

Combined General Meeting

28 April 2016

Report





Opening and introduction



Introduction

The SUEZ Combined General Meeting was held on **Thursday 28 April 2016 at the Espace Grande Arche in La Défense, Paris**, and was chaired by Gérard Mestrallet.

This General Meeting provided the Group's management team with an opportunity to review the many commercial successes of the past year, to present the Group's strategy and outlook, and to report to the shareholders on its financial results for 2015.

In his introduction, Gérard Mestrallet highlighted **SUEZ's leadership positions on the waste and water markets** and set out the key factors that contribute to the company's development: its clear and profitable growth strategy and a balanced economic model. He also highlighted SUEZ's commitment to fighting climate change, in particular the Group's active involvement at COP 21. Finally, he emphasised **SUEZ's high-quality governance and stable shareholding**, a major advantage for operating a long-term strategy.

Proceedings of the General Meeting

- 14.30 Opening, introduction and strategy by G. Mestrallet
- 14.54 2015 performance and strategy by J.L. Chaussade
- 15.42 Financial results by C. Cros
- 16.00 Governance by G. Mestrallet and the Chairmen of the Committees
- 16.14 Presentation of the resolutions by J.Y. Larrouturou
- 16.27 Statutory Auditors' Report
- 16.34 Dialogue with shareholders
- 17.01 Vote on the resolutions
- 17.13 Closure of the Meeting

Key information

Duration: 2 hrs 42 mins

Audience: 267 shareholders were present

Quorum: the shareholders present and represented, plus those voting by correspondence and via the Internet, held 72.45% of the total shares with voting rights at the General Meeting

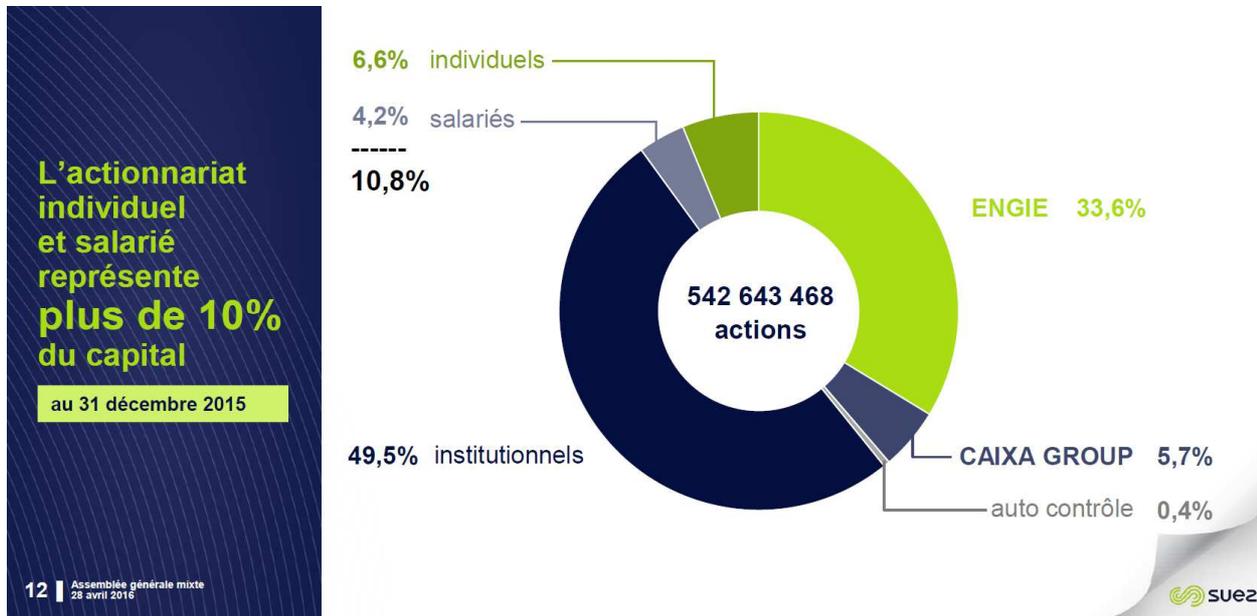
On stage: Gérard Mestrallet (Chairman of the Board), Jean-Louis Chaussade (Chief Executive Officer),
Christophe Cros (Senior Executive VP in charge of Finances),
Jean-Yves Larrouturou (General Secretary)

