



## COMMUNICATION ON PROGRESS

SUEZ and Sustainable Development:  
Commitments in actions

June 2007

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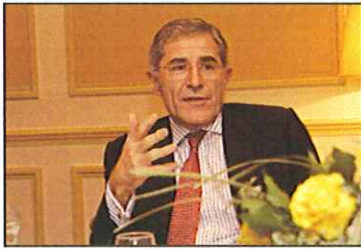
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## **Sustainable Development: Cornerstone of SUEZ Business Strategy**

SUEZ was one of the first companies to sign up to the Global Compact at the time of its launch by United Nations Secretary General Kofi Annan, in 2000.

The Global Compact's principles correspond to the SUEZ principles of corporate governance, to its values and key charters. The Global Compact principles are in line with our three historical convictions

### **1. Our business aim at providing sustainable solutions for all customers**

For more than 150 years, the companies that make up the Group have delivered services essential to life and to people's economic and social development. Today, more than ever, businesses, local authorities, and individuals expect solutions that are both competitive and environment-friendly.

### **2. Our responsibility is controlling the impact we have**

From employees to customers and neighboring populations, the Group has a direct impact on the employment, health, safety, and environment of millions of people. Our responsibility is to control the impact that we have in an integrated way.

### **3. Our ultimate goal : to create value**

We believe that mainstreaming the Global compact principles into our activities create value to the Group, its customers and all stakeholders.

The Global Compact principles are also in line with five key challenges for the future: We are committed to support Climate Change innovative solutions, to ensure and encourage Natural Resources Preservation, to improve Quality of Life of the stakeholders, to follow and adapt our activities to the changing Markets as well as local and adapted solutions to our customers. These convictions and the five challenges are central for SUEZ' Strategy.

Historically, the companies that have made up the SUEZ Group, the source of its profits and growth, have endeavored to improve people's living conditions through the supply of water, gas and electricity, together with the collection, treatment and recycling of waste, while respecting the environment.

In less than seven years, the Global Compact has emerged as a focus for exchanges between the United Nations, the business community, labor unions, and civil society, a place where they can share and promote the values and experiences associated with responsible management.

The Global Compact principles are strengthening SUEZ commitments for Sustainable Development activities and encouraging internal synergies.

In June 2007, the Global Compact had more than 4,800 members including industrial companies, institutions and other organizations, with nearly 400 French businesses.

SUEZ is proud to be an active member of the Global Compact and to demonstrate at international level its values and commitment to Sustainable Development.

  
Gérard Mestrallet  
Chairman and Chief Executive Officer of SUEZ  
15<sup>th</sup> June 2007

## 1. Our Main Documents

SUEZ Charters and publications illustrate how SUEZ is implementing the Global Compact principles.

A comprehensive list is presented in Annex 3. 2. Some of them are presented here: :

### **SUEZ Values**

#### **1. Professionalism**

Harness our skills for constant improvement in serving customer needs.

#### **2. Sense of partnership**

Recognize the role of all those who provide the support thanks to which we can proudly say "We are SUEZ".

#### **3. Team spirit**

Blend individual ambitions into a collective enterprise for the benefit of all: our group, our company, and each individual who makes them up.

#### **4. Value creation**

Make profitability a measure of our activity so that we may fulfill our mission of service and assume our responsibilities toward our employees, customers, shareholders, and our human and natural environment.

#### **5. Respect for the Environment**

In each of our decisions, we must take into account the direct and indirect impact of our activity on our natural and human environment.

#### **6. Ethics**

Integrate all our values into responsible conduct toward others, both individuals and community, to maintain and enhance our reputation..

## **Presentation of the actions launched by SUEZ to respect the Global Compact Principles**

A presentation of SUEZ actions and initiatives to respect the Global Compact Principles is available in page 121 of the Activities and Sustainable Development Report 2006 in page 121

<http://www.suez.com/en/finance/annual-report/2006-annual-report/asdr-2006/2006-activities-and-sustainable-development-report/>





## RESPECT FOR THE PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT

**T**he United Nations Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labor standards, environment and anti-corruption. SUEZ signed on to the Global Compact as soon as it was launched in 2000, and complies with its commitments, which are in line with its values and priorities with respect to sustainable development.

