

# Ethics in practical guide commercial relations

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Ethical values have always been at the core of SUEZ's strategy and development.

This guide of ethics in commercial relations has been drawn up for the purposes of reasserting our values and guiding employees in their practical implementation. It forms part of the existing referential and details, for the whole range of commercial relations, the ethics principles of the Group.

It is crucial that all employees fully comply with these rules. Its ethics values are at the core of SUEZ's winning spirit, and compliance therewith is necessary in order to achieve our ambition to become the global leader in environmental services. These values are a condition for the pride that we each feel as part of the Group.

It is crucial that all employees fully respect these rules. The ethical values of SUEZ and compliance therewith are necessary in order to achieve our ambition of developing in changing business sectors and are fully in line with our growing social, societal and environmental responsibilities.

I expect each of you to refer to this document and to ensure that it is complied with, thereby affirming SUEZ's ethical commitment, in order to contribute together to the success of our Group.

Sabrina Soussan  
Managing Director

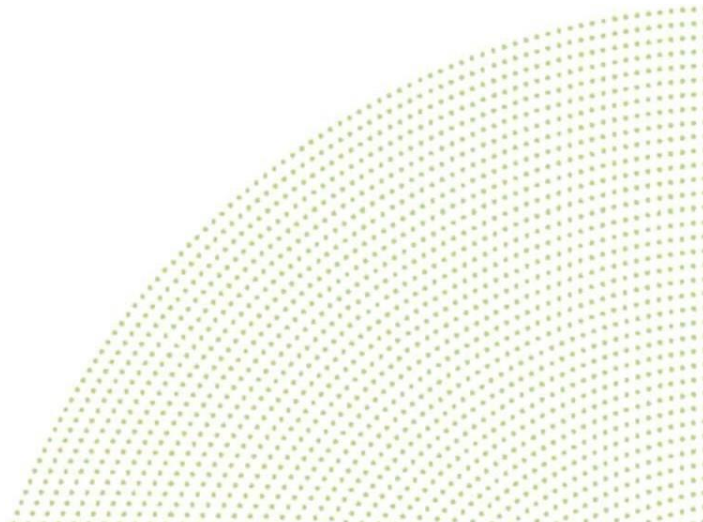


# Introduction

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This practical guide “Ethics in Commercial Relations” sets out SUEZ’s ethical rules governing commercial relations, in accordance with the fundamental principles of the Group’s Ethics Charter. It complements the guide “Ethics in Practice” and the other Group documents, providing employees with guidance on their commercial relations.

This practical guide forms part of SUEZ’s commitment to raise ethical standards in business relations and guide employees’ behavior in their day-to-day interactions with the various stakeholders in commercial relations.



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This document sets out guidelines, to which the employees of the Group must refer.

As this guide cannot comprehensively address all situations employees of the Group may face, you should consult your management, your entity's Ethics Officer and your legal department if you have any questions or doubts.

The contact details of your entity's Ethics Officer are available on your entity's intranet or may be requested from: [ethics@suez.com](mailto:ethics@suez.com)

The Group's Ethics Officer may also be contacted directly at the following address: [ethics@suez.com](mailto:ethics@suez.com)

# Scope of application

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## This practical guide applies to all SUEZ entities

The rules detailed in this guide are to be complied with by all employees in their commercial dealings with customers, consumer organizations, private and public authorities, partners, competitors, subcontractors and goods or services providers

## Principal of subsidiarity

Managers are primarily responsible for adapting these rules to their local regulations and context, and for ensuring that they are made known to, and understood by, all employees under their responsibility.

They must also provide guidance and encourage their employees to discuss their ethical concerns and questions regarding the application of the rules. They should not hesitate to inform their line manager or the entity's Ethics Officer of any difficulties encountered in applying this policy.

Ultimately, it is up to managers to verify that their employees correctly follow the rules they are required to apply.

However, it is primarily through the example of their own behavior that managers communicate the message of ethical practice and the meaning of compliance to their employees.

