environmental, social and societal performance.

It is illustrated by an analysis of contracts won in Europe, North Africa and the United States during this period.

Looking beyond our performance in 2012-2016, a number of the results achieved in the course of the year illustrate this ambition to adopt a growth model that drives environmental and human progress:

- commercial successes for cities, industrials and farmers, which strengthened SUEZ's market position,
- an evolution in the Group's environmental footprint,
- the highlights of our social and societal performance,
- sharing values with all our stakeholders.

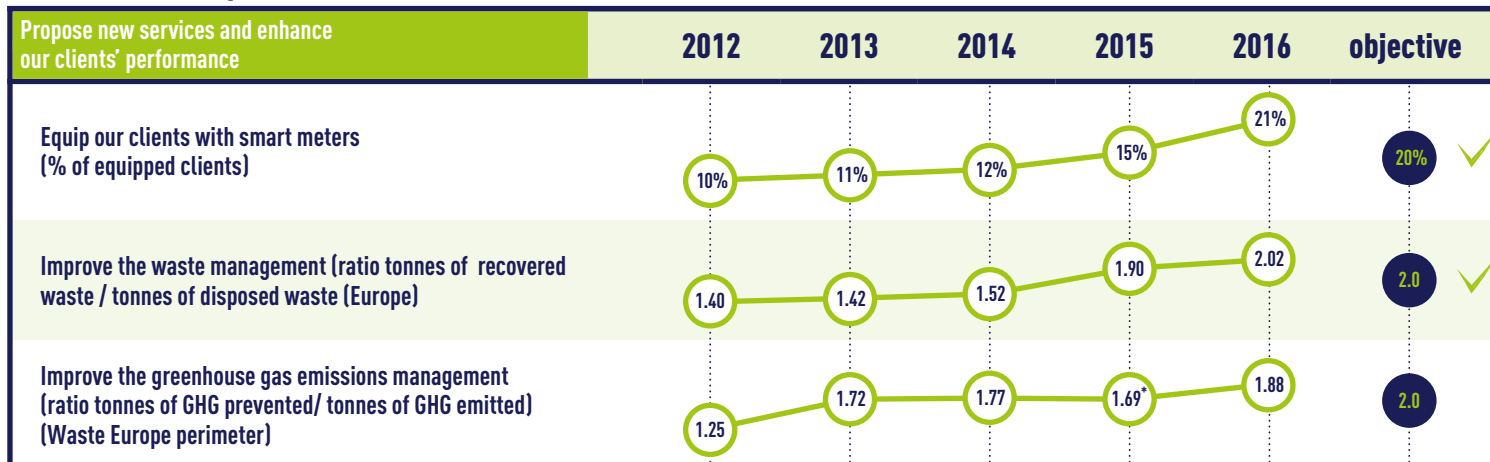


Promoting a global vision
of economic, environmental,
social and societal performance.

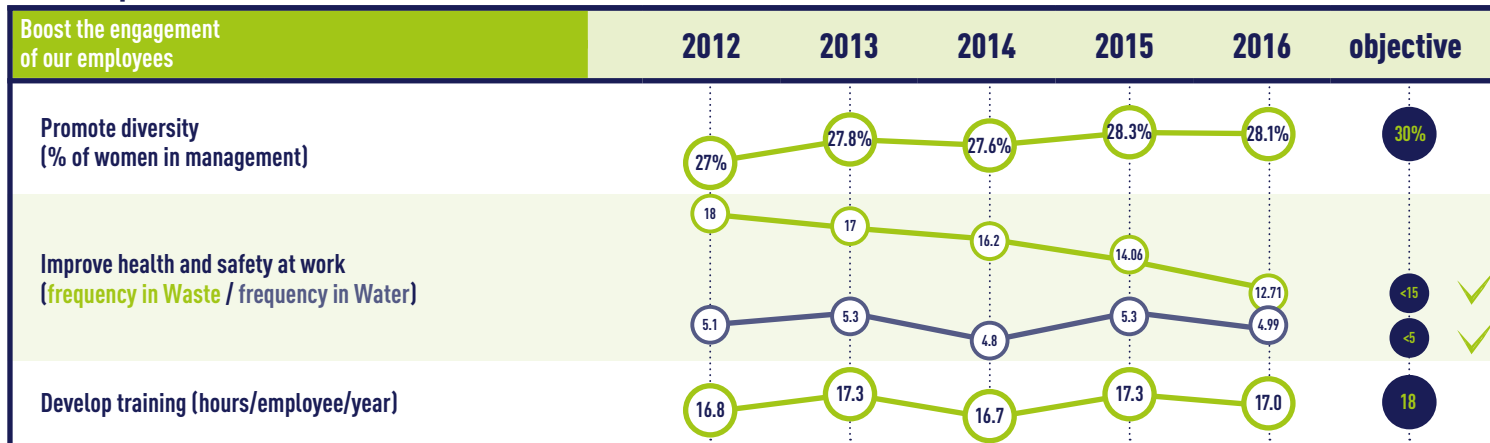
A review of results in 2012-2016

Environmental performance

✓ Target reached



Social performance

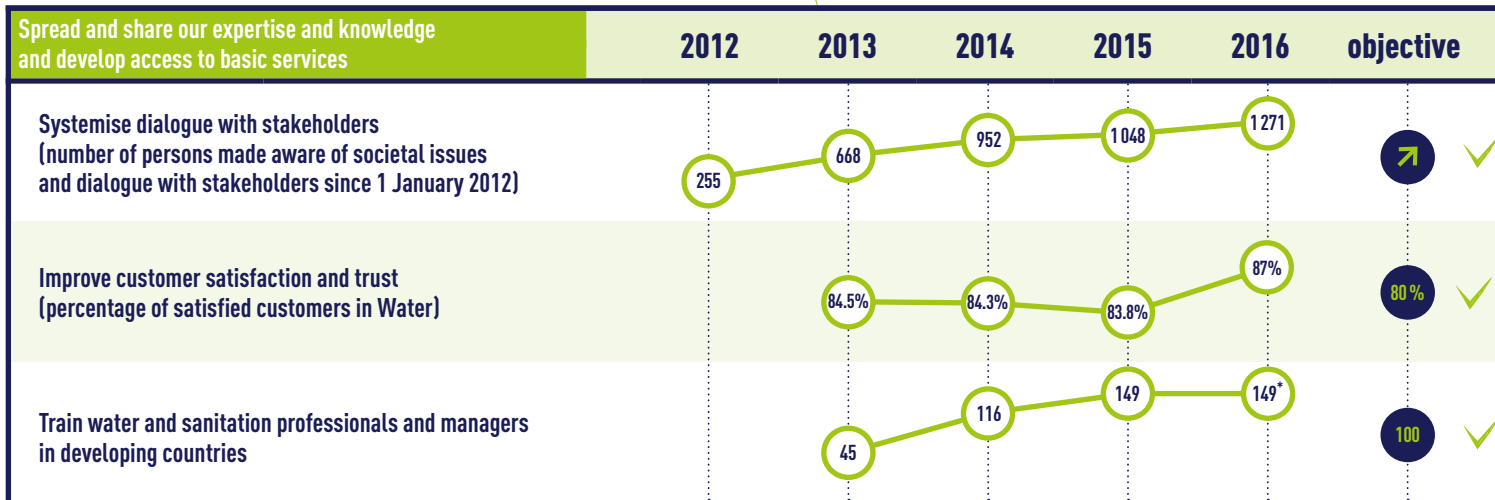


* Method of calculation improved in 2015.

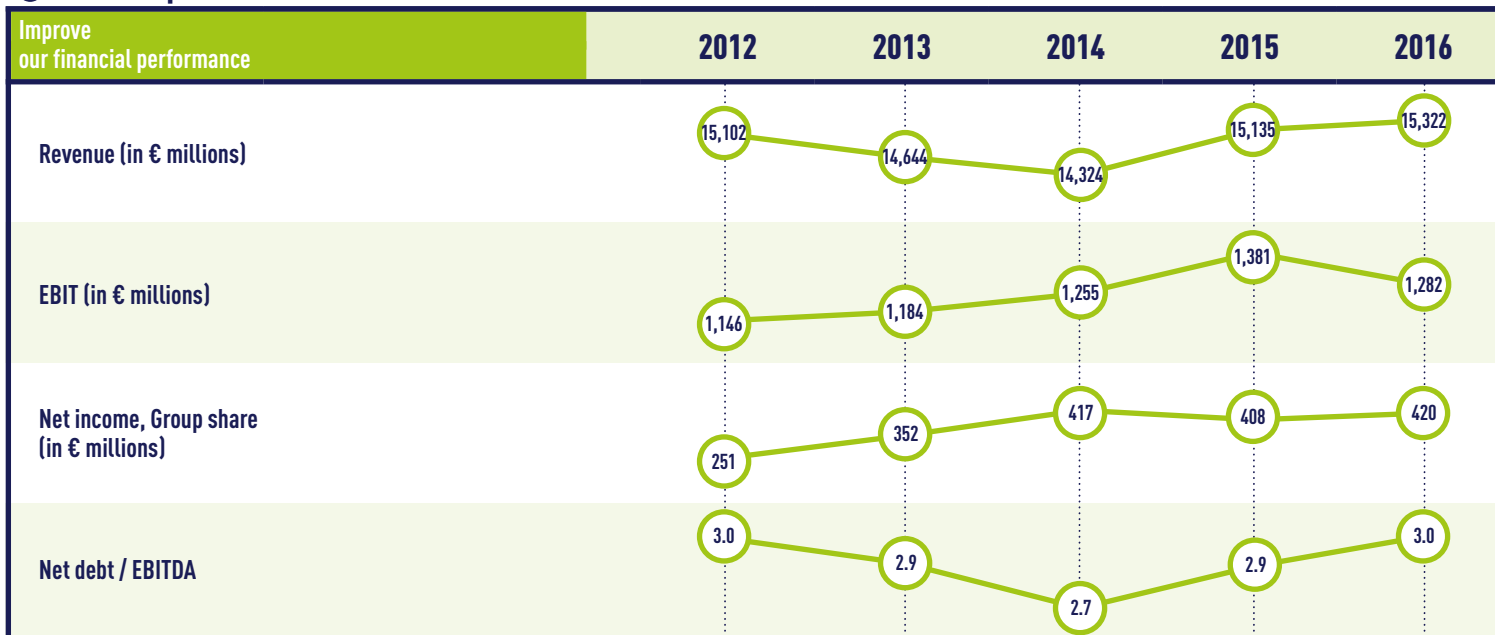




Societal performance

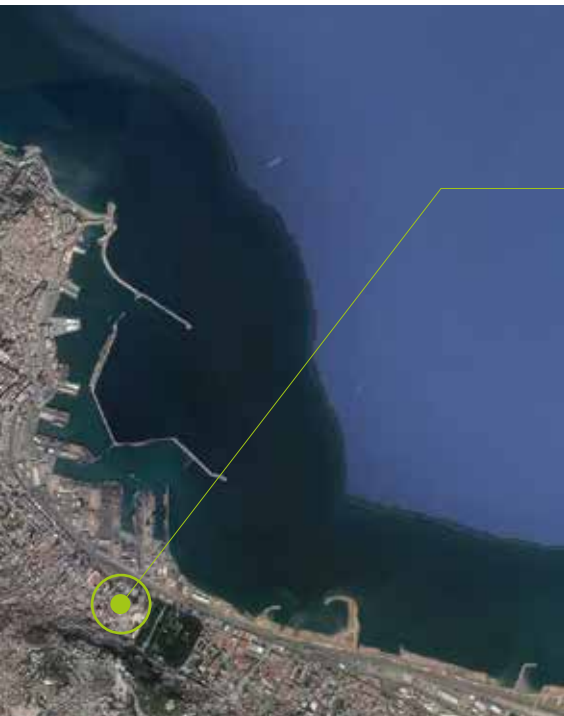


Financial performance



*A promotion every two years since 2015.

Proof of our global performance



Algiers – Algeria

Management contract between SEAAL and SUEZ

In 2016 SEAAL, a public Algerian company and a joint subsidiary of Algérienne des Eaux and the National Sanitation Office, renewed its contract with SUEZ.

First signed in 2006, this contract covers the provinces of Algiers and Tipasa, and the Taksebt drinking water treatment plant. In particular, the contract aims to guarantee 24/7 access to drinking water for local inhabitants in the long term, to significantly improve the city's wastewater service and to organise the transfer of SUEZ skills and expertise to SEAAL's 6,000 employees.

Economic performance	Revenue multiplied by 2.6. Coverage multiplied by 2.7 between 2006 and 2016, at a constant tariff.
Environmental performance	2006: bathing was permitted on 39 beaches in Algiers. 2016: bathing was permitted on 73 beaches in Algiers.
Social performance	72% of employees are satisfied with their career development (2014 survey).
Societal performance	With reference to ISO 26000, SEAAL's maturity in terms of CSR performance was estimated as convincing by Vigeo, equivalent to level 3 on a scale of 1 to 4.



Roosendaal – Netherlands

ReEnergy waste-to-energy plant

ReEnergy is one of the most modern and efficient waste-to-energy plants in Europe. With a treatment capacity of 336,000 tonnes per year, it can treat the waste of almost two million inhabitants, produces the equivalent of 70,000 households' electricity consumption, supplies heat to greenhouses located near the plant and heats an eco-district that is under construction.

Economic performance	Urban waste treatment costs slashed by 20% in comparison with landfilling.
Environmental performance	256 TWh of electricity and a quantity of heat equivalent to that produced by 3.5 million m3 of natural gas per year.
Social performance	Dozens of low-qualification jobs created in agricultural greenhouses.
Societal performance	Eco-district heated with green energy.



Tarbes and Teruel – Europe

Tarmac Aerosave

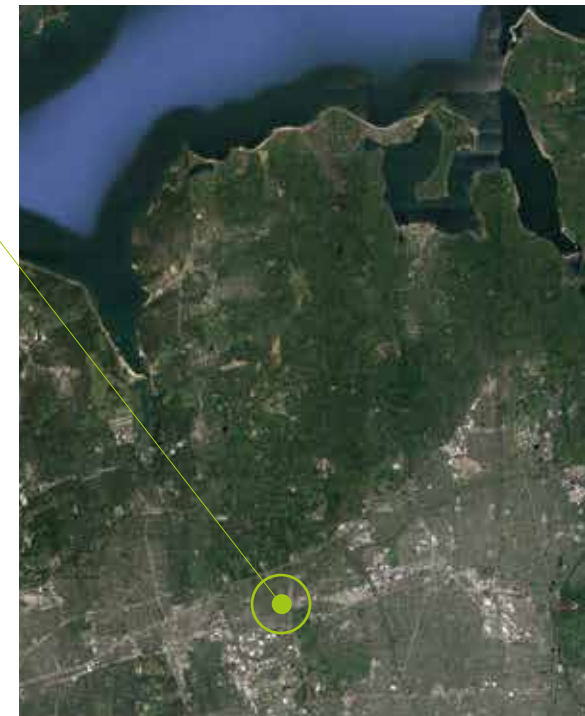
Tarmac Aerosave, which was founded by Airbus, SUEZ and Safran in 2009, stores, maintains, dismantles and recycles end-of-economic life commercial aircraft. The sites in Teruel, Spain and Tarbes, France currently have a capacity of 20 to 25 aircraft per year. The carcasses are cut up and an average of 50 tonnes of materials are sorted per aircraft. The engines and about one thousand items of equipment per aircraft are dismantled, cleaned and packaged for reuse after certification.

Economic performance	Revenue of €26m/year. 90% of the weight of the aircraft is recovered. 12,000 aircraft will have to be deconstructed worldwide in 20 years, due to the increasingly strict standards applying to air fleets.
Environmental performance	A global offer that includes storage, associated maintenance and environmentally-friendly deconstruction. Support for industrial manufacturers preparing for changes in European legislation governing recovery of end-of-life products.
Social performance	120 employees in 2014, 170 in 2016. The reference centre in Tarbes has created a Europe-wide network to disseminate the aircraft deconstruction process and promote export of skills and technologies to other parts of the world.
Societal performance	Helping to establish new standards in management of end-of-life aircraft, by covering the entire process.

New York State – United States

Contract with Nassau County

SUEZ North America has been operating, managing and maintaining the wastewater treatment facilities, pumping stations and pipelines in Nassau County in New York State since 2014, under the terms of a 20-year contract worth a total of almost \$1.2 billion (€1.1 billion). Nassau County's wastewater system is used by 1.2 million inhabitants of Long Island. Once treated, the effluents are released into the estuaries close to the beaches and bays that are very popular amongst the local population.



Economic performance	The local authority will save \$230 million due to improved operational efficiency and, in particular, thanks to reduced consumption of energy and chemicals, a reduction in sludge produced and improved productivity of the facilities.
Environmental performance	The project will enable damage caused by hurricane Sandy, which devastated a large part of the coast in 2012, to be repaired and includes upgrades to a wastewater system whose shortcomings resulted in regular breaches of the Clean Water Act and wastewater discharge that polluted New York Bay. The project is supported by numerous environmental NGOs, such as The Nature Conservancy.
Social performance	One of the goals of the contract is to increase the number of women (8%), particularly in management positions, 11% of which are currently occupied by women. A policy has also been introduced to recruit war veterans.
Societal performance	Protection of New York Bay is essential for leisure activities and the development of tourism, which is vital to the local economy. Operational data and videos showing the facilities and pipelines in real time can now be accessed online by everyone for the very first time in the United States.

Significant commercial successes in 2016 for the positive economy

Digitisation and the circular economy: energy-efficient flow management in cities

In 2016, SUEZ continued its efforts to encourage sustainable management of water services by local authorities. Network efficiency, which remains an essential indicator of efficient resource management, continued to make progress. On a worldwide scale, it reached 76.82%, up one point on 2015.

In those countries where urbanisation and economic development are growing strongly **the performance of drinking water networks is crucially important** in order to meet the sharp rise in demand for water.

This is the case in **Sri Lanka** where SUEZ Consulting won two contracts for rehabilitating and improving the performance of drinking water networks.

Encouraging controlled consumption is another means of saving water. Almost 21% of SUEZ customers worldwide are now equipped with smart meters. Meanwhile, SUEZ is launching a new generation of long-range radio-frequency for smart metering, called **ON'connect™**.

Waste management has also resolutely made the shift to digital technology. In France, the launch of **Valoservices.fr**, an online platform for waste recycling and

recovery services for consumers and small businesses, completed SUEZ's European range of online sales solutions and heralded the start of its B2C strategy.

Greater Dijon, which sets the standard for urban ecology in France, awarded its management contract for collection and sorting to SUEZ, which is proposing to roll out new digital services. An online circular economy directory has been launched, enabling its users to find contact details for professionals and organisations able to repair or redistribute their objects.

