



United Nations Global Compact (UNGC)

Paris, June 19th, 2015

SUEZ environnement - Sustainable Development Department
Communication On Progress 2015

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 on page 6 of our 2014 Social and Environmental Report.

All the information in this Communication on Progress (COP) was compiled mainly from our 2014 Social and Environmental Report as well as:

- the 2014 Reference Document,
- the 2014 Annual Report,
- the 2014 Fonds SUEZ environnement Initiatives report, and
- opinion columns written by Jean-Louis Chaussade, CEO of SUEZ environnement.

Additionally, other publications of SUEZ environnement published before 2015 remain relevant and were also referenced:

- the 2012-2016 Sustainable Development Roadmap,
- the Ethics Charter,
- the Ethics in practice Handbook, and
- the Ethics in Supplier Relations Handbook.

All of these documents are publicly available and their weblinks can be found on page 10 of this document.

To maintain our GC Advanced level, we are communicating our progress on the 21 advanced criteria 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
 - 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.

Since 2013, with the Group's deconsolidation from Engie (former GDF SUEZ), the Group proactively created or improved its governance bodies and policies to be further adapted to the Company's activities and business needs.

Also, in a context of rampant urbanization, worldwide demographic explosion, strong growth in emerging countries and limited natural resources, SUEZ environnement sets itself as an actor of the "Resource Revolution". This revolution is significantly changing our attitudes to resources and transforming our business model, activities and professions. This is why, on March 2015, the Group officially unified its activities around one single brand – SUEZ environnement – and one mission: "securing together a resourceful future for all". This strategy is supported by renewed commitments as published in the Group's annual report and including: high ambitions in sustainable development and socially responsible commitments to underprivileged populations.

More specifically, since the Company's Communication on Progress 2014, highlights in the Group's continued improvement and adoption of environmental, social and societal policies and commitments include:

- **Human Rights**
 - An opinion column by Jean-Louis Chaussade, CEO of SUEZ environnement, published in La Croix (a French newspaper) on April 14th, 2015, entitled "The implementation of the Human Right to Water and Sanitation needs to gain momentum".
 - A renewal of the Management Committee's commitment for the inclusion of Human Rights as a fundamental element of the Company's CSR policy, and the reinforcement of action plans on the following subjects: ensuring good working condition along the supply chain (non-discrimination, diversity promotion, health and safety, social dialogue), protection of privacy, promotion of access to water (early 2015).
 - A new service contract awarded by the city of Mumbai to SUEZ environnement India in April 2014, for the improvement of the drinking water distribution system for its 12.5 million people including solutions adapted to populations living in slums.
- **Labor**
 - A European agreement on fundamental health and safety principles and applicable to all of the Group's employees signed on June 12, 2014 within the European Works Council (EWC) created in 2013.
 - A European agreement on professional equality currently being signed by social partners (EPSU, the European trade union federation already signed the agreement).
 - A national "generational action plan" on the promotion of young and senior employability signed

on July 24, 2014.

- A talent development policy handbook produced and distributed to all HR personnel on July 2014.

- **Environment**

- An opinion column by Jean-Louis Chaussade, CEO of SUEZ environnement, published in Le Monde (a French newspaper) on September 24th, 2014, entitled « Reconcile competitiveness and climate change ! »
- An opinion column by Jean-Louis Chaussade, CEO of SUEZ environnement, published in Les Echos (a French newspaper) on January 23rd, 2015, entitled « Circular economy, hope for the planet »
- The publication of the Group's Carbon Profile in the 2014 Reference Document (p.105), in preparation for the publication in September 2015 of renewed climate change commitments in terms of both mitigation and adaptation quantified objectives to be achieved by 2020 and 2030 and in support of the upcoming Conference of Parties (COP 21) held in Paris on December 2015.
- A new Environmental and Industrial Risk Management Policy approved and signed by the CEO of SUEZ environnement on January 2014.
- An updated Group-wide risk matrix which now includes risks related to both operational and business risks resulting from Climate Change, as reported in the 2014 Reference Document p.14.