Stands: shareholders' area and documentation area

- [Watch the video of the General Meeting](#)
- [Watch the videos played at the General Meeting](#)
- [View the slides shown at the General Meeting](#)

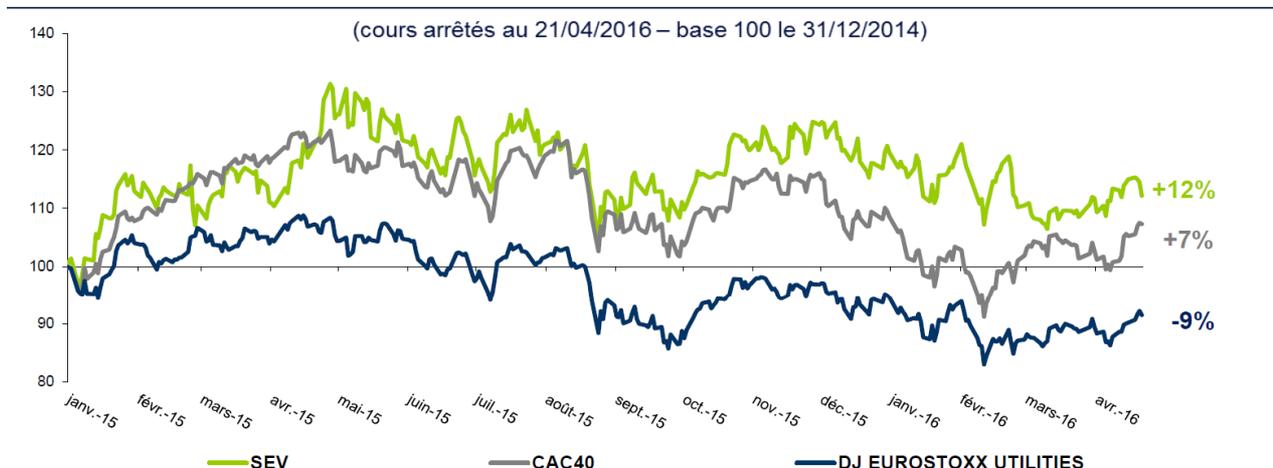
The trust of the Group's 270,000 shareholders

Gérard Mestrallet presented the **shareholding structure**, highlighting the acquisition of shares by La Caixa Group in 2014, which resulted in a strengthened Group presence in Latin America and Spain. With a 5.7% holding as of 31/12/2015, La Caixa Group is **the second-largest shareholder in the Group**, behind **ENGIE**.



Gérard Mestrallet **thanked individual shareholders and Group employees** for their loyalty and their trust, and highlighted the development of the digital shareholder communication system. He emphasised **the quality of the dialogue and the relations between the Group and its individual shareholders**, whose response to the consultation prior to the General Meeting was overwhelming, and thanked the members of the Consultation Panels present in the room.

The Chairman of the Board also highlighted the **12% rise in share price since 1 January 2015**, significantly outperforming the CAC 40 and the EURO STOXX Utilities Index. This stock market performance demonstrates **the market's recognition of the quality of SUEZ's management and strategy**.



**Performance pour l'actionnaire,
+48%⁽¹⁾ depuis le début de la cotation le 22/07/2008**

▶▶ 2015 performance and strategy

Ambitious goals and a remarkable performance



Jean-Louis Chaussade, Chief Executive Officer of SUEZ, reported on **the very positive results for 2015**, illustrated by the Group meeting or exceeding all financial targets and strengthening its strategic balance. He presented the **Group's many commercial successes around the world**, confirming its **position as the leader in sustainable resource management**, before explaining the **strategic priorities the Group has set itself** in new services in water, waste recovery, international development and industrial water.