SUEZ offers numerous local circular economy solutions to local authorities, including recovery of heat from wastewater in one district, used to heat a nearby swimming pool, recovery of organic waste as compost for parks and gardens etc. For these solutions to work, flow synergies must be taken into account. This is the aim of SUEZ's **Urb'Advanced®** solution, which enables local authorities and developers to simulate alternative scenarios for the management of water, waste and energy flows.

THE TOWN OF POISSY RENEWS ITS FAITH IN SUEZ

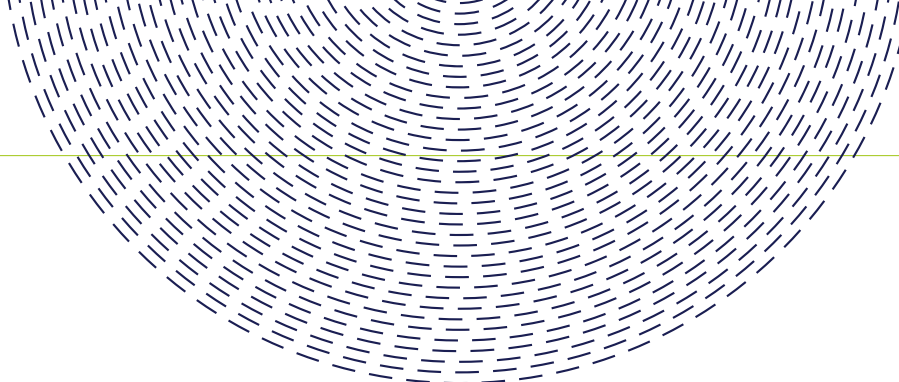
The town has awarded SUEZ a 10-year public service contract to supply drinking water. The contract, worth a total of €25.4 million, is innovative in a number of ways. It has introduced the concept of rounded-up water bills that allow users to round up their payments to the nearest Euro. The money collected, along with SUEZ's contribution of €1 per

customer per year, is donated to charity projects, selected by the town authorities, which provide access to water in developing countries.

As well as this societal impact, the contract offers positive economic and environmental impacts. By opting for decarbonation (a technology that reduces the lime content of the water,

helping to lengthen the service life of household appliances), estimated savings of €120 per household per year will be made, while measures taken to prevent leakage (monitoring the entire network and the sector's hydraulic performance) will save 70,000 m³ of water per year.





SUEZ AND TERRACYCLE JOIN FORCES IN EUROPE TO DEVELOP INNOVATIVE RECYCLING SOLUTIONS



In October 2016, SUEZ acquired a 30% stake in the activities of TerraCycle in Europe, with a view to developing innovative collection and recycling programmes in Belgium, France, the Netherlands, the United Kingdom, Sweden and Finland. TerraCycle uses selective collection systems to sort more than 100 specific waste streams that are not currently handled

by traditional sorting channels. With this partnership, SUEZ is strengthening its service offering in Europe with new collection methods and complementary recycling channels for all of its customers, particularly for certain products that require complex sorting solutions.

SUEZ offers numerous local circular economy solutions to local authorities.



2 The ratio of tonnes of recovered waste to tonnes of eliminated waste in 2016 in Europe

3.9 million

tonnes of secondary raw materials brought to market in 2016



+400 GWh

of usable energy produced within the Waste Europe segment between 2015 and 2016

The challenge is to supply the necessary water resources to develop agriculture and the agrifoods industry.

Opportunities offered by alternative water resources

There are other solutions that can guarantee the availability of water resources and reduce water stress. Alternative means of producing water include desalinating seawater and reusing treated wastewater. As part of its climate strategy, SUEZ is committed to promoting different water usages by tripling our alternative water production capacity by 2030. In 2016, SUEZ treated 882 million m³ of wastewater for reuse and consolidated its status as leader in desalination of seawater by reverse osmosis. In **Rosarito**, Mexico, SUEZ won a contract to build and operate a desalination plant that will produce 380,000 m³ of drinking water per day by 2024.

Reducing the greenhouse gas emissions produced by desalination remains a serious challenge. Together with Engie and GE, SUEZ is a member of the **Global Clean Water Desalination Alliance – H₂O minus CO₂**, founded at the initiative of the Masdar Institute. The Alliance's objective is to supply 80% of the total energy demand of desalination plants that come on stream after 2035 using renewable energies.

Sustainable solutions for the agricultural sector

Agriculture and, therefore, feeding the planet, are dangerously exposed to climate risks and their consequences on water resources. Agriculture consumes 75% of available water. A fact that makes the optimised management of irrigation strategically important. SUEZ offers a broad range of solutions in this field. **In Spain**, the Group plans to implement a preventive maintenance plan for the La Efesa irrigation syndicate based in Chiprana, in the province of Saragossa.

In 2016, in Barcelona, SUEZ also launched the Smart Agriculture IoT Lab, which is the first ideas laboratory dedicated to looking for smart solutions to the problems facing agriculture. The goal is to improve existing irrigation systems, to offer better resource management, to improve the quality of crops, while cutting costs, and to develop effective decision-support tools.





Circular economy cycles that boost the competitive performance of industry

Waste recovery and flow management have a key impact on optimising management costs and reducing the environmental footprint of our industrial customers.

In 2016, SUEZ consolidated its industrial partnership with **SAFRAN** by signing an agreement covering waste management and maintenance of wastewater treatment faci-

ties on 23 of its manufacturing sites in France. SUEZ develops solutions to optimise management and recovery of all **Arkema's** industrial streams. Metals, cardboard, wood, sludge, solvents and pallets will all be recovered under the terms of a contract that has been renewed for four years.

To develop production of secondary materials and to encourage reuse in the automotive sector, **SUEZ and Renault have built a partnership of expertise** over more than 20 years, encompassing more than 30 sites worldwide. In 2016, the partnership was further strengthened in Morocco through renewal of the waste management contract, which is helping to make Renault's production plant in Tangier the first ever zero CO₂ emissions factory.

In Germany, the acquisition of a hazardous waste treatment unit in Schkopau industrial park has opened the way for a circular economy system that supplies steam, recovered solid fuels and recovered chlorine in the form of hydrochloric acid to **DOW** and other manufacturers in the region.



INDUSTRIAL WATER TREATMENT — SUEZ STEPS UP ITS DEVELOPMENT IN CHINA

Reducing industrial water consumption, optimising the environmental impact of wastewater treatment and maximising recycling performance - these are all major issues for industrial manufacturers faced with the increased scarcity of resources and the need to protect the environment. These issues also require cutting-edge innovations offering technological performance that is both economical and environmentally-friendly. In 2016, SUEZ confirmed its development on the industrial water market. For example, in China, the Group won three new contracts for industrial water treatment. They include two engineering and equipment supply contracts for BASF in Shanghai petrochemicals park and for the Chinese petrochemicals group Hengli Petrochemical, in Dalian, and a contract with the Chinese petrochemicals group Zhong Tian Chuang Energy, for treatment of its industrial effluents using the "zero liquid discharge" process.



SUEZ AND TOTAL RECYCLE COOKING OIL AS BIOFUEL

SUEZ and TOTAL have entered a 10-year partnership to increase collection of used cooking oil by more than 20%. At present, 45,000 tonnes a year are collected in France, out of an estimated total of more than 100,000 tonnes. SUEZ will deploy a collection system suitable for all types of producers, from consumers to leading players in the agrifood industry. The collected oil will be transported to the La Mède site that TOTAL is currently converting into France's first biorefinery France. The oil will first be pre-treated in a filtration unit built by SUEZ, which will create around 50 local jobs, and then recovered as biofuel. A shining example of the circular economy



The resource revolution begins at home

Controlling the environmental impacts of its activities conditions both the operational performance of the services delivered by SUEZ to its customers and the commitments it makes to its stakeholders. In its industrial processes, the Group sets environmental performance targets that are far more ambitious than local environmental regulations or the Group's contractual obligations.

-2.5% greenhouse gas emissions compared with 2015



In 2016, SUEZ emitted 7.95 MtCO₂e of greenhouse gases, compared with 8.15 in 2015. This result is in line with the Group's ambition to cut greenhouse gas emissions by 30% in all its activities by 2030. The 2016 reduction is mainly due to a significant drop in energy consumption in water and waste collection activities, and by a drop in waste-to-energy plants' greenhouse gas emissions.



+3% emissions avoided by SUEZ's customers in 2016



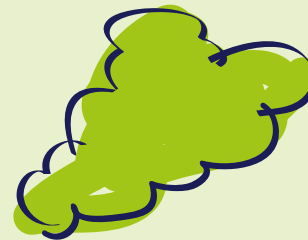
The volume of emissions avoided by the Group's customers rose by 270,000 tCO₂e between 2015 and 2016, the volume of recovered solid fuels produced by the Group doubled and the production of usable energy increased by 7%. In 2016, the Group also started to propose reverse logistics solutions to its customers. For example, in the Netherlands, the Group supplies building sites with a container that is used for both material supplies and waste evacuation.



Helping to improve air quality



The Group is determined to achieve better performance targets in the 40 waste-to-energy plants it operates worldwide than emission thresholds demanded by local regulations. In 2016, the Group maintained its high level of performance in terms of NO_x and SO_x emissions per tonne of incinerated waste.



Water resource quality addressing new environmental and public health issues



By maintaining an excellent level of performance in terms of the bacteriological quality of the water it distributes and its wastewater treatment (worldwide average of 92% for DB05), SUEZ is helping to anticipate future environmental and public health issues. In May 2016, the collaborative innovation programme on micropollutants launched with the city of Lausanne enabled SUEZ to win the call for tender issued by the city for upgrading its wastewater treatment plant to totally protect Lake Geneva against micropollutants.



Transforming the sites managed by SUEZ into biodiversity reservoirs

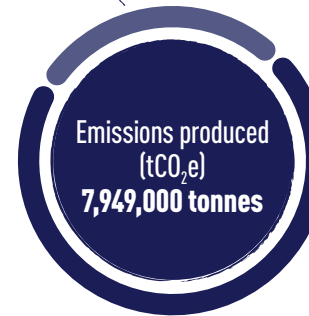


In 2016, the Group produced a guide to ecological development of waste storage facilities, and trained almost 200 employees. A similar guide, intended for operators of other industrial sites, is currently being written. It will improve the results of the 200 action plans already deployed by SUEZ on sites identified as sensitive in terms of biodiversity.

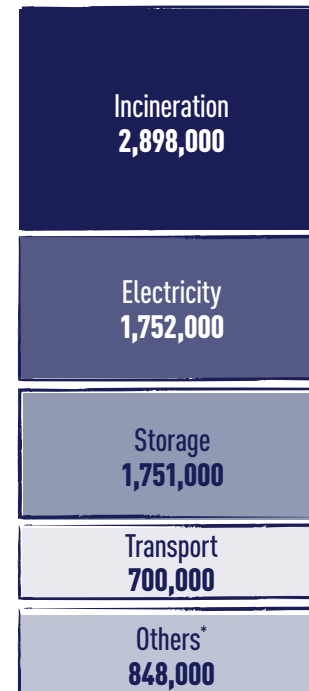


SUEZ Group's carbon profile in 2016

Water
1,773,000
22%



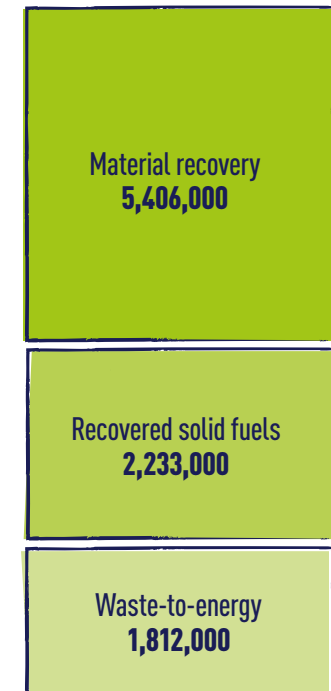
Waste
6,176,000
78%



Water
188,000
2%



Waste
9,263,000
98%



*Wastewater treatment, treatment of hazardous industrial waste...

Integration as a driver of social performance

Stepping up training opportunities is vital to successful Group transformation. Digital training programmes are becoming more common. In September, SUEZ launched the **ilearn training platform**, which can be used to develop content related to the Group's new activities and to personalise access and course content according to the trainees' geographical location and business sector.

The **Talent Up** initiative, launched in 2016, will also help improve integration. This unique HR information system will harmonise HR processes throughout the Group (performance management, talent, training, recruitment and mobility) and make them more interactive.

In terms of labour relations, more than 90% of SUEZ employees were covered by a social dialogue system in 2016, either directly in their own legal entity, or on a more global level. Innovative forms of dialogue with the workforce were also developed. A European survey of our Health and Safety policy was devised in conjunction with all interested parties. The survey, which was a first for the Group, was rolled out to all 12 countries covered by the European Works Council and used to measure understanding of the Group's Health and Safety policy and to identify areas for improvement.

For the first time ever, a European survey of our Health and Safety policy was devised in conjunction with all interested parties.

In 2016, SUEZ was once again **certified as a "Top Employer France"**, in recognition of its good HR management practices. The auditors particularly appreciated the Group's policies on talent management, skills development and the sharing of corporate culture. This certification boosts Group appeal and employee loyalty, and is also a clear indicator of the link between social performance and global performance. The number of geographical and functional transfers within the Group, another indicator of the skills and careers management policy, exceeded 3,200 in 2016. Also, almost 1,500 fixed-term contracts were converted into permanent contracts, largely for workers, employees and technicians.



1,443,000
hours of training in 2016



more than
90%
of employees covered by
a social dialogue system



MORE WOMEN IN MANAGEMENT POSITIONS: A LEVER FOR GLOBAL PERFORMANCE

Fortune 500 rankings show that top-performing companies, especially in terms of profitability of investments and capital, are those with the most women in top management positions. Women are also more sensitive to environmental and long-term issues, as the SUEZ 2015 materiality analysis showed.

The Group was placed 14th in the 2016 rankings of women in managerial positions in the leading SBF-120 companies. SUEZ is continuing its efforts to increase the number of women in management positions, with new action plans pertaining to recruitment, maternity periods, career management and equal pay management. In 2016, SUEZ launched its third mentoring programme and the SUEZ Women's network.

Examples of contributions to the general interest

Access to essential services

Since the 1990s, the Group has connected more than 14.9 million people to drinking water services and 7.5 million people to sanitation services. Today, the Group is convinced that the challenges raised by SDG N°6 can only be achieved through collective action, and is therefore offering its expertise to local authorities wishing to “ensure universal access to water and sanitation for all”. SUEZ delivers solutions to cities **in emerging countries experiencing rapid urbanisation that creates serious problems in terms of access to these services.** This is the case in Algiers, where the Group has been helping SEAAL to secure access to these services for more than 44,000 households since 2006.

In France, under the Brottes law, SUEZ is supporting 14 local authorities as they test social tariffs and tackle declining access to services, through a range of solutions that include detecting vulnerable situations (for example, in La Seyne-sur-Mer) and training social mediators in digital technology, as was the case in Les Mureaux, near Paris. The Group also facilitates access to services and helps to close the digital divide by training mediators working in PIMMS (multi-service mediation information centres).

Tackling food waste

SUEZ is present throughout the waste value chain, offering solutions that reduce production of waste. In 2016, the Group took up arms against food waste. In 2015, food waste in France amounted to over 10 million tonnes per year, of which 1.5 tonnes were produced by collective and commercial catering. SUEZ published **an open source collaborative guide** in French and English on reducing food waste in mass catering. The guide combines the research and shared experiences of various stakeholders (internal players, social and environmental entrepreneurs and associations). It also provides methodologies, solutions and contact information for key players. In 2017, SUEZ headquarters is serving as a pilot project to test some of these solutions.

“Ensure availability and sustainable management of water and sanitation for all.”

United Nations Sustainable Development Goal 6



THE SUEZ INITIATIVES – INSTITUT DE FRANCE AWARD: A SPECIAL DISTINCTION FOR “EAU VIVE”

For the first time, the jury awarded a special prize to the Eau Vive NGO for its governance and support programme helping local authorities organise and manage water and sanitation services in Niger. The programme set up an intercommunal authority in a region where one in two inhabitants does not have access to drinking water and only 7% have access to latrines. Local authorities, which are responsible for water and sanitation, have limited technical and financial resources.

The InterK'Eau project is durably improving access to drinking water and sanitation services in Kornaka district in the south of the country, by creating an intercommunal department that has strengthened local capacity. The NGO has durably improved access to essential services for 400,000 inhabitants, thanks to water adduction networks, family, school and public latrines, and actions to raise awareness of hygiene issues.

Economic profitability that benefits all

In 2016, SUEZ once again achieved a solid financial performance that demonstrates the resilience of its business portfolio. It is founded on diversified exposure, in terms of both geographies and markets. These results also illustrate the Group's ability to react quickly in an uncertain environment.

2016 financial objectives were achieved, despite a difficult environment

In 2016, SUEZ posted revenues of €15,322 million, representing a gross increase of €187 million and organic growth of 1.1% versus 31 December 2015, with favourable scope of consolidation effects (+1.4%).

The organic growth of **revenue** was driven by the International Division (+4.7%) and Recycling and Recovery Europe (+0.6%), while Water Europe suffered an organic variation of -1.3%.

The structure of revenue in 2016 remained balanced between France (33%), the rest of Europe (34%) and the rest of the world (33%). The proportions of revenue generated by the Water and Waste activities were almost equal, at 51% and 49% respectively.

L'EBIT stood at €1,282 million, a gross decrease of 7.2%, due to unfavourable scope and exchange rate effects. Once adjusted by the impact of the exceptional volumes of water in the summer of 2015 (€20 million), organic growth of EBIT stood at 2.1%, in line with the Group's objective. EBIT for Recycling and Recovery Europe achieved organic growth of 2%, despite an uncertain economic environment. EBIT for Water Europe was down, with an organic variation of -3.5%, mainly due to a particularly unfavourable base effect on summer 2015's abnormally high volumes, termination of the contract with Lille, France and the absence of any inflation in Europe, which affected price indexing formulas.

Organic growth of the International Division's EBIT stood at 5.5%, directly reflecting the strong growth in activity in most zones. The

EBIT margin on revenue dropped from 9.1% in 2015 to 8.4% in 2016. However, it again fully benefited from the COMPASS programme to optimise costs, which saved €180 million in the year, or €30 million more than initially budgeted.

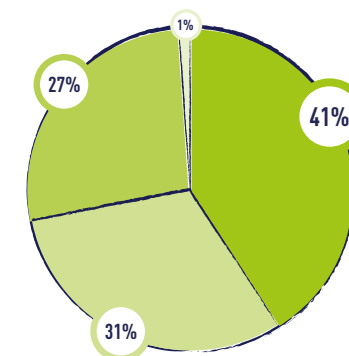
Net income, Group share in 2016 was €420 million, up by 3.1%, and profit per share rose by 4.3% to €0.72. Free cash flow stood at €1,005 million, in line with annual targets. Financial debt was down slightly, at €8,042 million on 31 December 2016, despite exchange rate and scope effects, with a net debt : EBITDA ratio of 3. In November 2016, the financial rating agency Moody's reiterated the A3, stable outlook rating assigned to the Group.

