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SUEZ ENVIRONNEMENT

United Nations Global Compact - Communication on Progress

June 19th, 2014

INTRODUCTION

SUEZ ENVIRONNEMENT is a signatory of the UN Global Compact (UNGC) and Jean-Louis Chaussade, the Chief Executive Officer of SUEZ ENVIRONNEMENT, renewed the company's commitment to the 10 principles of the UNGC in page 5 of our 2013 Sustainable Development Report.


All information in this COP is compiled from our 2013 Sustainable Development Report (attached in French and available both in French and English online), our 2013 Reference Document (attached and available online) and the activity report of the SE Fonds Initiatives (attached in French and available online).

SUEZ ENVIRONNEMENT's 2012-2016 Sustainable Development Roadmap that covers the Group's commitments in terms of environmental, social and societal performance is attached and also available online.

All of these documents are available at <http://www.suez-environnement.com/news/corporate-publications/>.

To maintain our GC Advanced level we are communicating our progress on the 21 advanced criterion related to the UNGC Ten Principles:

- **Human Rights**
 - **Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and
 - **Principle 2:** make sure that they are not complicit in human rights abuses.
- **Labor**
 - **Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
 - **Principle 4:** the elimination of all forms of forced and compulsory labour;
 - **Principle 5:** the effective abolition of child labour; and
 - **Principle 6:** the elimination of discrimination in respect of employment and occupation.
- **Environment**
 - **Principle 7:** Businesses should support a precautionary approach to environmental challenges;
 - **Principle 8:** undertake initiatives to promote greater environmental responsibility; and

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- **Principle 9:** encourage the development and diffusion of environmentally friendly technologies.
 - **Anti-Corruption**
 - **Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.

IMPACT OF THE END OF THE SHAREHOLDERS AGREEMENT

This 2014 COP is influenced by the end of the Shareholders agreement between SUEZ ENVIRONNEMENT, GDF SUEZ and the other signatories on July 22, 2013.

This decision resulted in GDF SUEZ losing control of SUEZ ENVIRONNEMENT COMPANY but GDF SUEZ reaffirmed its commitment to continue as a long-term strategic partner and reference shareholder of SUEZ ENVIRONNEMENT.

Following the loss of control by GDF SUEZ, the Group is improving its own bodies and policies on several topics such as governance, responsible supply-chain management, human rights management and labor agreement.

For example the Group is building its own dialogue with employee representatives and has already signed two fundamental labor agreements. These agreements cover the creation of the European Works Council (EWC) and the France Group Committee (FGC) on August 2013.

REFERENCES OF OUR COMMUNICATION ON PROGRESS



To facilitate the identification of information related to our COP the following table lists the location of the relevant chapter in our Sustainable Development document as well as our reference document.

2013 Sustainable Development Report http://www.suez-environnement.fr/wp-content/uploads/2014/05/SE_RDD_2013_FR.pdf	2013 Reference Document http://www.suez-environnement.fr/wp-content/uploads/2014/04/SUEZ_ENV_DDR_VA_1-1-AVR-2014.pdf
Strategy	
Criterion 1: The COP describes mainstreaming into corporate functions and business units	
<p>p.2 - Integrating Sustainable Development into the strategy</p> <p>p.8 - Meeting challenges and achieving our aims</p> <p>p.12 - SUEZ ENVIRONNEMENT CSR and Sustainable Development Policies : convictions, action principles and organization</p>	<p>p.85 - Section 6.8 – Group environmental, corporate and social responsibility policy</p>
Criterion 2: The COP describes value chain implementation	
<p>p. 18 - Help our clients to better manage the water cycle as a whole</p> <p>p.20 - Help our clients to optimise the management and recovery of their waste</p> <p>p.34 – Contribute to a responsible economy through local employment and development</p> <p>p. 60 - Report of the Statutory Auditors appointed as independent third-party bodies on the consolidated social, environmental, and societal information included in the Management Report</p> <p>p. 38 - Disseminating and sharing our know-how</p>	<p>p.15 - Section 4 - Risks of dependency on certain suppliers</p> <p>p.42 - An integrated player throughout the entire water and waste value chain</p> <p>p. 96 - Section 6.8.3 - Subcontracting and suppliers</p>
Robust Human Rights Management Policies & Procedures	
Criterion 3: The COP describes robust commitments, strategies or policies in the area of human rights	
<p>p. 14 - Human rights and respect for human dignity</p> <p>p. 40 – Promote access to essential water and sanitation services</p> <p>p. 57 - SUEZ ENVIRONNEMENT's ranking in the DJSI index in 2013</p>	<p>p. 29-30 - Section 4.2.5 - Ethics Program</p>
Criterion 4: The COP describes effective management systems to integrate the human rights principles	
<p>p. 57 - SUEZ ENVIRONNEMENT's ranking in the DJSI index in 2013</p>	<p>p. 29-30 - Section 4.2.5 - Ethics Program</p>
Criterion 5: The COP describes effective monitoring and evaluation mechanisms of human rights integration	
<p>p. 57 - SUEZ ENVIRONNEMENT's ranking in the DJSI</p>	<p>p. 29-30 - Section 4.2.5 - Ethics Program</p>

index in 2013

Robust Labour Management Policies & Procedures

Criterion 6: The COP describes robust commitments, strategies or policies in the area of labour