Everyone, regardless of their position, is responsible for their own behavior and for the consequences of their decisions. If an employee commits an unethical act, depending on the circumstances, he or she may be liable for disciplinary, administrative, and perhaps, even legal civil or criminal sanctions. In the case of an unethical instruction, both the person carrying it out and the person giving it are at fault. Anyone pressurized to act against the principles of the Group should speak about it to someone who can give them guidance.

All employees of the Group must act in accordance with the ethical values of the Group, and in particular with the rules set out in this guide.

They should also promote such rules externally and ensure that the Group works with third parties who undertake to comply therewith.

## How to seek advice or report ethical incidents

Due to the complexity and diversity of situations, and the necessity to discourage all unethical behavior, employees are encouraged to discuss these issues with their management line, other managers with skills relevant to the issue (human resources, legal, etc.), a personnel representative, if legally permitted, and, of course, the Ethics Officer of their entity or the Group's Ethics Officer. Such discussions will remain strictly confidential. Furthermore, anyone who in good faith expresses concerns in relation to ethical matters or compliance will not be exposed to any sanction as a consequence of their initiative

Employees should also report any situation to managers or their entity's Ethics Officer of which they become aware and which could constitute a violation of the ethical rules set out in this guide.

For further details concerning the role of Ethics Officers, please refer to the Group's Ethics Charter and the guide "Ethics in Practice"

Employees should seek advice on the practical application of the rules set out in this guide.

# Anti-corruption rules

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## The Group has a zero tolerance policy on corruption.

Acts of corruption are illegal and unethical. They are contrary to the Group's ethical values and would seriously damage the reputation of the Group. They would jeopardize all the Group's business in both the public and private sectors.

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The definition of corruption covers all commercial relations and such acts are prohibited in all relations with customers and their technical advisors, as well as with competitors, partners, suppliers and sub-contractors.

Corruption can be defined as the conduct of a person who solicits or accepts a gift or, more generally, a favor, in order to obtain or retain business or any other undue advantage in national or international activities:

- Corruption can be direct or indirect (i.e. through intermediaries or to the benefit of a third party);
- Corruption can be active (to offer, promise or solicit an advantage) or passive (to receive an advantage);
- Corruption can materialize through gifts or any other advantages, whether financial or not (services or other benefits in kind, such as hiring a relative) and irrespective of their value;
- Corruption can be towards a public official, elected official or person holding political responsibilities, or a private party;
- Corruption can be sanctioned even if it is committed in a foreign country.

Any doubts or questions as to which acts may constitute corruption should be raised with your management, your legal department or the Ethics Officer of your entity.

In the context of a bidding process for a government entity, a public agent tells me that it would be better if we subcontracted part of the services to a specific company. After making some enquiries, I find out that this company is managed by a friend of his.

Can I accept his proposal ?

Public agents cannot impose a designated subcontractor with which they have close ties, for the awarding of a contract.

You have to refuse since this is a form of indirect corruption, and you must inform your management and legal department.

We are in the middle of a bidding process and I know that the daughter of a director of the company that launched the bid is looking for an internship. It seems that if we hire her as a trainee, we will have a better chance of being awarded the contract.

Should I do it ?

You cannot hire a potential customer's employee or director's relative or friend, in order to increase the chances of being awarded a contract. It is active corruption, even if it is not a financial, tangible and direct advantage

I am working on a deal in a foreign country. A public official recommends that I hire a local "consultant" whom he knows, who will help speed up the process for getting all the permits we need from the local authorities.

Can we accept to hire and pay this consultant ?

This type of recommendation is suspicious; hiring a specific consultant designated by a public official would probably amount to a prohibited facilitation payment.

You must inform your management and your legal department.

In any event, you must comply with the Commercial or Institutional Consultant Procedure.

# Gifts policy

Gifts, invitations, entertainment or other advantages may help strengthen commercial relations with clients or suppliers. However, these practices may in some cases be seen as an unfair advantage and amount to an ethical breach and/ or corruption.