In 2016, return on capital employed (ROCE) was 7%, with a high contribution from the International Division (10.3%).

In 2016, these results again enabled the Group to maintain its industrial investments at a high level (€1,087 million), while keeping them under tight control, and to make €104 million of financial investments in strategic sectors, such as the acquisition of PerthWaste in Australia, a majority stake in Driplex in India, which addresses the industrial market on the sub-continent, and the acquisition of a controlling share in SUEZ NWS in China. SUEZ also increased its

Breakdown of Group revenue by entity

On 31 December 2016



- Recycling and Recovery Europe
- Water Europe
- International
- Other

share of the capital of Italian operator ACEA to 23.3%. In view of the contribution of €486 million in sales from the Group's non-strategic asset rotation programme (Bristol Water, Ocea Smart Building, waste activities in Finland, real estate), SUEZ's net investments in 2016 amounted to €705 million.

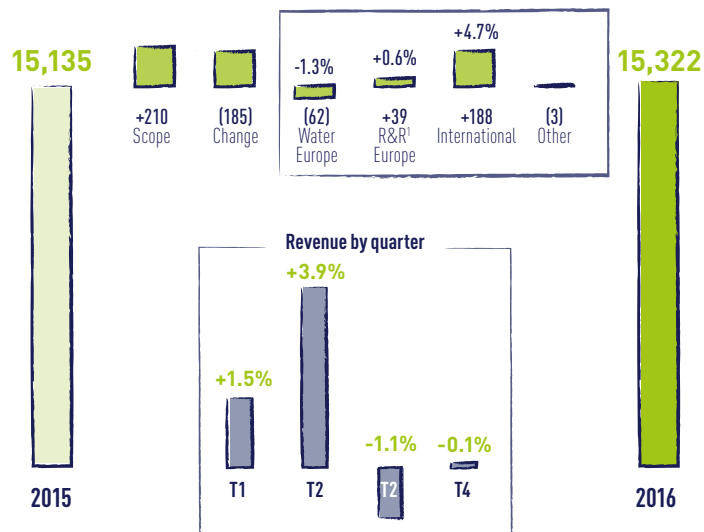


€15,322 million

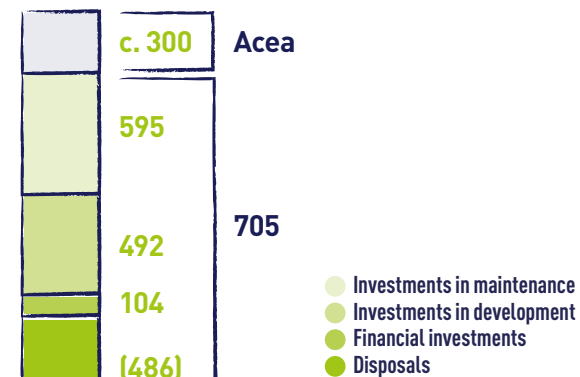
SUEZ's revenue in 2016



Revenue in 2016 (in € million)



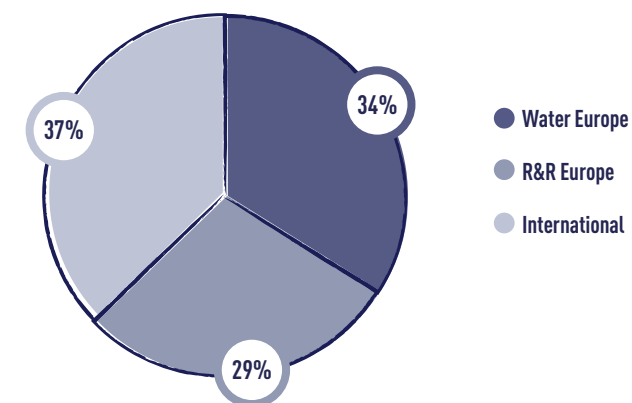
Group investments in 2016 (in € million)



Main financial indicators in 2016 (in € million)

	2015	2016	Organic growth
Revenue	15,135	15,322	+ 1.1%
EBITDA	2,751	2,651	- 0.1%
EBIT	1,381	1,282	+ 2.1% ²
Net income Group share	408	420	
Free cash flow	1,047	1,005	
Net investment	1,630	705	
Net debt	8,083	8,042	
Net debt / EBITDA	2.94 x	3.0 x	

Breakdown of Group investments (%)



1- Recycling and Recovery, 2-Excluding exceptional water volumes in 2015

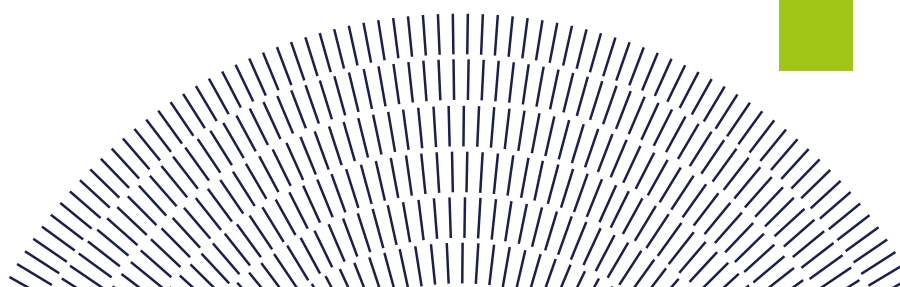
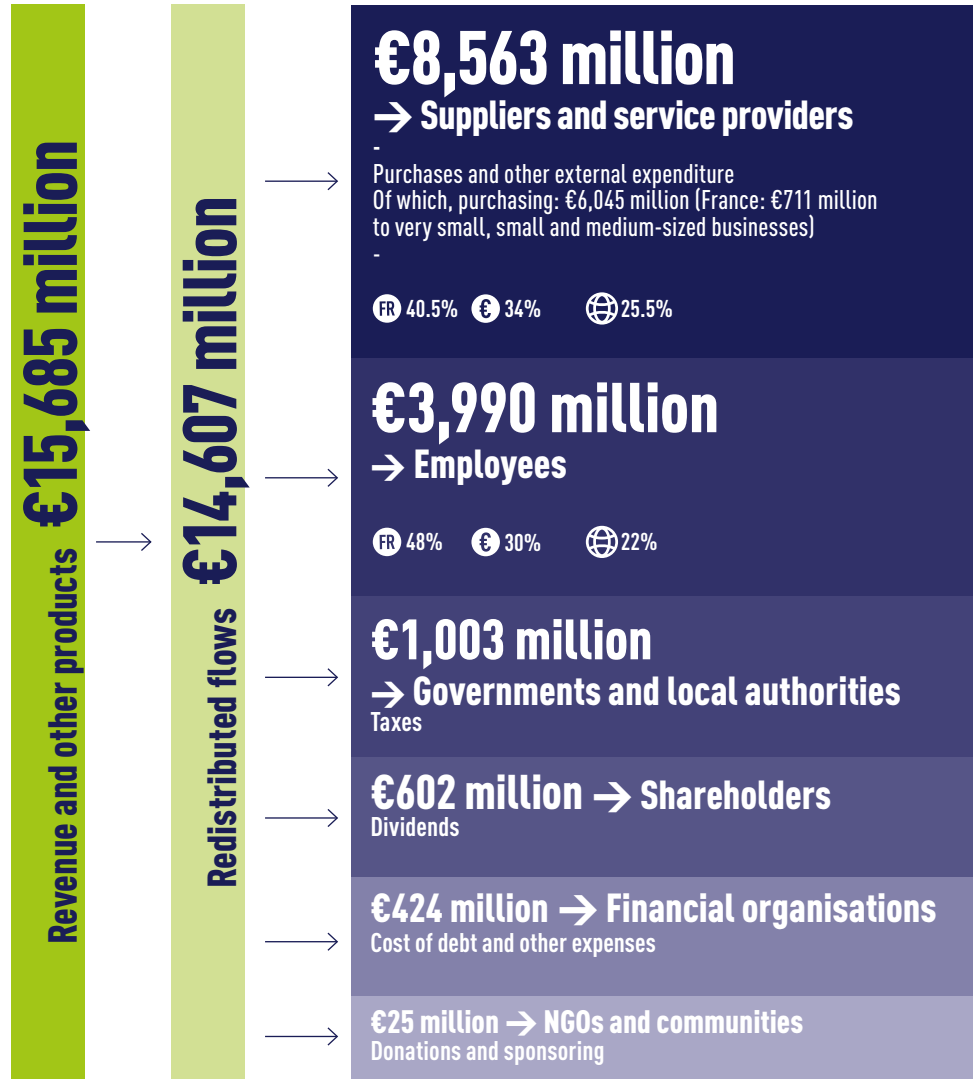


Redistribution of financial flows generated by SUEZ's activity in 2016

A redistribution of value that makes a significant contribution to regional development



In its new Road Map for 2017-2021, SUEZ wanted to further strengthen its commitment to local development and to the appeal of the regions in which it operates. With this in mind, the Group has set itself targets that include a purchasing and subcontracting policy that favours the local economic fabric, particularly small and medium-sized businesses, partnerships with organisations working in the field of social and responsible economy and the increased use of sources in the adapted and protected labour sectors.

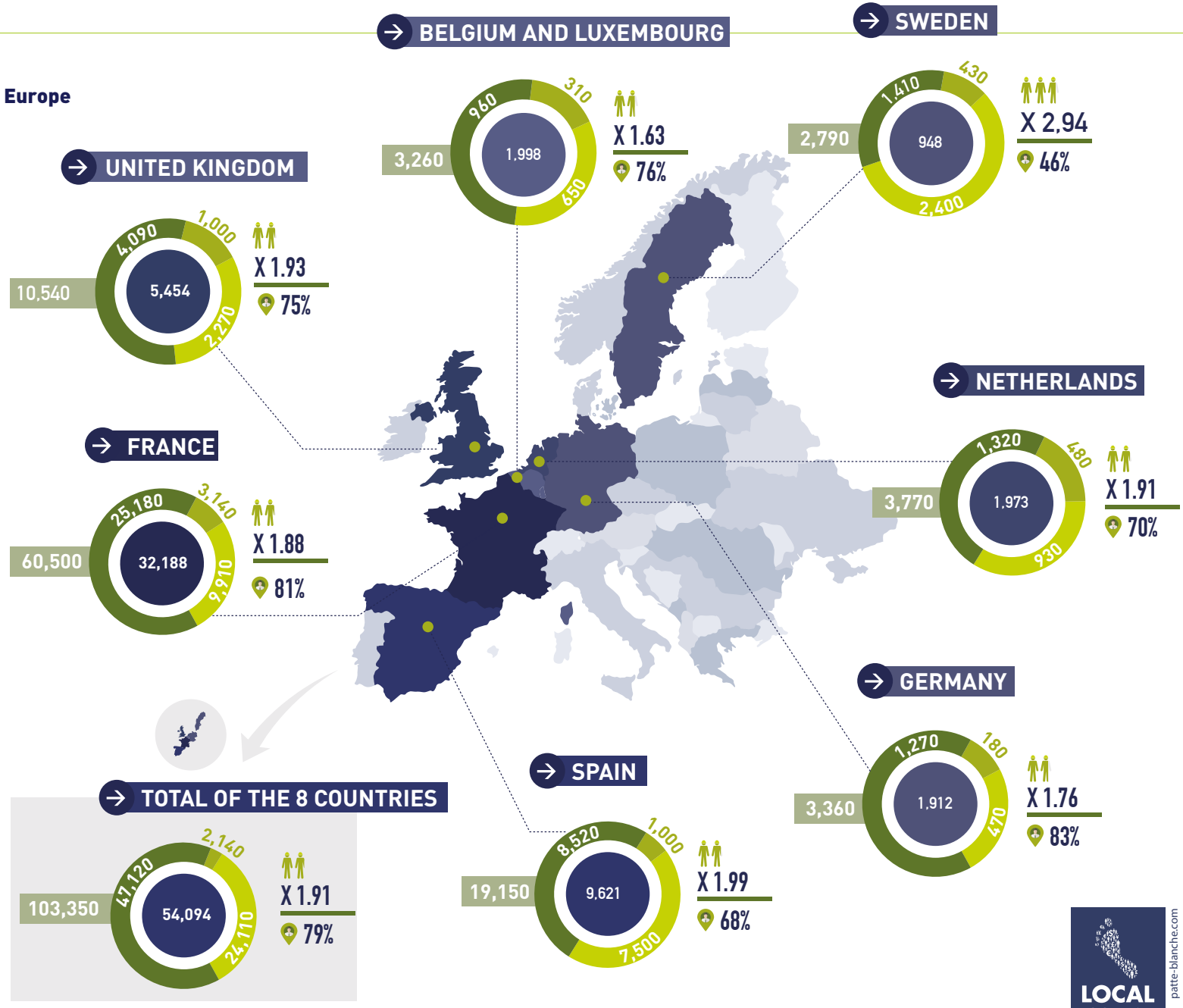
Like in 2015, the Group wanted to put a figure on financial flows related to its activities that are redistributed to the various categories of economic players with which it works. It appears that more than 93% of revenue is redistributed within the year to local players (employees, suppliers and service providers, NGOs and communities, governments and local authorities). In 2016, for the first time, SUEZ analysed its socio-economic footprint in order to gain an understanding of the Group's direct and indirect impacts in terms of jobs on the entire European economic fabric. The LOCAL FOOTPRINT® method estimates how the effects of an activity are propagated throughout the supply chain. In 2016, the SUEZ Group supported more than 103,000 jobs in Europe, which is almost double the number of direct jobs in Group subsidiaries in the eight key countries in which it operates. This study will continue in the years to come and will cover a wider scope.



Group socio-economic footprint in Europe

KEY

- DIRECT JOBS in the country (FTE, average headcount)
- INDIRECT JOBS supported in the supply chain in the country (FTE)
- INDIRECT JOBS supported in the supply chain by the 27 European countries (FTE)
- INDIRECT JOBS supported in the supply chain by the rest of the world (FTE)
- TOTAL NUMBER OF JOBS supported by SUEZ's activity in Europe (FTE)
-  COEFFICIENT OF MULTIPLICATION ratio between total jobs supported in Europe/direct jobs in the country
-  LOCAL PRESENCE % of jobs supported in the country compared with jobs supported worldwide



A responsible performance hailed by rating agencies

Since 2008, the date of its first Sustainable Development Road Map, SUEZ has gradually asserted itself as a leader in its field in terms of extra-financial ratings, and is now included in all the most prestigious indexes. The Group's scores, which regularly rise in recognition of its ESG performance with regard to stakeholders, are essential tools for the Group's strategic management. They can be used to launch managerial action plans that establish closer connections between economic and extra-financial issues.

Dow Jones Sustainability Index

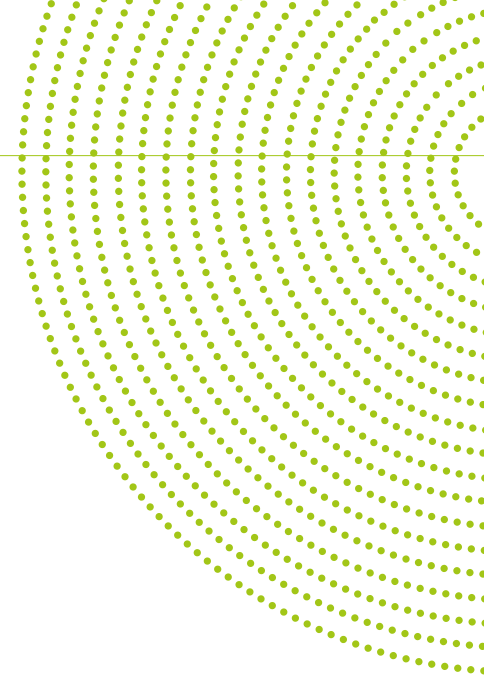
First created in 1999 by S&P Dow Jones Indices and RobecoSAM, DJSIs were the first global indexes to measure the extra-financial performance of companies, and have now become a key benchmark for socially responsible investment. Amongst the 2,500 highest market capitalisations, the DJSI rewards the top 10% of the best-performing companies in their sector in terms of social and environmental responsibility. Despite criteria for inclusion in the DJSI becoming stricter year on year, SUEZ's overall score rose by three points between 2015 and 2016, from 79 to 82/100. In 2016, for the eighth consecutive year, the Group was included in the DJSI World index, and was ranked in the Silver Class category in the "Multi and Water Utilities" sector by RobecoSAM.

CDP (ex-Carbon Disclosure Project)

The CDP is a non-profit organisation that questions almost 2,000 major global corporations on their climate strategy every year. It has become the benchmark for rating companies on their responsible behaviour in the face of climate change. In 2016, SUEZ featured on the "Climate A List", which includes the 200 global companies with the highest rating. This recognition reflects the Group's performance in terms of climate commitment and transparent communications concerning its carbon profile.

In 2016, the Global Compact renewed SUEZ's "GC Advanced" rating for the eighth consecutive year, after examining the content of its "Communication on Progress" regarding the 10 principles of the United Nations Global Compact. Finally, when it wrote its Sustainable Development Report back in 2014, the Group already used the guidelines of the Global Reporting Initiative, in accordance with the "Essential Criteria" compliance option.





Rating by extra-financial rating agencies

Rating Agencies	Indexes	SUEZ rating							
		2010	2011	2012	2013	2014	2015	2016	2017
		71	77	84	80 ¹	80	79	82	
				B "prime"	B "prime"		B "prime"	B-"prime"	B "prime"
			56		59		58		
					99	90	85		
		74	84	84	88	95	99	A ²	
						82	83		

SUEZ Gradual inclusion in the most prestigious indexes



All ratings are 100 unless otherwise noted
 (1) Downgraded due to a change in methodology
 (2) change in methodology. A = maximal rating.

governance

**for responsible
transformation**

P.52

Our shareholding structure,
a base of stability and support
for the Group's strategy

P.53

The structure
of Group governance

P.56

A remuneration policy
to foster value creation

P.57

Ethics: an essential feature
of global performance

P.60

Improving the governance
of resources together

Our shareholding structure, a base of stability and support for the Group's strategy

A shareholder history of resource management

Since the creation of the Universal Suez Canal Company by Ferdinand de Lesseps in 1858, Suez has participated to some of the main social changes of its time: public health in the 19th century, and urban comfort and quality of life in the 20th.

Today, recent changes in its governance have put the company in a position to take up one of the greatest challenges of the 21st century: the resource revolution.