Drivers of accelerated growth

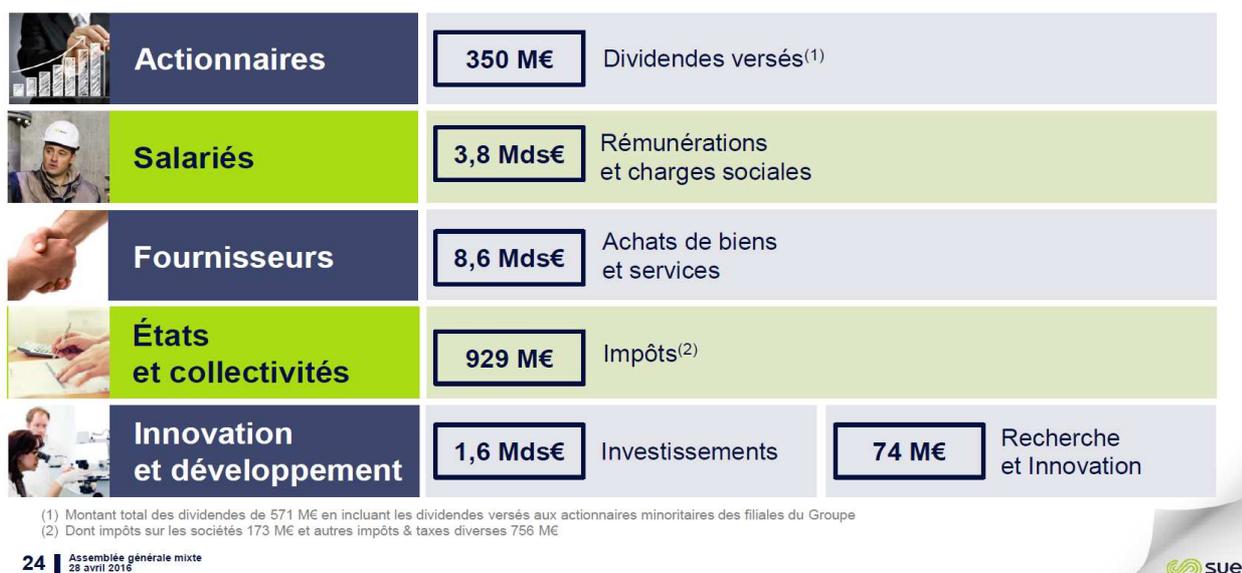
Jean-Louis Chaussade gave a detailed presentation on the progress made regarding SUEZ's strategic axes:

- **International expansion** with a target of 6-8% growth in revenue per year by developing the Group's historic bases and through **new opportunities in emerging countries**. The Group has strengthened its investments in countries including Australia and China.
- **Strong presence in the industrial sector**, with over €5.5bn of revenue and stronger partnerships through the signing of flagship contracts with leading companies such as Sanofi and Safran. SUEZ's offering is built on consistent supply of water and raw materials for industry and on integrating the Group's expertise and technology.
- **Waste recovery**, with a strategic positioning thanks to a number of operational recovery sites and distinctive commercial offerings.
- **Innovation in new services in water** as a key differentiating factor with the creation of a new business line dedicated to these advanced solutions to optimise the performance of networks and facilities as a way of improving the Group's performance and keeping it ahead of market developments, as demonstrated by the

use of smart technology.

This strategy interfaces with an ambitious sustainable development policy built around three priorities, whose results are in keeping with the roadmap for the 2012-2016 period and are widely recognised by the market, with SUEZ being **listed on the largest ESG (Environment, Social and Governance) indices**. The Group will publish its first integrated report in May 2016.

SUEZ is an innovative and efficient group working for the benefit of all, as Jean-Louis Chaussade pointed out when presenting the **2015 distribution of value** between shareholders, employees, suppliers, governments and local authorities, and innovation & development.



In conclusion, the Chief Executive Officer highlighted **SUEZ's transformation into a more integrated and collaborative Group** with the adoption of the single brand in France and internationally. SUEZ shares the ambition of becoming the **leader of the resource revolution** in a **circular economy that is undergoing profound change**.

▶▶ Financial results

A profitable growth strategy



Christophe Cros, Senior Executive VP in charge of Finances, presented SUEZ's results for the 2015 fiscal year. **The Group reported improved results**, demonstrating once again **the relevance and strength of its development model**.

For the 2015 fiscal year results, Christophe Cros emphasised a number of points:

- **the Group's achievement of all the targets it set** (organic growth in EBITDA, increase in free cash flow generation, increase in net investments)
- **the Group's increased profitability** (satisfactory net result and increase in profitability of net capital)

employed)

- **the Group's dynamic allocation of investments** (selectiveness in investments)
- **the Group's increased financial stability** (lower cost of debt, exchange rate, active debt management).
As a result, in May 2015, the financial ratings agency Moody's reiterated the Group's A3 rating, describing its outlook as stable.

With its balanced positioning in growth markets and industries, and building on a solid balance sheet, the SUEZ Group is aiming to achieve **faster organic growth in EBIT than in revenue** for 2016 and is fully mobilised to **achieve an EBITDA of €3bn in 2017** thanks to sustained organic growth and targeted acquisitions. The SUEZ Group will also continue with its **attractive dividends policy**.