Definition of acceptable and non-acceptable gifts:

- Giving and/ or receiving gifts or advantages are permitted under certain conditions;
- These practices must strictly comply with all laws applying to the Group (including foreign laws which apply to acts committed outside their territory). They must also comply with the Group's ethical principles. Special attention must be paid to rules applying to public officials.

A gift can be accepted if the following three conditions are met:

- The timing of the gift: giving or receiving gifts at certain times of the year, such as annual public holidays, can be a tradition; however gifts should never be given or received just before a decision is to be made (for awarding a contract, for example);
- The value of the gift and the frequency: these must be reasonable and assessed in accordance with the local laws and the local cost of living in order to ensure that the decision-making process remains neutral for each party in the business relationship;
- The intention of the different parties: no one should ask for a gift and no one should give a gift with a view to influencing the behavior of others. The gift must never affect impartial decision-making. It must be given or received in good faith.

The Group's governing principles:

- Gifts must remain strictly exceptional in their frequency and limited in their value;
- Gifts must not be given or received by third parties such as relatives or friends;
- Each entity must set rules for gifts offered or received by employees. These rules must set out a maximum amount (or different limits for different geographic areas) for such gifts, together with a managerial approval procedure for any exceptional gifts above this threshold. These rules shall be subject to the Group Ethic Officer's prior approval;
- Any travel invitation given or received in a professional context must be subject to prior approval from management and from the Ethics Officer of your entity;
- The management of each Group entity must implement a process of traceability. Either an annual report or a register of gifts exceeding the thresholds set out locally as described above shall be kept. Any such gifts must also be reported by Ethics Officers in their annual ethics report.

Management must exercise special caution in this respect.

Employees must act with honesty, independence, good faith, prudence and transparency.



# Technical trips

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Due to the nature of the Group's activities, it may be useful, for commercial purposes, to organize technical trips with potential customers. Employees of the Group may also be invited to such trips by suppliers or sub-contractors.

However, such trips may only be undertaken if they comply with the following criteria:

- They must conform to the principles set out above;
- They are of a purely professional nature and only the professionals involved participate in the trip;
- They are organized at the nearest location with the relevant technology (site, trade fair, etc.);
- Expenses involved are reasonable and justified, and only relate to professional activities.

## Remember

These rules apply to relations with public local or foreign authorities as well as with private parties.

Your management must be consulted. It is a good idea to keep written track of the decisions made, especially those which required in-depth discussions between several parties.

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We've just signed an important deal

Can I invite the customer out to a restaurant ?

The deal is signed. You can invite the customer, but remember that the bill must remain within the thresholds set for your entity.

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Around New Year time, I receive an expensive gift from a customer.

Can I accept it ?

For certain annual public holidays, it is a tradition to offer and receive gifts. But these gifts must not be too expensive (within the thresholds set for your entity). If this is not the case, you must decline the gift. If you think this would harm the business relationship, seek advice from your management to find a solution

# Patronage and sponsorship

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Corporate patronage and partnership initiatives are permitted under Group policy. They reflect a civic-minded and socially responsible approach.

They also show the will of the Group to promote and protect human rights at its level. The Group should act as a corporate citizen and encourage initiatives related to the community, culture, the environment and biodiversity.

The following governing principles of the Group must be respected:

- The selected initiatives must be in strict compliance with local legislation and be consistent with the Group's purpose and Ethics Charter;
- It is Group policy to refrain from any funding of political activities;
- The sponsorship, patronage and partnership procedure of the Group, or your BU if relevant, must be followed prior to signing any agreements of this type.



# Relations with customers

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SUEZ entities must uphold and promote integrity in business relationships with customers.

They must act in accordance with the Group's ethical standards, comply with all applicable laws, especially in relation to competition and human rights.

They must act with transparency and integrity. The Group must provide the quality of services expected, keep its commitments and provide accurate and complete information, for long-lasting relationships.

## Remember

When an entity of the Group decides to engage commercial or institutional consultants, the corresponding Group procedure must be applied.