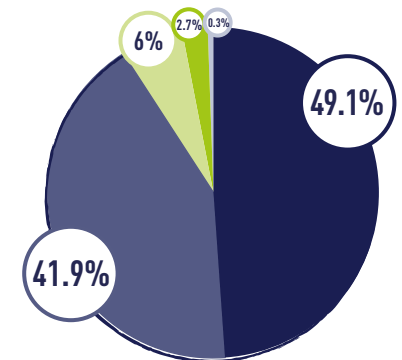
Balanced distribution of capital, a guarantee of continuity and stability

SUEZ's capital is evenly divided between the different shareholders. On 31 December 2016, the Group's strategic, long-term shareholders - ENGIE, the major shareholder, Criteria Caixa and the Caltagirone group - held 41.9% of the capital, which strengthens the Group's capacity to deploy an ambitious strategy. Similarly, individual shareholders, which represent about 6%, are a real guarantee of stability and support for SUEZ's long-term strategy. Finally, **employee shareholding remains one of the Group's priority objectives**, as it associates employees with the development of the company project in the long term.

Shareholding structure

on 31 December 2016

- Institutions **49.1%**
- Strategic shareholders **41.9%**
- Individuals **6%**
- Employees **2.7%**
- Self-supervision **0.3%**



On 31 December 2016, the Group's total equity equalled €7,365.8 million.

1997

Merger between Lyonnaise des Eaux and the Compagnie Financière de SUEZ to create the SUEZ Lyonnaise des Eaux Group, the world's leading provider of local services.

2003

Merger of Water and Waste activities into SUEZ Environnement.

2008

Finalisation of the consolidation of all environment-related activities in a new company, SUEZ Environnement Company, which was floated on the stock exchange as part of the merger between SUEZ and Gaz de France.

2012

ENGIE (GDF SUEZ at the time) and all members of the company's shareholder pact decide not to renew the pact on 22 July 2013. ENGIE reiterated its commitment to remaining a long-term strategic partner and main shareholder of SUEZ.

2014

The Group finalises the process to gain control of AGBAR through the acquisition of the entire indirect stake of Criteria Caixa in the company. At the same time, Criteria Caixa becomes the second-largest shareholder in SUEZ Environnement.

2015

All the Group's trademarks are brought together under a single brand: SUEZ, positioned in the sustainable management of resources.

2016

SUEZ strengthens its presence in Italy by buying 10.85% of the capital of ACEA from the Caltagirone group, which, in return, becomes a long-term shareholder in SUEZ.

The structure of Group governance

The Board of Directors

Determining SUEZ'S strategic objectives and watching for global performance

The Board of Directors determines the Group's business objectives and ensures their implementation. **To do so, it gathers experts and experienced professionals from a variety of backgrounds.** Subject to the powers expressly granted to the Company Shareholder Meetings, the Board considers every topic affecting the smooth running of the Group and settles the matters related to it. Gerard Mestrallet is the Chairman of the Board of Directors, and Jean- Louis Chaussade holds the office of CEO. Key questions addressed by the Board in 2016 included the state of the business, the financial situation and results, plus a number of strategic subjects, such as the acquisition of a 10.85% stake in ACEA, the conclusion of a framework agreement for industrial cooperation with the Caltagirone group and extension of the partnership with NWS Holdings in all of the Group's activities in China. The Board met nine times in 2016, with a members' attendance rate of 85%. The composition of the Board has changed, with the arrival of three new members, including in particular an independent director and a director representing employee shareholders. Five specialised committees are tasked with addressing the questions that the

Board of Directors or its Chairman submit for examination:

- The Audit and Financial Statements Committee
- The Appointments and Governance Committee
- The Compensation Committee
- The Strategy Committee
- The Ethics and Sustainable Development Committee

Skills that match the Group's strategic directions

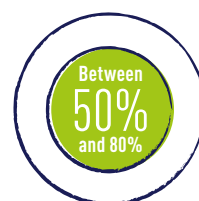
In January 2016, individual self-assessment questionnaires were sent to each director as part of the Board of Directors' proceedings, in an effort to improve its composition, its operations, its organisation and its relations with the Committees. The **conclusions of the self-assessment,**

which were reviewed by an external consultant, were presented to the Board of Directors meeting on 27 July 2016 by the Chairwoman of the Appointments and Governance Committee. Further to this assessment and the ensuing debate, the directors declared their satisfaction with the organisation and the workings of the Board and its Committees. **The composition of the Board is perceived as rich in terms of skills and experience, and is increasingly international.** Certain directors expressed the wish to see the Board take more interest in management of the Group's human capital and its innovation policy, and that strategic risks be subject to more detailed review. These recommendations were implemented in 2016, in particular as part of the annual strategic seminar in November.

Profile of the directors in view of the Group's strategic priorities*



Focus on the circular economy



Accelerate the deployment of SMART solutions



Support environmental transition at global level



Develop integrated solutions for industries

* Excluding the directors who represent the employees



SUEZ'S Board of Directors: a diverse team with complementary skills
Composition on 31 December 2016



Gérard Mestrallet
Chairman of the Board of Directors of SUEZ
Chairman of the Board of Directors of ENGIE



Jean-Louis Chaussade
CEO of SUEZ

19

Directors, of which three represent the employees

50%

are independent*

41.2%

parity rate*

31.6%

of Directors are not French nationals

6

nationalities



Nicolas Bazire
Chief Executive Officer of Groupe Arnault SAS



Gilles Benoist**
Director



Miriam Bensalah Chagroun
Vice-Chairwoman, Chief Executive Officer of Eaux Minérales d'Oulmès



Valérie Bernis
Vice-Chairwoman of ENGIE Foundation



Delphine Ernotte Cunci
Chairwoman of France Télévisions



Lorenz d'Este
Managing Partner of E. Gutzwiller & Cie



Isidro Fainé Casas
Chairman of Criteria Caixa



Judith Hartmann
Deputy CEO in charge of Finance of ENGIE



Isabelle Kocher
Chief Executive Officer and Director of ENGIE



Ines Kolmsee
Business owner, Smart Hydro Power GmbH



Anne Lauvergeon
Chairwoman of ALP SA



Pierre Mongin
Deputy CEO and General Secretary of ENGIE



Guillaume Pepy
Chairman of the Management Board of SNCF, Chairman and Chief Executive Officer of SNCF Mobilités



Jérôme Tolot
Deputy Chief Executive Officer of ENGIE



Eric Xavier Amiguet I Rovira
Director elected by employees



Agatta Constantini
Director elected by employees



Guillaume Thivolle
Employee shareholder director

*Calculated in accordance with the criteria of the AFEP-MEDEF code.

**Following the resignation of Gilles Benoist, the Board of Directors meeting on 28 February 2017 decided to appoint Francesco Caltagirone for the remainder of Gilles Benoist's mandate.

The Management Committee

Managing objectives in terms of activity and performance

The Management Committee, a discussion and decision-making body, examines the Group's key decisions and objectives, and sets its goals regarding the business activity, and economic, environmental, social and societal performance of business units.

Composition of the Committee was modified in 2016 and, on 31 December 2016, it included seven members together with Jean-Louis Chaussade.

The Executive Committee

The Group's operational organisation is governed by the Executive Committee, which manages and coordinates the business activities, and meets every two months under the chairmanship of the CEO. On 31 December 2016, it had 23 members: the eight members of the Management Committee and the 15 main heads of Business Units and support functions. Details of its composition can be found on the website www.suez.com.

Members of the Management Committee

Composition on 31 December 2016



Jean-Louis Chaussade
CEO of SUEZ



Jean-Marc Boursier
Group Deputy CEO for the Recycling and Europe segment



Angel Simon
Group Deputy CEO of the Water Europe segment



Marie-Ange Debon
Group Deputy CEO in charge of the International segment



Christophe Cros
Group Deputy CEO in charge of Finance



Frédérique Raoult
Group Director of Sustainable Development and Communications

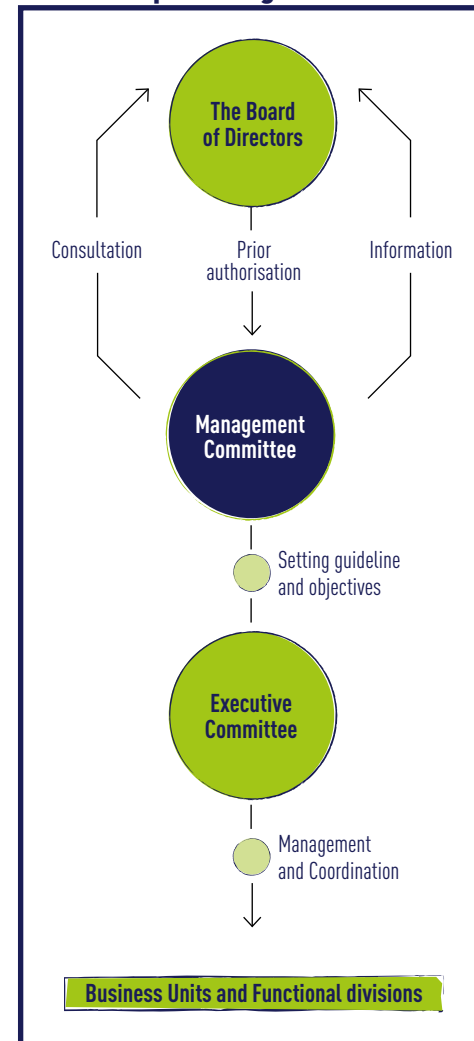


Denys Neymon
Group Human Resources Director and Chief Executive Officer for Treatment Infrastructures



Jean-Yves Larroutou
Deputy CEO and General Secretary

The remits and duties of the Group's management bodies



A remuneration policy to foster value creation

Thanks to its balanced and dynamic remuneration policy, SUEZ involves each employee in the success and future performance of the Group. This policy was developed in coherence with the values and social commitments of SUEZ.

The three components of the remuneration policy

The Group's remuneration policy is made up of three components: a fixed annual salary, annual incentive pay, and - for some employees - long-term incentive remuneration, determined on a three-year basis.

These compensation elements are awarded following strict attribution and performance evaluation procedures, which reflect the Group's capacity to create economic, financial, environmental and social value, in line with SUEZ's commitments. Moreover, these elements are spread over time in order to reflect both short- and long-term value creation.

Depending on employees' profiles, the proportion of variable remuneration may represent:

→ On average, a third of the annual salary of executives and senior managers ("Top executives"). **More than half of this share of variable remuneration is based on nonfinancial criteria** (achievement of individual objectives, leadership attitudes, the Group's health & safety performance).

→ Between 10 and 20% of the annual salary of managers and supervisors. At Water France, more than half of this variable remuneration is also based on extra-financial criteria (achievement of individual targets, health and safety performance and

business performance of the Business Unit). In 2016, the Group Management Committee decided **to significantly increase the weight of health and safety results** for all BUs, in keeping with SUEZ's action plan in this area. Since FY 2016, assessment of managers' leadership skills, as defined by the Group (commitment, customer focus, spirit of enterprise, cooperation, learning through differences), has been systematically included in annual performance reviews.

Employee shareholding

Since its IPO, the Group has prioritised employee shareholding both as a way to involve the Group's employees over the long-term in its business development plans and to increase the proportion of share capital held by employees. Two global bonus share plans were launched in 2009 and 2013, as well as two capital campaigns exclusively for employees in 2011 and 2014. Their subscrip-

tion rate reflects the confidence of SUEZ employees in their Group.

Finally, depending on local regulations and practice, SUEZ offers its employees additional benefits, such as pension schemes, health coverage, retirement funds and employee savings. Since 2016, employees in France have had access to employee savings schemes made up exclusively of SRI funds.

Mobilising employees and management to ensure the Group's success

In addition to their fixed annual salary, SUEZ offers its employees the following incentives as recognition of their level of involvement in the overall performance of the Group.

Incentives	Scope	Economic and Financial Performance	Non-Financial Performance
Annual incentive	All Group employees	Key Financial Indicators ¹	Leadership attitudes, as defined by the Group Implementation and results of operational action plans ² Health and safety performance
Long-term incentive (LTI)	1 800 beneficiaries: "Top executives", managers and particularly high-performing supervisors	Group EBIT accumulated over three years Total Shareholder Return (TSR) accumulated over 3 years	Gender parity rate within management
Employee Shareholding Schemes	All Group employees	SUEZ share market price	

1: Recurring net income, EBITDA, free cash flow, ROCE, COMPASS operating cost efficiency plan 2- E.g. performance of drinking water systems, performance of sanitation, waste recovery rate, etc.

Ethics: an essential feature of global performance

Based on the core values of the Group, SUEZ's ethical approach is embodied in the daily actions of each of its employees. These principles sit right at the heart of the relation with all stakeholders.

An ethical commitment applied at every level of the Group

The Group's ethics are clear to see throughout the fundamental principles that guide our behaviour: compliance with laws and regulations, integrity, loyalty and honesty, and respect for others.

It is based on three pillars:

- a Charter, supplemented by practical guidelines and procedures.
- specific governance including in particular the Board's Ethics and Sustainable Development Committee, the Ethics and Compliance Committee and the network of ethics officers.
- ethical reporting instruments.

SUEZ has also signed several international charters and initiatives, helping the company structure its commitment, and guiding

all employees in their daily work and interactions with stakeholders. In the materiality exercise carried out in 2015 (see page 64), SUEZ identified high ethical standards as one of the top-priority expectations of its stakeholders.

Topics covered by the Ethics Policy:

- Compliance with anti-corruption rules.
- Compliance with competition rules.
- Respect for confidentiality.
- Prevention of conflicts of interest.
- Compliance with regulations on funding political parties.
- Respect for Human Rights

This policy applies in particular to business relations. Since the Guide of Ethics in Commercial Relations was introduced at the end of 2015, the Ethics Officers Network has delivered specific training in anti-corruption rules to more than 3,500 Group employees.

Lobbying: an issue of transparency and integrity

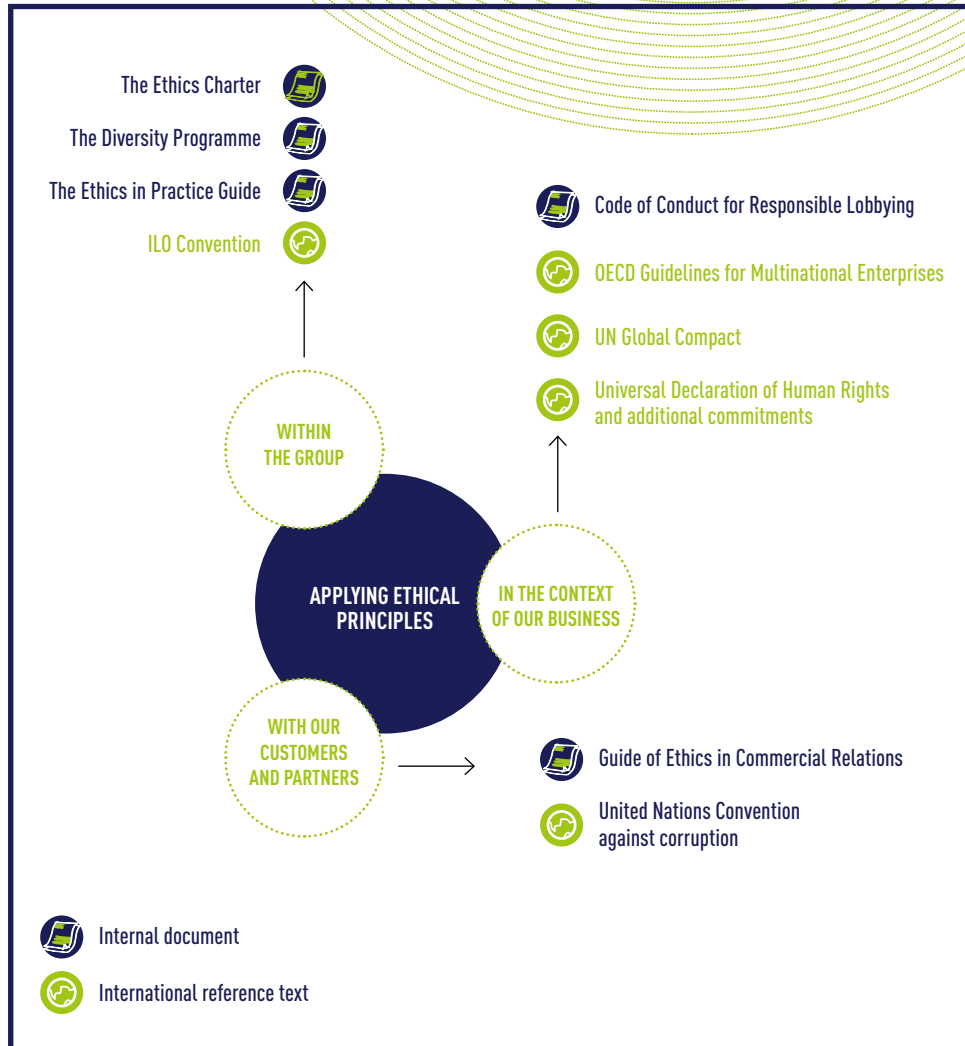
SUEZ is in constant dialogue with public institutions at the local level, but also on a national, European and international scale. Today stakeholders keep lobbying under close watch. In order to guarantee a responsible lobbying, **SUEZ adopted in 2013 an internal code of conduct, in line with its Ethics Charter**, containing eight key commitments for each employee or consultant involved in lobbying activities on the company's behalf.

Committed to maintaining a transparent approach, SUEZ has joined the EU Transparency Register and, is committed to post every year some information on the website of the European Commission. This information includes the Group's interests or the cost of advocacy at the European institutions (staff costs, contributions to professional organisations, external service providers). In 2016, these were of the order of €800,000 for lobbying activities with the European Union, and €40,000 with the French parliament.