- **Anti-Corruption**

- An updated audit plan, developed by the Management Committee and approved by the Audit and Accounting Committee, which now provides for regular systematic audits which specifically include an ethics component (through a variety of reviews of areas such as the distribution of ethics documents, training and awareness measures, and the system for reporting ethical incidents).
- An ethics handbook on business relationships reviewed and validated by the Management Committee, then approved by the Ethics and Sustainable Development Committee, which reported on it to the Board of Directors. This handbook will be distributed sometime in 2015.
- Targets raised for the Group's Ethics Officer in terms of training and awareness on ethical issues and overseeing the delivery of such training courses.

The Group has a long history of stakeholder dialogue, as shown by the 2012-2016 Roadmap which was set in consultation with stakeholders, approved by the Board and includes specific priorities and quantified objectives. This approach was validated by the GRI-G4 content index in the Company's 2014 Social and Environmental Report.

In December 2014, the Group pursued its efforts towards stakeholder engagement and Integrated Reporting. To that end, the most relevant issues will be validated with over 4,500 stakeholders and a materiality test based on four criteria – financial impact of challenges, level of control, social interest and level of stakeholders' expectations – will be conducted. Some stakeholders groups already reviewed and provided feedback for this materiality assessment. The goal of this assessment is to make the Roadmap evolve, refine indicators linking financial and non-financial performance, set new dialogue structures, policies or action plans depending on potentially new priorities identified and publish an integrated report in 2016 for the 2015 reporting year.

Lastly, and because engagement and improvements on the ten UNGC principles structural topics also require the sharing of experiences and viewpoints with peers; the Group reinforced its presence in both specific thematic working groups (e.g. Circular economy, Sustainable city, etc.) and networks (e.g. Comité 21, WBCSD, Orée, BSR, Solutions COP21, Entreprises pour l'Environnement, le Partenariat Français pour les Villes et Territoires, etc.).

2015 Communication on Progress (COP) Content table

To facilitate the identification of information related to our 2015 COP, the following table lists the location of the relevant chapters in our 2014 Social and Environmental report as well as our 2014 Reference Document or other published documents.

2014 Social and Environmental report	2014 Reference Document	Other published documents
Strategy		
Criterion 1: The COP describes mainstreaming into corporate functions and business units		
p.9-10: Organizing our responsibility p.93: Looking back, looking ahead	p.31-32: Ethics Program p.45: Sustainable development at the core of the Group's organization p.101-102: An organization and systems for measuring and checking environmental and operational performance	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap p.1: Our roadmap for sustainable development and CSR 2012-2016 p.2: Putting our vision for green growth into action – Jean-Louis Chaussade p.27: Implementation, monitoring and control of the Commitments ▪ SUEZ environnement Ethics Charter
Criterion 2: The COP describes value chain implementation		
p.10: Foster dialogue and co-construction with stakeholders p.11: Procurement policy and responsibility p.20: Helping our customers improve the way they manage the entire water cycle p.24: Helping our customers to optimize the management and recovery of their waste p.82: Assessment by third-parties organizations	p.15-31: Risks related to the Group's Business activities p.26: General Framework for Group Risk management and control p.43: An integrated player throughout the entire water and waste value chain p.109-110: Subcontracting and suppliers p.113-115: Independent verifier's report on consolidated social, environmental and societal information presented in the management report	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap p.27: Implementation, monitoring and control of the Commitments ▪ SUEZ environnement Ethics Charter ▪ SUEZ environnement Ethics in suppliers relations