### OUR PRIORITIES

- ENSURE THAT SUSTAINABLE DEVELOPMENT VALUES ARE REFLECTED IN OUR ACTIVITIES AND CULTURE
- INTEGRATE SUSTAINABLE DEVELOPMENT INTO OUR COMMERCIAL OFFERINGS
- PRESERVE THE ENVIRONMENT
- PROMOTE THE COMPANY'S SOCIAL COMMITMENTS
- ACT AS A CORPORATE CITIZEN

To evaluate the performance of business partners to the Global Compact, Innovest, a social responsibility rating agency, awards them with green, orange and red indicators. In 2005, all SUEZ indicators were green.

THE PRINCIPLES OF THE GLOBAL COMPACT		REFERENCES
1	BUSINESSES SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS	pp. 38, 44-47, 55-56
2	ENSURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES	pp. 38, 44-47, 55-56, 73
3	BUSINESSES SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING	pp. 57-61, 89-95
4	THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR	pp. 38, 73
5	THE EFFECTIVE ABOLITION OF CHILD LABOUR	pp. 38, 73
6	THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION	pp. 94-97
7	BUSINESSES SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES	pp. 20-27, 28-33, 37-41
8	UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY	pp. 73-85
9	ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES	pp. 64-67, 74-85
10	BUSINESSES SHOULD WORK AGAINST ALL FORMS OF CORRUPTION, INCLUDING EXTORTION AND BRIBERY	pp. 44-47, 55-56

## 2. Global Compact Principles : Highlights

### **HUMAN RIGHTS**

#### **PRINCIPLE 1**

Businesses should support and respect the protection of internationally proclaimed human rights

#### **PRINCIPLE 2**

Make sure that they are not complicit in human rights abuses.

As part of its Sustainable Development commitments, the Group maintains strict control over compliance with Human Rights and the rules of the World Trade Organization.

Trade Union freedom, the prohibition of forced labor and child labor, as well as anti-discrimination policies in employment are enshrined in the *International Social Charter published in 1998*.

### **Fighting Discrimination**

From 1998, the Group's International Social Charter stipulated: "*SUEZ undertakes to guarantee each individual, irrespective of sex, race, nationality, religion or culture, equal opportunities for recruitment, work, personal and professional development and promotion.*"

Through apprenticeships, qualification contracts, establishment of a recruiting process in which the candidate is not required to give his or her address, gender or photograph, and in France a partnership with the Agence Nationale pour l'Emploi (National Employment Agency), the Group has multiplied its efforts to improve the social integration of women, the young and those in socially precarious situations or with disabilities. SUEZ has also started a vast project on gender parity. A task force has identified impediments to parity within SUEZ, with recommendations aimed at reducing the disparities. These include improving women's access to positions of responsibility, providing better maternity benefits, and creating a Parity Observatory.

### **Joining the French BLIHR network**

SUEZ reaffirmed its determination to promote these fundamental principles by joining the Global compact, then "Entreprises pour les droits de l'Homme", the French speaking arm of the Business Leaders Initiatives on Human Rights (BLIHR). This initiative brings together international companies working toward better integration of Human rights in the working world, in cooperation with external partners (NGO, universities...)- See page 38 Activities and Sustainable development Report 2006.

**International Social Observatory (ISO)** was created at the initiative of SUEZ in 1998, based on a desire to address the social consequences of globalization above and beyond simple economic and financial imperatives. As a forum for exploring and analyzing the international social reality, ISO implements concrete proposals to integrate a human and social dimension. Today, ISO has more than 100 partners worldwide, drawn from business, universities, political institutions, trade and labor unions, and non-governmental organizations. In 2005, ISO emphasized three major challenges: consolidation of an expanded social Europe from the education and training perspective, social risks with which business is increasingly faced, and integration of social considerations in business strategy (for more information read p 59 Activities and Sustainable Development report).



## **LABOUR STANDARDS**

### **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

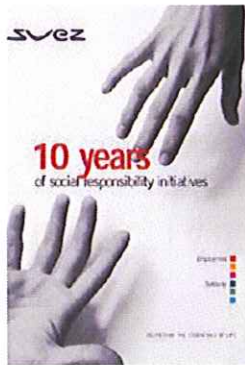
### **PRINCIPLE 5**

The effective abolition of child labour

### **PRINCIPLE 6**

The elimination of discrimination in respect of employment and occupation

## **SHARING GOOD BUSINESS PRACTICES**



In 2006, SUEZ published an official report: "10 years of social responsibility initiatives;" the report lists 300 successful initiatives of Group employees in favor of employment, job market access, training, and solidarity.

The report is a tribute to the men and women of SUEZ, illustrating with concrete examples, to encourage their sharing, Group social practices.