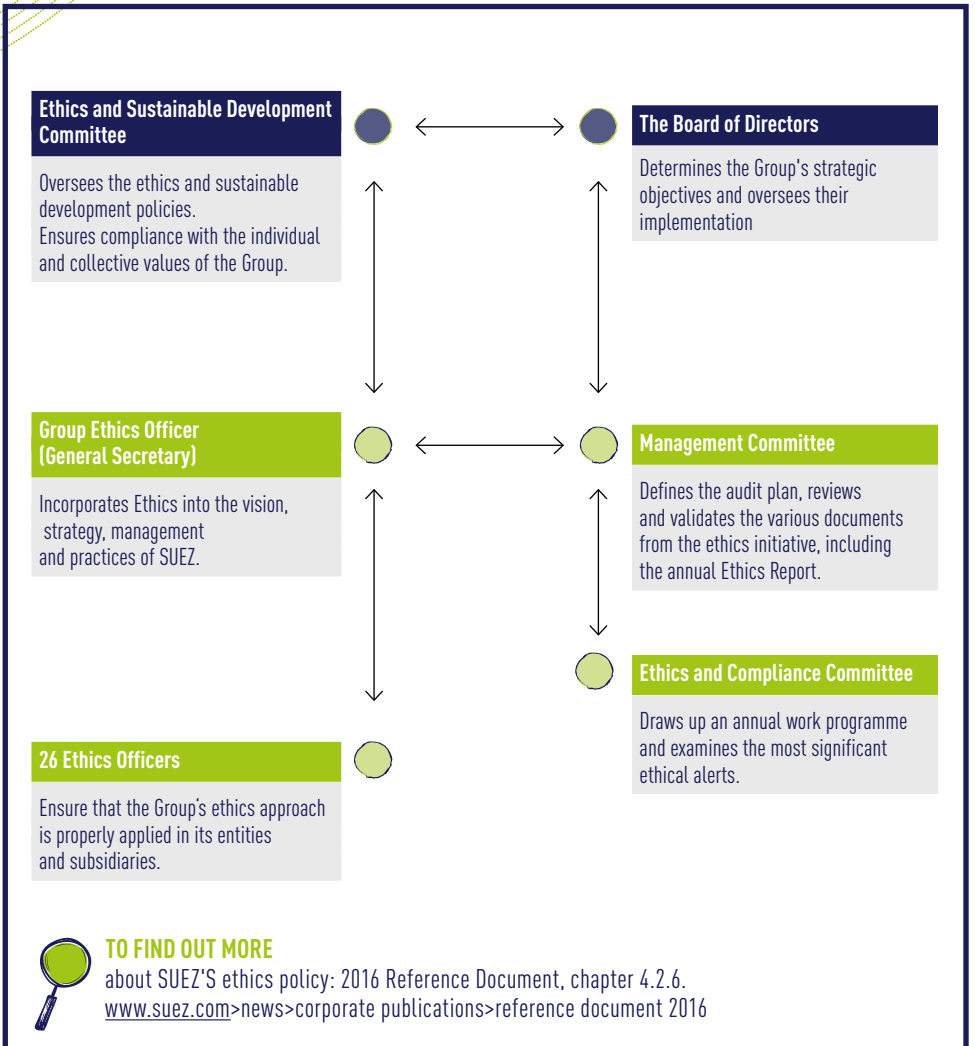
Since 2014, ethics have been one of the compulsory themes of the Group's audit plan, which provides for systematic reviews of its entities at regular intervals.

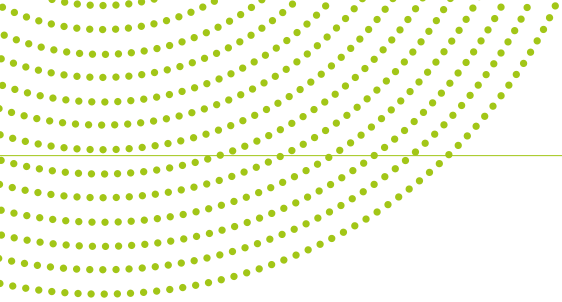


Our principles applied



The governance of ethics in the Group





SUEZ supports The Global Compact

SUEZ is a member of the United Nations Global Compact initiative. Based on ten principles, the Global Compact asks companies to adopt, support and apply in their sphere of influence, a set of core values in the areas of human rights, labour, the environment and corruption. The principles, category by category, are as follows:

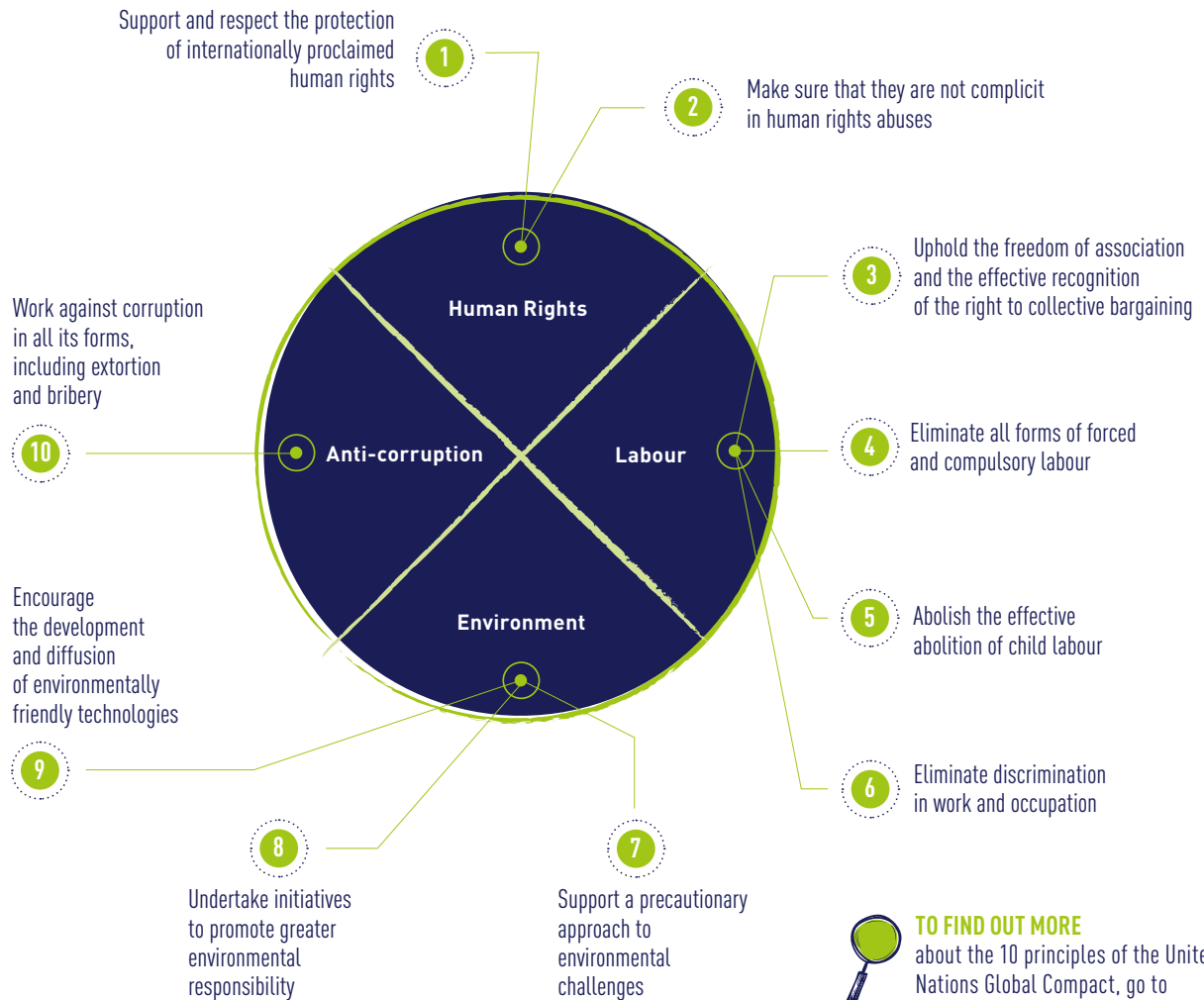
SUEZ's commitment to human rights

SUEZ's principles of action are rooted in international reference models. SUEZ also takes part in voluntary initiatives and working groups, such as the Global Compact on Human Rights and is a member of edh, *entreprises pour les droits de l'homme* (enterprises for human rights).

The Group also exercises tight scrutiny of human rights issues in the sensitive situations it may be exposed to, such as upholding rules governing the protection of property in sensitive regions of the world.

In this respect, every SUEZ employee must ensure that their words and actions are non-discriminatory, particularly concerning age, gender, ethnic, social or cultural origin, religion, political or union affiliation, lifestyle choices, physical characteristics or disability.

Our approach to human rights is fully integrated in our ethics management procedures. The Group has decided to strengthen all its policies and its organisational structure by incorporating issues related to human rights, as a first step, and by structuring a Human Rights policy to be rolled out in 2017, in accordance with the guidelines of a vigilance plan.



TO FIND OUT MORE

about the 10 principles of the United Nations Global Compact, go to www.unglobalcompact.org

Improving the governance of resources together

SUEZ has been pursuing an ambitious policy of dialogue for more than 10 years in order to guide its institutional and operational strategy and action plans.

SUEZ initiated the development of common standards such as the OECD's principles on water governance, or the Committee 21's principles for constructive dialogue with stakeholders. The Group strives to adopt the most effective measures and to take part in the most open forums. SUEZ focuses its efforts on the most "material" issues and the dilemmas that it faces.

SUEZ consulted three panels when drawing up its new Sustainable Development Roadmap: employees, individual shareholders and external stakeholders were all invited to analyse the results of the materiality survey and to help prepare its first Integrated Report. These discussions provided the foundations for work on its commitments for 2021 and the corresponding progress indicators.

SUEZ also strives to develop, among all its employees, a culture of collaboration, as an integral factor in assessing individual and collective performance. SUEZ systematically offers its customers open governance mechanisms and tools, particularly for sharing operational data. The Group has developed a unique method and software for planning and managing dialogue, at both local and global levels. Managers receive training and support in how to use these mechanisms. SUEZ also shares its

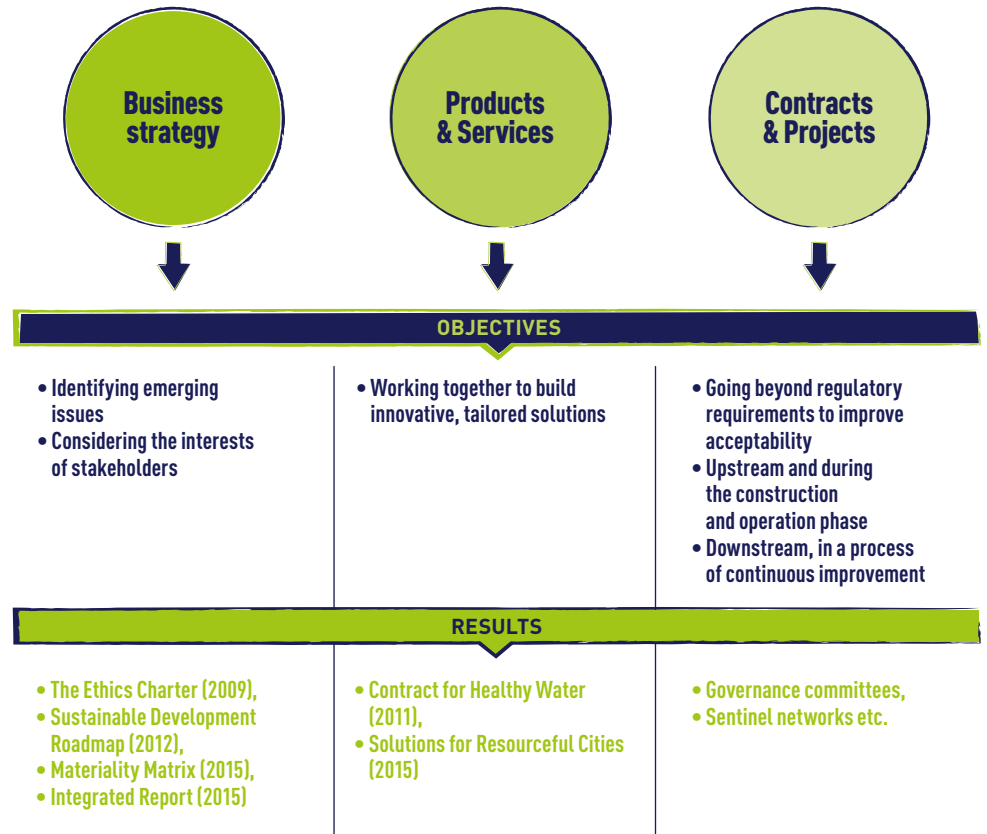
tools and its experience in external training courses, such as Science Po's "Governing the Large Metropolis" Master's programme and the "Water for All" Master's programme at AgroParisTech.

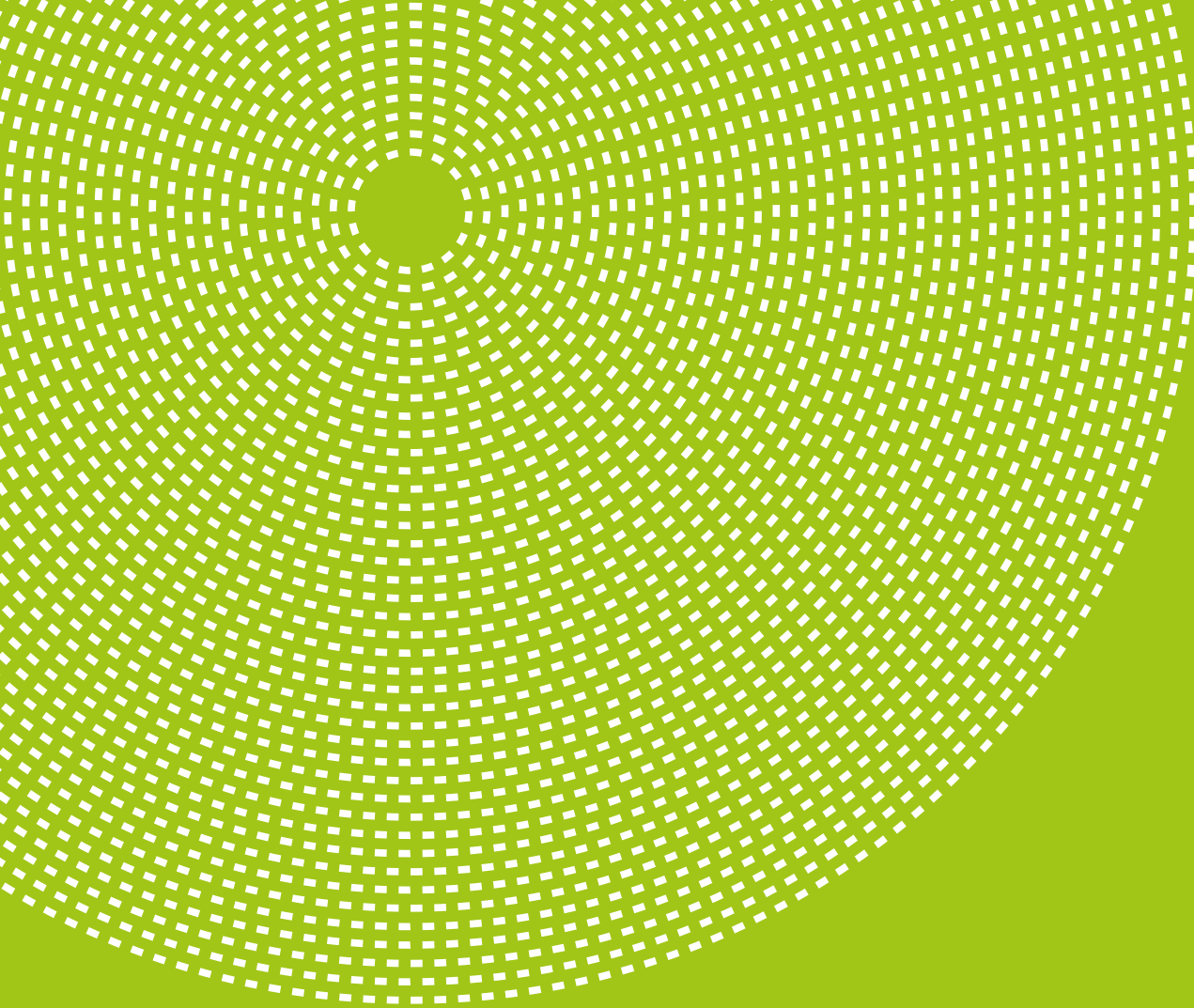
These initiatives aim to build the climate of trust that is essential to the effective management of resources for the benefit of all. SUEZ is well aware that reputation is as precious as it is fragile, which is why it uses tools to monitor and measure the results of its actions to encourage dialogue with stakeholders. The results of Reputation Institute's 2016 study show that SUEZ's leadership and performance are clearly recognised. In all other areas (products and services, innovation, labour relations, governance, good citizenship) the Group is on a par with other companies.



TO FIND OUT MORE about the OECD's principles on water governance, visit www.oecd.org

Organising dialogue at SUEZ





Perspectives



Rooted in our society, SUEZ consolidates its position as an “integrated militant”.

The 2030 agenda adopted by the UN aims to achieve results in every subject that allows for the sustainable development of our societies. It mobilises States, local authorities and businesses. It has appeared at a point in history where the game is changing. Public opinion has understood the significance of climate change, most States signed the Paris Agreement, businesses and local authorities are committing to mitigating the consequences and the world of finance is reviewing its fundamentals. These developments can always be viewed with caution, or even pessimism. Some might say that they are too slow, that they will not limit the rise in temperature to 2°C, or that they are under threat following the political upheavals on the other side of the Atlantic. But we can also take a positive point of view, because they show that players have chosen a different path of development and that today’s experiments will be deployed on a larger scale in the future.

In any case, this is what SUEZ believes, and the company is fully committed to advancing the cause of the circular economy, a vision of innovation that is not only technological, and the concept of global perfor-

mance. This all represents a different way of being and behaving, that could hold the key to the challenges of the modern world. Obviously a lot remains to be done, but our Sustainable Development Goals will guide us as we go forward into the future. They form the framework of SUEZ’s new 2017-2021 Sustainable Development Roadmap, the goals of which also contribute to the UN’s agenda.

In this period of transition, robust methods of transformation are necessary. In this respect, the results of the preceding road map produced a great deal of information. First, they confirmed the benefits of an ambitious approach to promoting the global performance of the enterprise, which includes economic, environmental and societal factors in the same equation. And, as if it were still necessary, they highlighted the importance of dialogue with internal and external stakeholders in allowing everyone to benefit from performance. Finally, they revealed areas of progress, in terms of specific issues, or the reinforcement of processes. In the light of these conclu-

sions, we decided to make some changes to SUEZ’s Integrated Report and have set new Sustainable Development goals for 2021. These goals confirm the Group’s commitments in favour of the circular economy and the climate, both themes that SUEZ will continue to defend at the COP23 and 24 conferences. More specifically, they address what is at stake for our seas and oceans, and are more ambitious in terms of gender parity, human rights and access to essential services. Working in favour of the resource revolution and helping to unite one of its key components – its employees – the 2017-2021 Sustainable Development road map will enable, with the support of our stakeholders, further alignment of our financial and

extra-financial performance. Beyond this, it will enable SUEZ to consolidate its position as an “integrated militant”, in other words as a company rooted in our society and convinced that green and inclusive growth is possible.