Robust Human Rights Management Policies & Procedures		
Criterion 3: The COP describes robust commitments, strategies or policies in the area of human rights		
<p>p.7: Interview of Frédérique Raoult, EVP Group Sustainable Development and Communication (Human right to water and sanitation)</p> <p>p.11: Procurement policy and responsibility</p> <p>p.11: Human rights and respect for human dignity and “The Group requires its business partners, suppliers and sub-contractors to implement practices that are compatible with its ethical, environmental and social commitments, [...]”</p> <p>p.68-70: Promote access to essential water and sanitation services</p>	<p>p. 31: Ethics Program</p> <p>p. 110: Human rights</p>	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap p. 28: Our principles of action and organization p. 29: Voluntary involvement ▪ SUEZ environnement Ethics Charter ▪ SUEZ environnement Ethics Handbook ▪ SUEZ environnement Ethics in suppliers relations
Criterion 4: The COP describes effective management systems to integrate the human rights principles		
<p>p.11: Ethics and governance</p> <p>p.11: Human rights and respect for human dignity</p> <p>p.38: A dynamic training policy</p> <p>p.68: Promote access to essential water and sanitation services</p>	<p>p.31-32: Ethics program</p> <p>p.110: Human rights</p>	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap p.16: Invest in the development of our employees p.27-31: Implementation, monitoring and control of the commitments p.28: Respect for human rights ▪ Jean-Louis Chaussade Column in La Croix, April 14th, 2015
Criterion 5: The COP describes effective monitoring and evaluation mechanisms of human rights integration		
<p>p.11: Ethics and governance</p> <p>p.11: Human rights and respect for human dignity</p>	<p>p.31-32: Ethics program</p> <p>p.110: Human rights</p>	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap p.27-31: Implementation, monitoring and control of the commitments p.28: Respect for human rights
Robust Labor Management Policies & Procedures		
Criterion 6: The COP describes robust commitments, strategies or policies in the area of labor		
<p>p.11: Human rights and respect for human dignity</p> <p>p.36-53: Invest in the development of our employees</p> <p>p.56-59: Contribute to a responsible economy through local employment and development</p>	<p>p.109: Contribute to a responsible economy through local employment and development</p> <p>p.110: Human rights</p> <p>p.109-110: Subcontracting and suppliers</p> <p>p.222: Social Relations</p> <p>p.220-224 Human Resources</p>	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap p.15-19 Develop our employees' talents to become enablers in the transformation of our businesses p.22 Contribute to a responsible local employment and development p.29: Voluntary involvement

Criterion 7: The COP describes effective management systems to integrate the labor principles		
<p>p.38: An online training program in ethics</p> <p>p.58: Supporting the social economy</p> <p>p.11: Procurement Policy and responsibility</p> <p>p.42: Sharing challenges: a vector of engagement</p>	<p>p.26-27: Framework for Group risk management and control</p> <p>p.110: Subcontracting and suppliers</p> <p>p.222: Social Relations (the European Works Council and the France Group Committee)</p>	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap p.15-19: Develop our employees' talents to become enablers in the transformation of our businesses p.27-31: Implementation, monitoring and control of the commitments
Criterion 8: The COP describes effective monitoring and evaluation mechanisms of labor principles integration		
<p>p.75-77: Methodological aspects in social reporting in 2014</p> <p>p.11: Ethics and Governance</p> <p>p.11: Procurement Policy and responsibility</p> <p>p.86-88: evaluation of SUEZ environnement by non-financial rating organizations</p>	<p>p.110: Human rights</p> <p>p.230-231: Methodology factors of the 2014 social report</p> <p>p.230: Employee relations</p>	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap p.27-31: Implementation, monitoring and control of the commitments
Robust Environmental Management Policies & Procedures		
Criterion 9: The COP describes robust commitments, strategies or policies in the area of environmental stewardship		
<p>p.10: Reporting and Transparency</p> <p>p.18: Regenerating Resources</p> <p>p.11: Procurement policy and responsibility</p>	<p>p.99-100: Environmental Management</p> <p>p.100: Environment in the Sustainable Development Roadmap</p> <p>p.101-102: Organization and systems for measuring and checking environmental performance</p>	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap p.9-13 : Innovate to develop our activities and assist our clients in becoming leaders in terms of economic and environmental performance ▪ Jean-Louis Chaussade Column in Le Monde « Reconcile competitiveness and climate change ! » ▪ Jean-Louis Chaussade Column in Les Echos « Circular economy, hope for the planet »
Criterion 10: The COP describes effective management systems to integrate the environmental principles		
<p>p.74-75: Methodological aspects of environmental reporting</p>	<p>p.47 : Offering customers solutions that make them leaders in environmental performance</p> <p>p.101-102: An organization and systems for measuring and checking environmental and operational performance</p> <p>p.101: Employee training and information on environmental protection</p> <p>p.105: Contribution to preparations for the 21st Conference of Parties (COP) in Paris</p> <p>p.107: Reporting methodology and scope</p>	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap p.27-31: Implementation, monitoring and control of the commitments