# Undue advantages & restraint of competition

Suez employees must refrain from any act aiming at obtaining any advantage or privilege constituting a restraint to fair competition, such as exchanging sensitive commercial information with competitors or creating a cartel for public or private calls for tender.

Advantages can be considered undue irrespective of:

- The type of procurement (public or private);
- The timing of the advantage: it can be granted well ahead of the moment when its benefit materializes;
- The personal benefit (or absence thereof) for the person granting an advantage: such behavior is distinct from, and not necessarily related to, acts of corruption;
- The form the advantage takes.

If you have any doubts or if you are facing an issue which seems unclear, contact your manager or the Ethics Officer of your entity and the Group's legal department in charge of competition.

No entity of the Group can benefit from illegal advantages, such as restrictions to free access to market and equality between competitors forbidden by applicable laws.

All employees must inform their managers of any situations where any entity of the Group has been made an offer of undue advantages.

A local elected official tells me that his city will be issuing a call for tenders for a project in which the Group is likely to be interested. He proposes giving me the instructions to bidders before they are officially made public, so that we can comment on them and the city can adapt them to our advantage before they are publicly issued. I have not solicited such a favor nor promised any advantage in return to this official.

Can I accept his proposal?

Such a proposal is illegal and would unduly favor the Group over competitors. As such, it must not be accepted. In any event, you must report it to your management, your legal department and the Ethics Officer of your entity.

In addition, it would of course be contrary to the Group's ethics to suggest that a client:

- Includes an unjustified technical requirement in a call for tenders, which would be so specific that it would automatically and illegally favor the Group over competitors;
- Unduly uses exceptions to the rules of public procurement (such as artificially splitting a project into different small contracts, invoking an emergency or the specific nature of technology, using an "amendment" to an existing contract for a much larger project) for the sole purpose of excluding competition and favoring the Group.

# Conflicts of interest

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A conflict of interest is a situation in which the judgment of a person who is acting in a professional capacity may be influenced by a secondary interest, distinct from that of the company. This is the case when an employee finds themselves in a situation where they might make a decision not on the grounds of the company's interests, but rather on the grounds of personal interests, or those of a relative or friend.

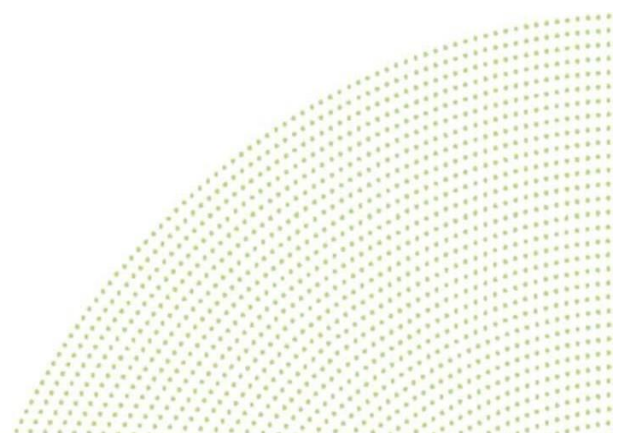
This is particularly sensitive if you, or someone close to you, have interests in a company or entity that is a customer, competitor or supplier of the company.

It also applies if you are engaged in a professional or voluntary activity outside the company.

All Group employees are obliged to avoid all situations where their interests could conflict with those of the Group or of any of its entities. Even the appearance of a conflict of interests can be negative for the Group.

## Remember

You must report any conflicts of interest you may encounter to your manager)



Employees of the SUEZ Group who hold elective public offices (in countries where this is allowed), and in particular local elective offices in areas or cities where the Group has signed contracts, should also pay special attention to conflicts of interests. They must exercise their elective responsibilities in a strictly personal capacity and cannot, in this context, represent or defend the interests of the Group or of any of its activities.

As a consequence, employees of the Group holding elective public offices must not participate in any discussions or any votes as to the award of any contract pertaining to an activity of the Group or as to any decision relating to such a contract (and should ensure that their non-participation is explicitly set out in the corresponding minutes and decisions).

If you have any doubts as to which situations can create a conflict of interests, you should consult your entity's Ethics Officer and your management.

