

THE SUEZ TIMES

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NEW TIMES, NEW SUEZ - NEWS

by  SUEZ

12 MARCH 2015: BIRTH OF A SINGLE BRAND

On that day, SUEZ announced the convergence of 40 subsidiary brands to a single global brand. We take a look back on an emblematic decision by the Group to help accelerate its transformation, its commercial performance and its international development.

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Five employees at the Culiacán wastewater treatment plant in Mexico on the day of the announcement of the single brand

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Gérard Mestrallet
Chairman of the Board of Directors of SUEZ

In March 2015, with over 150 years of history to make the Group proud, SUEZ undertook a new phase in its development, embracing a single, unified brand name that carries prestige, audacity, entrepreneurship and shared advancement.

The Group's activities were brought together under a single brand, SUEZ, with a new mission: the smart and sustainable management of resources. This position was introduced firmly.

These changes are symbolic of the transformation of SUEZ to a more transversal, more integrated, unified and innovative group, providing its customers with the promise of more fully-integrated solutions to meet their needs. SUEZ is ready to rise to the challenge of the resource revolution at their side, all around the world.

For SUEZ 2015 also produced some remarkable results, despite a dour worldwide economic climate, as witness to the commitment of its 82,536 employees all sharing the objectives of improving efficiency, commercial performance and speeding up growth.

2015 also saw the COP21 in Paris, a major event with a genuine collective wake-up call concerning the issues, difficulties and efforts required to stay below the 2° temperature increase target. SUEZ was an official partner of this historical event, mobilised, invested and active in the proceedings. The Group is committed to developing a decarbonised and circular economy, to putting a price on carbon and adopt climate-responsible social and business models, to enable the disconnection of economic growth from the consumption of resources.

Designing new models requires a new collective movement oriented to openness, experimentation and the exchange of expertise. SUEZ already embodies this movement daily, through solutions co-built with its customers. Dialogue and cooperation with our partners is part of the Group's DNA and give us the competitive edge.

SUEZ gets involved in these major shifts, innovates, transforms its operating modes to meet the new requirements of its customers, to support their transition to the circular economy and in the radically-overhauled management of their resources. The resilience of cities having to face climate change and the exponential growth of their populations; challenges for industrial producers who every day, integrate the need for sustainable growth, issues and opportunities raised by digital technology in rebuilding our occupations and our relationships with partners.

This head start, this spirit of day-to-day excellence in the field are and will remain, the keys to the success and performance of SUEZ.



Jean-Louis Chaussade
Chief Executive Officer of SUEZ

SUEZ topped the headlines in 2015. In phase with a world that is transforming to open up the circular economy, we have adapted our Group and our activities to ensure a more transversal character. Today SUEZ is a more integrated, more unified, collaborative and efficient Group, a Group that carries its new name and its ambition to be the leader of the resource revolution with pride, in France and all around the world.

With revenue of €15.1 billion, our highest ever reached since 2008, our results are all the more remarkable that they are generated in a difficult worldwide economic climate. All our objectives were reached and even exceeded, along with a strong improvement in our operating margin.

This excellent performance is the illustration of how appropriate our Group strategy is. Our commercial drive, our capacity to innovate and our investment, all support the acceleration of our growth.

Directly injecting biomethane into the Strasbourg city gas supply; making waste collection smart and less CO₂-emitting using waste container level sensors; joining forces with an 11th industrial park in China to process its dangerous waste and effluents; creating the first Smart Operation Centre in Europe and a hub

in Singapore, both dedicated to smarter management of water resources. These are all examples of solutions we deployed in 2015 to serve the resource revolution.

This year, we have also accompanied our customers, municipal authorities and industrial producers, in using new contractual models. The establishment of the first French mixed-economy business with a local authority in Dole, for more-closely shared and transparent governance; or the signature of a worldwide agreement with an industrial partner like Sanofi to provide support on all its sites through an integrated, transversal offering, are just two illustrations of contractual innovations that reveal our Group's capacity to adapt to the new needs of our customers.

To deliver a global response to ever-more complex challenges, we have again accelerated our organic growth and value creation through partnerships and acquisitions. Firstly, the creation of joint venture Derun Environment, to form a key player in China's environment market, further reinforcing the relationship of trust between our Group and the city of Chongqing. Next, the acquisition of minority stakes to gain full ownership of Sembisa Pacific in Australia, to deliver all our activities through a single structure.

This year has also seen a wealth of events, contracts and births, with a momentum that has federated our 82,536 employees behind a shared mission and an ambitious promise: secure the resources essential to our future, together.

We need to drive this transformation in our day-to-day work activities, for which demand will not cease to grow. Customer demand is permanently changing, from one country to another, one industry to another. But I am convinced that the potential is considerable, as illustrated by the extent of the engagements made by industrial partners and governments at the COP21 in Paris.

It is up to us to deliver our best possible response in full respect of all stakeholders and the planet we live on.

I am ready, we are ready.

2015
ACTIVITY REPORT

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12 MARCH 2015: BIRTH OF A SINGLE BRAND (CONT.)

"All Group brands have become one", "SUEZ speeds up its development", "SUEZ aims for the resource revolution." On 12 March 2015, SUEZ was the subject of numerous articles in the business sections of world press. On that day, the Group publicly announced a decision that was quite a revolution in itself for its employees and customers: all separate business entities would now adopt a single brand and have a shared ambition, to revolutionise the management of scarce resources in an exponentially-growing world.

A HERITAGE OF 150 YEARS OF HISTORY

The revolution starts at home. This expression is not far wrong when the question involves federating under a single brand, many prestigious, hundred year-old companies that contributed to major societal changes, including the public health revolution in the 19th century and the urban services revolution in the 20th century. With their impressive past and know-how, Lyonnaise des Eaux, Degrémont, SAFEGE, Agbar, United Water, Ondeo IS, SITA, etc. are now proud to be federated under the same banner to meet the great challenge of the 21st century together: revolutionise the management of resources to meet the growing needs of cities and industries, and secure sustainable development.

READY FOR THE RESOURCE REVOLUTION

On 12 March SUEZ revealed to the world its new identity and its corporate slogans: "Ready for the resource revolution", a revolution that will be "circular", "concrete" and "collaborative." Circular because it aims to regenerate resources



Speakers at the Resource Revolution Tour surround Jean-Louis Chaussade in Paris, 12 March 2015.

according to the principles of the circular economy. Concrete, because it is made possible each day by tangible and innovative actions to optimise resource management. Collaborative, because it engages everyone who contributes to imagining the future of resources. To publicise this launch, SUEZ organised the Resource Revolution Tour, a series of conferences taking place in Paris, New York and Beijing. Major witnesses and experts met to passionately debate the challenges facing our

resources and the solutions that need to be invented.

A SINGLE BRAND TO SPEED UP DEVELOPMENT

With a prestigious brand and an ambitious position, SUEZ is building a more integrated group, pursuing the transformation of its activities, creating synergy, increasing the reputation of its brand and speeding up its international development.

All around the world, the 82,536 people employed by the SUEZ Group imagine and deliver new solutions with their customers.

The resource revolution is under way.

To watch the conferences held on the Resource Revolution Tour:
www.readyfortheresourcerevolution.com

ready for the resource revolution



82,000 employees worldwide are committed to smart and sustainable resource management.

In 2015, all the Group commercial brands became SUEZ. On five continents, SUEZ supports towns and industries in the circular economy to maintain, optimise and secure the resources essential for our future.

suez.com

The SUEZ Times interviewed four directors of business units to hear their point of view on the launch of the single brand on their market. Interviews.



ERIC GERNATH

CEO North America
Member of the Executive Committee

In your market, what do you think is the main added value that is created by bringing together commercial brands under a single brand?

I believe that the SUEZ brand increases the value of our company by bringing together the multiple services we offer under the umbrella of a single, strong brand. It also enables us to leverage brand recognition and our reputation, even when launching new services or entering new markets. The synergy

among our different business divisions strengthens each individual business. With everyone being part of SUEZ, one might say that the whole is greater than the sum of its parts.

How is the single brand changing (or going to change) the way your teams work?

With our new single brand all parts of the company must share the same vision and values. This requires closer cooperation between various departments and business divisions because, at its core, the new brand must be embraced by all our people for it to generate an emotional tie with our customers.

What is the current situation in your market with regard to deploying the single brand and what are the next steps?

We have successfully completed the first phase of bringing the SUEZ brand to the North American marketplace through an extensive external digital media campaign, and re-branding our uniforms, vehicles and stationery. Our next steps are to begin building greater awareness of our global and local capabilities in offering innovative and cost-effective solutions to the industrial and municipal marketplace.

ANA GIROS CALPE

CEO Europe-Latin America
Member of the Executive Committee

In your market, what do you think is the main added value that is created by bringing together commercial brands under a single brand?

The Europe-Latin America Business Unit operates on not just one market but several, each with their specific local characteristics. Being part of the same company, bearing the same name, in the end this can help us develop our business. When SUEZ is well-known for its recycling and recovery activities in a market and we intend to develop further activities in water or water treatment, it is interesting to be known by the same name and show that we can propose an integrated, multi-discipline offering and expertise in several resource management sectors.

How is the single brand changing (or going to change) the way your teams work?

It's the start of a long process. We need to help our teams be the embodiment of SUEZ without erasing the image and visibility we have already worked hard to generate with our customers. Operating under the same brand name means we have to coordinate our business approach to our customers, in particular international industrial partners. The principle of the Key Account Manager role contributes to this coordination and enables us to deliver a global offering to meet the requirements of our customers more effectively.

What is the current situation in your market with regard to deploying the single brand and what are the next steps?

We have deployed the single brand on almost all our sites in the 22 countries making up the Europe-LATAM BU. We are starting to establish steering committees for each country with the teams of other entities present there. We are ensuring brand visibility to employees, customers and partners in our communications media, especially those presenting our business offering. We need to accompany our employees as they are the best ambassadors for SUEZ. To do so, we need to provide them with visibility of Group activities, promote mobility, offer perspectives for more transversal career development. The next, highly essential, step will be to boost the sense of belonging to SUEZ!



JOSEP BAGUÉ PRATS

CEO Water Spain
Member of the Executive Committee

In your market, what do you think is the main added value that is created by bringing together commercial brands under a single brand?

The single brand allows us to be better integrated and we are heading forward down this path. In parallel, we are now receiving the benefits of a strong position in the resource revolution. A significant positioning is crucial to establish a global brand and engage our audiences, but needs to be accompanied by a compelling value proposition in order to build a long-term relationship with our clients founded on trust and per-

formance. The synergies established in the integration process are clearly the gateway to ensuring that we meet the needs of our customers and the expectations of our shareholders, in a clear and strong manner.

How is the single brand changing (or going to change) the way your teams work?

More governance and commercial coordination are essential in order to bring the different activities closer together at each step of the value chain. There is clearly a need for a shift in mindset, thinking less about just a given activity line and its historical perimeter, and therefore thinking more on behalf of the brand and the cohesive added value that it brings to the client. We should

make it easy for the client to be able to identify and enjoy the benefits of a wider, fully-fledged, integrated offering.

What is the current situation in your market with regard to deploying the single brand and what are the next steps?

All our regions are making good progress in bringing the SUEZ positioning and value proposition to all our stakeholders. Our employees, brought together under a stronger single brand, responded to several internal surveys and initiatives by expressing their support and commitment to this transformation, automatically becoming its strongest ambassadors.

MARK VENHOEK

CEO Australia
Member of the Executive Committee

In your market, what do you think is the main added value that is created by bringing together commercial brands under a single brand?

We've done more than change brands; we've brought 2,600 employees and contractors together into an integrated business. This is enabling us to be more efficient, reduce costs and create more value for our customers by providing an integrated business offer that is focused on making the best use of our water and waste expertise to ensure better management of resources.

How is the single brand changing (or going to change) the way your teams work?

We have started to collaborate more and more. Whilst we are known for our local expertise and competency, the SUEZ brand speaks to our ability to access innovative technologies and expertise from our 82,536 employees worldwide. This is particularly important in the Australian market where we are seeing a shift towards new technologies such as Energy from Waste and Smart Water solutions

What is the current situation in your market with regard to deploying the single brand and what are the next steps?

The SUEZ brand has now been deployed across all our sites in Australia & New Zealand and our employees are all wearing the SUEZ name with pride. In our Recycling & Recovery business, a national operation to re-brand more than 960 vehicles and 185,000 bins and containers is also well under way. The new brand now has quite a visible presence on roads and sites throughout Australia and New Zealand.



“International markets represent a major avenue of growth for the Group. Large developed countries such as the USA and Australia still have an important potential to improve their public infrastructures and industrial facilities. As for the needs of developing countries, they are enormous, as witnessed by our achievements in China or the Middle East.”

Marie-Ange Debon,
Group Senior Executive VP,
in charge of International

19,001
international
employees

(excluding Europe)

or

24%
of total
headcount

IN BRIEF —

SUEZ STRENGTHENS ITS BUSINESS ACTIVITIES IN AUSTRALIA

In Adelaide first, where the Group has renewed an 8-year, €42 million household waste collection contract. Then in Kooragang, where SUEZ is providing support to ITOCHU in the management of its production facility wastewater system. And lastly with the acquisition of Pro Skips (see page 21), leading recovery expert for construction and public works waste, enabling SUEZ to extend its perimeter of expertise in the sector.

SUEZ ALONGSIDE CHINA TO MEET THE ENVIRONMENTAL CHALLENGE OF ITS GROWTH

**“The Chinese
authorities have
considered
resource
management
as one of their
priorities for
a long time”**

The Group has been present in Changsu for five years,
in the production and distribution of drinking water.

To keep up with the accelerated development of its cities and industries, China is undertaking a proactive policy to its resource management. SUEZ has been its partner for over 40 years, now assisting municipal authorities and industrial producers to meet these objectives.

China should remain one of the world's most prosperous economies in 2016, with overall growth forecast at +6.8%. A growth rate that should enable it to reconcile growth and performance, while continuing to rise to the environmental challenges that are inherent to the country's accelerated urban growth and the dynamic drive of its industrial sector. As can be seen in the 2011-2015 5-year plan, the Chinese government included the question of resource management in their priorities a long time ago. SUEZ has signed several agreements to support the country in this approach, signalling stronger cooperation between France and China.

BIRTH OF A KEY ENVIRONMENT GROUP

Firstly in Chongqing, an agglomeration home to almost 33 million people, where SUEZ has provided assistance to the municipal authorities for the past 13 years (water supply, wastewater treatment).

The Group and three local partners, including the leading waste-to-energy recovery operator in China and the city's public sector water supplier, established Derun Environment. This joint venture creates a key operator in environment services, covering a wide scope of activities: drinking water production and distribution, wastewater treatment and recycling, waste recycling and waste to energy recovery, soil remediation, etc. Its extensive potential for growth on both the water and waste-to-energy recovery markets concerns the whole of China, far beyond the dynamic region of Chongqing.

STRONGER PRESENCE FROM BEIJING TO HONG-KONG

Another emblematic signature in 2015: a contract to supply equipment and supervise the commissioning of the Beijing Huai Fang station, under construction since 2014. With a capacity of 600,000 m³

per day, starting in mid-2016 it will treat the wastewater produced by 3 million people using ultra-filtration membrane bioreactors and ozonation equipment. Generating €140 million in revenue, this new contract confirms the Group's firm grounding in Beijing, where four other wastewater treatment plants already benefit from the technologies it supplies.

1,000 km to the South, SUEZ has won a contract for the treatment of industrial water from the chemical and biomedical industrial park in Changsu (Jiangsu province), in order to extend the existing plant so it can treat the effluent produced by the customers of the park. The joint venture established by the Group and its local partner will manage all the facilities for a term of 30 years. This contract sees SUEZ now managing services for 11 industrial parks around the country. It bears witness to the Group's desire to promote its water and waste activities at the same time in order to meet the growing demand from parks for integrated, multi-utility management services. In Changsu again, as part of another joint venture, SUEZ has won several contracts to deliver wastewater treatment services. In Hong-Kong, where SUEZ has been a partner of the municipal authorities for 28 years, the Group secured a 10-year extension of the contract to manage the transfer of waste from Shatin.

A PRESTIGIOUS VISITOR AT CHONGQING WWTP

The circular economy is already a reality in China, as observed by French President François Hollande, on 2 November 2015 when visiting the Chongqing Tangjiatuo wastewater treatment plant.

This site is a 50/50 joint venture between SUEZ and Chongqing Water Group. Under a 30-year contract signed in 2006, SUEZ treats the wastewater of a million city residents (capacity of 400,000 m³ of wastewater per day).



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SUEZ REINFORCES ITS FOUNDATIONS IN THE NEAR AND MIDDLE EAST

Two new contracts have confirmed the position of SUEZ as a key player in water treatment and waste recovery in the region.

On 19 October in As-Samra, in the presence of Jordan's prime minister, SUEZ and Morganti inaugurated the extension to the water treatment plant they have operated since 2002. As it treats 70% of the total volume of wastewater produced by the Hashemite Kingdom, today it represents the largest treatment plant in the Near-East. With a capacity of 365,000 m³ per day, it provides 10% of the country's agricultural needs in addition to compost produced from digestate. And with the hydraulic turbines installed upstream and downstream, linked to engines powered by sludge digestion biogas, the plant covers 80% of its own energy needs.

The second contract is in the Sultanate of Oman, also for the extension of a facility built by the Group: the municipal waste storage centre in Mascate. The capital, which is home to half of the country's 4 million population, will now be equipped with a plant that can treat 400,000 tons of waste annually. The plant features a biogas recovery solution and a reverse-osmosis leachate treatment unit, offering Mascate the opportunity to reduce its greenhouse gas emissions.

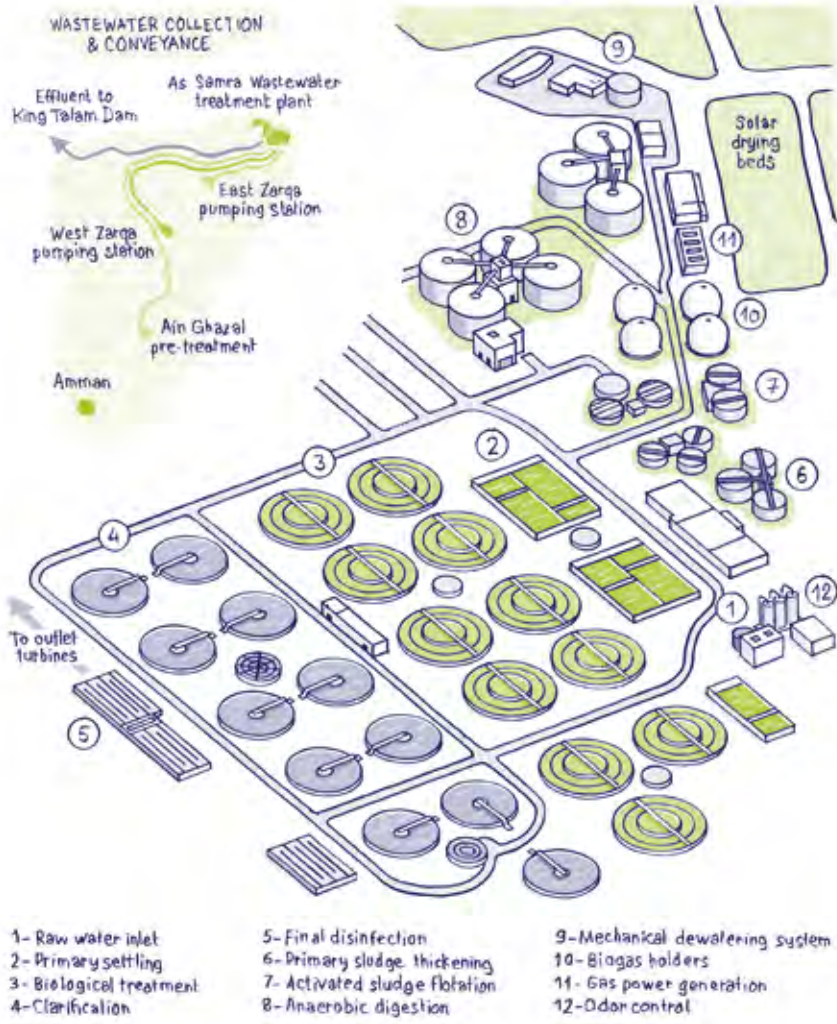


Illustration representing the As-Samra plant in Jordan

USA: FROM WEST TO EAST, MANY CHALLENGES TO OVERCOME

The growth of SUEZ business in the USA is based on a policy of innovative partnerships with municipal authorities to deliver solutions to match the country's issues and concerns as closely as possible.