Criterion 11: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship		
<p>p.11: Procurement policy and responsibility</p> <p>p.28: Improve the environmental footprint of our facilities and services</p>	<p>p.28-29: Management of industrial and environmental risks</p> <p>p.79-80: Degremond international presence</p> <p>p.100: Environmental and Industrial Risk Management</p> <p>p.109-110: Subcontracting and suppliers</p>	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap p.27-31: Implementation, monitoring and control of the commitments
Anti-Corruption Implementation		
Criterion 12: The COP describes robust commitments, strategies or policies in the area of anti-corruption		
<p>p.6: Interview of JL Chaussade</p> <p>p.11: Reference texts</p> <p>p.11: Procurement policy and responsibility</p>	<p>p.31: Ethics Program</p> <p>p.109-110: Subcontracting and suppliers</p> <p>p.110: Human rights</p> <p>p.112: Ethics in practices</p>	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap p.28 : Our principles of action and organization ▪ SUEZ environnement Ethics Charter ▪ SUEZ environnement Ethics in practice Handbook ▪ SUEZ environnement Ethics in suppliers relations
Criterion 13: The COP describes effective management systems to integrate the anti-corruption principle		
<p>p.11: Ethics and governance</p> <p>p.11: Procurement policy and responsibility</p>	<p>p.31-32: Ethics program</p>	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap p.27-31: Implementation, monitoring and control of the commitments
Criterion 14: The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption		
<p>p.11: Ethics and governance</p>	<p>p.31-32: Ethics program</p> <p>p.110: Human rights</p>	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap p.27-31: Implementation, monitoring and control of the commitments ▪ SUEZ environnement Ethics Charter ▪ SUEZ environnement Ethics in practice Handbook
Taking Action in Support of Broader UN Goals and Issues		
Criterion 15: The COP describes core business contributions to UN goals and issues		
<p>p.11: Procurement policy and responsibility</p> <p>p.56-59: Contribute to a responsible economy through local employment and development</p> <p>p.68-71: Promote access to essential water and sanitation services</p>	<p>p.109-110: Contribute to a responsible economy through local employment and development</p> <p>p.110: Promote access to essential water and sanitation services</p>	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap p.22: Contribute to a responsible economy through local employment and development p.25: Promote access to essential water and sanitation services ▪ 2014 Fonds SUEZ environnement Initiatives report p.24-25: Technical, financial and organizational support for small private operators in semi- rural areas

Criterion 16: The COP describes strategic social investments and philanthropy		
<p>p.66: Developing efficient tools and methodologies</p> <p>p.68: Taking part in a collective initiative to guarantee sustainable improvements</p>	<p>p.111-112: Partnership and sponsorship initiatives</p>	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap p.25: Promote access to essential water and sanitation services p.24: Spread and share our expertise and knowledge ▪ 2014 Fonds SUEZ environnement Initiatives report p.15: Develop the access to essential services in developing countries p.44: Water for all Master p.7: Project selection process
Criterion 17: The COP describes advocacy and public policy engagement		
<p>p.61: Co-constructing the conditions of efficient dialogue (member of the steering committee of the OECD Water Governance Initiative)</p>	<p>p.110-111: Work together on solutions and engage in open dialogue with our stakeholders</p>	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap p.23: Work together on solutions and engage in open dialogue with our stakeholders ▪ Jean Louis Chaussade Column in La Croix, "The implementation of the Human Right to Water and Sanitation needs to gain momentum" ▪ 2014 Annual Report p. 27: SUEZ environnement at the heart of a worldwide water governance partnership
Criterion 18: The COP describes partnerships and collective action		
<p>p.58: Supporting the social economy</p> <p>p.70 : Priority action on major issues</p>	<p>p.110-111: Work together on solutions and engage in open dialogue with our stakeholders</p> <p>p.112: Contribution to local development</p>	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap p.23: Work together on solutions and engage in open dialogue with our stakeholders p.22: Contribute to a responsible economy through local employment and development