More generally, employees of the Group are recommended not to accept elective responsibilities connected to the activities of the Group.

#### Reminder

If any of your relatives or friends holds an elective office, or more generally has responsibilities, in a public entity that is a potential customer for the Group, you should inform your management and your entity's Ethics Officer in order to take appropriate precautions to avoid any conflict of interest.



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In addition to working for the Group in the waste business, I'm a city council member in the town where I live. A call for tenders has been launched for the municipal water supply.

Can I be a member of the preparation and/or decision committee ?

If you are a local elected officer, you must turn down any participation in such committees when they relate to any tenders connected to any of the activities of the Group

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During my spare time, I am an active member of a consumer association.

Can this occupation lead to a conflict of interests ?

If you have any doubts in this respect, you should refer to your management and your entity's Ethics Officer.

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My entity is set to enter into negotiations with an industrial client. A relative of mine holds a management position in this company, with decision-making power over the project.

What should I do ?

Even if you are not directly involved in these negotiations, you should notify your management and your entity's Ethics Officer so that relevant measures can be taken in the light of the situation.



# Relations with competitors

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**In the context of their activities, entities of the Group may be in contact with competitors.**

The Group's employees must act in strict compliance with the ethical principles of the Group and with competition laws.

As a consequence, employees must consult the Group's legal department in charge of competition for details of applicable regulations, which cover a wide range of behaviors and practices.

Whether in the context of public procurement or private markets, Group entities must not engage in any practices which in any way contravene the legal principles of competition. The Group rejects all anti-competitive practices, as defined in national regulations.

Employees of the Group must also protect the confidentiality of sensitive information, namely the Group's financial and/ or commercial and/ or R&D and/ or marketing... information and information lawfully exchanged with competitors when specific circumstances allow it, such as the "Clean Team Agreement".

## Remember

Competition regulation prohibits any agreements or practices between competitors, notably during bid preparation and submission, amounting to:

- Joint price or margin fixing;
- Market sharing;
- Unfair exclusion of competitors;
- The exchange of commercially sensitive information;
- The submission of false competing tenders.

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A partnership is being considered with a competitor for a number of specific projects, too large for the Group to carry them out without a partner.

Would such a partnership contravene competition rules ?

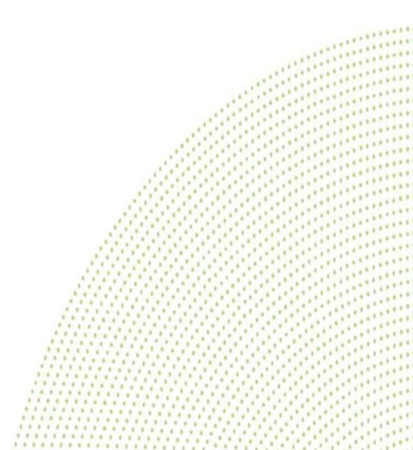
Associating with a competitor is possible subject to compliance with a number of legal rules. It depends on the context, the characteristics of the project and the terms of the discussion. Any exchanges of commercially sensitive information must be carefully managed. You must immediately contact the legal department of your entity and the Group's competition law department.

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A competitor calls me because he wants to know whether the Group intends to submit offers for certain projects and is ready to tell me which projects his company is interested in. He does not ask any details regarding prices or technical solutions.

What should I do ?

Exchanging sensitive information with competitors as to future tenders is illegal, in cases where such information is likely to have an influence on competitors' offers. You must report this request to your management and the legal department of your entity, as well as to the Group's competition law department. In all cases, Group employees must protect the confidentiality of sensitive information relating to the Group's activities.



# Cover bidding

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Cover bidding is a form of bid rigging, which gives the appearance of genuine competition.

It occurs when a company agrees, in the context of a call for tenders and in order to favor a competitor, to submit a bid containing terms (notably the price) which are knowingly not as good as the said competitor's offer or which will not be accepted by the customer.

Such practice cannot be tolerated by the Group as it is a clear violation of its ethical principles.