- [See the results in detail](#)
- [Watch the video of the 2015 annual results presentation](#)

2015 Results

Revenue: €15,135m

EBITDA: €1,381m

Free cash flow: €1,047m

Net result, Group share: €408m

Net debt/EBITDA ratio: 2.9

1st quarter 2016 results

Revenue: €3,555m (+1.5%)

EBITDA: €574m (-0.1%)

Net financial debt: €8.363bn

Net debt/EBITDA ratio: 3.1



Governance

Well-balanced and diverse governance



Gérard Mestrallet reported on **the Group's significant level of activity in 2015** – with 12 Board meetings, 15 Committee meetings, and a Board meeting attendance rate of 85%.

SUEZ benefits from a **Board of Directors that is both diverse and balanced**, in line with the best practices. Following the appointment of a new Director, **Ms Miriem Bensalah Chaqroun**, and of a Director representing employee shareholders, **Mr Guillaume Thivolle**, and the shareholders' ratification of the cooptation of **Ms Judith Hartmann** and **Mr Pierre Mongin** as Directors, the Board of Directors now has **17 members, of whom 50% are independent** and **41% are women**.

Shareholders had the opportunity to **renew the mandates of four Directors** at the GM: Mr Gérard Mestrallet, Mr Jean-Louis Chaussade, Ms Delphine Ernotte Cunci and Mr Isidro Fainé Casas.

Several committees assist the Board of Directors with its decisions.

Gérard Mestrallet presented the work of the **Strategy Committee**, which he chairs. The Strategy Committee held a strategic seminar, the aim of which was to discuss the changes to be made and the concrete action to take to continue with the Group's growth strategy.



Through video interviews, **Guillaume Pepy**, **Delphine Ernotte Cunci**, **Anne Lauvergeon** and **Lorenz d'Este** in turn explained the work of the **Audit and Financial Statements Committee**, the **Ethics and Sustainable Development Committee**, the **Appointments and Governance Committee** and the **Compensation Committee**.

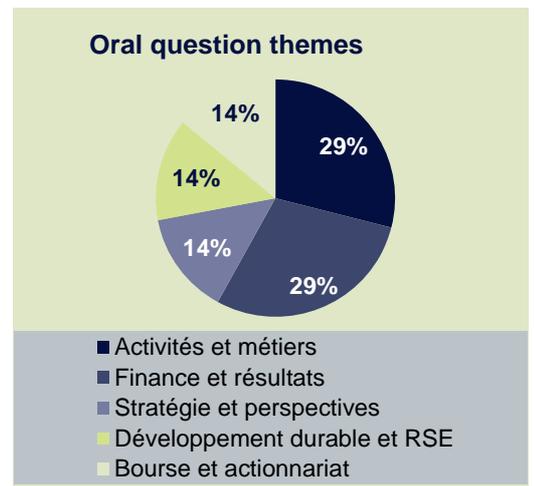
○ [See the composition of SUEZ's Board of Directors](#)

▶▶ Dialogue with shareholders

An opportunity for information, discussions and dialogue



During the discussion, Gérard Mestrallet and Jean-Louis Chaussade spent just over half an hour answering **questions from shareholders** who were present. This year, questions from shareholders mainly focused on the **financial results** (financial risks, cost of debt, etc.) and on the Group's **strategy**. The Group's **CSR policy** and its **shareholder loyalty policy** also featured in questions.



In addition, thanks to a dedicated **shareholder area**, the SUEZ Shareholder Relations teams were able to **meet a number of shareholders and answer all of their questions**.



- [View SUEZ's corporate publications](#)

Want to know more about SUEZ?

Shareholder letters, the shareholder guide, the annual report...

Access all of our publications by [clicking here](#)



Presentation of and vote on resolutions

Summary of resolutions



Jean-Yves Larroutourou, General Secretary of SUEZ, **gave a detailed presentation of all of the resolutions to be voted on by shareholders**, with a particular focus on the components of compensation for the Chief Executive Officer subjected to a consultation shareholder vote, as well as on the amendments to the Articles of Association and the terms and conditions of the financial authorisations.

Ms Miriem Bensalah Chaqroun and **Mr Guillaume Thivolle** then introduced themselves to the meeting prior to their integration into SUEZ's Board of Directors.