This publication is also available on the Group intranet site and internet web site ( [www.suez.com](http://www.suez.com) )

*Abstract for our activities and sustainable development report 2006 p 53*

### **A goal for employment: social integration through sports**

SUEZ is a partner in the operation "25 neighborhoods, a goal for employment" launched by the French Ministry of the Interior to encourage the integration of young dropouts from underprivileged areas. This program helps them find a more stable situation by enabling them to earn a certificate as a soccer coach, followed by a two-week internship with a business partner. In 2005, three of the Group's subsidiaries, Ineo, Gepso and Elyo, each took in a youth from Aulnay-sous-Bois, a disadvantaged area outside of Paris. At the end of the internship, Ineo and Gepso offered their trainees six-month contracts while Elyo's trainee obtained a 12-month vocational training contract. Since then the operation has been extended to other towns.

### **SITA Rebond : Combating Social Exclusion**

Since July 2002, SITA Rebond in France has been helping disenfranchised populations, such as the long-term unemployed, people receiving minimum social income, and unskilled workers under 26 years old. Thanks to this initiative, employees are trained in SUEZ safety and job-specific skills, and are hired under short-term employment contracts for a maximum of two years. Supervised by a team of job placement professionals, employees identify their personal objectives, and receive personalized assistance with everyday issues such as housing, health, and debt. SITA Rebond meets its partners' needs by creating job placement centers approved by departmental labor board offices and vocational training agencies. This original structure makes it possible to improve the quality of recruitment, train employees, foster stability, and create permanent jobs that reduce reliance on temporary work.

SITA Rebond was created with the logistical and financial support of a network of industrial and institutional partners (local government, central government, non-profits and local employment agencies). This kind of active partnering has yielded encouraging results: at the end of 2004, SITA Rebond had 106 employees, and 86 people had found new stability, both professionally and personally. SITA Rebond has further developed its business initiatives in the greater Paris area of Ile-de-France and has created a new unit in Valenciennes, in northern France.



## **ENVIRONNEMENT**

### **PRINCIPLE 7**

Businesses should support a precautionary approach to environmental challenges

### **PRINCIPLE 8**

Undertake initiatives to promote greater environmental responsibility

### **PRINCIPLE 9**

Encourage the development and diffusion of environmentally friendly technologies

## **PROMOTING ENERGY MIX**

40% of the Group's energy generation capacity emits no CO<sub>2</sub>

SUEZ diversified its electricity generation facilities in anticipation of the need to supply customers competitively priced energy that spared fossil fuel resources and limited CO<sub>2</sub> emissions. All together, close to 40% of the Group's generation capacity produces no CO<sub>2</sub> and another 40% produces very little.

The Group made the choice of a balanced energy mix. It relies in large part on natural gas (43% of generating capacity), which combines three major advantages: the highly flexible natural gas-fired power plants, limited CO<sub>2</sub> emissions, and still sizable resources. It also relies on hydraulic energy that accounts for 22% of the Group's managed capacity. Finally, nuclear energy (12% of managed capacity) is a technology that is doubly interesting as it generates no greenhouse gases and provides electricity at advantageous pricing.

### *Renewable energy buildup*

With an installed production capacity of 10 GW throughout the world, the Group is an important player in hydroelectric power generation. In France, SUEZ has 3,000 MW of installed capacity via Compagnie Nationale du Rhône (CNR), and another 773 MW via SUEZ. In Brazil, the Group is the leading private hydroelectric power producer with 5,800 MW of installed capacity.

SUEZ is also a European leader in the use of biomass and biogas. The Group's research teams are working on waste to energy generation using different types of biomass. In 2006, SUEZ was one of the largest users of biomass fuel for energy generation, with an installed production capacity of approximately 800 MW. The Group has 440 MW in installed wind farm generation capacity. SUEZ is increasing its construction program of wind turbines in Europe, particularly Portugal (250 MW under construction and 300 MW in the planning phase).

### **Cogeneration Plant at Lages, Brazil**

Since the end of 2003, Tractebel Energia uses wood scraps to generate electricity and steam at its cogeneration plant at Lages, Brazil.

Biomass fuels have the advantage of discharging fewer pollutants and, above all, less greenhouse gases. The Lages project was recognized as a Kyoto Protocol Clean Development Mechanism. The Lages project is an arrangement where an industrialized country operator finances greenhouse gas reduction projects in a southern hemisphere country. In return, emissions credits are earned. A further benefit from the Lages project is that new direct and indirect jobs were created.