Hélène Valade
Sustainable Development VP, SUEZ

 @helene_valade

additional information

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Social and environmental indicators

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GRI G4 content index - core option

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The SUEZ materiality matrix

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The details of the Sustainable Development 2017-2021 Road Map

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Note méthodologique relative au reporting annuel









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Reports of the Statutory Auditors
















Sustainable Development Road Map

2017-2021




Be a collaborative, open and responsible company

Commitments	Objectives	Indicators	Objectives 2021	Sustainable Development Goals
1 Promote diversity and wellbeing in the workplace	→ Train more than 80% of Group employees every year	→ Percentage of employees who received training	80%	  
	→ Achieve a level of 33% of management positions filled by women Group-wide	→ Percentage of women in management positions	33%	
	→ Increase the coverage and the rate of employee participation in commitment surveys	→ Coverage rate (aggregate over the last three years) → Participation rate	100% 60%	
2 Act to ensure health and safety in the workplace	→ 100% of restricted access zones equipped with suitable signage systems	→ Rate of restricted access zones equipped with suitable signage systems	100%	
	→ Reduce the frequency rate for all Group activities	→ Frequency rate Water → Frequency rate Waste → Frequency rate Subcontractors	< 5 < 13 ↘	
3 Foster collaborative and partnership working	→ Encourage new collaborative practices	→ Coverage rate of Skype, Yammer, OneDrive, Sharepoint, Groups	↗	
	→ Increase the number of start-ups in which SUEZ acquires an interest	→ Number of start-ups in which SUEZ has acquired an interest	15	
	→ Develop innovation partnerships	→ Number of structures with shared governance or control (industrial framework agreements, mixed ownership companies, joint ventures)	↗	
4 Master the stakes linked to globalization	→ Promote a responsible supply chain	→ Rate of supplier contracts with CSR clauses	↗	  
	→ Protect the working rights of employees and respect human rights	→ Rate of employees covered by social dialogue systems (in their company or on a more global level)	95%	
	→ Guarantee the security of our employees' and our customers' personal data	→ Number of data privacy-related incidents → Coverage rate of personnel with tools to raise awareness of cybersecurity	↘ ↗	





Be leader of the circular and low-carbon economy

Commitments	Objectives	Indicators	Objectives 2021	Sustainable Development Goals
5 Adhere to the 2 degrees target by mitigating the causes of climate change	→ Reduce greenhouse gas emissions by more than 30% in the entire scope of activity by 2030	→ Direct and indirect greenhouse gas emissions	-10%	   
	→ Help our customers to avoid more than 60 million tonnes of greenhouse gas	→ Aggregate emissions avoided	60 MtCO ₂ e	
	→ Double the volume of recycled plastics	→ Volume of recycled plastics	x2	
	→ Increase the production of renewable energy by more than 10%	→ Production of renewable energy	+10%	
6 Adapt to the consequences of climate change on water	→ Systematically offer our customers resilience plans for the effects of climate change		✓	   
	→ Promote different usages of water by tripling our alternative water supplies by 2030	→ Capacity for the reuse of treated wastewater and desalination	+1/3	
	→ Save the equivalent of the water consumption of a city of more than 2 million inhabitants	→ Water savings in the drinking water distribution network	2 million PE on aggregate	
7 Promote material recycling, recovery and reuse	→ Increase the production of secondary raw materials by 20%	→ Quantity of secondary raw materials produced → Ratio between tonnes of waste recovered and tonnes of waste disposed of	+20% 2	   
8 Develop climate-responsible models	→ Introduce a directive carbon price in 60% of the annual expenditure committed to new projects	→ Revenue committed to the operational committee with a reference carbon price	60%	  
	→ Introduce a harmonised global circularity indicator for goods and services	-	✓	
	→ Systematically offer pay packages partially index-linked to our global performance	-	✓	
	→ Raise employee awareness and promote training in emerging models (carbon accounting, new business models etc.)	→ Coverage rate for awareness-raising tools	↗	

Support with concrete solutions the environmental transition of our clients

Commitments	Objectives	Indicators	Objectives 2021	Sustainable Development Goals
9 Put forward 100% sustainable solutions	→ Implement a Sustainable Portfolio Tool for all new solutions	→ Creation and deployment of the tool → Number of solutions assessed using the tool	✓	
10 Accelerate the Digital Revolution in Water & Waste Solutions for agriculture, industry, cities and citizens	→ Increase the number of connected objects by 20%	→ Number of connected objects	+20%	
11 Innovate to develop decentralised or modular solutions for the territories of the planet	→ Increase the number of decentralised or modular solutions in Desalination, Water, Sanitation and Waste	→ Number of technologies related to the production of decentralised and modular solutions	↗	
12 Sustain trust by reinforcing the means for inclusive governance	→ For all strategic projects and contracts, analyse local issues and map stakeholders in order to define the most appropriate means of dialogue	→ Number of maps in operational committee files and number of associated dialogue plans	↗	
	→ Annual monitoring of the Group's sustainable development and CSR strategy and performance by a panel of stakeholders moderated by a third-party guarantor	→ Annual publication of the minutes of discussions on the consultation, written by a third-party guarantor	One per year	
	→ Annual monitoring of SUEZ's reputation and customer satisfaction ratings	→ Annual publication of the results of SUEZ's reputation ratings → Rate of Water and Waste customer satisfaction	✓ ↗	

Contribute to the common good

Engagements	Objectives	Indicators	Objectives 2021	Sustainable Development Goals
13 Act for the health of the environment and the protection of the oceans	→ Constantly maintain air emissions under the levels required by local regulations	→ NOx and SOx ratios, Hg per incinerated tonne	↘	
	→ Speed up rollout of integrated and collaborative approaches designed to significantly reduce the disposal of plastic at sea	→ Number of integrated approaches (Water and Waste) adopted	20	
	→ Offer our customers solutions to treat microplastics in wastewater before it is discharged into the sea	→ Total capacity (PE) of water treatment plants equipped with a system to treat microplastics	1 million PE	
14 Promote biodiversity and ecosystem services	→ Implement a biodiversity strategy in all Group BUs	→ Proportion of Group turnover covered by a biodiversity strategy	↗	
	→ Roll out biodiversity action plans at 50% of priority sites managed by the Group	→ Number of actions plans adopted at priority sites / number of sites identified as priority	50%	
15 Advance access to essential services	→ Allocate €4 million a year to the SUEZ Initiatives fund and, every year, support 30 projects dedicated to improving access to essential services in countries with the greatest need	→ Sum allocated to the SUEZ Initiatives fund every year	€4 million / year	
	→ Develop sustainable access to essential services under the terms of our contracts in developing countries	→ Number of people with access to essential services in developing countries	↗	
	→ Share our knowledge in order to boost access to services by supporting training and providing expertise	→ Number of water and sanitation professionals and managers in developing countries trained by the Group since 2016	↗	
16 Contribute to local development and territorial attractiveness	→ Maintain the proportion of purchases from SMEs	→ Proportion of purchases from SMEs (worldwide)	↗	
	→ Where appropriate, call on the social and responsible economy, the economy of diversity and suppliers that employ disabled persons and support professional integration	→ Share of purchases made from the social and responsible economy, the economy of diversity and suppliers that employ disabled persons and support professional integration	↗	
	→ Develop partnerships with socially responsible and environmental entrepreneurs	→ Annual number of partnerships signed with socially responsible and environmental entrepreneurs	↗	
17 Strengthen the sustainable development implementation through the SUEZ WAY	→ The SUEZ WAY is characterised by dedicated governance (annual review by the MANCOM of the action plans pertaining to the objectives, each member of the EXCOM sponsors one commitment), a specific path of implementation (signing of a Sustainable Development contract with each Business Unit) and a range of offers and solutions in line with CSR expectations (design and deployment of the Sustainable Portfolio Tool).			

Methodology note on the annual reporting



MORE

about our social and environmental reporting:
2016 Reference Document, p.117-118 and 261-262,
website: [www.suez.com/news/list_of_publications>reference document 2016](http://www.suez.com/news/list_of_publications/reference_document_2016)

Principles

To manage the implementation of its social and environmental initiatives, manage the related risks and promote communications with stakeholders, SUEZ committed to introducing a specific reporting system for these areas in 2003. This system was developed on the basis of recommendations arising from the work performed at international discussion forums like the Global Reporting Initiative (GRI) or the World Business Council for Sustainable Development (WBCSD). It specifically covers all the information required by Article 225 of the French Law of July 12, 2010 regarding the national commitment to the environment (commonly known as the "Grenelle 2" Act – Article R. 225-102-1 of the French Commercial Code) and by its Application Decrees of April 24, 2012 and of August 19, 2016.

SUEZ operates very different businesses that span a wide variety of contractual forms in the Water and Waste sectors, and are illustrated via the implementation of very diverse operating models across several thousand sites throughout the world. In addition to constant changes in the Group's operating perimeter, this very wide range of situations makes determining and stabilising relevant

indicators extremely complex, as well as collecting and calculating statistical data. Accordingly, SUEZ has been pursuing its efforts to obtain increasingly reliable data audited by third parties since

2003. The aim is to make this non-financial reporting process an increasingly

effective guidance tool for supporting the aims of the Group's Sustainable Development and Corporate Social Responsibility Roadmap, as well as a tool used in discussions regarding the ongoing improvement of its non-financial performance.

External controls and checks

Since the 2012 financial year, the external control work entrusted to the third-party independent body has been in compliance with the obligations of Article 225 of the French Law of July 12, 2010 regarding the national commitment to the environment (commonly known as the "Grenelle 2" Act – Article R. 225-102-1 of the French Commercial Code), namely the following:

- A certificate regarding the inclusion of all the information required by Article R. 225-102-1 of the French Commercial Code and its Application Decrees of April 24, 2012 and of August 19, 2016 in the management report and the Reference Document.
- A reasoned opinion on the fairness of the information published in the management report and the Reference Document, with an expression of limited assurance of the fact that the information is presented fairly in all significant aspects.

The social and environmental indicators covered by the conclusion of limited assurance are indicated by specific symbols in the general indicator reporting table, pages 76 to 83.

It should be noted that, for the first time since 2015 financial year, the Group has included its entire "carbon profile" (emissions produced by SUEZ and emissions avoided for SUEZ customers) in its management document and Reference Document. The conclusion of moderate certainty reached by the independent third party therefore also applies to the environmental information that allowed the calculation of this profile.

Beyond these regulatory obligations, and in keeping with previous financial years that were conducted in the GDF SUEZ Group and its business lines until 2007, and thereafter in the SUEZ environnement Group, the Group has entrusted the specialised departments of its Statutory Auditors with the following missions for 2016 financial year:

- an audit providing reasonable assurance of 4 calculated environmental indicators based on 35 primary environmental indicators, 33 of which should undergo audits providing reasonable assurance,
- an audit providing reasonable assurance of 10 calculated social indicators based on 32 primary social indicators that should undergo audits providing reasonable assurance, and an audit providing limited assurance of 2 calculated social indicators,
- an audit providing reasonable assurance of 2 community-based indicators.

The audited indicators covered by the reasonable assurance are indicated by special characters (XX) contained in the general table of indicators on pages 76 to 83.

The nature of the work carried out and

the Statutory Auditors' conclusions, dated February 28, 2017, are available on pages 70 to 73 of this report.

Contribution of the annual reporting process to monitoring the targets in the SUEZ Roadmap

Once the data gathered had been processed, the environmental and social reports described opposite were used to determine traceability of the quantified indicators in the Sustainable Development Roadmap 2012-2016. Their content will be adapted in 2017 to the monitoring of the indicators of the 2017-2021 Roadmap.

Furthermore, because the Sustainable Development Roadmap is the framework for a progressive approach, some of the indicators, which are accompanied by targets to be achieved in 2016 according to dedicated action plans, do not systematically cover all the businesses or the entire scope covered by the Group's environmental and employee data reports.

These restrictions on the consolidation scope have been indicated on a case-by-case basis in the chapters relating to each of the Roadmap's 12 commitments. It should also be noted that, to allow comparison of the 2013 to 2016 indicators in the new Roadmap, these were calculated according to the same definition and scope of consolidation as in 2012.

Independent verifier's report on consolidated social, environmental and societal information presented in the management report

Reports of the Statutory Auditors

To the shareholders,

In our quality as an independent verifier accredited by the COFRAC⁽¹⁾, under the number n° 3-1050, and as a member of the network of one of the statutory auditors of the company SUEZ, we present our report on the consolidated social, environmental and societal information established for the year ended on the 31st of December 2016, presented in chapters 6.8 and 17 of the management report, hereafter referred to as the "CSR Information," pursuant to the provisions of the article L.225-102-1 of the French Commercial code (*Code de commerce*).

— Responsibility of the Company

It is the responsibility of the Board of Directors to establish a management report including CSR Information referred to in the article R. 225-105 of the French Commercial code (*Code de commerce*), in accordance with the protocols used by the company (hereafter referred to as the "Criteria"), a summary of which is included in the chapters 6.8 and 17 of the management report and available on request from the Human Resources Performance Department, the Health and Safety Direction, and the Technical and Performance Department.

— Independence and quality control

Our independence is defined by regulatory requirements, the Code of Ethics of our pro-

fession as well as the provisions in the article L. 822-11 of the French Commercial code (*Code de commerce*). In addition, we have implemented a quality control system, including documented policies and procedures to ensure compliance with ethical standards, professional standards and applicable laws and regulations.

— Responsibility of the independent verifier

It is our role, based on our work:

→ to attest whether the required CSR Information is present in the management report or, in the case of its omission, that an appropriate explanation has been provided, in accordance with the third paragraph of R. 225-105 of the French Commercial code (*Code de commerce*) (Attestation of presence of CSR Information);

→ to express a limited assurance conclusion, that the CSR Information, overall, is fairly presented, in all material aspects, in accordance with the Criteria;

Our verification work mobilized the skills of nine people between October 2016 and February 2017 for an estimated duration of 20 weeks.

We conducted the work described below in accordance with the professional standards

applicable in France and the Order of 13 May 2013 determining the conditions under which an independent third-party verifier conducts its mission, and in relation to the opinion of fairness and the reasonable assurance report, in accordance with the international standard ISAE 3000².

I. Attestation of presence of CSR Information

— Nature and scope of the work

We obtained an understanding of the company's CSR issues, based on interviews with the management of relevant departments, a presentation of the company's strategy on sustainable development based on the social and environmental consequences linked to the activities of the company and its societal commitments, as well as, where appropriate, resulting actions or programmes.

We have compared the information presented in the management report with the list as provided for in the Article R. 225-105-1 of the French Commercial code (*Code de commerce*).

In the absence of certain consolidated information, we have verified that the explanations were provided in accordance with the provisions in Article R. 225-105-1, paragraph 3, of the French Commercial code (*Code de commerce*).



We verified that the information covers the consolidated perimeter, namely the entity and its subsidiaries, as aligned with the meaning of the Article L.233-1 and the entities which it controls, as aligned with the meaning of the Article L.233-3 of the French Commercial code (*Code de commerce*) with the limitations specified in the Methodological Note in chapters 6.8.1.8 and 17.2.6 of the management report.

Conclusion

Based on this work, and given the limitations mentioned above we confirm the presence in the management report of the required CSR information.

II. Limited assurance on CSR Information

Nature and scope of the work

We undertook interviews with around thirty people responsible for the preparation of the CSR Information in the different departments, in charge of the data collection process and, if applicable, the people responsible for internal control processes and risk management, in order to:

→ Assess the suitability of the Criteria for reporting, in relation to their relevance, completeness, reliability, neutrality, and understandability, taking into consideration, if relevant, industry standards;

→ Verify the implementation of the process for the collection, compilation, processing and control for completeness and consistency of the CSR Information and identify the

procedures for internal control and risk management related to the preparation of the CSR Information.

We determined the nature and extent of our tests and inspections based on the nature and importance of the CSR Information, in relation to the characteristics of the Company, its social and environmental issues, its strategy in relation to sustainable development and industry best practices.

For the CSR Information which we considered the most important³:

→ at the level of the consolidated entity, we consulted documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions, etc.), we implemented analytical procedures on the quantitative information and verified, on a test basis, the calculations and the compilation of the information, and also verified their coherence and consistency with the other information presented in the management report;

→ at the level of the representative selection of entities that we selected⁴, based on their activity, their contribution to the consolidated indicators, their location and a risk analysis, we undertook interviews to verify the correct application of the procedures and undertook detailed tests on the basis of samples, consisting in verifying the calculations made and linking them with supporting documentation. The sample selected therefore represented on average 48% of the headcount and between 33% and 71%⁵ of quantitative environmental information.

For the other consolidated CSR information, we assessed their consistency in relation to our knowledge of the company.

Finally, we assessed the relevance of the explanations provided, if appropriate, in the partial or total absence of certain information.

We consider that the sample methods and sizes of the samples that we considered by exercising our professional judgment allow us to express a limited assurance conclusion; an assurance of a higher level would have required more extensive verification work. Due to the necessary use of sampling techniques and other limitations inherent in the functioning of any information and internal control system, the risk of nondetection of a significant anomaly in the CSR Information cannot be entirely eliminated.

Conclusion

Based on our work, we have not identified any significant misstatement that causes us to believe that the CSR Information, taken together, has not been fairly presented, in compliance with the Criteria.

Paris-La Défense, the 28th February, 2017
French original signed by:
Independent Verifier
ERNST & YOUNG et Associés

Alexis Gazzo
Partner, Sustainable Development

Bruno Perrin
Partner

1/ Scope available at www.cofrac.fr

2/ ISAE 3000 – Assurance engagements other than audits or reviews of historical information

3/ Social and societal information:

Social indicators (quantitative information): Total headcount, Breakdown of workforce by status (manager; non manager), % of women in the workforce, % of female managers, Breakdown of workforce by age, Turnover, Voluntary turnover, Number of hires under permanent contracts, Number of hires under fixed-term contracts, Hiring rate, Total number of training hours, % of trained employees, Gross salary, Lost time injury Frequency rate, Lost time injury Severity rate, Number of fatalities, Number of declared occupational illnesses.

Societal information (quantitative information): Annual amount of funds allocated by the SUEZ Initiatives Fund, Number of water/sanitation services professionals in developing countries trained by the SUEZ Initiatives Fund.


Environmental information:

Indicators (quantitative information): Energy production and energy consumption (primary and secondary) of the Group's Water activities, Useful energy output of the Group's Recycling & Recovery activities, Electricity consumption of the Group's Waste activities, Direct greenhouse gas (GHG) emissions of the Group's activities from processes or equipment owned or controlled by the Group, and indirect emissions associated with the consumption of electricity and heat, Contribution to avoided GHG emissions of the Group's Waste activities, Technical yield of the networks of the Group's Water activities.

4/ **Social information:** SUEZ Eau France, Agbar IG, Agbar Chili, LYDEC SA, Groupe UWR, Recycling & Recovery UK, SUEZ Australia, SUEZ R&V Sud-Ouest, SUEZ R&V Méditerranée, SUEZ Recycling AB, SUEZ El Beida, SUEZ Blanca, SUEZ Polska.