Corporate Sustainability Governance and Leadership		
Criterion 19: The COP describes CEO commitment and leadership		
<p>p.6: JL Chaussade Interview</p> <p>p.9: Organizing our responsibility</p> <p>p.11: Ethics and governance</p>	<p>p.186-187: Compensation of the CEO</p> <p>p.196-197: Compensation components</p>	<ul style="list-style-type: none"> ▪ Jean Louis Chaussade Column in La Croix, "The implementation of the Human Right to Water and Sanitation needs to gain momentum" ▪ Jean-Louis Chaussade Column in Le Monde « Reconcile competitiveness and climate change ! » ▪ Jean-Louis Chaussade Column in Les Echos « Circular economy, hope for the planet » ▪ 2012-2016 Roadmap <p>p.2: Putting our vision for green growth to action – Jean-Louis Chaussade</p>
Criterion 20: The COP describes Board adoption and oversight		
<p>p.9: Organizing our responsibility</p> <p>p.10: Foster dialogue and co-construction with stakeholders</p> <p>p.11: Ethics and governance</p>	<p>p.111: Stakeholder relations</p> <p>p.210: Ethics and Sustainable Development Committee</p> <p>p.223: Health – safety – quality of life in the workplace</p>	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap <p>p.30: SUEZ environnement's Sustainable Development policy</p>
Criterion 21: The COP describes stakeholder engagement		
<p>p.8: Hélène Valade Interview</p> <p>p.10: Foster dialogue and co-construction with stakeholders</p> <p>p.42: Boost the engagement of our employees and quality of life at work</p> <p>p.60-63 - Work together on solutions and have an open dialogue with our stakeholders</p> <p>p.93: Looking back, looking ahead</p>	<p>p.110-111: Work together on solutions and have an open dialogue with our stakeholders</p>	<ul style="list-style-type: none"> ▪ 2012-2016 Roadmap <p>p.23: Work together on solutions with our stakeholders</p>

References:

- 2014 Social and Environmental report

<http://www.suez-environnement.fr/wp-content/uploads/2015/06/SE-RADD-GB-Web.pdf>

- 2014 Reference Document

<http://www.suez-environnement.fr/wp-content/uploads/2015/04/Reference-document-2014.pdf>

- 2014 Annual Report

http://www.suez-environnement.fr/wp-content/uploads/2015/05/SUEZ-environnement_AnnualReport2014.pdf

- 2014 Fonds SUEZ environnement Initiatives report

<http://www.suez-environnement.fr/groupe/fonds-suez-environnement-initiatives/vocation-du-fonds/>

(available here at the end of June 2015)

- Jean-Louis Chaussade Column in Le Monde, Sept 24th, 2014

http://www.lemonde.fr/idees/article/2014/09/23/reconcilions-competitivite-et-dereglement-climatique_4492706_3232.html

- Jean-Louis Chaussade Column in Les Echos, Jan 23rd, 2015

http://www.lesechos.fr/23/01/2015/LesEchos/21862-053-ECH_l-economie-circulaire--un-espoir-pour-la-planete.htm

- Jean-Louis Chaussade Column in La Croix, April 14th, 2015

<http://www.la-croix.com/Articles-du-Forum/OPINION-La-mise-en-aeuvre-du-droit-a-l-eau-a-besoin-d-un-nouvel-elan-2015-04-14-1302061>

- 2012-2016 Roadmap

http://www.suez-environnement.fr/wp-content/uploads/2013/02/Road_map_eng.pdf

- SUEZ environnement Ethics Charter

http://www.suez-environnement.fr/wp-content/uploads/2012/01/SE_ethics_charter_english.pdf

- SUEZ environnement Ethics in practice Handbook

http://www.suez-environnement.fr/wp-content/uploads/2012/10/EthicsInPractice_VA.pdf

- SUEZ environnement Ethics in suppliers relations

<https://www.unitedwater.com/eBooks/Ethics%20In%20Supplier%20Relations/index.html>