### Business Case: Awirs Plant: 100% biomass

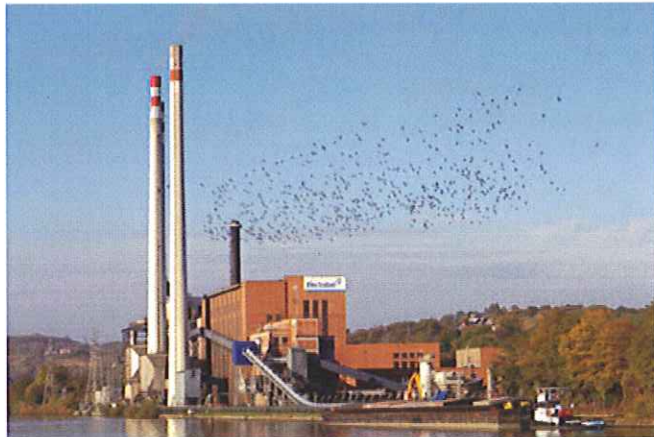
At the Awirs plant in Belgium near Liège, Electrabel has retrofitted a coal unit into an electricity production unit with biomass as the sole fuel. This method of power generation is a world premier. It required adjustments to the storage silos, conveyer belts and burners, as well as installation of filters, hammer mills and special safety systems. The biomass is made up of wood pellets that are then reduced to wood dust.

The production process involves the production and supply of wood pellets, rinding them into wood dust on site, and burning the wood dust using special burners in the steam boiler.

This type of facility has many benefits:

onsite jobs for 10 years,  
indirect employment and economic development in other activities (forestry, wood pellet producers, shipping companies);

improved quality of the local environment (reduced emissions and road traffic required for waste transport),  
redevelopment of an industrial site,  
maintenance of local electricity production



### Business Case: Alpengenie: 100% Hydroelectric

In France, the Group offers local governments and businesses the AlpEnergie service marketed by SUEZ' Electrabel subsidiary, and produced by the Compagnie Nationale du Rhône. It guarantees that the energy used will be 100% renewable in origin.

AlpEnergie, whose power source is essentially hydroelectric, has received TÜV certification from an independent European agency. Customers can choose between 25% or 100% hydropower, solar power, or wind power.

Electrabel offers its customers three green energy possibilities: *AlpEnergie 25*, *100* or *1000*. *AlpEnergie 25* guarantees that one quarter of the customer's total energy consumption comes from renewable sources, at no extra cost. By choosing *AlpEnergie 100* or *1000*, the business covers 100% of its electricity needs using renewable energy. *AlpEnergie 1000* includes 5% from wind, solar and hydropower from small dams.

In exchange, the customer voluntarily contributes to the Nature Option Energie fund by paying an additional €1.20/MWh or €3 /MWh. This fund finances research and development in new production resources for renewable energy.

SUEZ headquarters is powered by AlpEnergie.

The TÜV EE01 label is a German certification guaranteeing electricity is generated 100 % from renewable energy sources.



## MARKET-DRIVEN RESEARCH AND DEVELOPMENT (R&D)

SUEZ' innovation strategy is aimed firstly at its customers. The goal of R&D is to develop innovative solutions that satisfy the expectations of consumers, industrial companies and municipalities. It is strongly decentralized and driven mainly by the various business activities (energy, energy services, water, waste services), which have their own research resources, completely in line with market requirements. For the most part, innovations developed by the Group arise from close collaboration between the customer's technicians and experts, who identify specific requirements, and the R&D teams. New solutions are often tested and improved on site, under real operating conditions

The group R&D priorities are the following :

*Improve the productivity, reliability, and safety of facilities :*

- increase return from thermal power plants to reduce their gas or coal consumption;
- optimize water treatment procedures to increase performance at purification centers and reduce their operating costs;
- strengthen security at nuclear power plants;
- carry out real-time behavioural studies of hydraulics works.

*Control the environmental impact from the Group and its customers*

- improve solid organic waste treatment;
- optimize real-time monitoring of polluting waste from incinerators with chemical tracers;
- optimize combustion at classic thermal power plants to reduce air pollution.

*Preserve natural resources*

- develop new catchments solutions that respect natural fresh water reserves as much as possible;
- carry out biomass, biogas, and geothermal research;
- use technology to monitor wave energy.

*Preserve the health and quality of life of populations served and local populations*

- develop methods to diagnose and predict health risks;
- improve the taste of water;
- introduce odour control program near purification stations and final-stage landfills.

### Principal Research and Expertise Centers

#### France

- CERDEG : water treatment processes and purification.
- CIRSEE : water and environmental research.
- Lyonnaise des eaux technical counting center: Metrology of water counters.
- CIRADE: Waste transformation and recovery.
- Elyo Cylergie : energy services, with special expertise in environmental impact surveillance and control.