A competitor is interested in a project and fears that they are going to be the only company submitting a bid. The Group does not intend to submit a bid for the project. They ask us whether we can nonetheless submit a bid, for example at an excessive price, to ensure the customer does not consider the call for tenders unsuccessful.

What should we do?

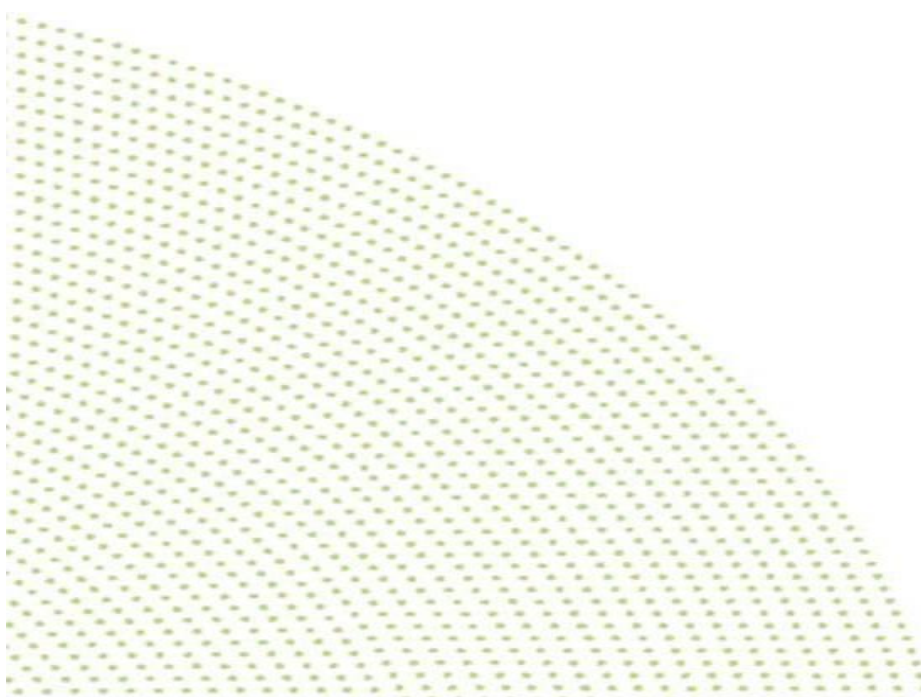
Submitting such an offer would amount to cover bidding and is therefore strictly illegal and could be sanctioned by competition authorities. Such a practice could lead to convictions and sanctions for the Group even if the Group receives no financial or other compensation in this respect. You must report this request to your management and the legal department of your entity, as well as to the Group's competition law department.

# Relations with partners

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Group employees must act in accordance with the Group's ethical principles when dealing with partners and ensure that both current and potential partners also abide by these principles.

As a consequence, partners must be chosen on a strictly impartial basis, on account of their professionalism and competitiveness, and of their values, with a view to building a relationship of trust.



# Consortia, joint ventures and other partnerships

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The creation of a consortium or a joint venture (incorporated or not) or, more generally, the setting up of partnerships are a common feature of the activities of the Group.

The purpose of such partnerships, the selection of relevant partners, the scope and terms of the partnerships and their actual functioning must be consistent with the ethical values of the Group and comply with all applicable laws, including competition and merger law. They must also be technically and economically justified. In such a situation, do not hesitate to contact your legal department or the Legal Competition Department at the corporate level.

My entity is operating a facility in consortium with another company. Although we apply the strict health and safety rules of the Group, I've become aware that our partner does not abide by the same standards for its employees and that there are safety issues on site.

Should I report this concern ?

You must immediately inform your management, the contract manager and your entity's Ethics Officer so that appropriate measures and remedies to this unacceptable situation can be taken.

My entity has performed a contract with a company which business is complementary to the activities of the Group. We're very satisfied with this partnership and thinking about entering into a longer term partnership through a master agreement for a number of future similar projects.

Can we do this ?