The West Basin Municipal Water District covers an area subject to acute drought in Southern California. It has joined forces with SUEZ to operate and maintain the largest water recycling facility in the USA. In this way, SUEZ "custom" recycles wastewater for its municipal, agricultural and industrial customers in the Los Angeles region, by specifying different qualities of water suited for each purpose and thereby contributes to protecting local water reserves. The facility will also reduce the release of treated wastewater into the Santa Monica bay.

Elsewhere, on 1st January 2016 the SOLUTION public-private partnership commenced in Middletown. The terms of this contract worth over €200 million require that SUEZ operates and maintains over 60 km of pipelines and over 40 km of sanitation networks with a clear objective: renovate and modernise the ageing and unhygienic networks.

Lastly, worldwide chemical industrial SASOL has just appointed SUEZ to design and distribute raw and wastewater treatment systems, which are key resources to the industry. The contract is part of the construction of a new ethane cracker in Lake Charles, Los Angeles, starting in 2016.

NORTH AFRICA PROTECTS ITS RESOURCES

SUEZ won two new deals in 2015 in Morocco and Egypt, revealing the environmental challenges that this fast-changing region must face.

natural resources. SUEZ has been active in the country for the past 65 years, where it employs 8,000 people. It is providing full support to the Moroccan authorities to achieve this objective.

(since April 2015). The food industry giant has entrusted SUEZ with a 4-year contract to manage the industrial waste from four production plants and multiple logistics hubs operated by local subsidiary Centrale Laitière.

OBJECTIVE: ZERO WASTE TO LANDFILL

SUEZ services go beyond the simple collection of waste from production lines, to offer Centrale Laitière engineering support, consulting and administrative support to ensure full traceability of waste. Moreover, SUEZ has committed to introducing a progress plan focusing on the recovery of all waste with the objective of "zero waste to landfill."

PRESERVING THE NILE DELTA WATER

In Egypt, a country where SUEZ has been present since 1948, the environmental impact of the majority of its population being concentrated in its capital is being felt. With 16 million inhabitants, Cairo realised it had to preserve a resource essential to the whole region: the Nile delta water. The authorities appointed a consortium including SUEZ and three Egyptian companies (DHCU, ARCOM and ICAT) to renovate and operate the Gabal El-Asfar wastewater treatment plant for a four-year term. Equipped with anaerobic digestion technology and co-generation to convert sludge to energy, the plant can produce 65% of the power needed to operate its equipment. Once the renovation is complete, it will enable the release of optimum quality water into the natural environment.



Wastewater treatment plant of Gabal el-Asfar - Egypt

With the organisation of the COP22 in its sights, Morocco's King Mohammed VI has made sustainable development a national priority, setting down the ambition to balance a dynamic economy with the preservation of

The Group is a partner to multiple local authorities by providing drinking water, waste management, electricity, and to international industrial groups with local activities such as Renault or Danone

—

€4.7

billion revenue from international operations

(excluding Europe)

or

31%

of global earnings

—

“In 2015, Smart technologies and new services in the water sector have grown by 23%. This is why we are going even further and building a new business line for these new solutions. This approach will enable us to reinforce our existing portfolio by proposing elements with high added-value.”

Angel Simon,
Group Senior Executive VP,
in charge of the Water Activity in Europe

IN BRIEF —

IN SPAIN, SIERRA ELVIRA RENEWS ITS TRUST IN SUEZ

Through its Spanish subsidiary AguasVira, SUEZ has secured the renewal of its drinking water supply contract with Sierra Elvira, near Grenada, Spain, for another 23 years. It will now supply 22 municipal customers and 141,000 inhabitants with water. This contract represents an additional €480 million in revenue for the Group, reinforcing its positioning in Spain and its capacity to meet local needs.

63,535
employees in
Europe

or

76%
of total
headcount

NOTABLE GROWTH IN WATER ACTIVITIES IN FRANCE

The Group is pleased to have introduced new technical and business solutions to its Water activities in France. This is borne witness by the introduction of decarbonisation in Gennevilliers (read more on page 13), or the Group's capacity to innovate in contractual terms, with the establishment of Doléa, a

semi-public company unique to Dole (read more on page 9), which opens the way forward to a new mode of management shared between a local authority and a private operator.

As a real-time control centre for all water and sanitation services, Visio

is continuing its deployment with five new centres and the objective of 14 centres being operational by the end of 2016.

Lastly, new contracts won in Calais, Guincamp and Alençon will enable the Group to continue the roll-out of its Smart technologies (read more on page 10).



CENTRAL EUROPE MODERNISES ITS WATER FACILITIES

A dynamic economy that is standing firm and a strong desire to more effectively preserve water resources: two reasons which explain why Central European countries like the Czech Republic and Croatia represent a growth market for SUEZ on the European continent.

In 2018, something will have changed in the Prague landscape. By this time, the Czech capital's wastewater treatment plant located on the island of Císařský will be fully renovated and extended. The plant sustained damage in the 2012 floods. This SUEZ-led project was inaugurated in November 2015 in the presence of the Czech Minister for the Environment and the Mayor of Prague.

The new station will ensure compliance with European standards while increasing its capacities to 345,000 m³ per day (1.2 million population-equivalent). This renovation and extension are also intended to preserve the facilities in the event of flooding on the Vltava river.

OVER 20 YEARS OF BUSINESS IN THE CZECH REPUBLIC

This €217 million contract, €57 million of which is revenue for SUEZ, is a

further step to securing the Group's strong presence in the Czech Republic, where since 1993 it has delivered water and wastewater treatment services to over a million people. Twenty years later, the Czech republic is more than ever at the heart of the Group's growth in Central Europe with two other contracts: one 5-year deal to operate the sanitation networks and treatment plants in the region of Šumperk; the other a 10-year contract worth €320 million to treat the wastewater of Brno, the country's second largest city (400,000 residents).

ASSISTING CROATIA IN UPGRADING ITS FACILITIES

However, the Czech Republic is not the only growth market for the Group in Central Europe, as it already holds strong positions in Hungary and Poland. SUEZ is assisting Croatia - the last country to join the European Union - to modernise its water facilities, winning three significant contracts in 2015. The first in Poreč, a tourist destination on the Adriatic coast, where the population rises from 24,000 to 115,000 in the summer vacation season. SUEZ signed an agreement with the municipal authority to design and build for commissioning in 2017, four wastewater treatment plants, equipped with

membrane bioreactors, offering a total capacity of 137,500 population-equivalent. The project also includes the construction of 62 km of new wastewater networks, the renovation of 23 km of existing networks and the installation of 52 pump stations. The contract is co-financed to the tune of 78% by the European Union. €22 million of the €38 million total will go to SUEZ.

The second contract concerns the design and construction by 2018, of a wastewater treatment plant in Osijek, the fourth-largest city in Croatia. The plant will offer a capacity of 40,000 m³ per day and handle the wastewater of 170,000 population-equivalent. The station, which will treat carbon pollution, nitrates and phosphates, will be equipped with an anaerobic digester and a sludge dehydration system to convert it to energy.

Lastly, SUEZ signed a contract with the city of Vukovar to supervise the construction of a 100 km-long sanitation network and a wastewater treatment plant, along with the renovation of the 25 km water supply network.

ON BOTH SIDES OF THE CHANNEL, WASTE GOES GREEN



View of the energy-from-waste recovery plant in Suffolk, UK.

All over Europe, an increasing number of local authorities are moving towards the energy transition. To achieve this, they use the expertise of SUEZ to recover energy from waste. Focus on the new contracts won by the Group in the UK and France.

And one more makes eight! With the July 2015 inauguration of the Ipswich site in Suffolk, SUEZ now operates eight waste-to-energy recovery plants in the UK. This project conducted under a 25-year PFI (Private Finance Initiative) contract is one of the levers chosen by the county to achieve its objective of becoming the greenest in the UK.

MORE GREEN ENERGY, LESS CO₂
With a capacity to treat 269,000 tonnes of waste per year, the site processes the household waste of the county and several neighbouring ones. It will enable the production of electricity for the equivalent of 30,000 homes. A doubly-virtuous green energy as it also enables the region to reduce its CO₂ emissions by 75,000 tonnes a year. The plant also performs recycling and during its first six months of activity recycled 4,409 tonnes of metal. Moreover, 23,711 tonnes of ash resulting from the combustion of waste were used as

“This project demonstrates the potential of the circular economy to create new jobs”

aggregates for construction projects. Another virtue of this new plant: it employs 47 people and demonstrates the potential of the circular economy to create new jobs.

RENEWED CONFIDENCE FROM FRENCH REGIONS

In France, 2015 ended with new success stories that confirmed the positions of SUEZ in energy recovery. Firstly in Normandy, where the city of Caen renewed its partnership for the operation of the Colombelles plant for 15 years, with a contract valued at €120 million. Objectives were defined to improve the site's performance and energy mix, as it will treat 120,000 tonnes of waste every year. Due to the installation of a thermo-dynamic cycle, a first in France on this type of facility, the plant will generate two types of energy: electricity to meet local needs and cover 80% of its own needs, along with steam to supply district heating networks in

Hérouville-Saint-Clair (10,500 homes) and market garden greenhouses.

LOCAL USES FOR ENERGY PRODUCTION

In Brittany, two other municipal authorities have renewed their contracts with SUEZ. The first concerns the 10-year operation of the Carhaix (Finistère) waste recovery plant and the introduction of a heating network. This boosts the energy performance of the plant and supplies the largest milk dehydration plant in France. Same in Lamballe (Côtes-d'Armor), where as part of the 8-year renewal of the contract to operate the waste-to-energy plant, the Centre Armor community of municipalities aims to produce an additional 58,000 MWh/year, to deliver heating to local agricultural projects. Lastly, in Ile de France, the Azur syndicate (four towns, over 160,000 residents) confirmed it would retain SUEZ for another 7 years on its contract to operate the Argenteuil unit. There too, the contract renewal featured new performance objectives (an additional 15,000 tonnes of waste treated per year) in order to provide more heat to the district heating network.

“With energy transition at the forefront of the Group's agenda, the question of waste recycling and recovery grows more important every day and represents a capital issue for our customers, industrial partners and local authorities, but also for our contemporary society. For SUEZ, circular economy rhymes with performance and environment.”

Jean-Marc Boursier,
Group Senior Executive VP,
in charge of the Recycling & Recovery
Activity in Europe

—
€10.4
billion revenue
from European
operations
or
69%
of global
earnings
—



The new Faulquemont organic waste recovery centre

MOSELLE: WINNING WASTE FOR THE TERRITORY

Inaugurated in June 2015, the new organic waste recovery centre in Faulquemont (Moselle), equipped with a methanisation unit, is part of a short open-cycle recovery loop implemented with local stakeholders. The centre can annually treat up to 19,000 tonnes of organic waste from industry, distribution, municipal authorities and agriculture. It will generate 4,000 MWh of green heat and 4,000 MWh of green electricity every year. The energy produced will cover over 70% of the needs of Ismert, a neighbouring industrial producer, and will supply the city of Metz with electricity. 35,000 tonnes of organic waste (urban sludge, vegetation waste, etc.) will also be recovered in the form of fertiliser and compost for use by local farmers.

A perfect example of a circular economy which confirms the role played by SUEZ in assisting its customers to embrace the energy transition.

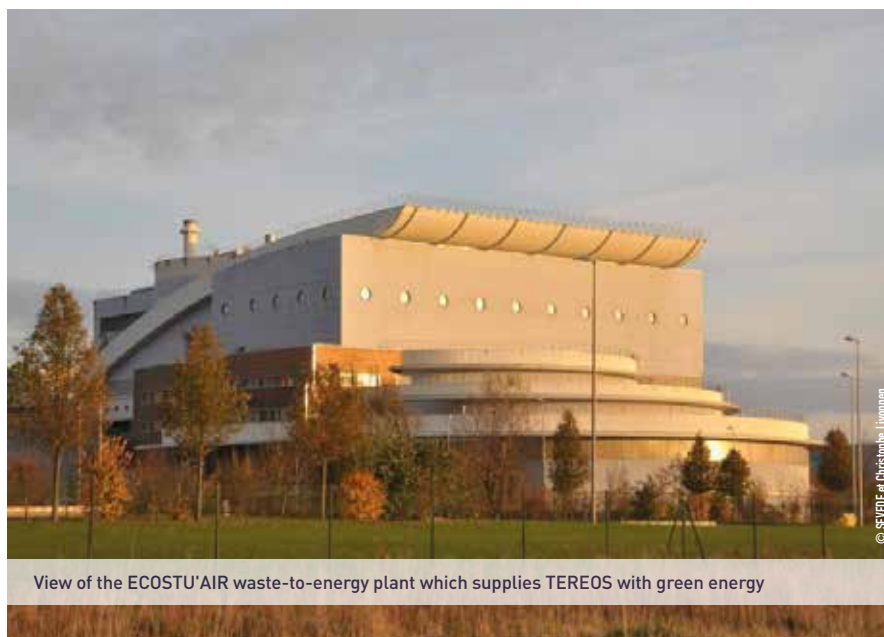
Today more than ever, SUEZ stands alongside its industrial customers, with over €5.5 billion generated in revenue. In its tradition of co-construction so dear to it, the Group aims to support its customers and deploy in situ the best, integrated and global solutions to optimise and preserve resources.

WASTE, THE NEW “FUEL” OF INDUSTRY

It is about time we renamed “waste”... Using solutions developed by SUEZ, waste becomes a source of clean and renewable energy that meets the energy transition objectives of a growing number of industrial producers. Demonstration in a UK cement factory and a French agricultural plant.

The city of Rugby in the heartland of England, is famous for being the birthplace of the sport of the same name. For the cement industry, it is also home to the largest cement kiln in the UK. Since 21 September 2015, the city can also pride itself on being home to a virtuous waste recovery facility. On that day, 8th-largest cement producer in the world, CEMEX, and SUEZ inaugurated a plant where waste is transformed into Solid Recovered Fuel (SRF), covering 65% of the cement plant's energy needs.

NON-RECYCLED WASTE AND LESS CO₂
These fuels are particularly suited to high energy-consuming industries and present a double environmental benefit. First, they offer a high calorific value (from 17 to 22 MJ/kg) and can replace fossil fuels. Second, they are produced from industrial and household waste that has not been sorted and recycled (wood, plastic, paper, cardboard, etc.). Owned and operated by SUEZ, the waste-to-energy site will be able to treat up to 300,000 tonnes of waste a year, 70% of which comes from the region's businesses and 30% from households. Its annual capacity will be 240,000 tonnes of SRF. For CEMEX, this investment is part of a proactive approach to energy transition. Between 1990 and 2014, the group



reduced its worldwide CO₂ emissions from cement plants by 23%, particularly by using substitution fuels.

A LOCAL RECOVERY LOOP MODEL

With the same objective of reducing its carbon footprint, the world's third largest sugar producer TEREOS, now supplies its Lillebonne site in France with “green” electricity and steam produced using household waste from six neighbouring municipal authorities. This is mainly due to the ECOSTU'AIR waste-to-energy centre owned by SEVEDE (local syndicate governing waste and energy recovery in the Seine estuary area) and operated by SUEZ.

In 2015 the centre was equipped with a new process to transition from 100% electricity production to mixed electricity/steam production. The plant is linked to the TEREOS site by a 3 km green steam network. These facilities now cover around 70% of the industrial user's energy needs, supplying 27,500 MWh of electricity and almost 330,000 MWh of heat per year, which until now were produced by its own gas boilers. This example represents investment of almost €18 million, and is an outstanding example of a local recovery loop and circular economy. Indeed, one of the largest projects of its kind in France.

SIGNATURE OF A WORLDWIDE AGREEMENT WITH SANOFI TO BOOST ECONOMIC AND ENVIRONMENTAL PERFORMANCE ON ITS PRODUCTION SITES



World pharma leader Sanofi has made managing the environmental impact of its activities a priority objective. The pharmaceutical producer uses 50 million m³ of water per year and generates 250,000 tonnes of waste that it wishes to recover and reuse. To this end, it signed a renewable 3-year framework agreement with SUEZ. Sanofi's objective: improve the economic and environmental performance of its production sites (potentially 102 across the world) through the optimised use of resources. The effectiveness and originality of this agreement resides in its customised, partnership approach. SUEZ teams are working hand in hand with Sanofi to select the most appropriate leading-edge technologies, draft the operating manuals and jointly steer the project.

INDUSTRIAL WATER MARKET: DYNAMIC SECTOR FOR SUEZ

One of the main growth strategies adopted by SUEZ is to accompany industrial customers in optimising the management of their water resources. A market on which the Group has been especially dynamic throughout 2015.

Not content to be the partner of just ten industrial parks in China, including SCIP, the largest petrochemical park in Asia, SUEZ established a joint venture with Changshu Urban Construction and the Changshu park located on the south bank of the Yangtze river, 80 km from Shanghai. The aim: build an additional unit to double the capacity of the existing effluent treatment plant. The new facility will be operational in early 2017, providing a capacity of 10,000 m³ per day. It aims to meet the needs of this leading-edge industrial park, home to key world chemical industry players such as DuPont, Daikin, Arkema and Kureha. The plant will handle the effluent produced by the 55 businesses on the park and 20,000 homes in the rapidly-growing Fushan city zone. The joint venture will also be responsible for managing and operating the two units for 30 years, generating revenue estimated at €354 million.

SOLUTIONS FOR THE NEEDS OF ALL SECTORS

In the chemicals industry again but this time in France, SUEZ was appointed by Solvay to build and operate an industrial effluent treatment plant at its Melle platform, on a 10-year contract. The site will have a treatment capacity of 2,700 m³ per day and be equipped with the Ultrafor® solution, a hollow-fibre immersed ultrafiltration membrane treatment process that will enable Solvay to ensure pre-compliance with 2021 standards. 2015 also saw SUEZ shore up its positions in Brazil. The rio Paraíba do Sul, a river in the South-West of the country and strategic to the water supply for Rio de Janeiro and regional industries, has seen its levels subside for several years due to drought. The situation has pushed one of the largest producers of ferrous metals in the country, Companhia Siderúrgica Nacional, to ask SUEZ to deliver water treatment solutions on its Volta Redonda site. With a local partner, the Group has supplied the steel maker with a cooling, filtration and chemical dosing system,

which enables the reuse of 4,500 m³ of water per hour and provides greater independence, while reducing the risks of river pollution. Half of the €20 million contract value will go to SUEZ.

In the UK, the Group already works alongside the agricultural giant Greencore at its Selby plant. SUEZ was once more selected by Greencore to operate the effluent treatment plant on its Hull site for a 3-year term.

INVEST AND INNOVATE TO SUPPORT GROWTH

In India, where SUEZ is already active in water distribution (Mumbai and New Delhi) and has built over 200 water treatment plants, the Group has acquired a majority stake in Driplex (over 350 employees), one of the largest players on the country's industrial water market. The operation enables SUEZ to ramp up its presence on this market, which is booming due to stricter environmental standards.

Lastly, to meet the needs of industrial users, in October 2015 SUEZ launched aqualead®, a full range of water treatment services, including water cycle products, cooling system and boiler water treatment, wastewater discharge.

+80%
forecast growth in
water consumption
by industries by
2030

**As a whole,
the industry
represents
22%
of worldwide
water consumption**

Two major projects are already under way in France: the Sisteron (Alpes de Haute-Provence) chemicals plant which will be fitted with a new waste-to-energy plant that also treats volatile organic compounds, and the extension to the wastewater treatment plant at the Saint-Aubin-les-Elbeuf (Seine-Maritime) biochemical plant, which aims to double the effluent treatment capacity and significantly improve the quality of wastewater discharge.