#### Belgium

- Laborelec : production, distribution, and use of electricity and sustainable energy.

#### United States

- DENARD (Degrémont North-America Research and Development): specializes in water treatment purification.

#### China

- SCIP Water Research Center: industrial water treatment



## PRIORITY ON ENERGY EFFICIENCY

A kilowatt saved is still the most environmentally friendly kilowatt there is. Energy efficiency depends both on how energy is generated and how it is used. From offering urban lighting solutions that require less electricity to providing training on how to use energy more efficiently, Suez Energy Services protects the environment while helping companies and individuals reduce their energy bills. The Group develops cogeneration and trigeneration plants, provides instruments for monitoring energy consumption, and assists customers in establishing an effective energy policy.

### Business Case: Elyo and International Paper: 95% biomass

In 2005, Elyo signed two contracts in France with two large paper producers to generate electricity from renewable energy sources: **Norske Skog**, for its site in Golbey (Vosges), and **International Paper**, for its plant in Saillat-sur-Vienne (Limousin). The facilities are fuelled by biomass obtained from the sites' own production by-products, namely wood bark, paper sludge and paper waste.

For the International Paper site, Elyo designed, built and operates an industrial platform to generate steam and electricity from biomass. The new electricity production unit has a generating capacity of 12 MW and the steam production unit has a thermal generating capacity of 60 MW. Biomass covers 95% of the site's heat needs, which significantly lowers the plant's energy costs and reduces greenhouse gas emissions by 20%.

For Norske Skog, Elyo operates a power generation facility using a steam turbine with a capacity of 12.5 MW. The revenues from these two projects over a 15-year period are EUR 122 million and EUR 300 million respectively.



## PROMOTING SUSTAINABLE WATER MANAGEMENT

In France, Lyonnaise des Eaux offers innovative technologies that accelerate the natural regeneration process of polluted aquifers and help farmers prevent pollution due to pesticides and other farm chemicals.

Due to repeated drought conditions, Lyonnaise des Eaux has also set up a national warning system to monitor sensitive points for drinking water production and develop technical solutions to maintain a sufficient supply during critical periods.

### **Lyonnaise des Eaux Sustainable Water Management Charter**

In 2006, SUEZ subsidiary Lyonnaise des Eaux launched a Charter of Commitments for Sustainable Water Management. Independent auditors will assess performance with respect to the commitments that go beyond the company's regulatory and contractual obligations. The charter was developed based on input from Lyonnaise des Eaux customers. The company is attentive to the needs of local government and consumers, ensuring an ongoing dialogue and creating partnerships with associations promoting social initiatives and environmental protection. Lyonnaise des Eaux demonstrates its commitment through numerous local initiatives that are the basis of a new approach to corporate governance.

In 2007, Lyonnaise des Eaux will create a Foresight Advisory Council composed of experts, non-profits and representatives of the general public who will meet several times a year to discuss sustainable water management issues and develop new initiatives.

### **PROMOTING WASTE REUSE**

SITA, the European waste management leader, sells waste that can be recycled as secondary materials (paper, cardboard, plastics, etc.) to recycling companies. But SITA itself is increasingly involved in recycling, in three ways:

1. by producing electricity and heat from waste burned in its incinerators,
2. by collecting biogas from its landfills to generate energy, and
3. by composting organic waste and sludge to make natural fertilizers.

### **Business Case: SITA's new Recycling Center: converting waste into resources**

Created in 2006, the Recycling Center meets the global demands of businesses, develops high value added secondary materials, and continues to create new services in anticipation of regulatory changes. The Center is composed of 5 divisions, with sites located throughout France; SITA Pneu (tires), SITA Plastique (plastics), SITA Bois (wood), SITA Métaux (metals), SITA Papier Carton (paper and cardboard).

The purpose of the Center is to:

- address all of recycling challenges,
- be active along the entire value chain to optimize, on a long-term basis, all waste streams collected and sorted by SITA,
- provide a long-term response to local and global demand for raw materials produced from waste (ferrous and non-ferrous metals, paper, cardboard, plastics, rubber, wood, etc.), and assist customers to develop and implement a waste management strategy.

Each year, SITA sorts and repairs 14 million pallets, 90% of which are placed back on the market.