The acceptability and the legality of such a long-term partnership depend on a range of criteria (notably exclusivity provisions, duration of the agreement, respective experience and qualifications of the Group and the partner) and on its compliance with applicable competition laws.

Before initiating any such discussions, you should consult your management and the legal department of your entity and the Group.

# Technical consultancy firms

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Relations with technical consultancy firms must be carefully addressed, especially when such consultancy firms also act as advisors to a contracting authority or to competitors. Indeed, technical consultancy firms have access to confidential and sensitive information.

This situation could be complex and requires special attention, as no confidential information should be exchanged with the contracting authority's consultant. You must seek advice from your management and your entity's legal department regarding the appropriate precautions to avoid situations which might be prejudicial to the Group under the laws applying to corruption, competition and public tendering.

The decision to use technical consultancy firms must meet a real and justified need for external expertise, for a clearly defined purpose.

## Remember

If you have any doubts or if you are facing an issue which seems unclear, do not hesitate to contact the Ethics Officer of your entity.

# Relations with suppliers and sub-contractors

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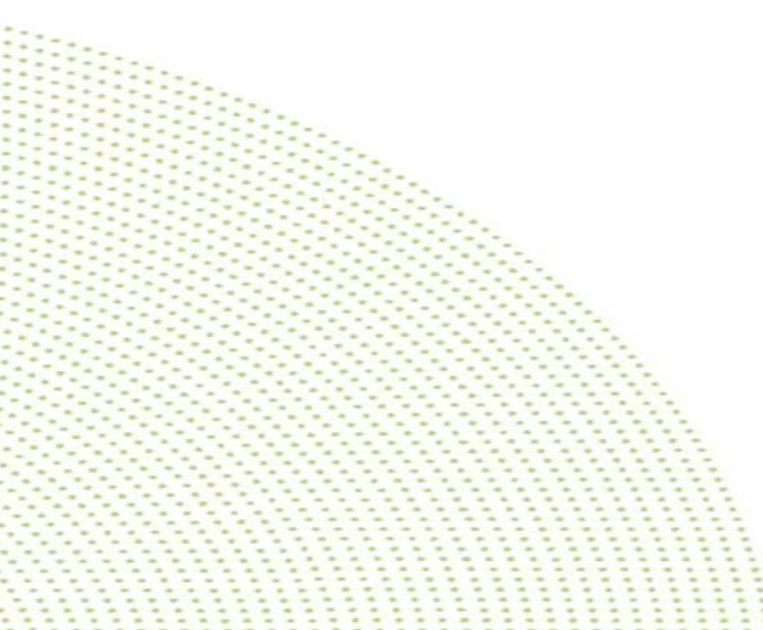
SUEZ strives to maintain respectful and balanced relationships with its suppliers and subcontractors, and to enhance a culture of integrity.

Group employees dealing with subcontractors and suppliers must comply with the ethical values of the Group and ensure that these third parties share and respect these values. In particular:

- Applicable laws and internal procedures must be respected;
- Relations must be based on equity, transparency and impartiality;
- Mutual commitments must be kept;
- Competition rules must be followed;
- Information exchanged must remain confidential;
- The Group's commitments as regard ethical standards, sustainable development and corporate responsibility must be known and respected;
- Conflicts of interest must be avoided.

Ethical principles applying to relations with suppliers are detailed in the "Ethics in Supplier Relations" Guide.

The applicable purchasing governance and procedures must also be respected.





My brother owns a company that sells a type of equipment that my entity regularly buys. I know that the products are of very good quality and my brother would probably give us a discount.

Can I sign a contract with my brother's company?

This is clearly a conflict of interests. The principles set out on page 16 regarding conflicts of interests also apply in this situation. You must refer the situation to your manager prior to any decision and the relevant purchasing procedures must be applied.

Remember

You must comply with any applicable Embargo Procedures.



# Documents and contacts

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The ethics policy of the Group is detailed in the Group's Ethics Charter and in the guide "Ethics in Practice".