The Group's commitment to local territories assumes many different guises and today delivers two forms of innovation, in both technical and contractual terms. SUEZ supports city and municipal authorities in their issues of urban development and attractiveness, but also through new models of governance.

COLLECTIVE INTELLIGENCE TO SERVE RESOURCE MANAGEMENT



SUEZ and the city of Dole jointly created Dolea, France's first SEMOP

SUEZ and the city of Dole have established Doléa, the first semi-public company with a single purpose (SemOp) in France. In light of the issues surrounding water and waste management for local authorities, SUEZ proposes innovative and collaborative models for contract governance. A journey around France...

Because we each must participate in preserving our resources, it involves everyone. A principle that is just as valid on the scale of a territory or area that is moving forward to a circular and collaborative economy like the département of Aude.

ASSOCIATING CIVIL SOCIETY

In this framework, SUEZ proposed an innovative partnership to Covaldem⁽¹⁾ on the occasion of the renewal of the waste collection and treatment contract for the département. Indeed, the agreement associates the local authority and private citizens alongside SUEZ to form a single governance body. The board of directors of the company appointed to execute the contract therefore includes local officials and private citizens. Under the terms of the agreement, which generates revenue of €459 million over 19 years, SUEZ will increase material recovery and energy production from waste, in particular by reducing the portion of waste destined for elimination, to reach the global recovery target of 75% starting in 2020. The partnership also includes the creation of new tools. In

“SUEZ will increase material recovery and energy production from waste, in particular by reducing the portion of waste destined for elimination”

Carcassonne, a “Recydrive” station will be created. This new concept consists in transforming a conventional recycling centre into a connected service using a smartphone app, which provides advice and assistance in sorting. Across from the Recydrive there will also be a “recycled resource centre”, a genuine place for dialogue and social exchange concerning the repair, reuse and resale of objects at modest prices. This innovative project illustrates SUEZ know-how in commercial innovation.

ORIGINAL GOVERNANCE FOR GREATER TRANSPARENCY

In Dole (Jura), SUEZ has proposed another contractual innovation generating high added-value to the municipal authority governing 25,000 inhabitants. Together, they established Doléa Eau and Doléa Assainissement, the first two semi-public companies with a single purpose (SemOp) in France. This new form of local public enterprise made possible by a 2014 law opens the way to totally new methods of transparent governance shared by a local authority and a private contractor selected through a tender process. The authority is involved in each decision concerning the SemOp and has an equal vote with the operator on the actions to implement.

The creation of these two SemOp, 49% owned by the city authorities and 51% by SUEZ, is part of the multiple contracts won by the Group to operate the city's water and sanitation systems, with a cumulative value of €67 million. The semi-private companies are established for a term of 13 years. Their missions are to modernise 600 water connections and 12 km of pipeline, as well as installing 12,000 remote-read meters by the end of 2017.

⁽¹⁾ Water syndicate comprising seven local authorities in Aude.

GREATER PARIS WANTS TO MAKE ITS WASTE A RESOURCE OF HIGH ENVIRONMENTAL QUALITY



As the leading partner in a business grouping, SUEZ won a major tender in Ile-de-France to renew the facilities of one of the largest waste recycling centres in France.

As the leading partner in a business grouping, SUEZ won a major tender in Ile-de-France to renew the facilities of one of the largest waste recycling centres in France.

An extraordinary project to meet a major challenge. SYCTOM⁽¹⁾ the household waste agency responsible for managing and recycling waste from 84 Greater Paris communities including Paris itself (2.4 million tonnes of waste in 2014), signed an agreement with IP13, a business grouping⁽²⁾ headed up by SUEZ, for a total value of €1.8 billion over 23 years. This contract is one of the largest ever in the waste industry in France. It aims to replace the waste processing and recovery centre in Ivry (Val de Marne) where currently around 730,000 tonnes of waste are processed every year. The project is a response to the ambition of local authorities and SYCTOM to make Greater Paris a shining example in terms of sustainability and energy transition. So the future facility will be equipped with the most advanced technologies in order to transform waste into new resources. As a new reference in terms of urban landscaping and architectural integration, the waste recovery centre will also contribute to the development and conservation of biodiversity in the urban environment, as it will work closely with the National Natural History Museum (MNHN).

“SYCTOM manages and processes the waste from 84 Ile-de-France communities, including Paris”

The contract was signed on 2 February 2015 and covers the design, construction and operation of the new centre. The development is planned to last 12 years. One of the main issues will be to ensure the continuity of service of the existing plant operated by SUEZ since 2011, but also to assist the staff to enable them to adapt to the deep-seated changes on the horizon.

⁽¹⁾ The Metropolitan Agency for household waste

⁽²⁾ The IP13 business grouping with SUEZ at its head brings together three entities from the VINCI group, Eiffage TP, Inova, Satelec, Hitachi Zosen Inova, BG Ingénieurs Conseils and Architectes Ingénieurs Associés (AIA).

IN BRIEF —

SPAIN: TECHNOLOGY SERVING WATER SAVINGS

For several years now, SUEZ has developed new technologies for irrigation. In Spain, with the agricultural cooperatives El Vicario and Sol Y Arena, the smart irrigation system “IdroLewell” has been introduced, covering 5,000 hectares. Excellent performance in water use savings have been observed due to the installation of 14 “wells” meters.



SPAIN: SUEZ EXTENDS SOCIAL AID PRICING

Over 300 municipal authorities working with SUEZ in Spain have developed bonus measures and social aid funds to assist the most underprivileged families have access to drinking water. The most notable case in 2015 is Aguas de Albacete, which allocated over €170,000 in aid to families without incomes, to help them pay their water bills.

“At SUEZ our innovation strategy is based on the strength of an integrated research and innovation network and the flexibility of an open, multi-location ecosystem.

With our worldwide network of skills centres, our technology labs, our investments in R&I and SUEZ Ventures, our venture capital investment fund, we are well-prepared to handle the challenges of the resource revolution. “

Thierry Mallet,
Group Executive VP,
in charge of Innovation, Marketing
and Industrial Performance

MAKING WASTE MANAGEMENT INCREASINGLY SMARTER

Like in the water sector, SUEZ is increasingly making use of new technologies to meet the needs of its customers in the waste recycling and recovery sector.

By making waste management smart, information and communication technologies offer multiple opportunities to improve performance and efficiency at all levels of treatment and recovery.

DEMATERIALISATION AND E-BUSINESS

SUEZ makes use of the potential of digital technologies to make waste management easier for its customers. Firstly, through the de-materialisation of information. Paper documents such as the weighing coupon are digitised. The data are immediately sent to the industrial customer, who can monitor and manage the waste recovery cycle more efficiently. The Group also provides its local authority and industrial customers online reporting services and performance indicators, using the data retrieved, to ensure continuous improvement of the service.

Private users are not forgotten in all this. In Belgium for example, SUEZ has created a skip rental web shop, where people can hire a skip for renovation work waste or gardening waste. To simplify recycling for residents and holidaymakers on the Island of Yeu, SUEZ has set up www.mon servicedechets.com, its online service providing full information on collection days for each address and type of bin, with geolocalised details of the nearest sorting

points and information on how to sort each type of waste, or even about the solar-powered compactors installed on the port. In Aude, where the Group secured the renewal of its waste collection and treatment contract in 2015 (see page 9), SUEZ will provide the population of Carcassonne with an original mobile application to provide information and assistance in sorting at a recycling centre, starting in 2017.

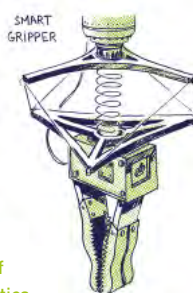


Illustration of
the Zen Robotics
Recycler arm

TRACEABILITY AND REAL-TIME MONITORING

Smart Waste technologies are deployed right from the waste collection phase. Onboard sensors in geolocalised and connected trucks enable local authorities to monitor and manage the service in real time, to know the weight of waste being collected, or to be informed of any incident or delay. SUEZ also assists municipal authorities in reducing the volume of household waste, through the use of incentive

pricing based on information systems. Each household is billed according to how much waste it produces, the number of times the truck collects the bins and deposits at voluntary waste disposal points (recorded using a badge). Residents who monitor their waste 'usage' online are now able to manage their bills more easily.

Via fully-owned Group subsidiary sigrenEa, SUEZ proposes further traceability solutions for its customers with voluntary disposal points. Sensors placed inside the containers detect how full they are. This information is wirelessly transmitted to the sigrenEa software platform and presented to the operator customer in real time. The operator can then collect the waste from the containers before they overflow. Such solutions, associated to Smart Water technologies, enable towns and cities to become smarter and therefore more sustainable.

SORTING ROBOTS

“Intelligence” is also making headway in the Group’s industrial waste recycling and recovery process. For example, SUEZ has equipped one of its sites dedicated to construction and demolition waste (wood, stone, metals, etc.) with a multi-robotised sorting process, controlled by artificial intelligence. Called Zen Robotics Recycler, the system is capable of sorting rubble with an exceptional degree of accuracy and efficiency, through the use of sensors and cameras which transmit real-time data to the robot’s “brain”. The brain takes independent decisions concerning the materials to recover and recycle. Algorithms are also used to optimise the grasping of materials by the robot arms.

WHEN SMART WATER KNOWS NO BORDERS

The development of smart technologies in the water sector is a key avenue for the Group’s applied research and innovation policy. Technologies which, in Singapore or in France, are made available to regions concerned about preserving their water resources.

We will not be able to rise to the water resource challenge without a radical change in the management of such resources. This need is all the more pressing in countries where reserves are limited and subject to high demographic pressure, like Singapore. For this reason, the city-state has made water management a national priority. To make further progress, the Singapore national water agency called in SUEZ. In May 2015, it established a partnership with the Group to work on three research projects concerning Smart Water technologies and the energy optimisation of wastewater treatment.

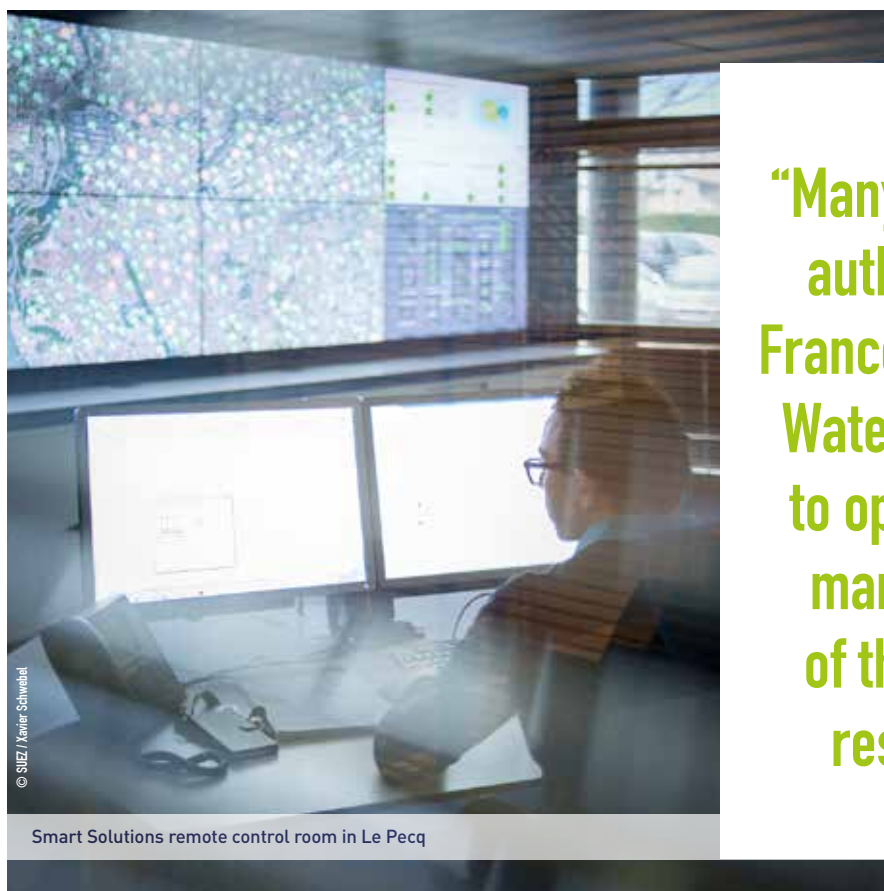
R&D HUB DEDICATED TO ASIA

The following month, the two partners signed a protocol of agreement to share know-how and the joint development of technologies to protect water resources and raise the awareness of the general population and industrial producers to the need to preserve the valuable resource. In concrete terms, this renewable 25-year contract will result in the creation of an innovation centre. The site will operate Smart Water projects in the country while serving as a hub and R&D platform to develop solutions to meet the needs of the regional market.

SMART TECHNOLOGIES FOR BETTER PERFORMANCE

Without being affected by a water-stress situation as crucial as that

ed the Aquadvanced™ solution. This system is used to control and optimise the performance of drinking water networks. It was developed by SUEZ to monitor all hydraulic flows in real time, detecting leaks using multi-parameter sensors. Using the data collected, it also offers the local authority useful data to assist in their investment policy decisions.



Smart Solutions remote control room in Le Pecq

“Many municipal authorities in France use Smart Water solutions to optimise the management of their water resources”

tion approach for several years now, also opted for Aquadvanced™.

The towns have furthermore elected to fit remotely-read water meters for their resident users. This equipment will enable each customer to monitor their water use in real time via a dedicated website, with e-mail or text message alerts in case of abnormal consumption that could reveal a leak.

A FIRST IN EUROPE

To offer optimal quality of service to customers adopting its smart solutions, in 2015 SUEZ established a dedicated centre, unique in Europe: the Smart Operation Centre. Located in Le Pecq (Yvelines), the centre is responsible for the continuous monitoring of all remote metering and Smart Water infrastructures in France and internationally, while generating reliable and up-to-date data for local authorities and water supply operators. This overall view enables the centre to detect incidents as rapidly as possible (leaks, failures, pressure levels, etc.) and to alert the water network operators to enable a quick intervention and resolution of any malfunction.

This creation is part of the Group’s intent to ramp up its assistance to local authorities. To do so, it has created a new business line dedicated to developing and marketing new smart services for the water sector.

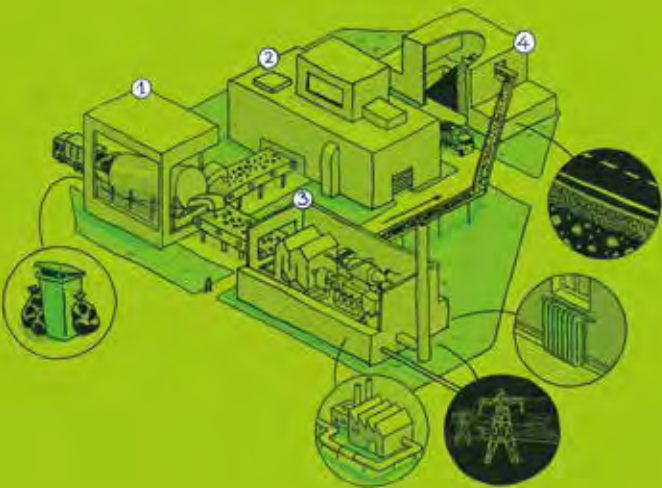
of Singapore, many local authorities in France are using Smart Water solutions to optimise the management of their resources. Example: the Alençon (Orne) urban community has adopt-

WELL-INFORMED AND AWARE CONSUMERS

Calais (Pas-de-Calais) and Guincamp (Côtes-d’Armor), two towns both involved in a water resource preserva-

cities can re-use their waste to produce renewable energy

are you ready?



SUEZ offers solutions for cities to produce renewable energy from their own waste. These techniques can produce thousands of megawatt-hours, without consuming any fossil fuels. Entire suburbs can be supplied with heat and electricity, while reducing greenhouse gas emissions at the same time.
ready-for-the-resource-revolution.com



ready for the resource revolution

REPORT —

THE ECO-ENERGY PROMISES OF WASTEWATER

Wastewater treatment plants are about to become new energy production sites for local and regional authorities. By processing biogas from sludge on an industrial scale to convert it into biomethane, SUEZ has established local renewable energy sources that are sustainable and low-carbon. Outstanding examples can be seen in Strasbourg, Valenton, Annecy or Angers, where the wastewater treatment plants generate gas that is injected in the natural gas networks or transformed into fuel for goods vehicles.

Nothing is lost, everything is recovered, even wastewater. Until now we knew how to treat wastewater to eliminate pollution and reuse it or discharge it without harming the natural ecosystems. But now, it can also be a source of green energy. Let's visit the European metropolis of Strasbourg, and more specifically its wastewater treatment plant in La Wantzenau. Here on 8 September 2015 were produced the first cubic metres of biomethane injected into the local natural gas supply network. The first event of its kind in France was at-

active environmental policy adopted by Strasbourg. The process designed by the two partners consists in purifying the biogas produced by the decomposition of treatment sludge using a membrane ultrafiltration system to separate the various elements. The biogas then becomes biomethane, which is perfectly compatible and miscible with natural gas. The project will produce 1.6 million cubic metres of purified biomethane per year, or the equivalent consumption by 5,000 BBC-certified (low-energy building) homes. This will prevent the production of 7,000 tonnes of CO₂ emissions per year, by reducing the plant's emissions by two thirds. This solution

The city authority Angers Loire Métropole selected SUEZ to start its own biomethane production programme. In October 2015, the Group and its partner PROVEDAL started the construction of a biogas purification plant within the La Baumette wastewater treatment plant in Angers (Maine-et-Loire). The work will last 18 months and is intended to supply a new source of green energy to the 33 communities in the urban agglomeration starting in late 2016. The biomethane produced will

For proof, look no further than BioGNVAL, which like Biovalsan is a first in France. At the Valenton (Val-de-Marne) treatment plant

on the upper part of the Seine River, SUEZ and Cryopur, an innovative fledgling company, undertook a pre-industrial scale experiment to produce and distribute liquefied biomethane. The solution consists in purifying the biogas then liquefying it using a cryogenic technology, to reduce its volume by a factor of 600. The liquefied biomethane produced

is 99% methane, easy to store and a 100% green fuel, destined mainly to fuel long-distance HGVs running on natural gas. The process the partners developed enables the separation of the CO₂ contained in the biogas (and representing between 35 and 45% of it), so it can be liquefied for commercial use, in particular in refrigerated trailers.

The potential benefits of this innovation are multiple. Contrary to diesel, according to the WHO, biomethane emits no carcinogenic particles. The whole production process also offers a virtuous environmental balance, greatly reducing greenhouse gas emissions compared to the fossil fuel production sector.

Lastly, like Biovalsan, it contributes to the energy independence and transition of a region or area, providing a local, sustainable and long-lasting energy source.

⁽¹⁾ The name Biovalsan is formed from three French syllables of words describing its purpose: biomethane, energy recovery and its sanitary character.



Aerial view of the wastewater treatment plant in Strasbourg - La Wantzenau

1,530 GWh/year

The biomethane production potential of the 420 French wastewater treatment plants.