Environmental information: SUEZ Eau France, Aguas Andinas, Lydec, SNC Sequaris Valenton, SUEZ RV France, SUEZ R&R Belgium, SUEZ El Beida, SUEZ Atlas, SUEZ Boughaz, SUEZ Solutions Maroc, SUEZ Industrial Solutions Morocco, SUEZ Blanca, SUEZ Recycling & Recovery UK, SUEZ Polska; and SUEZ Recycling & Recovery Australia, United Water, and Water Spain (remote audit on GHG emissions).

5/ **Including 71% of direct and indirect greenhouse gas (GHG) emissions from the Group activities (Carbon Profile).**



Reasonable assurance report by the statutory auditors on a selection of information included in the management report

To the Shareholders,

In our capacity as SUEZ's statutory auditors, we hereby report to you our reasonable assurance report on the information selected by SUEZ¹ and identified by the XXX sign in chapters 6.8 and 17 of the management report (hereinafter named "the Information"), for the financial year ended December 31st, 2016.

Company's responsibility

The Information was prepared, under the responsibility of the Board of Directors, in accordance with the HR, Health & Safety, and Environment reporting protocols used by the Company (hereinafter the "Criteria"), summarized in chapters 6.8 and 17 of the management report and available on request from the Human Resources Performance Department, the Health and Safety Direction, and the Technical and Performance Department.

Independence and quality control

Our independence is defined by regulatory texts, the French Code of ethics (*Code de déontologie*) of our profession and the requirements of article L.822-11 of the French Commercial Code. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, professional stand-

ards and applicable legal and regulatory requirements.

Statutory auditors' responsibility

On the basis of our work, our responsibility is to provide, at the request of the Company, a reasonable assurance as to whether the Information identified by the symbol XXX in Chapters 6.8 and 17 of the management report was prepared, in all material respects, in accordance with the adopted Criteria. Conclusions hereinafter expressed relate to these information only, and not on the whole of the management report's chapters 6.8 and 17.

We performed the work described below in accordance with the relevant National statutory auditors company's professional standards and with the ISAE 3000² international norm.

Nature and scope of our work

→ We conducted interviews with the persons responsible for preparing the Information, the departments in charge of collecting the information and, where appropriate, responsible for internal control and risk management procedures.

→ We assessed the suitability of the Criteria in terms of relevance, completeness, neutrality, clarity and reliability, by taking into consideration, when relevant, the sector's best practices.

→ We verified the set-up within the Group of a process to collect, compile, process and check the Information with regard to its completeness and consistency. We familiarized ourselves with the internal control and risk management procedures relating to the compilation of the Information.

→ We performed analytical procedures on the information and verified, using sampling techniques, the calculations and the consolidation of the data. We also verified that the information was consistent and in agreement with the other information in the management report.

→ We performed detailed tests, using sampling techniques, on a representative sample of entities³ that we selected based on their activity, their contribution to consolidated

indicators, their localization and a risk analysis, consisting in verifying the calculations made and reconciling the data with supporting documents.

The selected sample thus represents 48% of the total headcount and between 46% and 80% of the quantitative environmental information.

We believe that the sampling methods and sample sizes we have used, based on our professional judgement, allow us to express a reasonable assurance on the Information. Due to the use of sampling techniques and other limitations inherent to information and internal control systems, the risk of not detecting a material misstatement in the CSR information cannot be totally eliminated.

Conclusion

In our opinion, the information selected by the Group and identified by the XXX symbol was prepared, in all material respects, in accordance with the Criteria..

Courbevoie and Paris-La Défense,
February 28th, 2017
The Statutory auditors

Gonzague SENLIS
MAZARS

Stéphane PEDRON
ERNST & YOUNG et Autres

1/ **Social, Health & Safety information:** Total headcount; Managers; Non-managers (TSM and OET); Proportion of women in total headcount; Proportion of women amongst managers; Breakdown of headcount by age; Resignation rate – voluntary turnover; Lost-time injury frequency rate; Severity rate; Annual number of training hours per employee; Proportion of employees who benefitted from training; Number of trained professionals from water/sanitation services in developing countries; SUEZ Initiatives Fund's annual dotation amount.

Environmental information: Useful energy production from Group activities (Recycling & Recovery Europe perimeter); Ratio Energy production from Group Water activities / Energy consumption (primary and secondary) from Group Water activities; Direct Greenhouse Gas (GHG) emissions from processes or equipment owned or controlled by SUEZ and indirect emissions linked to electricity and heat consumption (Recycling & Recovery Europe perimeter); Networks' technical yield.

2/ ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information

3/ **Social, Health & Safety information:** SUEZ Eau France, Agbar IG, Agbar Chili, LYDEC SA, Groupe UWR, Recycling & Recovery UK, SUEZ Australia, SUEZ R&V Sud-Ouest, SUEZ R&V Méditerranée, SUEZ Recycling AB, SUEZ El Beida, SUEZ Blanca, SUEZ Polska.

Environmental information: SUEZ Eau France, Aguas Andinas, LYDEC SA, SNC Sequaris Valenton, SUEZ RV France, SUEZ R&R Belgium, SUEZ El Beida, SUEZ Atlas, SUEZ Boughaz, SUEZ Solutions Maroc, SUEZ Industrial Solutions Morocco, SUEZ Blanca, SUEZ Recycling & Recovery UK, SUEZ Polska; and SUEZ Recycling & Recovery Australia (remote audit on GHG emissions).

GRI G4 content index

core option

GENERAL STANDARD DISCLOSURES

	Page of the 2016 Integrated Report	Page of the 2016 Reference Document	External assurance
STRATEGY AND ANALYSIS			
G4-1	p.6		Yes, Reference Document p.243
ORGANISATIONAL PROFILE			
G4-3	p.6		Yes, Reference Document p.243
G4-4	p.4 ; 24	p.43-44	Yes, Reference Document p.243
G4-5		p.38	Yes, Reference Document p.243
G4-6	p.4	p.43-44	Yes, Reference Document p.243
G4-7		p.38	Yes, Reference Document p.243
G4-8	p.24	p.43-44 ; 66	Yes, Reference Document p.243
G4-9	p.4 ; 45-46 ; 77-80		Yes, Reference Document p.243
G4-10	p.80-81	p.254-255	Yes, Reference Document p.243
G4-11	p.43	p.250 ; 260	Yes, Reference Document p.243
G4-12	p.47	p.16 ; 25	Yes, Reference Document p.243
G4-13		p.39 ; 394	Yes, Reference Document p.243
G4-14	p.59		Yes, Reference Document p.243
G4-15	p.59		Yes, Reference Document p.243
G4-16	p.60	p.125-127	Yes, Reference Document p.243
ORGANISATIONAL PROFILE			
G4-17	p.69	p.261	Yes, Reference Document p.243
G4-18	p.1		No
G4-19	p.64		No
G4-20	p.48		No
G4-21	p.48		No
G4-22	p.83		Yes, Reference Document p.132-133
G4-23	No significant changes in scope		Yes, Reference Document p.132-133
STAKEHOLDER ENGAGEMENT			
G4-24	p.64		No
G4-25	p.60		No
G4-26	p.60		No
G4-27	p.1 ; 60 ; 64		No
REPORT PROFILE			
G4-28	p.69		Yes, Reference Document p.132-133
G4-29	p.49 ; 69		Yes, Reference Document p.132-133
G4-30	p.69		Yes, Reference Document p.132-133
G4-31	p.62		Yes, Reference Document p.132-133
G4-32	p.70 ; 72 ; 74-75		Yes, Reference Document p.132-133
G4-33	p.69 ; 70-73		Yes, Reference Document p.132-133
GOVERNANCE			
G4-34	p.53-55		Yes, Reference Document p.243
ETHICS AND INTEGRITY			
G4-56	p.57-58		Yes, Reference Document p.243

SPECIFIC STANDARD DISCLOSURES

DMA and indicators	Page of the 2016 Integrated Report	Page of the 2016 Reference Document	Identified omission(s)	Reason(s) for omission(s)	Explanation(s) of omission(s)	External assurance
CATEGORY: ECONOMIC						
Relevant aspect: Indirect economic impact						
G4-DMA	p.47-48					No
G4-EC8	p.48 ; 83					Yes, Reference Document p.243
CATEGORY: ENVIRONMENTAL						
Relevant aspect: Energy						
G4-DMA	p.30 ; 35					No
G4-EN3	p.76 ; 78-79					Yes, Reference Document p.132-133
G4-EN5	p.76 ; 78	p.107				Yes, Reference Document p.132-133
Relevant aspect: Water						
G4-DMA	p.30 ; 35					
G4-EN8	p.77					
G4-EN10	p.4 ; 24					
Relevant aspect: Emissions						
G4-DMA	p.27 ; 30					No
G4-EN15	p.27 ; 37 ; 77	p.114				Yes, Reference Document p.132-133
G4-EN16	p.27 ; 38 ; 77	p.114				Yes, Reference Document p.132-133
G4-EN18	p.83					Yes, Reference Document p.132-133
G4-EN19	p.27 ; 37 ; 77	p.114				No
G4-EN20	p.77					No
Relevant aspect: Effluents and waste						
G4-DMA	p.30 ; 35					No
G4-EN23	p.4 ; 78-79 ; 83					Yes, Reference Document p. 132-133
G4-EN24	p.76					No
CATEGORY: SOCIAL						
Sub-Category: Labour Practices And Decent Work						
Relevant aspect: Occupational Health And Safety						
G4-DMA	p.30					No
G4-LA6	p.81 ; 83	p.120 ; 253 ; 259	Health & safety information on independent subcontractors	2016 data currently unavailable	2016: Report of data deployed on more than 30% of total hours of subcontracting, corresponding to the most relevant scopes of activity. 2017: 2016 data available in May 2017	Yes, Reference Document p.132-133 ; 243
Relevant aspect: Training And Education						
G4-DMA	p.30					No
G4-LA9	p.81-83	p.260				Yes, Reference Document p. 132-133
G4-LA10	p.43 ; 82-83	p.260				Yes, Reference Document p. 132-133
Relevant aspect: Diversity And Equal Opportunity						
G4-DMA	p.30					No
G4-LA12	p.80-81 ; 83	p.182	Breakdown by minority groups membership	Forbidden by law	"French Data Protection Act 1978 (Chapter II, Section 1, Article 8)	Yes, Reference Document p. 132-133

Social and environmental indicators¹

Indicators

The indicators related to the quantitative objectives of SUEZ 2012-2016 Sustainable Development Roadmap are highlighted.

ENVIRONMENTAL INDICATORS

SECTION	Verification by the Statutory Auditors		Unit	GRI G4	2012	2013	2014	2015	2016
	Limited assurance	Reasonable assurance							
MANAGEMENT									
WASTE — Percentage of activity (tonnage) covered by an environmental management system (EMS)			%	N/A	84%	87.3%	98%	85.3%	80.6%
WATER — Percentage of activity (volume) covered by ISO 14001 certification			%	N/A	68.1%	73.6%	59%	58%	65%
Convictions relating to damage caused to the environment			Number	G4-EN29	3	3	7	5	2
Compensation paid as a result of convictions (related to incidents affecting the environment)			€K	G4-EN29	1,715	22	406	455	7.85
Total number and volume of significant accidental spills			Number	G4-EN24	0	0	0	0	0
ENERGY									
Installed capacity – Electricity – Biogas recovery			MWe	G4-EN3	134	172	187	184	201
Installed capacity – Electricity – Waste-to-energy recovery of household waste			MWe	G4-EN3	517	515	513	550	550
Installed capacity – Heat – Biogas recovery			MWth	G4-EN3	67	199	55	94	102
Installed capacity – Heat – Waste-to-energy recovery of household waste			MWth	G4-EN3	1,632	1,587	1,631	1,636	1,637
Energy consumption – Waste only – ELECTRICITY ⁽²⁾			MWhe	G4-EN3	587,000	558,360	617,935	616,233	568,793
Energy consumption – Water only – ELECTRICITY	x	xx	MWhe	G4-EN3	4,170,000	4,542,515	4,251,884	4,646,124	4,571,389
Energy consumption – Water and waste – ELECTRICITY ⁽²⁾	x	xx	MWhe	G4-EN3	4,757,000	5,100,875	4,869,819	5,262,357	5,140,182
Energy consumption – Water and waste – NATURAL GAS ⁽²⁾	x	xx	MWhe	G4-EN3	436,250	387,973	394,658	501,872	796,334
Energy consumption – Water and waste – OTHER FUELS ⁽²⁾	x	xx	MWhe	G4-EN3	3,201,198	3,899,284	3,701,628	6,075,772	4,465,121
Energy consumption – Waste – TOTAL energy consumption ⁽²⁾	x	xx	MWhe	G4-EN3	3,473,482	3,344,816	3,308,170	5,935,609	4,929,422
Energy consumption – Water – TOTAL energy consumption			MWhe	G4-EN3	4,920,966	6,043,316	5,657,935	5,954,653	5,478,423
Energy consumption per tonne of non-hazardous waste treated			kWh eq / t	G4-EN5	33	35	33	107	71
Electricity consumption per m ³ of drinking water produced and distributed ⁽³⁾		xx	Wh / m ³	G4-EN5	519	426	424	446	460
Electricity consumption per m ³ of wastewater collected and treated			Wh eq / m ³	G4-EN5	937	611	770	904	1,232

(1) Perimeter: fully consolidated companies — (2) Reasonable assurance for Waste Europe — (3) Reasonable assurance for Water France + Water Spain + SUEZ North America + Lydec.

SECTION	Verification by the Statutory Auditors		Unit	GRI G4	2012	2013	2014	2015	2016
	Limited assurance	Reasonable assurance							
WATER									
WASTE – Water consumption			m ³	G4-EN8	9,588,054	9,345,524	9,699,999	7,624,649	38,196,705
AIR									
Direct GHG emissions ⁽¹⁾	x	xx	tCO ₂ e	G4-EN15	5,695,329	5,426,088	6,086,997	6,364,728	6,001,936
*of which_Waste - Collection activities ⁽²⁾	x	xx	tCO ₂ e	G4-EN15	558,591	567,390	521,896	537,263	504,971
*of which_Waste - Incineration (including hazardous waste)	x		tCO ₂ e	G4-EN15	2,275,013	2,066,971	2,310,006	3,292,122	2,898,303
*of which_Waste - Storage	x	xx	tCO ₂ e	G4-EN15	2,048,755	2,066,051	2,303,761	1,624,580	1,750,719
*of which_Waste - Treatment of hazardous industrial waste (excluding incineration)	x		tCO ₂ e	G4-EN15	385,778	291,446	295,934	409,946	8,176
*Other emissions (primary energies, excluding treatment)	x	xx	tCO ₂ e	G4-EN15	NC	NC	242,958	121,828	663,460
*of which_Water - wastewater treatment and production of drinking water	x		tCO ₂ e	G4-EN15	427,191	434,230	412,442	378,990	176,308
Emissions of ozone-depleting substances			t	G4-EN20	0	0	-	0	
Indirect GHG emissions	x		tCO ₂ e	G4-EN16	1,473,660	1,977,016	1,796,765	1,790,762	1,751,616
*of which_Waste - Annual electricity consumption ⁽²⁾	x	xx	tCO ₂ e	G4-EN16	280,698	314,587	287,272	163,389	154,946
of which_Water - Annual electricity consumption	x		tCO ₂ e	G4-EN16	1,192,962	1,662,429	1,509,493	1,627,374	1,596,670
Contribution to avoidance of GHG emissions	x		tCO ₂ e	G4-EN19	7,545,530	8,238,948	8,886,832	9,173,526	9,451,276
*of which_Waste - through material recovery from sorting and recycling	x		tCO ₂ e	G4-EN19	5,065,676	5,776,890	5,606,494	6,194,001	5,406,097
*of which_Waste - Through waste-to-energy recovery (incineration)	x		tCO ₂ e	G4-EN19	1,025,734	998,694	1,086,369	1,272,549	1,222,794
*of which_Waste - Through waste-to-energy recovery (storage)	x		tCO ₂ e	G4-EN19	376,258	400,422	381,656	372,440	344,354
*of which_Waste - Through waste-to-energy recovery of hazardous waste	x		tCO ₂ e	G4-EN19	71,176	73,300	76,854	69,827	56,920
*of which_Waste - Through the alternative fuels produced and supplied by SUEZ	x		tCO ₂ e	G4-EN19	920,367	899,250	1,585,521	1,105,551	2,232,915
*of which_Water - Through energy recovery	x		tCO ₂ e	G4-EN19	86,219	90,391	149,938	159,158	188,196
DISTRIBUTION AND PRODUCTION OF DRINKING WATER									
Volume of groundwater drawn			Mm ³	G4-EN8	553	693	669	759	742
Volume of surface water drawn			Mm ³	G4-EN8	3,216	3,213	3,430	3,411	3,506
Number of drinking water treatment plants			Number	G4-9	1,177	1,154	1,154	1,148	1,155
Annual production volume (network input) ⁽³⁾		xx	Mm ³	G4-9	4,752	4,954	4,325	4,418	4,311
Volume of drinking water distributed ⁽³⁾		xx	Mm ³	G4-9	3,362	4,275	3,185	3,212	3,162
Technical yield of drinking water distribution networks ⁽³⁾		xx	%	N/A	76.8	76.41	76.4	75.88	76.82
Network length			km	N/A	251,292	250,905	248,891	252,482	246,334
Quantity of reagents used for treating drinking water			t	G4-EN1	129,144	115,703	90,004	92,689	128,292
COLLECTION AND TREATMENT OF WASTEWATER									
Total number of wastewater treatment plants			Number	G4-9	2,266	2,180	2,188	2,309	2,295
Network length			km	N/A	122,054	123,917	128,062	132,146	126,923
Volume of wastewater treated			Mm ³	G4-9	3,316	3,981	4,641	4,298	4,519
Amount of BOD waste entering wastewater treatment plants			t	G4-EN22	811,719	924,765	1,031,723	1,104,018	1,192,972