300,000 metric tons of scrap wood are recycled by the particleboard industry or reused by the wood energy industry. For the Paper and Cardboard division, 1,100,000 metric tons of office paper waste, paper waste from commercial printers, newspapers, magazines and cardboard are sorted, baled and sold to European paper mills or exported to Asia.





## SUSTAINABLE LOCAL DEVELOPMENT

SUEZ businesses are intimately linked with the geographical area they serve, making any relocation inconceivable. **The Group's strategy consists in transforming local constraints into opportunities for innovation and improved performance.** Industrial projects are thus developed and managed according to the local context, from environmental protection and social development, to the economy.

### Projects with scientists in Brazil on Biodiversity

Tractebel Energia is a major energy utility in Brazil is a subsidiary of SUEZ.

Its engages in the generation and trading of hydro and thermal electricity in Brazil.

The company's power generation assets include 7 hydroelectric and 6 thermoelectric power plants in various with a total generation capacity of 6,977 megawatt

Tractebel Eneria is collaborating with research institutions to preserve biodiversity in the areas surrounding its sites. In the southern region of the country, the construction of the Ita and Machahindo hydroelectric power plants reduced the presence of dyckia distachya Hassler, a plant typical of this region.

In partnership with the federal University of Santa Catarina, the subsidiary launched a project to replant the species.

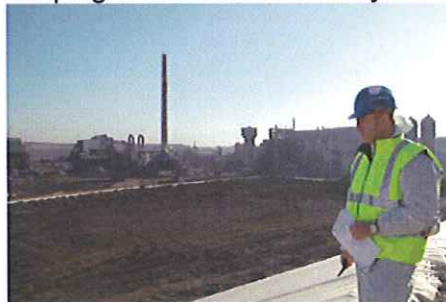
In the context of another project, Tractebel Energia partnered with the Institute of Technology for Development to evaluate the effectiveness of the ecological corridors installed near the hydraulic plants of Salto Osorio and Salto Santiago in Brazil. The objective is to prevent any obstacle to the passage of animals and encourage propagation of plant species.

*Abstract for our activities and sustainable development report 2006 p 84*

### Business Case: Agora, a Second Life for Metaleurop Nord

Launched in November 2004, the industrial redevelopment of the former Metaleurop smelter, headed by SITA France, is a perfect illustration of SUEZ' strategy. The objective of the project, called Agora, was to consider the redevelopment project from all the angles. In terms of environmental and health aspects, the goal was to clean up the most severely polluted brownfield in France. From an economic and social standpoint, the goal was to develop a business platform related to eco-industries. On a local and cultural level, the project included the onsite promotion of a "Regional Agora" encouraging economic, social and cultural initiatives in the areas of environmental conservation and socially-beneficial business.

SITA Agora is the result of multiple partnerships among regional stakeholders. Its goal is to help stimulate jobs locally and make the region a showcase for a new type of economic, social, and cultural development. The 5-year project will create a total of 200 jobs. The site will be converted into a sustainable business center, in keeping with the local identity.





## ANTI-CORRUPTION

### PRINCIPLE 10:

Businesses should work against all forms of corruption, including extortion and bribery.

Since its creation, SUEZ has also founded its sustainable development strategy on a strong **Ethics Policy**.

This policy is based on rigorous codes of conduct (Ethics Charter, Rules of Organization and Conduct for Group Companies, Purchasing Ethics Guidelines, and others see Annex 3.2 ).

These commitments are backed by Organizational structure coordinated by the General Secretary of the Group and Communicated to business line and subsidiary employees through a network of 82 ethics officers.

The mission of the Board of Directors Committee on Ethics, Environment, and Sustainable Development is to ensure respect for SUEZ values and rules of conduct.

The Group Ethics Officer coordinates ethics policy at the Group level.

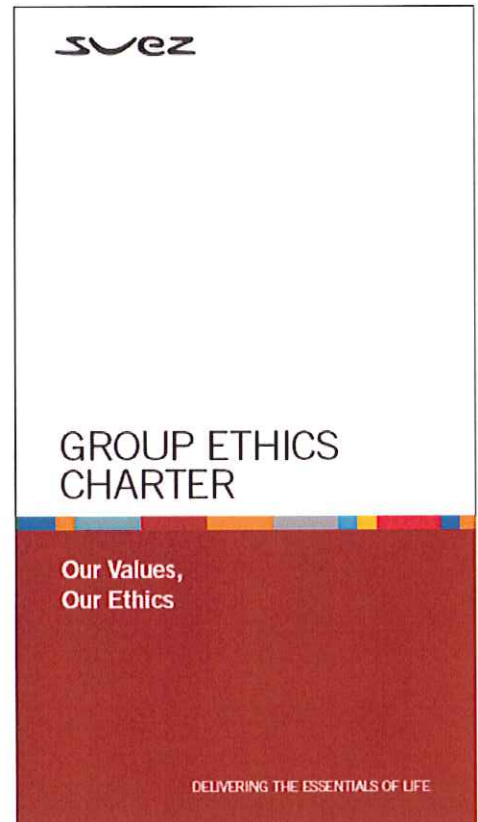
SUEZ has also established a Compliance Committee with a very limited scope that is organized in a collegial manner. It is comprised of four members who represent the Senior Executives, the internal Auditors, the Legal and Ethics Departments and Group Compliance. Its mission is to encourage a policy of Compliance with the laws in effect and SUEZ ethical rules.