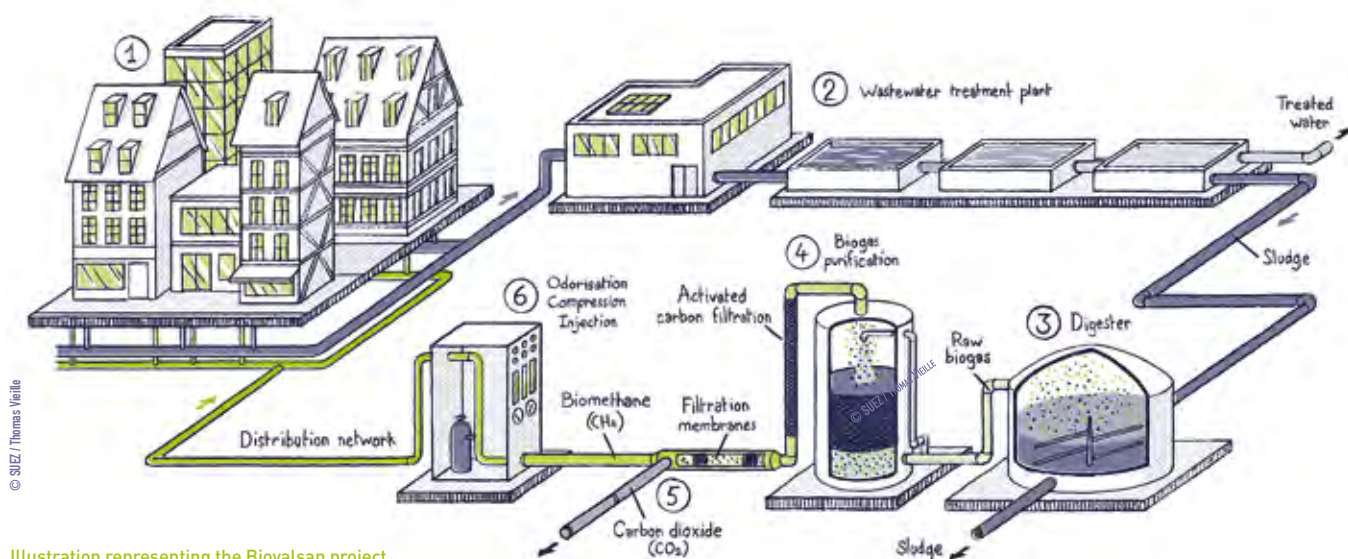


Illustration representing the Biovalsan project

tended by Ségolène Royal, Minister of the Environment, Energy and Marine Affairs, responsible for International Climate Relations. It is the result of co-operation between SUEZ and the local natural gas supplier, Réseau GDS.

100% GREEN GAS "MADE IN STRASBOURG"

The Biovalsan⁽¹⁾ project as it is known, which received funding from the European Commission's LIFE+ programme in 2012 for exemplifying the energy transition, is part of the pro-

also offers an unrivalled energy equation compared to other renewable energies: it recovers an infinite source, i.e. wastewater, requires no transport vehicles, contrary to biomass, sustains no in-line losses - contrary to electricity or heat - and meets the criteria of a small local loop without any restrictions.

ANGERS AND ANNECY SOON TO PRODUCE BIOMETHANE

Plenty of reasons explain the growing interest of municipal authorities for perspectives offered by this innovation.

be injected into the GRDF natural gas supply network. The same approach was adopted in Annecy (Haute-Savoie) by SILA, the local water management agency, to equip its wastewater treatment plant with a similar unit.

WASTEWATER CONVERTED TO FUEL

The injection of biomethane into the natural gas supply is not the only opportunity for the energy transition offered by wastewater treatment.

**Biomethane
vehicle fuel
generates**

80%

less greenhouse
gas emissions
than diesel.

283

patent families

400

research scientists and experts

over 65

research programmes

€74

million

are invested every year in research, technology development and innovation

DRINKING WATER, A RESOURCE TO BE MONITORED TO ENSURE BETTER PROTECTION



Drinking water production plant in Le Pecq-Croissy

Drinking water is a fragile resource, the quality of which is essential. To prevent sanitary and environmental risks that could alter its composition or reduce the available quantity, SUEZ is developing innovative technologies to help communities.

This is for example the case for SEPG (Gennevilliers water management agency), which supplies drinking water to 605,000 residents of 10 Île-de-France towns every day. As part of the 15-year contract signed in May 2015, the SUEZ Group will deploy its collective decarbonisation solution DENSADeg®. This will provide consumers with softer water, limiting premature wear on household appliances and higher energy bills. Furthermore, to secure the drinking water supply, SUEZ will complete or replace the production of the SEPG water plant in Mont-Valérien in the event of possible interruption or deterioration of the water supplied by the Seine river, using that of the Flins-Aubergenville and Le Pecq plants. This is made possible thanks to a process that can resupply the water table to guarantee excellent drinking water quality whatever the weather conditions. Lastly, the Group will install measuring

equipment along the 1,000 km of the SEPG network, including 1,500 acoustic sensors to detect leaks in real time, 30 probes continuously measuring the physical and chemical properties of the water and - a world first - three optical bacteria sensors.

PLANNING FOR BETTER MANAGEMENT
Second example of SUEZ innovations to reinforce the quality of drinking water: predictive modelling implemented for the SMAEL water authority in Nord-Pas-de-Calais, as part of a 5-year public service delegation contract. In concrete terms, the project consists in equipping the Aire-sur-la-Lys plant, which produces 20 million cubic metres of drinking water per year, with two predictive tools. The role of these tools is to optimise the purification process on the basis of the available quantity and the quality of the water resources, to ensure production of high-quality water throughout the year. Moreover, as part of a SUEZ commitment to reinforce prevention and inspections, innovative sensors will be installed to ensure the optimum quality of water pumped into the Lys river.

IN BRIEF —

DISCOVER THE 2014/2015 WINNERS OF THE “AGIR POUR LA RESSOURCE EN EAU” (ACTION FOR WATER RESOURCES) CALL FOR PROJECTS

With prize money of €100,000, the purpose is to support and encourage innovative initiatives to preserve our natural water resources. The judging panel of this first edition, comprising personalities from within and from outside the SUEZ Group, awarded four entrants from the 68 projects submitted: Coop Bio Île-de-France, the Chrono-environnement laboratory, the CPIE centre for environmental initiatives in Vercors, the OPIE office for insects and their environment.

The four prize winners will also receive operational support in deploying their projects.

SEAWATER DESALINATION, A LESS ENERGY-CONSUMING SOLUTION

As the world leader in seawater desalination by reverse osmosis, SUEZ is active in Abu Dhabi to develop new solutions to produce drinking water by using renewable energies.



SUEZ's energy-efficient desalination pilot plant in Abu Dhabi

In June 2014, SUEZ signed an agreement with Masdar (Abu Dhabi) to build and operate a pilot unit to desalinate seawater using a reverse osmosis process. The unit was to be powered with renewable energies with low environmental impact. A year and a half later, at the official inauguration of the plant in Ghantoot, 90 km northwest of Abu Dhabi, the project is clearly a success!

MINIMAL ENERGY CONSUMPTION

Several months of tests enabled the plant to achieve the production of 100 m³ of drinking water, using less than 3.6 KWh of energy per cubic metre. The equipment designed by SUEZ with its partners Dow and Adionics, delivers much greater energy efficiency than the latest desalination plants. For this reason, the environmental impact of the site, powered by renewable energies, is extremely limited. For Masdar, it's an important issue. The new city lies in the heart of a region dealing with high population growth and sustained economic growth, but where water resources are limited. The city has also set itself the target of becoming a positive energy producing territory over time.

THE SUN: NATURAL FUEL

To rise to this challenge, in January 2015 SUEZ signed a research contract with Abu Dhabi Energy Company, the Masdar Institute of Science and Technology and ENGIE. The aim: investigate the possibility of desalinating seawater using a unit running on 100% solar power. A perspective that would be a world first, because even though extensive progress has been made in the past years to reduce the energy consumption of seawater desalination plants by half, the use of solar power represents a genuine technical and economic challenge. The aim of SUEZ in contributing to this project is to ensure sustainable access to water, both in this arid region and throughout the world, in line with its desire to propose global solutions for the sustainable management of resources.

The research contract is also a way for SUEZ to reinforce its world leadership position in seawater desalination by reverse osmosis. To date, the Group has built over 250 plants equipped with this solution.

sigrenEa,
COGEBIO,
Intent Technologies
etc.

At SUEZ, innovation
also involves start-ups.

The SUEZ investment fund
dedicated to new technologies
in Water and the recycling and
recovery of Waste.



“The price of carbon, energy transition, commitments to the climate, World Oceans day... In 2015, our Group once again demonstrated its responsibility and commitments to rise to the issues of the resource revolution and sustainable development.”

Frédérique Raoult,
Group Executive VP,
in charge of Sustainable
Development and Communication

At the COP21, held in Paris from 30 November to 12 December 2015, the Group reaffirmed and reinforced its commitment to contribute to the mitigation of climate change.

What a success! The COP21 conference ended with an ambitious, historic agreement in favour of the climate. Speaking on behalf of the SUEZ Group which was an official partner of the Conference, Jean-Louis Chaussade expressed great happiness at the outcome of the long and complex discussions that brought together 147 Heads of State and 10,000 negotiators from 195 countries: “The Paris Agreement provides a clear and solid framework to continue moving forward with the strategies to mitigate and adapt to the consequences of climate disruption and implement a climate-responsible model.”

A carbon-free growth model that the Group has promoted for a long time. Through the circular economy solutions it proposes to its customers, SUEZ affirms its place as a key stakeholder in the concrete implementation of regional and national policies to lower greenhouse gas emissions. It also contributes to raising resilience to the effects of climate change on the increasing scarcity of water resources.

12 NEW COMMITMENTS FOR THE CLIMATE

For SUEZ, combating climate change is an absolute priority. The issue of the climate was already a core item in its first sustainable development roadmap for 2008-2012 and the next for 2012-2016. In each of these roadmaps, SUEZ made commitments, with concrete, quantified targets. In preparing for COP21, the Group nevertheless decided to go further. The 12 commitments for the climate assumed by SUEZ are fully consistent with the objectives of the newly-adopted agreement. By taking action to mitigate the causes of climate disruption, SUEZ has pursued its commitment to reduce greenhouse gas (GHG) emissions in terms of the “2 degrees” approach, with specific targets in each country where it operates, taking into account the local energy mixes. To adapt to the consequences of climate change on water, SUEZ has persistently fought for the issue of water to

REPORT —

CLIMATE, A CENTRAL ISSUE TO THE RESOURCE REVOLUTION



SUEZ was an official partner of COP21 and a founder member of Solutions COP21

60 million
tonnes less of greenhouse gases
emitted by SUEZ customers by
2020

be handled at the same level as energy in international talks. Lastly, the climate-responsible models proposed by SUEZ underline the pragmatic approach that the Group adopted some time ago to break the link between economic growth and resource consumption. In concrete terms, SUEZ has set itself specific quantified targets, the results of which will be assessed by an independent third party and published every year. For example, the Group is committed to reducing its GHG emissions by 30% by 2030 and to reduce its customers' GHG emissions by 60 million tonnes starting in 2020, through the use of solutions to recover material and energy from waste. It also aims to double the quantity of plastics recycled by 2020 and triple the supply of alternative water sources (through reuse and desalination), while saving the equivalent of the water consumption by a city of 2 million people by 2020. Lastly, within the same time scale, it plans to increase its production of renewable energy by 10%.

In 2035,
40%
of the world's population will
live in regions affected by
water stress

CLIMATE-RESPONSIBLE MODELS TO INVENT AND PROMOTE
Alongside its quantified objectives, SUEZ is committed to taking action to deploy climate-responsible models. Firstly, by adopting in 2016 a fictional internal price for carbon, which will enable it to orient investments towards low-carbon options and by taking action so that the economic and political stakeholders reinforce the price of

carbon. Then, by promoting the circular economy, a source of lower energy consumption (and therefore GHG emissions), and by helping raise awareness of climate solutions to speed up the change in attitudes and behaviours. Lastly, by creating a committee of experts to advise Group General Management on the climate transition, in order to innovate and co-construct the new models that are needed by the planet.

AN ALLIANCE OF LARGE COMPANIES IN THE WATER SECTOR

Another climate initiative taken by SUEZ at the COP21: the launch of the Business Alliance for Water and Climate Change, involving 32 major companies from around the world. Its aim is to assess the water risk associated with the company's activities, measure the water footprint of its activities and value chain, commit to actions to reduce this footprint and its effect on water resources. Through their membership, each company has also set out its commitment to “address the issues of water resource management and climate change mitigation to ensure sustainable development”. Yet another initiative for SUEZ in the long list of other international partnerships it participates in on these essential topics.

SOLUTIONS ALREADY AT WORK

Yet more objectives, for which SUEZ already has a vast portfolio of solutions, as demonstrated at the Grand Palais in Paris at the COP21, at the initiative of the NGO Solutions COP21, of which the Group was a founding member. For example, it proposes innovative technologies for the recovery of material and energy from waste. So on the High Five site in Belgium, 250,000 tonnes of glass are sorted, treated and recycled in four distinct qualities of glass, enabling the glass industry to avoid producing 45,000 tonnes of CO₂ equivalent per year. In Montpellier, France, the Amétyst waste

“SUEZ has set itself specific quantified targets, the results of which will be assessed by an independent third party and published every year”

methanisation unit produces electricity and heat by co-generation using the biogas from wastewater. Result: each year, 33,000 tonnes of compost and 23,000 MWh of energy are generated... along with 1,800 tonnes of CO₂ avoided.

30%
The amount of reductions
in greenhouse gas
emissions that SUEZ has
defined as an objective for
its business activities by
2030

A final example, once again concerning water. In California, hit by a record drought for the past four years, the Edward C. Little plant recycles wastewater to produce 240,000 m³ of water per day, with five different quality levels of water suited to industrial, agricultural or municipal needs. In 2020, it will be capable of supplying 22% of the water resource for the region, thereby considerably reducing its dependence on conventional resources. The group will not wait for this date to continue taking effective action for the energy transition. At the COP21 in Paris, Jean-Louis Chaussade announced that to pursue its actions and share its convictions, SUEZ would be a partner of the COP22 in Morocco, where the Group has operated for many years.

PRESERVING RESOURCES, A KEY ISSUE FOR WORLD POPULATIONS

On 5 June 2015, World Environment Day, SUEZ revealed the results of the first edition of the **Worldwide Resource Observatory**. An original survey which proves the level of maturity of the population of nine large countries concerning the preservation of natural resources.

The issue of resource preservation is a central concern for most populations. Just one conclusion of the Worldwide Resource Observatory established by SUEZ. International survey carried out by Harris Interactive in nine countries (Germany, Sweden, Spain, Netherlands, UK, Italy, France, USA, China), on 9,000 people. In all countries, the people agree on the need to change our models to preserve the planet's natural resources perceived as being under threat. This feeling is stronger in Europe (92%) and in China (86%) yet remains high in the USA (79%). Is there an emergency? 96% of respondents in China, 93% in Europe and 78% in the USA think so. In terms of resources, water gives most cause for concern (41% in Europe and China, 51% in the USA), ahead of oil or gas.

“Efficient solutions exist to implement new ways of managing resources”

INSUFFICIENT AND OVER-EXPLOITED RESOURCES

For a very large majority of survey participants, the threat weighing on resources is due to over-intensive use but also because they are not sufficient for all countries to adopt the life style of developed countries (from 80% to 86%). Depending on the country, between 85% and 92% of respondents consider that resources are already the source of conflicts between farmers, industries, businesses and whole populations. Lastly, all agree that the issues of safeguarding resources is of a global scale (90% of Chinese, 89% of Europeans and 84% of Americans) rather than a local one.

EVERYONE IS INVOLVED

Citizens are nonetheless convinced there are no foregone conclusions. Efficient solutions exist to implement new ways of managing resources. Other approaches include the circular economy, recycling and re-use, but also innovation to produce alternative resources and coordination between all stakeholders (countries, cities, public/private sector). They also consider that the preservation of resources involves everyone: from individuals to start-ups to large international companies, considered as most efficient in China (95%), Europe and the USA (91%), to national governments.

IN BRIEF —

NON-FINANCIAL PERFORMANCE OF SUEZ WIDELY ACKNOWLEDGED

For the sixth consecutive year, SUEZ was included in the 2015 Dow Jones Sustainability Index (DJSI) World, a global benchmark for socially responsible investors. This distinction once again acknowledges the constant progress in the Group's results in terms of global, economic, environmental and

social performance. In 2015 SUEZ also won first place in the "Water and Waste Services" category in the world rankings published by Vigeo, leading European expert in the non-financial assessment of companies and organisations.



PROTECTING THE OCEANS: SUEZ REAFFIRMS ITS COMMITMENT

For the Group, COP21 was an opportunity to reaffirm the priority of protecting our oceans. An issue brought to the forefront by Jean-Louis Chaussade and a firm commitment implemented through various initiatives, such as water reserves, climate regulation, CO₂ storage, biodiversity, etc. The oceans cover 71% of the Earth's surface and perform a number of services for mankind, which are not always returned in kind. Mankind has persistently brought imbalance to the ocean through our activi-

ties for the long term, by pooling expertise, solutions, and R&I capacities.

...AND NGOS

SUEZ has also confirmed its support for the initiatives of four NGOs committed to the protection of marine ecosystems on all five continents: 7^e Continent, which ran two scientific research expeditions in the North and South Atlantic over the year, Expédition MED (scientific research in the Mediterranean during summer 2015), Goodplanet which raises general public awareness and Surfrider Foundation



Oceans protection, a major challenge for SUEZ

© SUEZ / William Daniels

ties (greenhouse gas emissions, plastic waste pollution, overfishing, etc.) and is endangering the whole planet. This is why the Group, as an expert in the sustainable management of resources, is particularly attached to limiting plastic pollution in oceans, through solutions developed in its activities, as demonstrated by its efforts to collect and recover waste, "all this plastic that won't pollute the ocean any more", in the words of Jean-Louis Chaussade.

ALONGSIDE UNESCO...

Many partnerships were established in 2015. SUEZ was the only private sector partner of the World Oceans day organised on 8 June by Unesco's Oceanographic Commission. This event saw the Group commit to supporting the actions taken by Unesco

Europe, which monitors aquatic waste on European coastlines.

SOLUTIONS EXIST

The aim is to control water quality, limit sources of pollution and protect the coastlines. The Group works daily to develop innovative solutions. For example, COWAMA uses data analysis to preserve the quality of water we bathe in. The Eco-seastem project carried out on the Nice Haliotis wastewater treatment plant, aims to fight pollution caused by plastic microfibres, which are devastating for the food chain in the Mediterranean. Lastly, Actimar proposes services ranging from mapping ocean floors to optimising marine operations, along with support in controlling accidental pollution.

2015 - Integrated report

our economic, environmental, social and societal contribution



To be published in may 2016

First SUEZ Integrated Report.

Using a materiality survey, to report on the overall performance of the Group (economic, environmental, social and societal).

IN BRIEF —

SUEZ COMMITS TO CONSTRUCTIVE DIALOGUE WITH STAKEHOLDERS

On Tuesday 13 January 2015, SUEZ and over forty other organisations signed the "Seven guiding principles for constructive dialogue with stakeholders" drawn up by Comité 21. SUEZ was involved in the project from the outset and is committed to respecting these principles, the purpose of which is to make dialogue a creative force in the governance and management of all organisations.

“The aim is to develop a shared culture, a feeling of belonging and pride in our new integrated Group. This year, the Group HR policy remains resolutely oriented to training, the ramping up of skills required for the Group to grow and the transformation of its activities.”

Denys Neymon,
Group Executive VP
of Human Resources
and Executive VP
of Treatment Infrastructures

82,536
employees
worldwide

IN BRIEF —

SUEZ CERTIFIED
“TOP EMPLOYER”

Once again, SUEZ has received “Top Employer France” certification for 2015. Top Employer certification is awarded to the best employers in the world, who propose first rate working conditions for their employees. This year the panel awarded the prize to SUEZ for its good HR practices.

IMAGINE TOGETHER: BUILDING
THE FUTURE TOGETHER

This programme was initiated alongside the launch of the single SUEZ brand. It aims to boost cohesiveness and construct a shared culture for the 82,536 employees. This internal dialogue approach providing employees with a voice has borne fruit: high feedback rate on various actions, good geographic spread of respondents and high overall adhesion to the project.

NEW PROGRESS IN TERMS OF OCCUPATIONAL SAFETY

More than an obligation, it's an ambition. Improving employee health and safety at work is one of the 12 engagements taken by the Group in its 2012-2016 Sustainable Development Roadmap. SUEZ has set itself the objective of reducing the frequency of occurrence of workplace accidents by 30% over the five years, to reinforce its place amongst the best-performing companies of its sector in this field. Like for previous years, 2015 was marked by further progress, with a frequency rate (1) of 10.05 compared to 11 in 2014, and a severity rate (2) down from 0.54 to 0.53.