<p>p.12 - SUEZ ENVIRONNEMENT CSR and Sustainable Development Policies : convictions, action principles and organisation</p> <p>p.26 - Invest in the development of our employees</p> <p>p. 28 - Boost the engagement of our employees and quality of life at work</p> <p>p.30 - Act for equal opportunities</p>	<p>p. 97 - Section 6.8.3 - SUEZ ENVIRONNEMENT's principles are in line with international standards</p> <p>p. 194 - Section 17.1.3 Human resources values and ethics</p> <p>p. 96 - Subcontracting and suppliers</p> <p>p. 195 - Social relations</p> <p>p.195 - Creation of the European Works Council (EWC)</p> <p>p.195 - Creation of the France Group Committee (FGC)</p>
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Criterion 7: The COP describes effective management systems to integrate the labour principles

<p>p.26 - Invest in the development of our employees</p> <p>p. 28 - Boost the engagement of our employees and quality of life at work</p> <p>p.30 - Act for equal opportunities</p>	<p>p. 19 - Risks related to human resources management</p> <p>p. 19 - Risks of labor conflicts</p> <p>p. 19 - Risk of occupational illnesses</p> <p>p. 195 - Social relations</p> <p>p.195 - Creation of the European Works Council (EWC)</p> <p>p.195 - Creation of the France Group Committee (FGC)</p> <p>p.196 - 17.1.4 Diversity and equal opportunities</p>
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Criterion 8: The COP describes effective monitoring and evaluation mechanisms of labour principles integration

	<p>p.194 - Section 17.1 - Human resources</p> <p>p. 195 - Social relations</p> <p>p. 96 - Subcontracting and suppliers</p>
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Robust Environmental Management Policies & Procedures

Criterion 9: The COP describes robust commitments, strategies or policies in the area of environmental stewardship

<p>p.44 - Methodology note on the annual reporting of environmental, social and societal performance</p> <p>p. 8 - Meeting challenges and achieving our aims</p> <p>p.09 - 2012-2016 Sustainable Development roadmap</p> <p>p.18-23 - Priority No.1: Innovate to develop our activities and assist our clients in becoming leaders of economic and environmental performance</p> <p>p. 18 - Help our clients to better manage the water cycle as a whole</p> <p>p.20 - Help our clients to optimize the management and recovery of their waste</p> <p>p.22 - Improve the environmental footprint of our facilities and services</p> <p>p. 24 - Improve customer satisfaction and trust</p>	<p>p. 85 - Section 6.8.1 –Environmental Policy</p> <p>p. 96 - Subcontracting and suppliers</p>
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Criterion 10: The COP describes effective management systems to integrate the environmental principles

p.16 - Responsible Performance p. 85 - 6.8.1 Environmental Policy	p. 27 - 4.2.2 Management of industrial and environmental risks p. 85 - Section 6.8.1 – Environmental Policy
Criterion 11: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship	
p.44 - Methodology note on the annual reporting of environmental, social and societal performance p.16 - Responsible Performance	p. 85 - 6.8.1 Environmental Policy p. 27 - 4.2.2 Management of industrial and environmental risks
Anti-Corruption Implementation	
Criterion 12: The COP describes robust commitments, strategies or policies in the area of anti-corruption	
p.12 - SUEZ ENVIRONNEMENT CSR and Sustainable Development Policies : convictions, action principles and organisation p. 15 - Reference Texts	p. 29-30 - Section 4.2.5 – Ethics Program
Criterion 13: The COP describes effective management systems to integrate the anti-corruption principle	
p.12 - SUEZ ENVIRONNEMENT CSR and Sustainable Development Policies : convictions, action principles and organisation	p. 184 - Ethics and Sustainable Development Committee p. 96 - Subcontracting and suppliers p. 95 - Lobbying p. 29-30 - 4.2.5 Ethics Program
Criterion 14: The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption	
	p. 29-30 - Section 4.2.5 - Ethics Program
Taking Action in Support of Broader UN Goals and Issues	
Criterion 15: The COP describes core business contributions to UN goals and issues	
p. 40 - Promote access to essential water and sanitation services	p. 29-30 - Section 4.2.5 - Ethics Program
Criterion 16: The COP describes strategic social investments and philanthropy	
p. 34 - Contribute to a responsible economy through local employment and development p. 38 - Spread and share our expertise and knowledge p. 40 - Promote access to essential water and sanitation services	p. 96 – Partnership and sponsorship initiative
Criterion 17: The COP describes advocacy and public policy engagement	
p. 38 - Spread and share our expertise and knowledge p. 40 - Promote access to essential water and sanitation services	p.95 – Section 6.8.3 –Corporate commitments to sustainable development
Criterion 18: The COP describes partnerships and collective action	
p. 34 - Contribute to a responsible economy through local employment and development p. 38 - Spread and share our expertise and knowledge p. 40 - Promote access to essential water and sanitation services	p. 29-30 - Section 4.2.5 - Ethics Program

Corporate Sustainability Governance and Leadership

Criterion 19: The COP describes CEO commitment and leadership

<p>p. 6 - Joint interview with Jean-Louis Chaussade, Chief Executive Officer , and Frédérique Raoult, Director of Sustainable Development and Communications</p>	<p>p. 84 - Ethics and Sustainable Development Committee</p>
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Criterion 20: The COP describes Board adoption and oversight

<p>p.2 - Integrating Sustainable Development into the strategy</p>	<p>p. 84 - Ethics and Sustainable Development Committee p.95 – Section 6.8.3 – Corporate commitments to sustainable development</p>
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Criterion 21: The COP describes stakeholder engagement

<p>p. 36 – Work together on solutions and have an open dialogue with our stakeholders</p>	<p>p.87 – An organization and systems for measuring and checking environmental and operational performance p.95 – Section 6.8.3 – Corporate commitments to sustainable development</p>
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