In 2006, the Group's «Our Values, our Ethics» Charter and «Rules on Company organisation and management» were updated to bring them into line with changes affecting the environment and with the stakes involved.

A major employee training programme, particularly with regard to the dangers of corruption, was launched.

Initiatives have also been taken outside France, moreover, with SUEZ-Tractebel SUEZ took part in the evaluation of the OECD Convention in Belgium in 2005.

SUEZ is also working with various networks specializing against corruption and is a member of Transparence international, the french branch of the NGO Transparency International.



### 3. ANNEXES

#### 3.1- SUEZ PROFILE

*Mission: delivering the essentials of life*

SUEZ, an international industrial and services Group, designs sustainable and innovative solutions for the management of public utility services as a partner of public authorities, businesses and individuals. The Group aims to meet essential needs in electricity, natural gas, energy services, water and waste management.

SUEZ and its subsidiaries respond to the needs of municipalities and businesses that face new demands arising from population pressures, increasing urbanization, improving quality of life and stricter environmental protection standards.

Each day, the men and women of SUEZ participate actively in tackling global challenges such as preserving natural resources, restraining energy consumption, reducing greenhouse gas emissions, and providing access to basic services, while continuously monitoring risks that could have an impact on people's health and safety.

SUEZ is listed on the Brussels, Luxembourg, Paris, New York and Zurich stock exchanges and is represented in the major international indices: CAC 40, DJ STOXX 50, DJ EURO STOXX 50, Euronext 100, FTSE Eurotop 100, MSCI Europe, and ASPI Eurozone.

#### **Key figures**

Thanks to the know-how and commitment of the 140,000 SUEZ employees, today more than 200 million individuals, 3,000 local communities, and 500,000 industrial and business customers enjoy daily access to clean energy, pure water, and environment-friendly waste services.

In 2006, the Group recorded dynamic growth, generating EUR 44.3 billion in revenues and an organic growth rate of 8.2%.

#### **SUEZ Organization**

SUEZ is organized into four operational business lines in its two activity sectors, energy and environment:

**SUEZ Energy Europe** covers all European natural gas and electricity activities (electricity generation and the transmission and distribution of electricity and natural gas in Europe).

**SUEZ Energy International** is responsible for SUEZ natural gas and electricity activities outside Europe (electricity generation and the transmission and distribution of electricity, natural gas, and LNG outside Europe).

**SUEZ Energy Services** assures SUEZ activities in the fields of industrial installation and maintenance services, and associated services in energy and engineering.

**SUEZ Environment** combines all Group activities in the water and waste services businesses (production, treatment and distribution of drinking water, wastewater treatment, sludge recovery, waste collection and recycling, urban cleaning and sanitation, and industrial waste services).

More information available on : <http://www.suez.com>



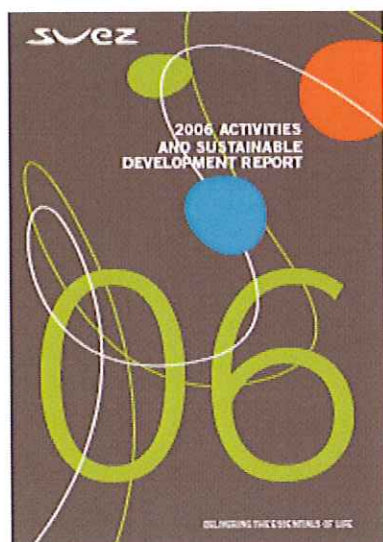
### 3.2- SUEZ 'Charters and Sustainable Development Publications