This result is the fruit of a risk prevention policy initiated several years ago by the Group and driven by the Health and Safety department. The Health & Safety department defines an action plan which

is then distributed and adapted in all entities, which are each implicated in its success via a contract of objectives. These contracts are the opportunity to take into account the special history and maturity of the safety management system in each entity, by referring to a reference manual (all Group internal regulations), built up over ten years of constant effort. This reference manual takes into account local regulations and the experience acquired through accident review and the exchange of best practices.

Major efforts are made in parallel to raise awareness and train personnel

and managers supported in the field by a 300-strong network of health & safety experts. In 2015 for example, around 20 health & safety management training courses were dispensed in Asia, North America, the Middle East and China. A new course for local managers was also developed to enable them to mobilise their teams around “10 rules to stay safe”, a set of rules developed from the analysis of serious personal accidents, applicable to both water sector and waste sector jobs.

(1) The frequency is the number of accidents with absence x 1,000,000 divided by the number of hours worked.

(2) Number of days absent paid x 1000 divided by the number of hours worked

10.05
frequency rate of
workplace accidents

0.53
severity rate of
workplace accidents

MAKING DIVERSITY
A PERFORMANCE DRIVER

The Group is convinced that equal opportunities are a driver for company growth and performance. It has made diversity a priority of its HR policy and has consistently promoted it over the long term.

SUEZ actions in favour of diversity are covered in a dedicated programme called “Diversity”. This covers several fields such as youth employment, gender equality in the workplace, senior careers or the integration of people with disabilities. Many subjects where the Group is taking multiple initiatives and undertakings such as, for example, the objective to reach 5% of work/study trainees in France or to respect the employment rate of workers with disabilities in all countries where specific regulations require it.

GENDER-EQUAL CAREER
DEVELOPMENT

Gender equality in the Group is covered by multiple agreements and action plans concerning recruitment, parental leave, training, equal pay and career management. In this perspective, SUEZ has set itself the ambition of reaching a 30% rate of women in management posts over the 2013-2016 period. This objective was exceeded in France in 2015, with wom-

en holding 31.9% of management posts. To assist further progress for women in the Group, a mentoring programme has been initiated to provide coaching from members of general management, as well as a SUEZ Women's network, launched on 8 March 2016 on International Women's day.

SUPPORTING THE SUCCESS
OF YOUTH FROM MODEST
BACKGROUNDS

In its efforts to ensure greater diversity, the SUEZ Human Resources division initiated another innovative programme for young people from modest backgrounds engaged in academic excellence. Throughout the 2015-2016 academic year, these youngsters are coached by Group managers. The process is a win-win situation as it is deployed with the Passeport Avenir association. On one side, the youngsters receive assistance in preparing an ambitious professional project. On the other, it offers the opportunity for managers to develop more inclusive managerial skills, preparing the company to receive a younger generation for whom the job market is sometimes difficult to access.

A set of diversity initiatives recognised by outside parties, as SUEZ received the national Diversity label for France, issued by AFNOR Certification for a period of four years.

31.9%
of women
managers within
the Group

LEADERSHIP ATTITUDES
TO MEET CURRENT AND
FUTURE CHALLENGES

The ambition of SUEZ to be the leader of the resource revolution will only be achieved with full support from all managers and their capacity to lead their teams. In this spirit, the Group has defined shared leadership attitudes that meet specific needs:

- support the Group's transformation and strategy;
- reinforce the Group's identity by communicating about its life skills and its know-how;
- identify the strengths and opportunities for the individual development of managers;
- establish a common language to enlighten all managers on the attitudes to promote to ensure the Group's success.

BE THE LEADER OF THE RESOURCE
REVOLUTION

This investigative work has enabled us to discern the attitudes that managers need to have or develop, in order to

face current and future challenges. To ensure we share the same language within the Group, these attitudes are given in English:

- commitment, the ability to develop and demonstrate commitment to yourself and to others;
- customer focus, the capacity to anticipate, understand and satisfy customer needs;
- entrepreneurial spirit, the capacity to anticipate problems and opportunities;
- cooperation, the capacity to understand and use the organisation and its resources for greater efficiency;
- learning from differences, the ability to search out different points of view, enrich your understanding and capacity to take more effective action.

Today these attitudes are part of the process to identify “Talent for Key Role”, employees destined to occupy key positions in the organisation. They are also core topics in three new leadership development programmes created in 2015: “Learning with Stakeholders”, “Learning from Differences” and “Learning from Others”.

TRAINING FOR TRANSFORMATION

Group employees are the front line participants in its transformation, so their skills play a primordial role in the development of our business activities. So training is a priority. The 2015 report bears witness to this importance, with seven out of every ten Group employees around the world receiving training. All in all, 1.42 million hours of training (including 12% as e-learning) were dispensed, compared to 1.36 million in 2013. On average, this means 25 hours of training for each person trained. In addition to training time, many learning cases are part of the daily work environment: seminars, professional role-play, coaching, mentoring, tutoring, apprenticeship, professional lectures, etc. They represent a cumulative total of 700,000 hours over the year.

69.4%
percentage
of employees
trained

Breakdown of workforce
by socio-professional category

Management
15.2%

Workers, Employees,
Technicians
63.3%

Supervisory
personnel
21.5%

REPORT —



NGO Les Puits du Désert is rehabilitating 40 grassland wells in the Agadez region of Niger

In a few months, the 13,000 inhabitants of three slum areas in Bangladesh will have access to running water and public toilets. In Maputo, Mozambique, a whole network of eco-points and recyclable waste collection points is being built. In Tidène, Niger, 40 wells on grasslands and community smallholdings are being rehabilitated by NGOs Les Puits du Désert and Tidène. What is the common feature of these three solidarity projects? All are funded by the Fonds SUEZ Initiatives and automatically include training and the transfer of know-how.

Established in 2011, this solidarity fund is one of the tools used by the Group in its financial sponsorship and skills transfer policy. As part of the SUEZ Sustainable Development Roadmap and with an annual budget of €4 million, it has two main missions. The first concerns developing countries. The Fund assists NGOs, whether small or large, which work to improve access to essential services (drinking water, sanitation, waste management) for underprivileged populations.

Concentrated in France, the second mission of the Fund is to promote the social and economic integration of populations in difficulty, in particular through employment and social reinsertion.

A COLLABORATIVE PARTNERSHIP APPROACH

As part of the support it gives to projects,

the Fonds SUEZ Initiatives works in partnership with the NGOs supervising the projects in a co-construction approach. Alongside the expertise contributed by the Group, the Fund monitors each project over time and ensures that all stakeholders participate accordingly. This involvement explains the selectivity of the Fund in the range of actions that it supports. Its selection processes are rigorous, constructed and involve several participants from different origins. In accordance with the Fund's approach, priority is given to innovative projects which feature strong involvement of local populations.

€4 million

budget per year, or €20 million in five years

ENCOURAGE THE INVOLVEMENT OF POPULATIONS

A few examples from the hundred or so projects sponsored by the Fund since its creation bear witness to this approach. For example, in three underprivileged districts in Abidjan, Côte d'Ivoire, the Fund supports ACTED, which runs a programme to ensure vulnerable households and a school complex have access to sanitation (in all, almost 15,000 people directly benefit); this programme plans to build 308 latrines and hand washing points. The project also includes a participative assessment of needs and solutions, the creation of micro-businesses in sanitation, a phase of training in hygiene and monitoring of beneficiaries. The same applies to Bangladesh, where the Fund supports the work of NGO Eau et Vie,

which installs running water supplies in the homes of residents of three slums. For the Fund, the purpose is to sustainably improve the living conditions for people, stakeholders in such projects, and to reinforce their independence.

PROJECTS WITH STRONG EDUCATIONAL AIMS

Again in Bangladesh, the Fund supports the Aloghar project run by NGO Caritas (Catholic charity). Initiated in 2012, the project aims to establish a network of schools in villages of the Adivasi communities, who live in extreme poverty which is exacerbated by their geographical isolation and tense regional politics. The educational approach concerns training courses in hygiene, sanitation and basic healthcare for schoolchildren but also school teachers and all villagers. It is in these ways that the Fund contributes to building or renovating latrines and sanitary water points, along with informative campaigns.

The Fund's actions also include support for emergency operations like that carried out by ACTED in Nepal in 2015. In Sankhu, Dhading and Sindhupalchowk, three isolated villages in the moun-

tainous regions of Nepal, 2,000 families were able to benefit from emergency aid (shelters, water, emergency care kits and hygiene kits, etc.) in the aftermath of the April 2015 earthquake.

Lastly, and because the aims of sustainable development are far from reached

in terms of access to essential services, every two years in partnership with the Institute of France, the Fund runs an international competition to acknowledge and reward royalty-free innovations in the fields of access to essential services and social entrepreneurship. Two "SUEZ Initiatives – Institut de France" prizes are awarded, with a value of €50,000 each.

Over 100 projects

supported by the Fonds SUEZ Initiatives in 2015, including those operated directly by Aquassistance, an NGO founded through the voluntary contribution of skills by men and women of the SUEZ Group, specialising in the transfer of know-how and the provision of technical skills and expertise.

* Indigenous minority of India, mainly living in the mountainous regions of the country.

“This year, the activity of the Board of Directors was once again very dense. The main issues concerned the market for business contracts and projects, the financial situation, Group results and its funding situation, and governance, with the arrival of three new members and changes to the make-up of committees.”

Jean-Yves Larrouturnou,
Group Senior Executive VP
in charge of Business Performance,
General Secretary

THE SUEZ BOARD OF DIRECTORS
AND ITS FIVE COMMITTEES BRING TOGETHER
EXPERIENCED EXPERTS AND PROFESSIONALS
FROM DIFFERENT BACKGROUNDS



Gérard Mestrallet
Chairman and Chief Executive Officer
of ENGIE
Chairman of the Board of Directors
of SUEZ



Jean-Louis Chaussade
Chief Executive Officer
of SUEZ



Nicolas Bazire
Chief Executive Officer
of Group Arnault SAS



Gilles Benoist
Director



Valérie Bernis
Deputy Chief Executive Officer
of ENGIE for Communications,
Marketing and Social Responsibility



Harold Boël
Chief Executive Officer
of Sofina S.A.



Delphine Ernotte Cunci
Chairwoman and Chief Executive Officer
of France Télévisions



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



Isidro Fainé Casas
Chairman of CaixaBank

50%
of independent
members,
without counting the Directors
representing the employees,
in accordance with
the Afep-Medef code

33%
of Directors from
outside France

THE BOARD OF DIRECTORS

defines the Group's business orientations and oversees their implementation. The Board is chaired by Gérard Mestrallet and Jean-Louis Chaussade, Director, acts as the company's Chief Executive Officer.

Some changes were made to the members of the Board in 2015. The Board currently has 18 members, who serve a 4-year term.

THE STRATEGY COMMITTEE

voices its opinion and makes recommendations to the Board of Directors on strategic orientations planned by the Board of Directors or proposed by the CEO and all projects for external and internal growth, sales of corporate assets, strategic agreements, alliances or partnerships submitted to the Board of Directors.

THE AUDIT AND FINANCIAL STATEMENTS COMMITTEE

assists the Board of Directors in ensuring the accuracy and veracity of the corporate and consolidated financial statements of the SUEZ Group and the quality of risk management, internal audits and information provided to shareholders and the market.

THE ETHICS AND SUSTAINABLE DEVELOPMENT COMMITTEE

monitors respect for the individual and collective values, on which the Group's actions and rules of conduct are based, and that every employee must apply. These values include the Group's special responsibilities with regard to the protection and the improvement of the environment and of sustainable development. The committee also oversees the implementation and assessment of the health and safety policies. Finally, it examines the social responsibility and environmental policies.

THE NOMINATIONS AND GOVERNANCE COMMITTEE

makes recommendations and proposals related to governance matters falling within the Board's scope of action, and in particular as to the appointment of new directors.

THE COMPENSATION COMMITTEE

makes recommendations and proposals related to the salaries of senior management. It also sets the annual objectives that act as a reference for determining the performance-related segment of the CEO's salary.



Judith Hartmann
Deputy Chief Executive Officer
in charge of Finance for ENGIE



Isabelle Kocher
Deputy Chief Executive Officer,
Chief Operating Officer and Director
of ENGIE



Ines Kolmsee
Member of the Board of Directors
of EWE Aktiengesellschaft



Anne Lauvergeon
Chairwoman of ALP SA



Pierre Mongin
Deputy Chief Executive Officer
and General Secretary of ENGIE



Guillaume Pepy
Chairman and Chief Executive Officer
of SNCF



Jérôme Tolot
Member of the Management Committee
and Deputy CEO of ENGIE
for European entities, excluding
regulated and global activities



Enric Amiguet i Rovira
Director elected by employees



Agatta Constantini
Director elected by employees

39%
of women

(this figure takes into account the
presence of directors elected
by employees)

2
Directors
elected by and
representing
Group employees



Jean-Louis Chaussade
CEO

MANAGEMENT COMMITTEE

The Management Committee is the deliberative and decision-making body of the SUEZ Group. It examines Group decisions and orientations, defines objectives in terms of activity and performance of business units during two business reviews throughout the year.

The composition of the Management Committee was changed in 2015 and as at 31 December 2015, comprises eight members alongside Jean-Louis Chaussade.

SUEZ also has an Executive Committee, a management and leadership authority for Group activities which meets approximately every two months. It comprises 23 members: the 9 members of the Management Committee, the 14 CEOs of the main Business Units and the representatives of support functions. The detailed make-up of the Executive Committee is accessible on the Group website.



Jean-Marc Boursier
Group Senior Executive Vice-President,
in charge of the Recycling & Recovery
Activity in Europe



Angel Simon
Group Senior Executive Vice-President,
in charge of the Water Activity in Europe



Marie-Ange Debon
Group Senior Executive Vice-President,
in charge of International



Christophe Cros
Group Senior Executive Vice-President,
in charge of Finance



Jean-Yves Larrouturou
Group Senior Executive Vice-President,
in charge of Business Performance;
General Secretary



Frédérique Raoult
Group Executive Vice-President,
in charge of Sustainable Development
and Communication



Denys Neymon
Group Executive Vice-President,
in charge of Human Resources;
Executive Vice-President
of Treatment Infrastructures



Thierry Mallet
Group Executive Vice-President,
in charge of Innovation, Marketing
and Industrial Performance

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SOLID FINANCIAL PERFORMANCE BY THE GROUP IN 2015



KEY ACQUISITIONS TO SUPPORT GROUP GROWTH

Several acquisitions occurring in 2015 enabled SUEZ to speed up its international growth and expand the portfolio of solutions the Group can propose to its customers.

On 21 September 2015 in Australia, SUEZ acquired the 40% stake owned by Sembcorp Industries in Sembsita Pacific, a joint entity created by the two partners in 2000, now 100% owned by the SUEZ Group. With over 56,000 business and industrial customers, along with 3.7 million inhabitants supplied in the country's main cities, Sembsita Pacific is currently the leader on Australia's waste recovery market. This major operation now enables SUEZ to deploy a strategy to integrate both its Water and Waste activities within a single structure, in order to improve performance, generate savings and propose global responses to calls for tenders on a high-potential Australian market. Three months later, the Group has

confirmed its intention to speed up its business development in the country by acquiring Pro Skips, the leading operator in the recovery of building and public works waste, established in Queensland. An acquisition that enables SUEZ to expand its business offering.

STRONGER ON THE WATER MARKET

The same approach was applied to the industrial water market, with the buy-out of Poseidon in Canada and B&V Group in the UK. Poseidon specialises in the design and manufacture of innovative flotation separation equipment used in the treatment of industrial wastewater. Its portfolio of proprietary technologies puts it at the leading edge of this activity for the Oil & Gas, paper pulping and agricultural sectors. B&V produces and sells conditioning products and technical services for cooling circuits and boiler systems. It also supplies equipment, tailor-made engineering and services.

In India, SUEZ completed another key operation with the acquisition of Driplex, a key player on the industrial water market in a country that offers great potential through its economic growth rate and extensive environmental needs (read more on page 8).

Lastly, on the drinking water and sanitation market in France, SUEZ acquired La Nantaise des Eaux Services in April 2015. This company operates throughout France, employs 310 people and reported 82% growth in its revenue over the last five years. It supplies drinking water to 123,000 users and provides wastewater treatment services for 116,000. With this acquisition, SUEZ boosts its local foundations in France, serving customers around the whole country.

“The Group is pleased to report excellent performance for 2015, a year in which all our objectives were reached or exceeded, despite the gloomy and volatile economic climate. Our revenue reported growth of +5.7% and we achieved a strong improvement in our operating margin.”

Christophe Cros,
Group Senior Executive VP,
in charge of Finance

REVENUE

€15.1
billion,
up +5.7%

GROSS OPERATING INCOME

€2.75
billion,
up +4.1%

NET INCOME GROUP SHARE

€408 M

NET INVESTMENT

€1,626 M

FINANCIAL LIABILITIES / EBITDA

2.9

RETURN ON CAPITAL EMPLOYED

7.9%

A GLOBAL LEADER
IN SUSTAINABLE MANAGEMENT OF RESOURCES
IN THE ERA OF CIRCULAR ECONOMY

1,130
drinking water
production sites

5.2
billion m³
of drinking water produced

2,310
waste water
treatment sites

4.3
billion m³ of wastewater
treated biologically

34
million people
benefiting from waste
collection services

790
material sorting,
recovery and
transfer stations

16.3
million tonnes
of waste recovered

7
million tonnes of waste
recovered into energy

5,855 GWh
of electrical and thermal
energy generated

400,000
industrial and business
customers

82,536
employees

70
countries

€15.1
billion revenue

ready for the resource revolution



**82,000 employees worldwide are committed
to smart and sustainable resource management.**

In 2015, all the Group commercial brands became SUEZ
On five continents, SUEZ supports towns and industries in the circular economy
to maintain, optimise and secure the resources essential for our future.
suez.com

RCS Nanterre 433 466 570 - les ateliers devartreux

The half-yearly **SUEZ**
publication for all those who imagine
the future of resources



NEXT ISSUE

SHAPING RESOURCEFUL CITIES

To be discovered very soon in **open_resource magazine #2**,
the half-yearly publication of the resource revolution!

<http://www.ready-for-the-resource-revolution.com/magazine/>

The SUEZ Times

COORDINATION: SUEZ brand Department | **AUTHOR:** bearideas / SUEZ brand Department | **DESIGN AND GRAPHIC LAYOUT:** bearideas / Les Produits de l'épicerie

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THE SUEZ TIMES

28 APRIL 2016

NEW TIMES, NEW SUEZ - PERSPECTIVES

by  SUEZ

**A STRATEGY
OF GROWTH,
BALANCE AND
PERFORMANCE**

**SUEZ, COMMITTED
TO THE RESOURCE
REVOLUTION**

JEAN-LOUIS CHAUSSADE
AND MATHIEU BAUDIN

**WE ARE
AT THE DAWN...
OF ANOTHER
POSSIBLE
FUTURE**

**SUEZ,
BUILDING
THE GROUP OF
THE FUTURE**

**RESOURCEFUL
CITIES**

**NEW FACES
OF INNOVATION**

2015 ACTIVITY REPORT
www.thesueztimes.fr/en

ready for the resource revolution



**82,000 employees worldwide are committed
to smart and sustainable resource management.**

In 2015, all the Group commercial brands became one.
On five continents, SUEZ supports towns and industries in the circular economy to
maintain, optimise and secure the resources essential for our future.

suez.com

BUILDING THE GROUP OF THE FUTURE

A new name, a new logo, a new corporate mission...beyond the strong symbolism involved in the changes to the most visible aspects of SUEZ, the Group is currently undergoing a deep-seated transformation (read more on page 6).

Our strategic approach is today based around the threefold platform of "growth, balance and performance" [read more on page 12]. More than ever before, it depends on two pillars. On one side, the expansion of our scope of activity through our four strategic priorities, on the other, the reinforcement and profound transformation of our core businesses - water and waste - to generate a global, integrated offering that will ensure we are able to develop new growth markets.