SECTION	Verification by the Statutory Auditors		Unit	GRI G4	2012	2013	2014	2015	2016
	Limited assurance	Reasonable assurance							
Amount of BOD waste exiting wastewater treatment plants			t	G4-EN22	62,304	83,690	101,099	92,528	92,980
Treatment efficiency – amount of BOD5 eliminated from treatment plants			%	G4-EN22	92	91	90	92	92
Amount of nitrogen entering wastewater treatment plants			t	G4-EN22	144,767	147,365	176,051	170,260	186,315
Amount of nitrogen exiting wastewater treatment plants			t	G4-EN22	54,526	50,279	65,231	57,820	69,894
Treatment efficiency – amount of nitrogen eliminated from treatment plants			%	G4-EN22	62	66	63	66	62
Quantity of reagents used in wastewater treatment			t	G4-EN1	84,742	93,470	121,551	79,608	177,764
Percentage of water re-used after treatment			%	G4-EN10	23	20	20	19	19.5
Percentage of sludge re-used (agricultural recovery)			%	G4-EN23	71	63	68	73	75
Production of electrical power		xx	GWh	G4-EN3	NC	102	209	184	206
Production of thermal power		xx	GWh	G4-EN3	NC	149	287	280	397
WASTE COLLECTION SERVICES									
Number of inhabitants receiving collection services			Number	G4-9	49,292,436	52,276,940	36,216,532	33,945,986	33,724,081
Number of industrial and commercial customers receiving collection services			Number	G4-9	466,275	417,349	410,077	400,227	397,922
Total tonnage of household and similar waste collected			t	G4-EN23	11,582,456	10,507,863	9,629,682	10,074,889	9,233,408
Total tonnage of medical waste collected			t	G4-EN23	159,954	149,847	134,704	134,992	149,018
Total tonnage of industrial and commercial waste collected			t	G4-EN23	14,002,761	11,988,467	11,425,490	10,617,434	11,203,284
Tonnage of hazardous waste collected			t	G4-EN23	1,186,878	1,083,568	1,186,399	1,083,570	1,688,645
Total number of waste collection, cleaning, and wastewater treatment trucks			Number	G4-EN30	12,174	12,545	12,271	11,967	11,448
Percentage of the truck fleet running on alternative fuels			%	G4-EN30	4.7	2.9	8	11	8.78
Average diesel fuel consumption per truck ⁽²⁾			m ³ / num.	G4-EN5	14.6	15	14.2	14.9	9.25
Average diesel fuel consumption per ton collected			l/t	G4-EN5	7.4	6.7	7.5	6	3.8
SORTING AND RECYCLING BUSINESSES									
Number of sites operating in the transfer of waste			Number	G4-9	270	385	332	336	319
Number of sites operating in sorting/recycling			Number	G4-9	373	349	362	356	473
Tonnage of recovered materials from sorting centres			t	G4-EN23	8,781,841	8,568,410	7,954,843	10,468,000	10,377,442
Volume of raw materials from recycling			t	G4-EN23	NC	3,500,000	4,101,701	4,707,664	3,948,011
COMPOSTING ACTIVITIES									
Number of composting facilities			Number	G4-9	128	123	127	121	107
Incoming tonnage			t	G4-EN23	2,081,652	2,209,965	2,041,291	1,786,805	2,222,970
Tonnage of compost produced			t	G4-EN23	847,401	901,538	916,963	853,797	792,079
Tonnage of sewage sludge treated for material recovery			t	G4-EN23	573,197	569,970	513,281	120,413	121,888
NON-HAZARDOUS WASTE THERMAL TREATMENT ACTIVITIES									
Number of urban waste incineration plants			Number	G4-9	48	46	44	45	40
Tonnage of waste incinerated ⁽²⁾		xx	t	G4-EN23	6,662,964	6,225,817	6,762,114	6,975,291	7,049,368
SOx emissions			t	G4-EN21	385	297	344	398	422

SECTION	Verification by the Statutory Auditors		Unit	GRI G4	2012	2013	2014	2015	2016
	Limited assurance	Reasonable assurance							
NOx emissions			t	G4-EN21	4,291	3,894	4,126	4,342	4,378
Dust emissions			t	G4-EN21	45	53	56	52	57
Quantity of Air Pollution Control Residues			t	G4-EN23	299,317	278,946	207,920	216,373	212,177
Percentage of bottom ash recovered			%	G4-EN23	90	96	84	88	77
Quantity of electrical power generated ⁽²⁾	x	xx	MWhe	G4-EN3	2,862,674	2,704,202	2,789,228	3,066,185	3,179,385
Quantity of thermal energy sold ⁽²⁾	x	xx	MWhth	G4-EN3	1,960,373	1,942,843	1,971,686	2,360,104	2,330,205
NON-HAZARDOUS WASTE STORAGE ACTIVITIES									
Number of landfill waste facilities (K1+K2+K3)			Number	G4-9	141	127	130	129	131
Tonnage entering non-hazardous waste landfills			t	G4-EN23	15,960,908	18,501,616	16,315,366	15,349,521	16,682,739
Volume of leachates treated			m ³	G4-9	3,084,549	3,107,766	3,490,151	3,131,519	3,320,796
Percentage of waste stored in landfills equipped with a biogas collection and treatment system			%	G4-EN23	94	74	82	95	93
Volume of methane collected and treated			Nm ³	G4-EN7	140,330,221	107,167,914	98,026,777	92,669,433	93,404,319
Volume of methane recovered as energy			Nm ³	G4-EN7	332,594,670	293,058,622	310,873,507	300,295,045	309,125,052
Quantity of electricity produced from biogas			Mwhe	G4-EN3	830,182	919,918	919,427	865,871	879,788
ACTIVITIES RELATING TO THE TREATMENT OF HAZARDOUS WASTE									
Number of hazardous waste incinerators			Number	G4-9	9	9	9	9	12
Number of hazardous waste platforms (pre-treatment and transfer)			Number	G4-9	172	122	132	180	158
Number of hazardous waste landfills (K1 landfills)			Number	G4-9	16	16	17	17	17
Number of medical waste treatment facilities			Number	G4-9	7	7	5	5	5
Hazardous waste treated (total excluding contaminated soil)			t	G4-EN23	2,705,737	2,204,273	2,319,303	2,330,365	2,193,955
*of which recovered in cement plants			t	G4-EN23	482,776	411,566	410,141	430,279	261,336
*of which incinerated			t	G4-EN23	348,982	360,820	355,649	440,431	385,023
Tonnage of soil treated / recovered			t	G4-EN23	1,310,184	1,530,656	1,361,477	1,413,555	749,497
Quantity of alternative energy provided by recovery of waste in the form of fuels			tep	G4-EN3	244,327	283,445	206,973	136,317	71,004
Tonnage entering K1 landfills			t	G4-EN23	627,500	613,860	613,948	592,570	669,796
ACTIVITIES RELATING TO ELECTRICAL AND ELECTRONIC EQUIPMENT WASTE									
Number of sites treating end-of-life electrical and electronic equipment waste			Number	G4-9	10	9	9	10	9
Tonnage of end-of-life electrical and electronic equipment waste treated by material recovery and recycling activities (disassembly and dismantling)			t	G4-EN23	18,704	23,918	27,583	68,325	38,686
TOTAL									
Total waste treated			t	G4-EN23	44,403,767	40,587,456	40,776,345	39,403,953	41,411,826
% of products sold and of recycled or reused packaging			%	G4-EN28	No product sold is likely to be packaged				

SOCIAL INDICATORS

SECTION	Verification by the Statutory Auditors		GRI G4	Absolute value					Relative value				
	Limited assurance	Reasonable assurance		2012	2013	2014	2015	2016	2012	2013	2014	2015	2016
WORKFORCE BREAKDOWN BY DIVISION													
Water Europe			G4-9	22,208	39,817	24,161	24,206	25,211	27.6%	49.7%	29.5%	29.3%	30%
Waste Europe			G4-9	34,561	22,423	35,558	35,544	34,777	43%	28%	43.5%	43.1%	41.4%
International			G4-9	22,038	16,230	20,462	21,047	22,193	27.4 %	20.3%	25%	25.5%	26.4%
Consulting			G4-9	896	876	828	779	760	1.1%	1.1%	1%	0.9%	0.9%
Central services			G4-9	742	749	809	960	980	0,9 %	0.9%	1%	1.2%	1.2%
Total		xx	G4-9	80,445	80,095	81,818	82,536	83,921	100%	100%	100%	100%	100%
WORKFORCE BREAKDOWN BY GEOGRAPHICAL REGION													
France			G4-9	34,776	33,468	33,125	32,969	32,864	43.7%	42.2%	40.9%	39.9%	39.2%
Europe (excluding France)			G4-9	29,974	29,521	29,554	30,566	28,200	37,7 %	37.3%	36.5%	37%	33.6%
North America			G4-9	3,367	3,312	3,390	3,650	4,264	4.2%	4.2%	4.2%	4.4%	5.1%
South America			G4-9	240	293	395	459	3,102	0,3%	0.4%	0.5%	0.6%	3.7%
Africa / Middle East			G4-9	6,165	7,231	8,830	8,938	8,972	7.7%	9.1%	10.9%	10.8%	10.7%
Asia / Oceania			G4-9	5,027	5,394	5,696	5,954	6,519	6,3 %	6.8%	7%	7.2%	7.8%
Total		xx	G4-9	79,549	79,219	80,990	82,536	83,921	100%	100%	100%	100%	100%
WORKFORCE BREAKDOWN BY AGE GROUP (PERMANENT EMPLOYEES)													
Under 25	x		G4-LA12						2.8%	3%	2.3%	2.2%	2.2%
25-29	x		G4-LA12						8.8%	8%	8.3%	8.3%	8%
30-34	x		G4-LA12						12.7%	12.5%	12.5%	12.5%	12.3%
35-39	x		G4-LA12						14.2%	13.9%	13.7%	13.8%	14.2%
40-44	x		G4-LA12						16.4%	16.4%	16.1%	15.7%	15.4%
45-49	x		G4-LA12						16.7%	16.7%	16.4%	16.2%	15.9%
50-54	x		G4-LA12						14.3%	14.8%	15.3%	15.4%	15.7%
55-59	x		G4-LA12						10.1%	10.8%	11%	11.4%	11.6%
60-64	x		G4-LA12						3.4%	3.7%	3.8%	3.9%	4%
65 and over	x		G4-LA12						0.6%	0.6%	0.6%	0.6%	0.7%
WORKFORCE BREAKDOWN BY GENDER													
Men		xx	G4-LA12	63,858	63,280	64,671	65,699	66,645	80.3%	79.9%	79.9%	79.6%	79.4%
Women		xx	G4-LA12	15,691	15,939	16,319	16,837	17,276	19.7%	20.1%	20.1%	20.4%	20.6%
Total		xx	G4-LA12	79,549	79,219	80,990	82,536	83,921	100%	100%	100%	100%	100%
WORKFORCE BREAKDOWN BY SOCIOPROFESSIONAL CATEGORY AND BY GENDER													
Executives and managers		xx	G4-10	11,261	11,441	12,077	12,586	12,918	14.2%	14.4%	14.9%	15.2%	15.4%
Men		xx	G4-10			8,741	9,033	9,289					
Women		xx	G4-10			3,336	3,553	3,629					
Senior technicians and supervisors		xx	G4-10	16,162	16,476	17,112	17,721	18,545	20.3%	20.8%	21.1%	21.5%	22.1%
Men		xx	G4-10			11,010	11,437	11,954					

SECTION	Verification by the Statutory Auditors		Unit	Absolute value					Relative value				
	Limited assurance	Reasonable assurance		2012	2013	2014	2015	2016	2012	2013	2014	2015	2016
<i>Women</i>		xx	G4-10			6,102	6,284	6,591					
Workers, office staff and technicians		xx	G4-10	52,126	51,302	51,801	52,229	52,458	65.5%	64.8%	64%	63.3%	62.5%
<i>Men</i>		xx	G4-10			44,920	45,220	45,402					
<i>Women</i>		xx	G4-10			6,881	7,009	7,056					
Total		xx	G4-10	79,549	79,219	80,990	82,536	83,921	100%	100%	100%	100%	
WORKFORCE BREAKDOWN BY TYPE OF CONTRACT AND BY GENDER													
Permanent contracts	x		G4-10		73,809	75,364	75,933	76,738	93%	93.2%	93.1%	92%	91.4%
<i>Men</i>	x		G4-10			60,536	60,801	61,259					
<i>Women</i>	x		G4-10			14,828	15,094	15,479					
Other contracts	x		G4-10	5,410	5,626	6,603	6,603	7,183	7%	6.8%	6.9%	8%	8.6%
<i>Men</i>	x		G4-10			4,135	4,000	5,386					
<i>Women</i>	x		G4-10			1,491	1,288	1,797					
Total	x		G4-10		79,219	80,990	82,536	83,921	100%	100%	100%	100%	
DISABLED EMPLOYEES AS A PERCENTAGE OF THE WORKFORCE													
Percentage of disabled employees compared with the total headcount at year-end	x		G4-LA12						1.8%	1.8%	1.8%	1.8%	1.8%
EMPLOYMENT													
Turnover ⁽⁴⁾	x		G4-LA1						6.4%	6.4%	6.5%	5.6%	6.3%
Voluntary turnover ⁽⁵⁾		xx	G4-LA1						3.3%	3%	3.1%	3%	3.3%
Hiring rate ⁽⁶⁾	x		G4-LA1						18.6%	18.2%	19%	20.5%	19%
Percentage of employees hired on permanent contracts ⁽⁷⁾	x		G4-LA1						45.3%	42.8%	44.7%	42.3%	37.5%
HIRING													
Number of people hired externally on permanent contracts	x		G4-LA1	6,743	6,203	6,890	7,112	6,024					
Number of people hired externally on fixed-term contracts	x		G4-LA1	8,137	8,287	8,535	9,718	10,041					
Total	x		G4-LA1	14,880	14,490	15,425	16,830	16,065					
WORKING CONDITIONS													
Absenteeism rate (days of absence/employee) ⁽⁸⁾	x		G4-LA6	11.6	11.8	11.5	11.4	11.8					
Rate of overtime ⁽⁹⁾	x		G4-LA6						4.3%	4.8%	4.1%	4.1%	3.9%
SAFETY IN THE WORKPLACE													
Recognised occupational illnesses			G4-LA6		56	53	76	96					
Number of fatal accidents (employees)	x		G4-LA6	5	4	4	2	6					
Frequency rate ⁽¹⁰⁾		xx	G4-LA6	13.32	12.17	11	10.05	9.03					
Severity rate ⁽¹¹⁾		xx	G4-LA6	0.6	0.54	0.54	0.53	0.54					
TRAINING													
Annual number of training hours per individual trained		xx	G4-LA9						24	25	25	25	25.2
Average training expenses per individual trained	x		G4-LA9						537	489	504	478	504
Percentage of the workforce trained			G4-LA9						68.4%	69.4%	66.5%	69.4%	67.5%

SECTION	Verification by the Statutory Auditors		Unit	Absolute value					Relative value				
	Limited assurance	Reasonable assurance		2012	2013	2014	2015	2016	2012	2013	2014	2015	2016
BREAKDOWN OF TRAINED WORKFORCE BY GENDER													
Men			G4-LA9			42,779	45,652	44,977			79.1%	79.7%	79.4%
Women			G4-LA9			11,271	11,628	11,669			20.9%	20.3%	20.6%
Total			G4-LA9			54,050	57,280	56,647			100%	100%	100%
BREAKDOWN OF TRAINED WORKFORCE BY SOCIO-PROFESSIONAL CATEGORY													
Executives and managers			G4-LA9			9,083	9,544	9,789			16.8%	16.8%	17.1%
Senior technicians and supervisors			G4-LA9			12,525	12,997	12,967			23.2%	22.8%	22.7%
Workers, office staff and technicians			G4-LA9			32,442	34,418	34,423			60%	60.4%	60.2%
Total		xx	G4-LA9			54,050	56,959	57,179			100%	100%	100%
BREAKDOWN OF TRAINING HOURS BY TOPIC													
Operational training	x		G4-LA10						27.2%	26%	29%	27.9%	27.4%
Quality, environment and safety	x		G4-LA10						36.8%	38.7%	36.7%	35.4%	35.4%
Languages	x		G4-LA10						7.7%	6.4%	6.4%	7%	6.3%
Others	x		G4-LA10						28.3%	28.8%	27.8%	29.7%	30.9%

(4) Turnover: number of redundancies and resignations/average workforce.

(5) Voluntary turnover: number of resignations/average workforce.

(6) Hiring rate: number of employees recruited on fixed-term and permanent contracts/average workforce.

(7) Percentage of employees hired on permanent contracts: number of employees hired on permanent contracts/number of employees hired on permanent and fixed-term contracts.

(8) Based on a theoretical working day of 8 hours

(9) Rate of overtime hours: number of overtime hours/number of hours worked.

(10) Frequency rate: number of accidents with leave x 1,000,000/number of hours worked.

(11) Severity rate: number of days compensated x 1,000/number of hours worked.

OTHER INDICATORS MONITORED IN THE 2012-2016 SUSTAINABLE DEVELOPMENT ROADMAP

SECTION	Verification by the Statutory Auditors		Unit	GRI G4	2012	2013	2014	2015	2016
	Limited assurance	Reasonable assurance							
ENVIRONMENTAL PERFORMANCE									
Proportion of customers equipped with SMART meters			%	N/A	10	11	12	15	21
Ratio: tons of waste recovered/tons of waste disposed of (scope Waste Europe)			Number	G4-EN23	1.4	1.42	1.52	1.9	2.02
Solid recovered fuels sold (in thousand tons)			kt	N/A	2,050	1,816	1,845	1,852	2,090
Ratio: greenhouse gas emissions avoided for customers/direct and indirect greenhouse gas emissions (perimeter Waste Europe)	x		Number	G4-EN18	1.25	1.72	1.77	1.69 ⁽¹⁾	1.88
Production of useful energy (perimeter Waste Europe) ²	x	xx	GWh	N/A	5,260	5,138	5,154	5,855	6,254
Number of sites deemed biodiversity-sensitive, with a current action plan			Number	N/A	NC	111	144	214	211
Average satisfaction rate of customers in the water sector			%	N/A	NC	84.5	84.3	83.8	87.4
SOCIAL PERFORMANCE									
Average hours of training per employee per year		xx	Number	G4-LA9	16.8	17.3	16.7	17.3	17
Proportion of women in management		xx	%	G4-LA12	27	27.8	27.6	28.2	28.1
Percentage of women in the Group's governing bodies and its subsidiaries			%	G4-LA12	19.15	17.78	17.8	15	18.7
Percentage of people over 55 years old in recruitments			%	G4-LA10	3.4	5.95	6.2	5.8	5.8
Frequency rate in water management activities		xx	Number	G4-LA6	5.1	5.28	4.8	5.3	4.99
Frequency rate in waste management activities		xx	Number	G4-LA6	18.02	17.03	16.23	14.06	12.71
SOCIETAL PERFORMANCE									
Percentage of purchases from SMEs (across France)			%	G4-EC8	NC	26.6 ⁽³⁾	24.5 ⁽³⁾	24.5	26.7
Purchase amounts entrusted to the sheltered sector (for France)			€M	G4-EC8	NC	5.22	5.98	6.1	5.61
Number of professionals and managers in water and sanitation services trained in developing countries			Number	G4-EC8	34	79	116	149	149
Amount allocated to the SUEZ Initiatives Fund			€M	G4-EC8	4	4	4	4	4
Number of people connected to drinking water services in developing countries			m	G4-EC8	NC	12.8	14.1	14.7	14.9
Number of people connected to wastewater treatment services in developing countries			m	G4-EC8	NC	6.6	7.1	7.4	7.5

1- Improved methodology in calculating the indicator in 2015.

2- Reasonable assurance for Waste Europe.

3- Figures recalculated with the new reporting method introduced in 2015.

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