<u>List of SUEZ charters related to Sustainable Development</u>	
Charter "Our values, our Ethics"	<a href="http://www.suez.com/document/?f=groupe/en/01_Ethique_GB.PDF">http://www.suez.com/document/?f=groupe/en/01_Ethique_GB.PDF</a>
Rules of Organization and Conduct for Group companies	<a href="http://www.suez.com/document/?f=groupe/en/02_Regles_GB.PDF">http://www.suez.com/document/?f=groupe/en/02_Regles_GB.PDF</a>
Environmental Charter	<a href="http://www.suez.com/document/?f=groupe/en/group_environnement_GB.pdf">http://www.suez.com/document/?f=groupe/en/group_environnement_GB.pdf</a>
International Social Charter	<a href="http://www.suez.com/document/?f=groupe/en/group_sociale_GB.pdf">http://www.suez.com/document/?f=groupe/en/group_sociale_GB.pdf</a>
Health and Safety Charter	<a href="http://www.suez.com/document/?f=groupe/en/suez_charte_SS_en.pdf">http://www.suez.com/document/?f=groupe/en/suez_charte_SS_en.pdf</a>
Ethics Guidelines for commercial relationships	<a href="http://www.suez.com/document/?f=groupe/en/SUEZ_ethicscommercialrelationship_EN.pdf">http://www.suez.com/document/?f=groupe/en/SUEZ_ethicscommercialrelationship_EN.pdf</a>
Purchasing Ethics	<a href="http://www.suez.com/document/?f=groupe/en/SUEZ_ethiqueachats_en_01072003.pdf">http://www.suez.com/document/?f=groupe/en/SUEZ_ethiqueachats_en_01072003.pdf</a>
<u>List of Publications related to Sustainable Development</u>	
Activities and Sustainable Development report 2006	<a href="http://www.suez.com/en/finance/annual-report/2006-annual-report/asdr-2006/2006-activities-and-sustainable-development-report/">http://www.suez.com/en/finance/annual-report/2006-annual-report/asdr-2006/2006-activities-and-sustainable-development-report/</a>
Reference document 2006	<a href="http://www.suez.com/en/finance/annual-report/2006-annual-report/2006-reference-document/2006-reference-document/">http://www.suez.com/en/finance/annual-report/2006-annual-report/2006-reference-document/2006-reference-document/</a>
Sustainable development- Cornerstone of our strategy 2007	<a href="http://www.suez.com/en/groupe/suez-publications/2007/2007/">http://www.suez.com/en/groupe/suez-publications/2007/2007/</a>
10 years of Social initiatives	<a href="http://www.suez.com/document/?f=groupe/en/10years_full_en_06.pdf">http://www.suez.com/document/?f=groupe/en/10years_full_en_06.pdf</a>
SUEZ nuclear expertise in the energy mix	<a href="http://www.suez.com/document/?f=groupe/en/SUEZ_Brochure_nucleaire_GB.pdf">http://www.suez.com/document/?f=groupe/en/SUEZ_Brochure_nucleaire_GB.pdf</a>
Renewable Energies	<a href="http://www.suez.com/document/?f=groupe/en/SUEZ_Energies_Renouvelables_052005_en.pdf">http://www.suez.com/document/?f=groupe/en/SUEZ_Energies_Renouvelables_052005_en.pdf</a>
Combating Climate Change	<a href="http://www.suez.com/document/?f=groupe/en/SUEZChangementsClimatiques052005_en.pdf">http://www.suez.com/document/?f=groupe/en/SUEZChangementsClimatiques052005_en.pdf</a>
SUEZ Foundation	<a href="http://www.suez.com/document/?f=groupe/en/brochure_fondation2002_en.pdf">http://www.suez.com/document/?f=groupe/en/brochure_fondation2002_en.pdf</a>
SUEZ a Story of progress	<a href="http://www.suez.com/en/groupe/history/group-1822-1946/1822---1946/">http://www.suez.com/en/groupe/history/group-1822-1946/1822---1946/</a>
The 20th innovation Trophies Brochure	<a href="http://www.suez.com/document/?f=groupe/en/SUEZ_brochure_TII_062006.pdf">http://www.suez.com/document/?f=groupe/en/SUEZ_brochure_TII_062006.pdf</a>



### 3.3 Our Activities and Sustainable Development Report 2006

<http://www.suez.com/en/finance/annual-report/2006-annual-report/asdr-2006/2006-activities-and-sustainable-development-report/>



### 3.4 Sustainable Development – Cornerstone of our Strategy

[http://www.suez.com/document/?f=groupe/en/Brochure\\_DD\\_12\\_2006\\_vUS.pdf](http://www.suez.com/document/?f=groupe/en/Brochure_DD_12_2006_vUS.pdf)