Yes, our activities are evolving. They require more transversality, more integration and cooperation between our employees and subsidiaries. Our employees are the stakeholders and ambassadors of the resource revolution. We wanted to hear from them on how they see their activity changing (read more on page 16).

This new approach to resource management also impacts cities and territories, which we support through shared governance, more digital and more smart solutions. In Saint-Etienne (France), you can see how the Group is assisting the city in its digital transformation (read more on page 25) and helping it to become a genuinely resourceful city.

Building the Group of the future also involves planning the future we want. Jean-Louis Chaussade, CEO of SUEZ and Mathieu Baudin, founder of the Institute for Desirable Futures, discuss this future that remains to be built. What drives the vision of a prospectivist and the ambition of the CEO of a major company? (read more on page 26)



Lastly, the resource revolution is being driven through innovations delivered by stakeholders (businesses, local authorities, citizens) who are leading the way. SUEZ is one of them. In parallel to industrial innovations, new forms of innovation are seeing the day, all just as essential to the success of this revolution. We share them with you in greater detail on page 34.

SUEZ,
ready for the resource revolution.

COORDINATION: SUEZ Brand Department

AUTHOR: bearideas / SUEZ Brand Department

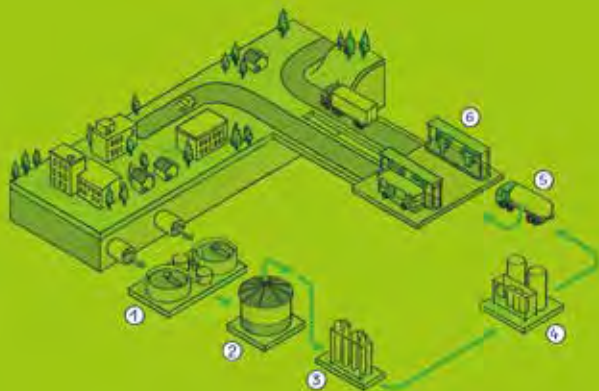
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we know how to turn
biogas from wastewater
into fuel for buses.

are you ready?



Using BioGNVAL technology, SUEZ enables cities to transform the biogas from the treatment of wastewater into biofuel. Wastewater is recovered and becomes a source of renewable energy. The biofuel, which can be produced close to towns and cities is an ideal source of energy for fleets of buses or household waste collection vehicles.

Find us on ready-for-the-resource-revolution.com/en



ready for the resource revolution

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THE NEW FACES OF INNOVATION



SUEZ, COMMITTED TO THE RESOURCE REVOLUTION

Constant growth in the world's population, economic growth on a worldwide scale: pressure on resources has never been so intense, yet the needs of cities and industries will continue to grow in coming years. SUEZ positions itself as the leader of the resource revolution, an inevitable revolution that requires us to re-imagine our ways of thinking, producing and consuming resources.





1

BRAND

◦

16,300,000

TONNES OF WASTE RECOVERED

◦

5,855^{GWh}

**OF ELECTRICAL AND THERMAL
ENERGY GENERATED**

◦

5.2

**BILLION M³ OF DRINKING WATER
PRODUCED**

◦

4.3

**BILLION M³ OF WASTEWATER
TREATED BIOLOGICALLY**

◦

400,000

INDUSTRIAL AND BUSINESS CUSTOMERS

◦

€74 M

INVESTED IN R&D TO PROTECT RESOURCES

SUEZ, COMMITTED TO THE RESOURCE REVOLUTION

THE WORLD FACED WITH A NEW REVOLUTION

By 2050, the planet should reach a population of 9.6 billion, mostly concentrated in cities. Under these conditions, how can we sustainably ensure the provision of water to all and ensure that people have access to drinking water of impeccable quality? With 10 million tonnes of waste produced around the world every 24 hours, how can we guarantee it is efficiently managed when there are two billion more of us? The world is going through a new phase in its history, a turning point that all industrial companies, local authorities and citizens will have to navigate to ensure sustainable development. After assisting in the major social developments of the 19th century (hygiene and public health), of the 20th century (urban comfort), SUEZ is now ready to take

**82,536
EMPLOYEES**

who deliver concrete solutions
to local authorities, industries,
consumers and farmers
everywhere in the world, to help
them sustainably and efficiently
manage their resources.

up the challenge of the 21st century: the intelligent and sustainable management of resources in a world that is growing exponentially. The Group is transforming its activities and has redefined its corporate mission: securing the resources essential to our future, together.

BUILDING THE FUTURE TOGETHER

Today we are obliged to question traditional models and to innovate. The idea is to move forward together towards a circular economy, while considering resources not as an infinite stock that we can continue to consume indefinitely, but as a stream that we must generate and regenerate over and over again. The issue is no longer just to assist local authorities and industries to reduce the environmental impact of their activities, but to help them re-imagine the management of their resources: optimising usage through information technologies, recycling, recovering and creating alternative resources. In this field, SUEZ is already a key player, for example by supplying ten million people with drinking water from desalinated seawater, by creating high quality secondary raw materials

150 YEARS OF SUPPORTING SOCIETAL REVOLUTIONS
FOR GREATER PROGRESS TOGETHER

19TH CENTURY

**INAUGURATION
OF SUEZ CANAL IN 1869**

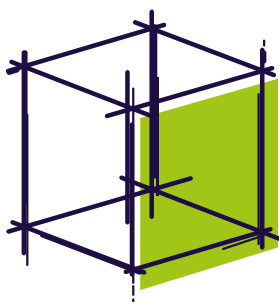
The canal enabled trade between
the Orient and the West to accelerate
and multiply.

**HYGIENE AND PUBLIC
HEALTH REVOLUTION**

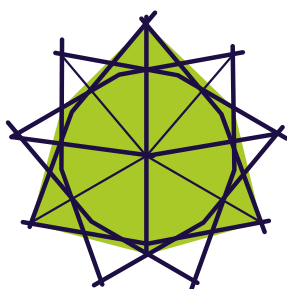
Our water services started
the construction of water networks,
declared to be of public utility,
and continued to innovate
to ensure water quality.



the resource revolution
is circular



the resource revolution
is concrete



the resource revolution
is collaborative

or local, waste-to-renewable energy. The Group's ambition is to move from the role of key player to become a reference in terms of recovering and securing resources. So by merging all its activities and know-how under the unified banner of SUEZ, the Group is mobilising its strengths, expertise and capacity to innovate on a global scale, to generate greater efficiency on a local scale. All SUEZ employees are ready to become stakeholders in the resource revolution, now adopted by increasing number of our customers. Whether in Paris, Barcelona, Casablanca, New York, Beijing, Melbourne or Santiago, SUEZ employees have demonstrated the same desire to contribute their audacity, their enthusiasm and their creativity to serve the efficient and sustainable management of their customers' resources.

GREATER TRANSVERSALITY TO MEET NEW REQUIREMENTS

The resource revolution requires us to ensure greater convergence between Group activities. The time when everyone worked independently in their own subsidiary or country is over and done with. Transversality seems to be the motto of the Group transformation, to meet the increasingly global requirements of our customers, whether they are local authorities or industrials. These requirements include designing and operating smart cities, optimising resource use and reducing production costs, producing differently by injecting secondary raw materials in production lines, creating the alternative resources to secure their supply or even develop local and renewable energy sources. SUEZ provides assistance in these challenges. The resource revolution is under way.

20TH CENTURY

URBAN COMFORT REVOLUTION

The Group diversified,
its waste and water subsidiaries
generated innovations to support
the growth of cities.

21ST CENTURY

THE RESOURCE REVOLUTION

SUEZ has unified its entities and is
committed to the circular economy, in order
to secure the resources essential to our
future and to sustainable development.



**The resource revolution
will bring about a major and
deep-seated transformation
of our societies, much like
the industrial or digital revolutions.**

**So the Group must be ready to meet
its customers' future needs and
converge its activities in order to
anticipate and support these changes.**

**As a key player in the circular
economy, we must allow this revolution
to benefit from our expertise
by offering a global offer of solutions
for optimised resource management.**

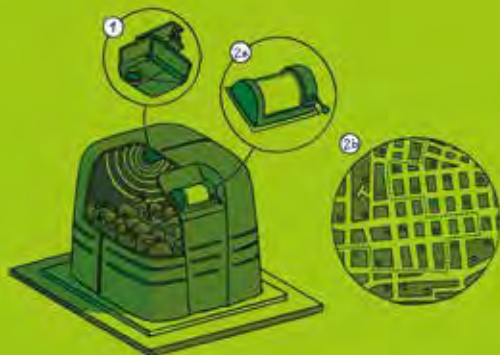
**Today, the 82,536 people in
the Group embody this mission
with pride and conviction under
a global brand, SUEZ.**



**Jean-Louis Chaussade,
Chief Executive Officer of SUEZ**

we can create **smart**
bins that tell us
when they need to
be collected.

are you ready?



SUEZ makes bins smart by installing digital volume meters in voluntary waste collection points, enabling waste collection departments to know in real time the capacity of their containers. Together we help optimise collection rounds, reduce nuisances and CO₂ emissions and avoid collecting bins that are half empty or overflowing.

Find us on ready-for-the-resource-revolution.com/en



ready for the resource revolution

A STRATEGY OF GROWTH, BALANCE AND PERFORMANCE

In this perpetually changing world where natural resources are becoming scarcer, SUEZ is committed to the smart and sustainable management of water resources, the treatment and recovery of waste and to supporting its customers in their response to the new environmental issues.

To this end, the Group has decided to scale up the robustness and ensure the deep-seated transformation of its core business activities - water and waste - to generate a global service offering and to win new growth markets. International development, industrial sector, recycling and recovery, new water services: focus on these four strategic priorities that drive growth.

STRATEGIC PRIORITY #1 EFFICIENT, WELL-MANAGED INTERNATIONAL DEVELOPMENT

In the current context of the increasing scarcity of resources, demographic growth and galloping urbanisation, new environmental requirements are growing all over the world. The Group is consolidating and expanding its activities and markets in countries where it has been active for a long time (USA, Australia, China, Morocco, Chile), while at the same time expanding its positions in countries or regions with high potential for its activities (India, Middle East, Mexico, etc.), and selectively continuing its development across structural projects or sustainable locations in new regions (sub-Saharan Africa, South-East Asia).

Internationally, SUEZ is targeting a sustained growth rate of between 6 and 8%, enabling it to reconcile "development" and "performance." The Group was selected as the preferred bidder in Barka in the Middle East, to design, build and operate a new desalination plant which will enable 700,000 inhabitants to be

supplied with drinking water. This type of agreement demonstrates the Group's capacity as a key international player in water treatment and desalination.

port through partnerships to act at the core of customer processes and implement integrated, global solutions to optimise the use of resources. The Group generates around a

INDIA, A PROMISING MARKET FOR THE GROUP

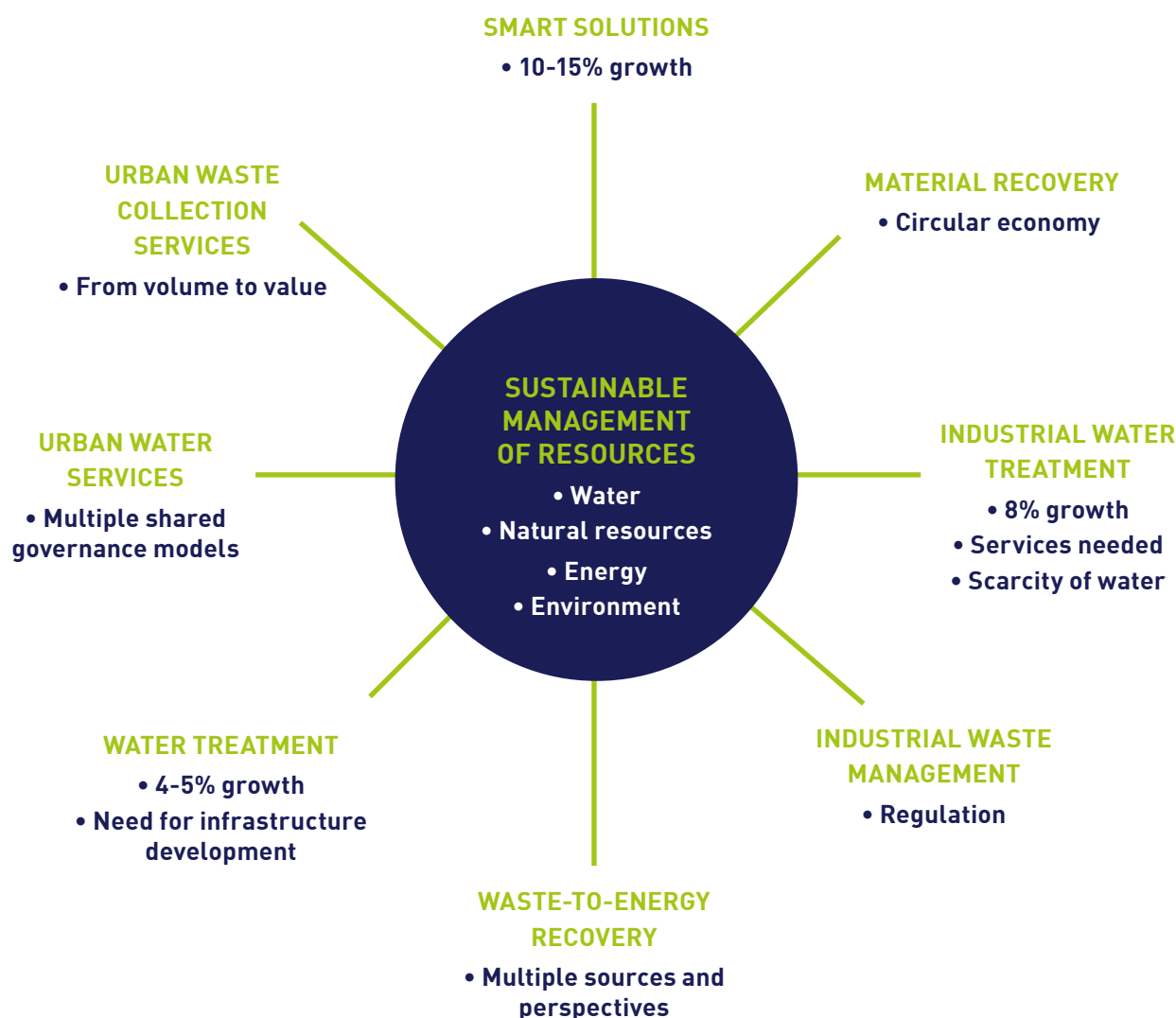
With its promising rate of economic growth and substantial needs for environmental development, India offers a wealth of opportunities for the Group. In one form or another, SUEZ has been active in India for thirty years, building over 200 water treatment plants and currently operating 23. Latest developments to date? The four contracts to build and operate water treatment plants and the acquisition of Driplex, a leading supplier on India's industrial water market.

STRATEGIC PRIORITY #2 THE INDUSTRIAL SECTOR, A BOOMING MARKET

As they are subjected to increasingly strict environmental regulations and conscious of the impact of their activities on the environment, industrials are facing new issues: reduce production costs while conserving resources, use secondary raw materials in the production chain, combine environmental protection and the production of renewable energy... SUEZ meets these needs by providing sup-

third of its revenue in the industrial and commercial sector, yet aims to accelerate global growth of its activities serving major industrial producers. The agreements signed in Europe and internationally with leading industrial partners such as Sanofi, Safran or BASF, amongst others illustrate the success of this proactive approach that encourages proximity, transparency and co-construction of solutions with all stakeholders in the product life cycle.

Resource management: many challenges to face, sources of growth opportunities for the group



STRATEGIC PRIORITY #3 WASTE RECOVERY, HEADING TOWARDS THE CIRCULAR ECONOMY

Today, resource activities are confronted with new challenges to which the Group must adapt and respond accordingly. The only commandment is circularity. With this in mind, waste must be treated and, as much as possible, recovered as secondary raw materials for re-injection into the cycle of the circular economy. Storage and incineration plants must become places where renewable energy is generated. The ambition is the same for water. The wastewater treatment plant must now be a refinery that produces high-quality reusable water, renewable energy in the form of biogas or biomethane, as well as soil fertilisers. At SUEZ we are convinced that all these solutions are genuine competitive advantages in the future models of the circular economy. We rapidly recognised the potential of this demand and took strategic positions accordingly.

STRATEGIC PRIORITY #4 WATER SERVICES IN THE DIGITAL ERA

Plan ahead: this is the strength of the Group as it consistently adapts its offering to anticipate the future needs of its customers. In this respect, stemming directly from the digital revolution, the development of Smart Water offers new, more connected services such as real-time leak detection, network supervision or the reduction of energy costs. Today this development axis for the Group, whether in the water or waste activities, in cities or regional management, represents over €350 million of revenue and promising growth perspectives for the Group's markets and regional operations.

WITH AQUADVANCED™ WATER NETWORKS BECOME SMART NETWORKS

This solution can monitor the hydraulic behaviour of the network via sensors that measure the volume, pressure and flow rate of water, so they can identify and anticipate anomalies such as water leaks, but also act on water quality or pressure issues. AQUADVANCED™ also collects and centralises hundreds of pieces of data, for analysis and use in generating summaries and detailed maps, simulated impacts of actions, proposals to optimise energy consumption, etc.



Strategic priority #1
+ 17%

growth in 2015 international
revenue compared to 2014

◦

Strategic priority #2
€1.7

billion in revenue from
key industrial accounts

◦

Strategic priority #3
5.9 TWh

of energy produced from waste
and wastewater in 2015

◦

Strategic priority #4
+ 23%

growth in 2015 revenue from
Advanced Solutions compared
to 2014

The objective of our ambitious strategy intended to ensure sustainable value generation is, while maintaining a balanced portfolio of activities with well-controlled risks, to be the leader of the resource revolution through long-term and innovative partnerships with our customers, and to win new profitable growth markets.

ACROSS TH

82,536 EM

READY FOR T

REVOL

Foster commitment to new challenges that we face,
be attentive to a changing world and the new requirements of our customers,
encourage audacity, the spirit of enterprise and cooperation,
ensure that all employees become stakeholders in the resource revolution.

E WORLD,

PLOYEES

HE RESOURCE

UTION

We invited four of our employees to speak about their vision of their activity and the perspectives that are opening up for them. Whether from India, Poland, France and the Netherlands, they are what makes SUEZ and are our best ambassadors.

“With the resource revolution, I see my job changing as technologies move forward, but remaining resolutely human because of our intuition”



NADINE MERA

Head of wastewater networks

Dijon, France

→ Find out more about Nadine and her activity:

<http://www.thesueztimes.fr/en>



**“My team
and I are very
proud to help
ensure that the
growing need
for water in our
town is satisfied,
both now and
for future
generations”**

HARISH KATARIA

Director of Sonia Vihar water treatment plant

New Delhi, India

© SUEZ / CAPA / Prashanth Vishwanathan

→ Find out more about Harish and his activity:
<http://www.thesueztimes.fr/en>

**“Securing
the resource
cycle, learning
to rationalise
the use
of resources
and how to
recycle them so
that we can all
have a future.
That's the
resource
revolution!”**




JOANNA PANKOWSKA

Water and wastewater project coordinator

Warsaw, Poland

© SUEZ / CAPA / Rayss Agnieszka

→ Find out more about Joanna and her activity:
<http://www.thesueztimes.fr/en>



“My ambition is to make our collaborators aware of the need to act the way we do, so that they embody the resource revolution throughout every aspect of their lives”

DENNIS VAN KLINKEN

Head of Recycling and Recovery activity

Groningen, Netherlands

RESOURCEFUL CITIES

Galloping urbanisation, coupled with the effects of climate change, is exerting acute pressure on resources such as water, raw materials and energy. To cope with this, cities need to reinvent themselves and make urban redevelopment rhyme with social cohesion and sustainable development. As an expert in resource management, SUEZ is ready to rise to the challenge alongside its municipal customers in France and internationally.