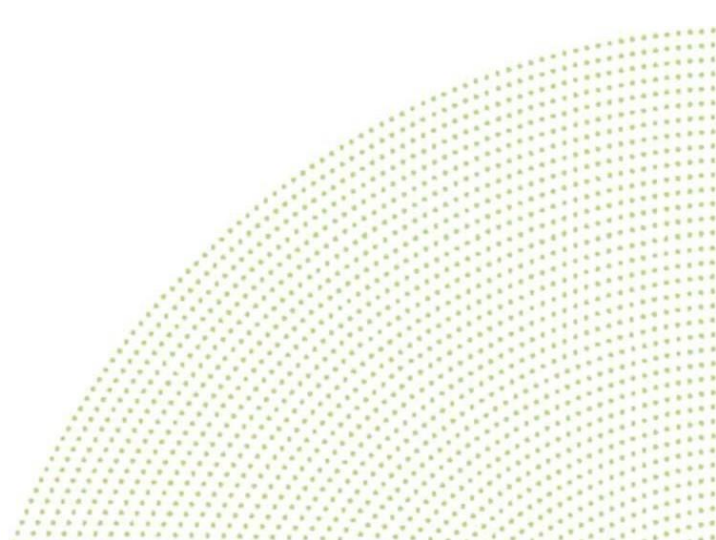
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These documents are available on the Group's website at the following address: [www.suez.com/fr/Notre-groupe/Un-groupe-engage/Ethique-et-transparence](http://www.suez.com/fr/Notre-groupe/Un-groupe-engage/Ethique-et-transparence).

They are also available, together with the other ethics documents of the Group and of your entity, on your entity's intranet.

The following procedures are also available on your entity's intranet:

- The Commercial or Institutional Consultant Procedure;
- The Sponsorship, Patronage and Partnership Procedure;
- The Code of Conduct for Financial Officers;
- The Code of Conduct related to the Prevention of the Use of Privileged Information and Securities Transaction;
- The Embargo Procedure.

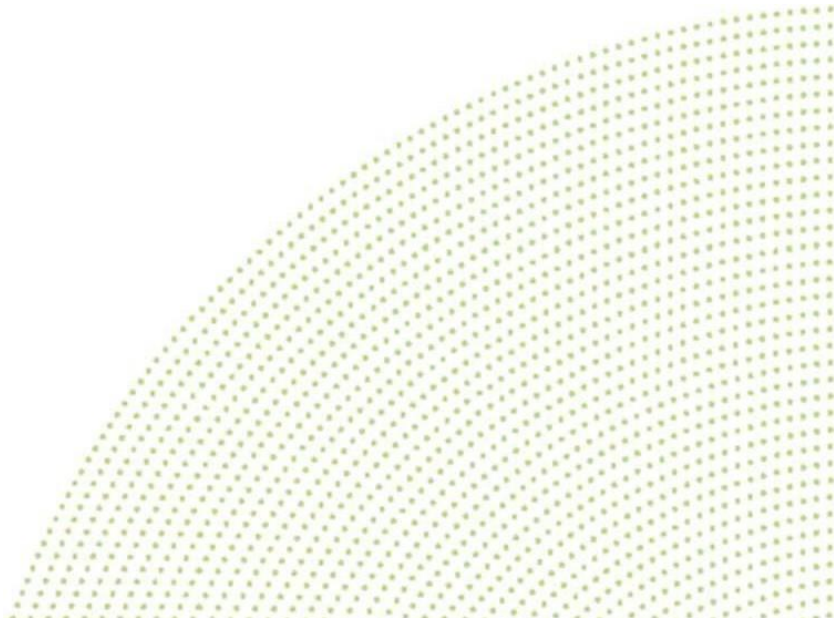


# Documents and contacts

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All queries may be referred to the Group's Ethics Officer at [ethics@suez.com](mailto:ethics@suez.com) or to your entity's Ethics Officer, whose contact details can be found on your entity's intranet or requested from: [ethics@suez.com](mailto:ethics@suez.com).

The Group's competition law department contact details can be requested from your entity's legal department or from: [ethics@suez.com](mailto:ethics@suez.com).



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