A NEW URBAN ERA

Today the planet is home to 7.3 billion people, 53% of whom live in cities and large metropolitan areas. This phenomenon will surely accelerate with an urbanisation rate estimated at 70% in 2045 and a worldwide population estimated at 9 billion people. As this urban way of life becomes the dominant mode, how do we continue to ensure citizens always have sustainable access to resources, efficient services and a pleasant living environment that benefits the attractiveness of cities and regions? To answer this, the city must undergo profound regeneration and focus on the needs and uses of its inhabitants, to become safer, smarter, more sustainable and in a word, more attractive.

CIRCULAR, RESILIENT AND COLLABORATIVE: WELCOME TO THE RESOURCEFUL CITY!

A resourceful city is first and foremost circular, capable of generating the resources that are essential to its future. With this in mind, SUEZ supports cities to implement recycling and recovery solutions. In Casablanca for example, SUEZ teams have been present for almost 20 years, collecting household waste and cleaning the streets, alongside water distribution, electricity distribution and the collection of rainwater and wastewater. On this last point, the Group is assisting the city to recover energy from waste, which is a step forward in the development of the circular economy. In Bordeaux, SUEZ manages the public water supply and wastewater networks, urban rainwater networks and processes waste.

Energy recovery from waste incineration produces sufficient electricity to supply 70,000 inhabitants, reducing the resulting volume of waste by 98% along the way.

Vr networks in real-time. With Influx in Bordeaux, levels of rainwater flowing through networks after a period of heavy rainfall can be predicted and controlled, thus preventing overflow into the natural environment.

Lastly, the resourceful city must be collaborative, directly involving citizens and local authorities in creating new services, co-building solutions with all stakeholders or developing collaborative digital platforms. In Bordeaux, SUEZ proposed a new form of governance by inviting local stakeholders, users and associations to contribute to improving the service via a collaborative digital platform. The same idea was introduced in Saint-Étienne: the Digital Saint-Étienne project involves the design, co-construction, publication and operation of an open digital platform used to collect, analyse, store and deliver urban data (mobility, quality of life, urban services, infrastructures, etc.). The platform is intended for use by local authorities, public decision makers, city planners/managers, citizens, etc.

**Since 2009, more than one in two people live in a town or city.
By 2030, 600 cities will contain 60% of the world's population.
Within thirty years, the Earth will be home to nine billion people.**



Influx, the dynamic wastewater
system management solution

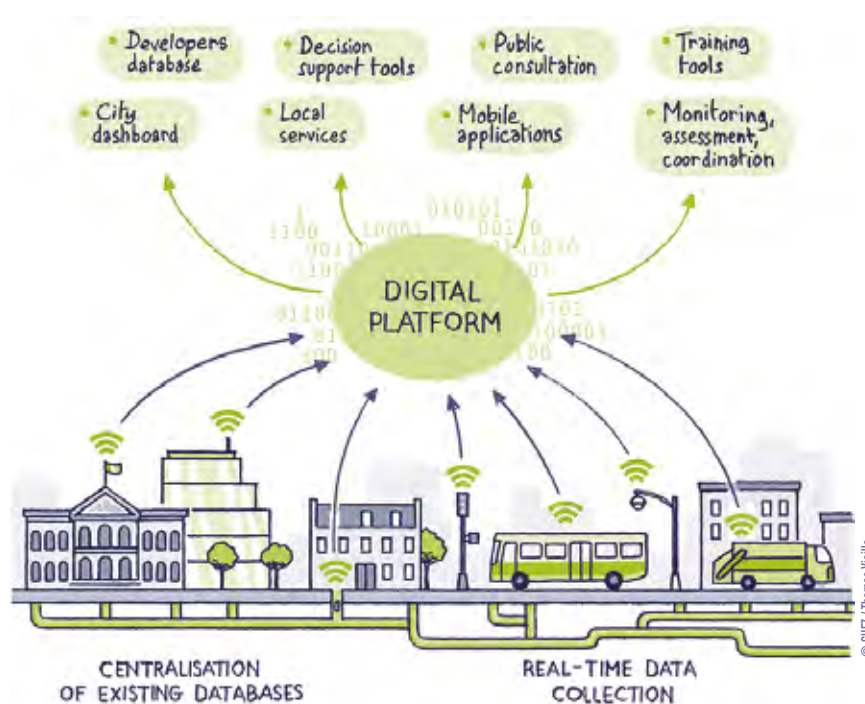
SUEZ proposes an integrated vision of the city: environment, transport, energy, street lighting, security, etc. and brings its know-how to all stakeholders to help build a resourceful city where it is pleasant to live.

- FOCUS -

SAINT-ÉTIENNE, precursor for new urban technology

“Through these principles of circularity, resilience and collaboration, the resourceful city is a catalyst for the resource revolution. This revolution must prepare to seize the new opportunities provided by the digital age. Indeed, better urban management will be made possible by enhanced data collection and intelligent data processing. The supervision platforms we are now using in the water, waste and energy sectors will tomorrow be used to collect data in all urban services (transport, street lighting, air quality, safety etc.), enabling us to develop new services to improve the environment in which our citizens live. And that is the ultimate aim of all those with a stake in the city of tomorrow.”

Jean-Louis Chaussade,
CEO of SUEZ



Schematic representation of Digital Saint-Étienne project

As the first city in France to develop and deploy a scalable, transversal digital platform, Saint-Étienne has initiated a new phase in its sustainable and socially responsible urban development. The Digital Saint-Étienne project won the MEDDE⁽¹⁾ “Industrial demonstrators for the sustainable city” call for projects and the ANRU⁽²⁾ “Sustainable and socially-responsible city” call for expressions of interest. It is the fruit of joint work by the city authorities of Saint-Étienne, Saint-Étienne Métropole, SUEZ and their partners. Its aim is to establish a digital platform for the collection, analysis and delivery of urban data on mobility, quality of life, urban services, infrastructures, etc. The enthusiastic participation of the stakeholders, the scalability of the platform and the transversal nature of its applications ensure that the project will be expanded to cover other districts of the city and potentially be replicated to other agglomerations. It is due to be brought online in 2018. Stay tuned!

(1) : Ministère de l'environnement, de l'énergie et de la mer / French Ministry of Environment

(2) : Agence Nationale pour la Rénovation Urbaine / French National Agency for Urban Renewal



A man with dark, wavy hair and a light beard is shown in profile, looking out of a window. He is wearing a dark blue blazer over a light blue checkered shirt. His hands are clasped in front of him. The background is a bright, out-of-focus window.

JOINT INTERVIEW

**WE ARE
AT THE DAWN...
OF ANOTHER
POSSIBLE FUTURE**

**JEAN-LOUIS CHAUSSADE
MATHIEU BAUDIN**

Obsolescence in the current world, transformations, relationship with time...

On 29 March, SUEZ CEO Jean-Louis Chaussade and Mathieu Baudin, founder of the Institute For Desirable Futures, shared their visions and points of view on the perspectives of the resource revolution.

This discussion between a prospectivist and the head of a world leader in resource management produced a concrete conclusion: reconciling short-term requirements with the need for a long-term view is undoubtedly one of the key issues currently facing our societies.

And to rise to this challenge, it is essential to know how to identify, promote and drive the ideas and solutions already in place that presage the world of tomorrow.

Some speak of the obsolescence of the current world, of the need to change our whole paradigm. In your opinion, are we in a breakout situation, or a transition situation?

Jean-Louis Chaussade - The world in which we live is the scene of profound transformations. But I don't believe in evolution that is simply disruptive, populations find it difficult to accept abrupt changes. A certain amount of time is needed otherwise we risk generating resistance to these unavoidable changes. Let's take the example of climate change. Do we need to take radical decisions to limit greenhouse gas emissions, even if it means penalising growth, employment, the competitiveness of some countries or whole sectors of the economy? Asking the question in these terms would mean running the risk of immediate hostility, so proposing a long-term transition over ten or twenty years would enable attitudes to adapt progressively, but also provide the time to develop and ensure the viability of technologies that could help in this transition. But this doesn't mean we should remain immobile, because if we don't adopt the right approaches now, it will be too late. The human, environmental and economic damage will be irreversible.

Mathieu Baudin - To my mind all this turmoil occupying our current mindset is not the sign of a storm blowing through, but that of a civilization undergoing change. An ancient world is dying, a new one is taking its time to shoot up. We are in the in-between days.

On the matter of the climate, what do you think of the decisions in the Paris agreement, trumpeted as historical?

MB - Someone perfectly summed up the matter with a simple statement that the agreement was "better than we expected and not as good as we hoped."

We all applauded the final burst of energy that transcended the 196 "individualities"⁽¹⁾ presented at the negotiations to converge towards shared, joint positions. Be that as it

may, like the previous COP, the COP21 suffered from a "design fault": organising a round table between stakeholders with their own national concerns, in order to discuss issues that have no borders, inevitably leads to a stalemate. And the collective energy inspired in Paris could easily fade out if this national self-importance, national ego in some way, were to gain the upper hand. Political will is the key and the whole issue is this: are we capable of transcending all our individual national issues in the hope of working together to secure change?

covered this issue, either because of their fear of being submerged by rising sea levels or due to their difficulties in obtaining access to this resource. The issue of water will therefore be the core topic in the next COP, starting with COP22 in Morocco. On a more general note, with a world population that will reach 9.6 billion by 2050 and a 50% increase in our food supply needs, we need to re-imagine our economic models and our relationship with resources. If the 20th century was based on a linear economy, the 21st century will by nature, be circular and collaborative.



© SUEZ / Denis Felix

JLC - I am optimistic about the COP21 but with moderation. It's a big step forward and above all a great victory for French diplomacy. We managed to go a lot further than anyone could have imagined.

The decisive element was that 188 participants submitted their contributions and we were able to add up all the commitments and see that the sum would not enable us to achieve the targets set in Copenhagen in 2009: to keep the maximum temperature rise under 2° and allocate \$100 billion annually to finance technology transfers to the most underprivileged countries. Expressing this reality in concrete objectives enabled a wake-up call that made the agreement possible. Another aspect was of interest to me: for the first time, all stakeholders were represented: businesses, NGOs, city authorities all showed that they intended to play a decisive role in mitigating climate change.

In terms of future perspectives, two topics stood out and merit deeper examination: the price of carbon and the issue of water. The introduction of a carbon price is imperative. Some parties remain reluctant and the question of passing on the cost of externalities to the end consumer raises legitimate questions. Nonetheless, the initiatives taken by China and India are encouraging. On the matter of water, about two thirds of the contributions from participating countries

Mathieu Baudin, what is your view of the state of world resources?

MB - The scientists we work with all say the same thing: we are on the brink of reaching critical levels that leave us no other option but to be resilient.

This shared vision reveals that the issue of the future of resources is not a question of militantism or belief, but a justified response to a new reality. These critical levels, which we are forecast to reach between 2030 and 2045, have a major incidence on our way of thinking, as this time line means the consequences of our actions and our inactions will be felt within our own lifetimes.

So when faced with this, we could panic, or consider that it is a unique opportunity to reinvent everything from scratch. As a historian, I tend to share this view. There are very few periods in human history where we have been able to observe such profound changes in civilization, as they are actually occurring. For me, the last such period was probably the Renaissance era, but contemporary observers only understood afterwards that major changes had occurred. They considered the metamorphosis more in terms of individual intuition rather than coordinated cooperation. Today we are all connected with each other,



“ We are no longer water distributors or waste collectors, we are experts in the sustainable management of resources. ”

Jean-Louis Chaussade

so we can participate in this new renaissance in full conscience. The linear economies of the 19th and 20th centuries were based on carbon, physics and chemistry. They will have to give way to a circular economy, by nature more biological, made of rhizomes and encouraging greater cultural biodiversity. This is an unbe-

lievable paradigm shift. One world is dying off while another is shooting up. I consider that to face these shifts, we need to focus on exploring new lands, on building a positive future together.

JLC - To project ourselves into this positive future, we absolutely need to break the link between economic growth and the increasing consumption of raw materials. We cannot adjust the volumes of raw materials we consume to match economic growth. And the circular economy only goes part of the way to tackling this issue.

We need to shift to a sharing economy, which requires that we consume fewer raw materials. Carpooling solutions are designed to raise the occupancy rate of vehicles travelling regular routes. If we take this to the extreme, we can optimise the occupancy of vehicles by 2 or 3, thereby dividing the number of vehicles in circulation by the same amount. Consequently, the sharing economy forcibly results in savings in the use of materials.

Also, we need to question the materials that we consume. Worldwide, the annual production of industrial and household waste amounts to 4 billion tonnes, and is increasing every year. In Europe, plastic represents 60 million

tonnes of waste. Yet plastic remains under-recycled; it generates greenhouse gases during production and all too often ends up as pollution in our oceans. So much so that without firm action, in 2050 the amount of plastic in the oceans will equal that of fish. It is therefore imperative to adopt different ways of producing and consuming, and to shift to a model where the recovery and reuse of waste can produce a secondary raw material.

Only a well-managed, collaborative and functional circular economy will enable us to reconcile economic growth with the protection of our planet.

I am adjusting the orientations of the Group I lead towards these new activities. We are no longer water distributors or waste collectors, we are experts in the sustainable management of resources. We distribute high-quality water but we also protect water resources, propose solutions to save water and to produce alternative resources. This can be summed up as "how to do more with less."

If we do not pay sufficient attention to the water issue, the contradiction between the needs of agriculture, industry and human consumption will take us to breaking point. During eight months of the year, India consumes more water than its underground resources can deliver. The water tables are dropping, the population is increasing. Together, these two shifts are already testing our capacity to provide populations with food and water. The discussion points for the coming years should not focus on the intended destination, but on the routes we take to arrive there. Political powers have a real issue to tackle, because businesses are capable of adopting structural orientations, on the condition that the rules of the game are clear.

These issues mean that urgent daily requirements must be reconciled with medium and long-term perspectives. Are there tools that could enable us to anticipate the future?

MB - To answer this I'd like to quote Maurice Blondel, who said in the 1950's that the future could not be foreseen, but could be prepared for. Tomorrow is what we will make of it so all the tools and methods that we

could develop are only there to reinforce the imperative need to act in full conscience.

My generation has only known times of crisis. I'm a child of the "rough thirties" in sort. We understand that we need to create our own world here and now, because we have felt that it would be hard for us right from the start. The good news is that this new world is already here. The question is whether we know how to scale it up. In nature, we see evolution rather than revolution. In a forest, trees die and others take their place. In between, there is a phase when the "resource" that feeds these trees chooses to nourish young saplings rather than trying to artificially maintain the dying, ancient forest alive at any cost. In our case, whole swathes of our economy will die off. We need to accept this and redirect the vital growth energy to the budding shoots. Businesses and above all public powers need to take such action.

Multiple initiatives bear witness to these new dynamic forces, driven by those we call positive conspirators: men and women who are experts in their fields, working together to build new models.

I would also describe these transitional cities that are fully adopting the post-carbon society as positive conspirators. At the COP21, the Climate Summit for Local Leaders, they displayed their willingness to exert "positive pressure" on the talks. These city authorities clearly have a head start on their own governments. Their scope of intervention enables them to identify the destiny of the constituent players. It is clear that although the national scale has had its role and importance in history, today it seems squashed, both from above, with the need for worldwide governance, and from below, with the re-appropriation of the greatest good by the local level. In this respect, as you were speaking of water as a major issue for the future, I recently read a study that demonstrated that an appropriate level of governance, in touch with the reality of populations and resources, could well be on the scale of the single reservoir.

Beyond the question of time running out, is the issue also a geographic matter?

JLC – Today, the world is both more local and more global. And it is impossible to ignore this global aspect. For example, consider the French economy during the "Glorious Thirty" from 1945 to 1975, with its formidable engineers. But it was an economy that lived only for itself. We produced a sort of self-sufficiency for the French nation. Today, all ideas, patents and technologies flow around the world and compete with each other.

We need to take the best elements of this global scale of operating and find a genuine alliance between local and global dimensions. If we look at SUEZ, we can see that our activities are resolutely local. But the knowledge and experience that drive them are definitely global. One of our missions is to support all our employees in moving towards the conviction that sharing is a source of value creation. Our role is to "link local people", enabling them to exchange and share their expertise and experience, so they can progress faster, both individually and collectively. It is a deep-seated transformation in the mentality of a group such as SUEZ. We need to transition to a more ma-

trix-type and collaborative organisation in which each participant accepts to dialogue with their peers not only on financial questions but also and above all on technical questions, human resources, relations with partners, etc. If our geographical approach is on a local basis, the matrix of issues and solutions should be the same everywhere with specific levels of intensity. I might add that technology, know-how, developments by our own customers, all drive us to think and operate at these two levels.

“To face these shifts, we need to focus on exploring new lands, on building a positive future together.”

Mathieu Baudin



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“ If we look at SUEZ, we can see that our activities are resolutely local. But the knowledge and experience that drive them are definitely global. ”

Jean-Louis Chaussade



© SUEZ / Denis Félix

that the next generation will live very differently. It is this “very differently” that we need to organise, so that it is a positive outcome.

MB - Alongside the extraordinary possibilities offered by modernity, our generation must rediscover a certain number of home truths. The Glorious Thirty have been and gone and will remain an exception. The way of life of that era will no longer exist. Artificial intelligence will oblige us to

rethink our relationship with machines, with employment, with wealth, while bringing us back to what we were before, i.e. being responsible for our own lives. Which is what other populations have lived throughout time. So it is in effect a re-discovery, but with the power of digital technology, which is a disruption as far-reaching as the invention of printing.

In terms of resources, what examples already in place allow us to look towards fresh perspectives?

MB - In effect, geography is a core factor in our metamorphosis. To use my Renaissance analogy again, it was also a time of geographical shifts. It was a time of discovery of new territories through the expansion of empires, giving rise to the notion of infinite resources. Today, we are experiencing the opposite shift. Materially, we fear the finite nature of the Earth ever since the first photograph of the planet was taken from the moon, the “Earth rise” showing us the entirety of our biosphere. The final chapter to the finite nature of the planet was the creation of Internet, which now connects all of us to each other. We have finally understood that the Earth is finite and that we are all interconnected. It is a fantastic feeling to perceive this overview, which used only to be

enjoyed by a few astronauts, who even had “Earth sickness” when coming back home. In the same way, since we feel connected from Paris to Rio, from New York to Bangalore or from Jakarta to Sydney, we have developed a different perception of the world. This new perception is transforming us and transforming the world we live in. It is the overview effect of our times.

JLC - I fully agree with this view. The fear of a finite world with limited resources causes a deep transformation in our societies and our aspirations. There is a challenge that we must face: for over a century the underlying idea has been that the next generation would have a better life than the previous one. Today we must realise

JLC - Our business activities are undergoing profound changes. For example, in water we are active in preventing violent rainwater incidents, smart technologies, real-time network management, reuse of residual water for agriculture, new technologies to produce drinking water from seawater. These systems represent robust technological progress with positive impacts for current and future generations.

On the question of alternative resources, we know that secondary resources consume less energy and should be given priority. Except that when conventional energy, especially carbon-based like oil, drops to its current price levels, alternative schemes are in peril if we don't take the necessary measures to support them. We need to create the right conditions for

these sectors to develop strongly. I am shocked to see that the energy transition law in France or the work of the European Commission on the circular economy package continue to cover the issue of the supply of secondary raw materials, but never to stimulate the demand for them. They consider that the market will stimulate this demand itself. But the market does not control demand, it orients demand to the cheapest option. So without strong political choices, nothing will be possible. And I don't think that these choices can be made by individual countries, but rather within large economic areas such as Europe. From this standpoint we are not moving fast enough even though we know we are heading towards the unknown situation of a climate emergency.

MB – Indeed, and to refer back to the predictive scenarios that speak of 2030, we should remember that since July 1st 2015 we are nearer to 2030 than to the year 2000.

Jean-Louis Chaussade, you manage a business that was established 150 years ago. What influence does this heritage have on the decisions you take concerning day-to-day operations and for the future?

JLC - We are immensely proud of our rich company history. The Suez Canal is an exceptional construction which has brought East and West much closer together. It is a human, industrial and financial adventure that inspires and guides us. But our past also includes our support for the industrial and hygienic revolutions, our contribution to the development of societies that we know today, our part in building better public health, our assistance in the development of regions and industries...

Our ability to evolve positively over these 150 years leads us to believe that we will be capable of doing so with the same level of success in the coming years.

But saying it is one thing, achieving it is another. This is why we have reorganised our activities with a view to managing and reusing resources in a wider sense. Our ambition is to

secure a leadership position in this new resource-based economy, which will be inherently circular.

Mathieu Baudin, you are both a historian and a prospectivist. In your analysis, how does the relationship between past and future work?

MB – Historian and prospectivist are the same job, but they don't look in the same direction. The two disciplines are useful to shed light on the present. Prospective foresight is an educational pretext to speak about here and now while looking forward to what could happen tomorrow. Because a major issue is to make the future inspiring, to tell positive stories about tomorrow so that individuals can project themselves in a good future. We need to showcase the positive initiatives that exist by projecting their expansion to a global scale. We need to propose an augmented reality of the best-case scenario. And in this future, I am convinced that there are places for Elon Musk, the visionary entrepreneur who wants to settle on Mars, as well as for Pierre Rabhi, philosopher and agricultural ecologist, who encourages us to rediscover the Earth in full conscience.

JLC - This optimistic attitude is essential and it opens pathways. A positive future will be a mix of optimism and realism. When you manage a large company like SUEZ, you need to ensure short-term efficiency while deploying the strategies that will enable the business to continue to secure success 10 to 15 years in the future. This combination is probably one of the most difficult to get right in this transformation phase. But it is also a source of new opportunities and we need to take up the challenge with strong enthusiasm.

(1) : 195 countries and the European Union

ABOUT MATHIEU BAUDIN

Mathieu Baudin is the founder and Director of the Institute For Desirable Futures (IDF). It is a Think and Do Tank whose mission is to freely disseminate new knowledge, in order to rehabilitate the long-term in present decisions and to inspire public debate about desirable futures. Assisted by a hundred or so experts, practitioners and artists, the Institute organises and facilitates intellectual explorations (Lab Sessions) where participants come to "explore the limits of what we know to overcome them", use tools to handle complexity to secure better awareness and project themselves into the future in order to anticipate it more effectively. The aim is to "Co-build desirable future scenarios to make the future a better place."

THE NEW FACES OF INNOVATION

SUEZ is transforming its activities and integrating new perspectives in order to meet the challenge of the resource revolution.

With a singular mission: to innovate.

Open-source and collaborative, big and open data, digital technology, social, frugal, etc.

A brief tour of the new forms of innovation adopted by the Group, where open-mindedness, dialogue and co-construction have been part of its DNA since the beginning.



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“OPEN” AND “COLLABORATIVE”

SUEZ is intensifying its “open innovation” programmes with start-ups, universities, outside research centres, industrial operators and local authorities in a spirit of collaboration and partnership, in order to enrich and speed up its innovation process. The Group is multiplying its initiatives in this respect, with some notable examples: along with 52 other French companies, SUEZ joined the “Alliance pour l'Innovation Ouverte”, an open innovation alliance initiated by the French government to encourage cooperation between large companies and small start-ups.



© Alliance pour l'innovation ouverte - 2015

Signed in December 2015 at the Forum for Open Innovation, the alliance agreement creates a community of stakeholders committed to promoting open innovation with the aim of sharing and disseminating best practices. Other initiatives include the signature of a research agreement with the Saint-Étienne City of Design organisation to integrate design factors in the development of digital services, or the creation of collaborative platforms like open_resource (see insert) or Future of Waste. The latter, created by SUEZ in association with MakeSense, enables its members, whether private citizens, artists, innovators, public bodies or private businesses, to work jointly on projects to share and disseminate innovative local solutions and work together towards better resource management. Through the exchange of ideas and know-how, calls for collaborative projects and the organisation of events, every part can contribute to forming a more circular economy that is more virtuous for

society and the environment. Lastly, this year SUEZ is celebrating the fifth anniversary of the creation of SUEZ Ventures, its investment fund dedicated to innovation - with a budget allocation of €50 million over ten years. In particular, the Fund helps finance Cogebio, a Lyon-based fledgling which developed a biomass recovery solution using gasification, or Intent Technologies, another young company which developed software for construction sector businesses, enabling them for example, to view real-time equipment operating data for a group of buildings and to receive alerts in the event of abnormal energy consumption.

“BIG DATA”

Encouraging behaviours to change, raising city-dweller awareness to air quality issues, enabling them to track their water consumption in real time and control it more effectively, making cities a better place to live by improving revegetation and waste management, are just a few urban solutions that can be developed using better data, which is one of the SUEZ Group's areas of expertise. To implement such solutions, the Group is working hand in hand with emerging companies, to which it offers access to its Data resources.

To this end, what better than to support initiatives like the Water Data Challenges - a call for projects issued by Imagine H2O, an organisation promoting promising entrepreneurs and encouraging the preservation of water resources - the purpose of which is to bring to the forefront new solutions using these data to rise to the global water challenge. For its seventh edition this year, 90 start-up companies from around the world took part. Further initiative: DataCity, a call for projects also supported by SUEZ and organised by the business incubator Numa alongside the Paris city authorities. It aims to test new urban solutions using data to resolve the challenges of the modern city. Until 31 January 2016, start-ups, SMEs, associations, students and freelancers were invited to submit

their ideas. The winners were given the opportunity to test their projects in real-life conditions in the city of Paris.

“ Big Data offers us opportunities that we never had before. For example, water consumption can be managed on a day-to-day basis, as can the leaks in a city water supply network. There is a legion of applications that can make use of Big Data. It offers the capacity to work and analyse data in real-time, so we are able to respond and intervene immediately. This illustrates the importance of innovation in major transformation processes. Without innovation, organisations could not imagine the solutions needed to deal with new realities. Through innovation, we are entering an era of prevention. We need to move away from the curative approach. ”

Jean-Louis Chaussade,
Chief Executive Officer of SUEZ
Interview in the French newspaper
Les Échos, 27 November 2015



Smart City Charging Station in Spain

“DIGITAL”

Using a community of in-house experts remains an efficient lever for the Group, especially when it involves digital innovation. The proof is provided by Smart City Charging Station, a digital innovation developed by SUEZ through cooperation between Group experts and researchers around the world. The principle is an interactive terminal enabling city-dwellers to charge their mobile phones and tablets, a free wireless Internet connection and a visual presentation to encourage the reasonable use of resources. The bonus is that it is totally powered by renewable energies (kinetic energy of water or photovoltaic)!

“SOCIAL”

According to the French government's council for social responsibility, the “Conseil supérieur de l'économie sociale et solidaire”, social innovation “consists in developing new answers to new social needs or those which are insufficiently met in the current conditions of the market and social policies, by securing the participation

and cooperation of stakeholders, in particular users and operators”[...]. In the Moroccan city of Meknès, SUEZ has used this model to build a controlled landfill centre using proven technical solutions to ensure more efficient energy-from-waste, material and organic recovery. But beyond just technical innovations, this solution also offers a social dimension through the integration of previously “informal” waste collectors, who today form a cooperative of 150 people working in fully safe conditions.

“FRUGAL”

Made popular by Navi Radjou, the theoretician behind frugal innovation (and contributor to our 2014 annual report), this new approach tables the idea that living with less does not represent a sacrifice, but on the contrary can be a source of innovation and even of a better quality of life. This concept of “doing more with less” is widely shared by SUEZ, as we work on transiting from a linear economy to a circular economy.

“Ten years ago, I realised that we needed to radically reinvent our ways of securing innovation. Instead of seeking to “do more with more”, we needed to learn to “do more with less.” My personal experience has taught me that this approach to innovation using resources as efficiently as possible already exists in the South, where doing more with less is a normal way of life. [...] I discovered that companies and entrepreneurs in developing countries share the same state of mind: instead of considering limited resources as an obstacle, they managed to overcome adversity and found a way of generating more economic and social value for the community by doing more with less.”

Navi Radjou

speaking at the Resource Revolution Tour organised by SUEZ, 12 March 2015.

- FOCUS -

open_resource by SUEZ:

fostering open innovation and collaboration on a global scale

Convinced that innovation, collaboration between stakeholders and collective intelligence are the drivers of transformation, SUEZ created open_resource, a worldwide programme dedicated to open innovation, collaboration, the sharing of new ideas and solutions.

Its ambition is to engage and foster dialogue and cooperation between all participants in the resource revolution, at whatever scale they may be.

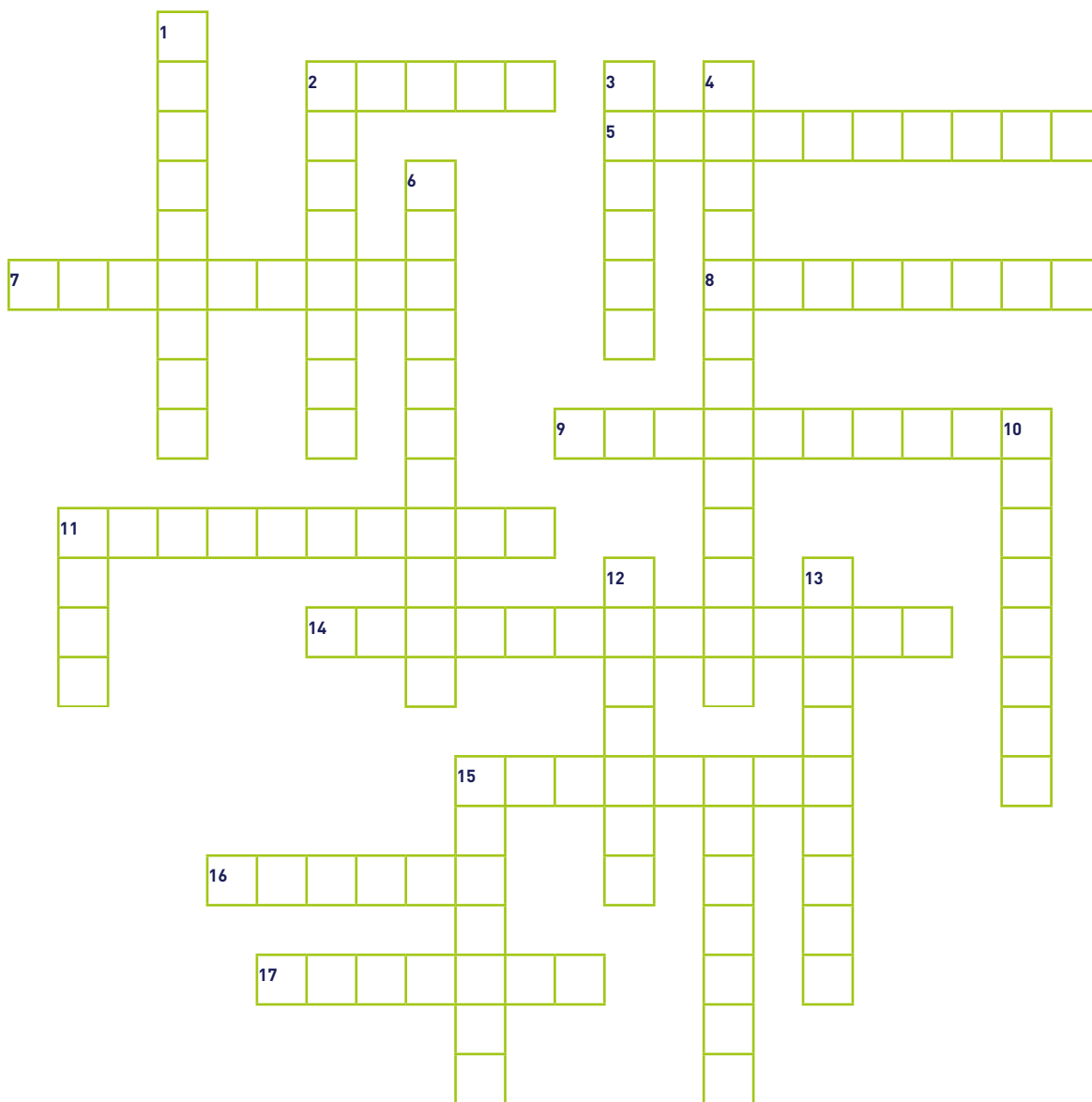
This initiative perfectly embodies the vision of SUEZ regarding the resource revolution, which will be "circular", "concrete" and "collaborative." open_resource aims to establish a wide and active community and to enable its members to form new projects together.

The first phase of this vast programme started with the launch of open_resource magazine, a half-yearly publication that aims to relay around the world the best ideas and innovative solutions from those who contribute to imagining the future of resources.

Very soon over 600 SUEZ experts will be invited to share their know-how with the community. Links with start-ups will be facilitated, as will research partnerships with universities or the co-construction of new solutions with local authorities and industrials.



THE RESOURCE CROSSWORDS



HORIZONTAL

2. One of the strategic priorities for improving water and waste management services
5. At SUEZ, it can be open, technologic, collaborative or industrial
7. At SUEZ, they are 82,536
8. Associated to recycling, it gives waste a second life
9. It's SUEZ's job to treat it in its plants
11. Converted biogas that is, for example, injected in Strasbourg's natural gas network
14. One of the three pillars of the resource revolution according to SUEZ
15. An economic model that aims at regenerating resources that are essential to life and the future
16. SUEZ signed a contract with this pharmaceutical company for the optimisation of the economic and environmental performance of its manufacturing sites
17. Indigenous minority in Bangladesh who benefits from the "Aloghar" project, funded by the SUEZ Initiatives Fund

VERTICAL

1. The process of converting waste materials into reusable objects
2. One of SUEZ Ventures' investments in 2015
3. A renewable source of energy offering Mascate the opportunity to reduce its greenhouse gas emissions
4. One of SUEZ's four strategic priorities
6. A development that meets the needs of the present without compromising the ability of future generations to meet their own needs
10. Its revolution is our challenge
11. The most common colour associated with water
12. COP22's hosting country
13. A lever of performance for the Group's HR policy
15. Its change was the topic of the COP21

half of river pollution is caused by rainwater. we can channel it.

are you ready?



With **Influx** technology, SUEZ enables cities to prepare for periods of heavy rainfall by permanently monitoring weather conditions.

Rainwater storage capacities can be adapted in real time to prevent overflow, which is a source of pollution and flooding.

Once the rainwater is collected, it is treated and can be reused for watering parks and gardens.

Find us on ready-for-the-resource-revolution.com/en



ready for the resource revolution

ready for the resource revolution



**82,000 employees worldwide are committed
to smart and sustainable resource management.**

In 2015, all the Group commercial brands became one.
On five continents, SUEZ supports towns and industries in the circular economy to
maintain, optimise and secure the resources essential for our future.

suez.com

A GLOBAL LEADER
IN SUSTAINABLE MANAGEMENT OF RESOURCES
IN THE ERA OF CIRCULAR ECONOMY

1,130
drinking water
production sites

5.2
billion m³
of drinking water produced

2,310
waste water
treatment sites

4.3
billion m³ of wastewater
treated biologically

34
million people
benefiting from waste
collection services

790
material sorting,
recovery and
transfer stations

16.3
million tonnes
of waste recovered

7
million tonnes of waste
recovered into energy

5,855 GWh
of electrical and thermal
energy generated

400,000
industrial and business
customers

82,536
employees

70
countries

€15.1
billion revenue

82,536 EMPLOYEES COMMITTED TO THE RESOURCE REVOLUTION, SERVING CITIES AND INDUSTRIES

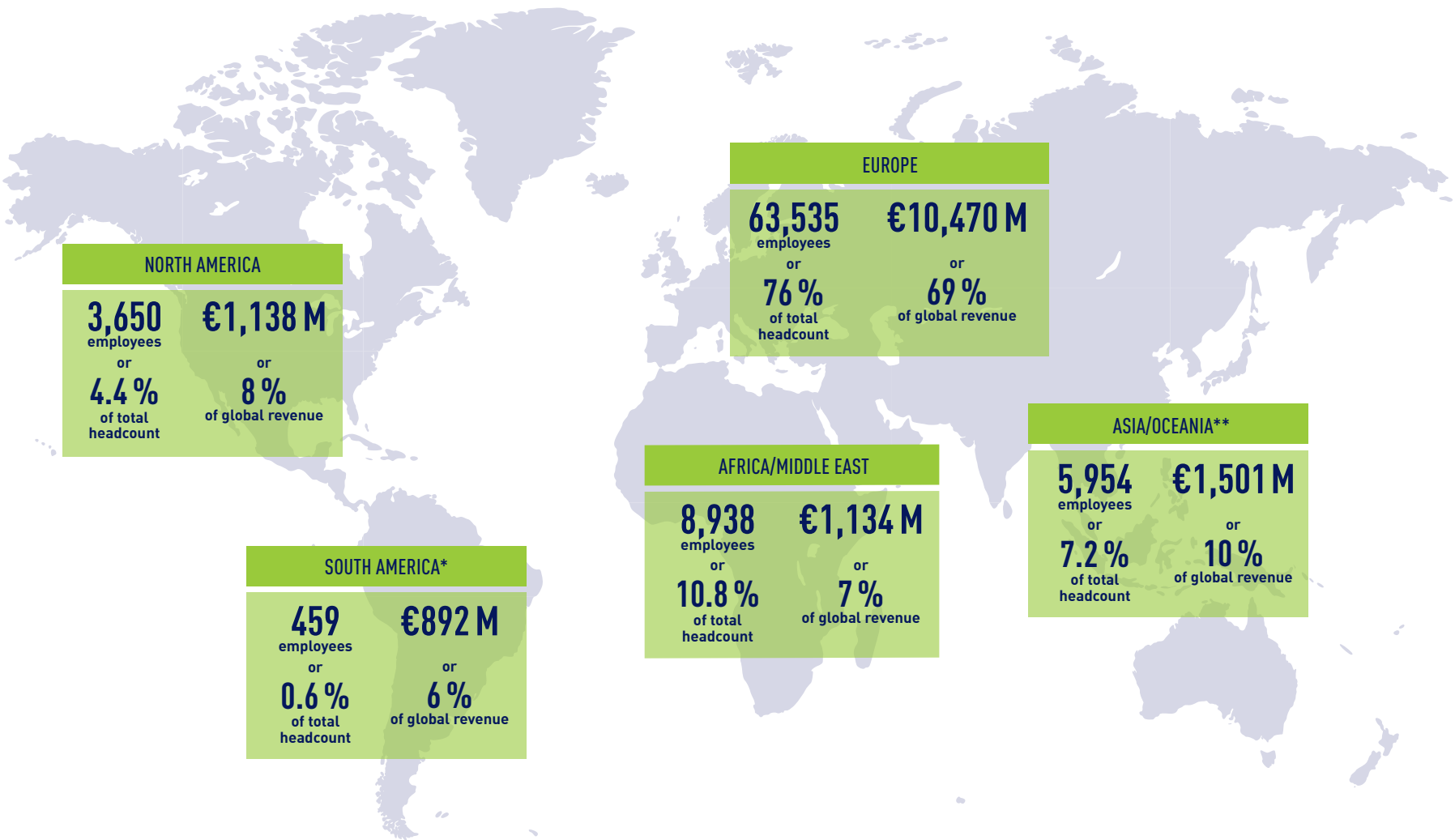
SMART, SUSTAINABLE MANAGEMENT OF THE WATER CYCLE,
SMART WATER SOLUTIONS

RECYCLING AND RECOVERY OF WASTE AS NEW RESOURCES,
SECONDARY RAW MATERIALS AND ENERGY

ENGINEERING, DESIGN AND CONSTRUCTION OF TREATMENT INFRASTRUCTURES

ATTRACTIVENESS OF CITIES: INNOVATIVE SOLUTIONS FOR THE “RESOURCEFUL CITY”

ON FIVE CONTINENTS



* Aguas Andinas' employees are not included in this figure
** Chinese joint-ventures' employees are not included in this figure