All resolutions were adopted

The shareholders, who represented **72.17% of voting rights** – of whom almost **3,800** voted through the online system Votaccess – **adopted all 24 resolutions submitted to a vote** by the Board of Directors. The General Meeting thus approved the changes to the Articles of Association that were submitted to it, i.e. the modification of the Company's legal name to SUEZ and changing the age limit to exercise the functions of the Chairman of the Board of Directors to 70 years old.

The General Meeting also approved the 2015 accounts and the cash distribution of a **dividend of €0.65 per share**.

Resolutions presented to the Ordinary General Meeting		Votes for	Votes against	Abstention s
First resolution				
Approval of the Company's financial statements for the fiscal year ended 31 December 2015	Adopted	99.98%	0.02%	0.01%
Second resolution				
Approval of the consolidated financial statements for the fiscal year ended 31 December 2015	Adopted	99.98%	0.02%	0.01%
Third resolution				
Allocation of the net income for fiscal year 2015 and determination of the dividend	Adopted	99.55%	0.44%	0.01%
Fourth resolution				
Renewal of the term of office of Mr Gérard Mestrallet as Director	Adopted	95.50%	4.45%	0.01%
Fifth resolution				
Renewal of the term of office of Mr Jean-Louis Chaussade as Director	Adopted	99.46%	0.53%	0.01%
Sixth resolution				
Renewal of the term of office of Ms Delphine Ernotte Cunci as Director	Adopted	99.47%	0.53%	0.01%
Seventh resolution				
Renewal of the term of office of Mr Isidro Fainé Casas as Director	Adopted	73.19%	26.80%	0.01%
Eighth resolution				
Ratification of the cooptation of Ms Judith Hartmann as Director	Adopted	96.13%	3.86%	0.01%
Ninth resolution				
Ratification of the cooptation of Mr Pierre Mongin as Director	Adopted	97.39%	2.61%	0.01%
Tenth resolution				
Appointment of Ms Miriem Bensalah Chaqroun as Director	Adopted	99.19%	0.81%	0.01%
Eleventh resolution				
Consultation on the components of compensation due or awarded for fiscal year 2014 to Mr Gérard Mestrallet, Chairman of the Board of Directors	Adopted	99.76%	0.23%	0.01%
Twelfth resolution				
Appointment of Mr Guillaume Thivolle as Director	Adopted	99.35%	0.65%	0.01%

representing employee shareholders				
Thirteenth resolution Approval of the related-party agreements and commitments governed by Articles L. 225-38 et seq. of the French Commercial Code	Adopted	92.92%	7.07%	0.01%
Fourteenth resolution Consultation on the components of compensation due or awarded for fiscal year 2015 to Mr Gérard Mestrallet, Chairman of the Board of Directors	Adopted	99.92%	0.07%	0.01%
Fifteenth resolution Consultation on the components of compensation due or awarded for fiscal year 2015 to Mr Jean-Louis Chaussade, Chief Executive Officer	Adopted	97.37%	2.63%	0.01%
Sixteenth resolution Authorisation to be granted to the Board of Directors to trade in the Company's shares	Adopted	99.78%	0.21%	0.01%

Resolutions presented to the Extraordinary General Meeting		Votes for	Votes against	Abstentions
Seventeenth resolution Amendment to Article 2 of the Company's Articles of Association in order to change the Company's legal name	Adopted	99.49%	0.50%	0.01%
Eighteenth resolution Amendment to Article 11 of the Company's Articles of Association in order to modify the age limit to exercise the functions of Chairman of the Board of Directors	Adopted	99.34%	0.65%	0.01%
Nineteenth resolution Authorisation to be granted to the Board of Directors to reduce the Company's share capital by cancellation of treasury shares held by the Company	Adopted	99.48%	0.51%	0.01%
Twentieth resolution Authorisation to be granted to the Board of Directors to proceed to allocation of performance shares	Adopted	81.62%	18.37%	0.01%
Twenty-first resolution Delegation of authority to be granted to the Board of Directors to increase the Company's share capital by issuing shares and/or securities conferring a right to equity	Adopted	98.15%	1.84%	0.01%

securities, reserved for members of Company savings plans				
Twenty-second resolution Delegation of authority to the Board of Directors to increase the Company's share capital by issuing shares and/or securities conferring a right to equity securities in the framework of the SUEZ Group's international employee shareholding and savings plans	Adopted	98.15%	1.84%	0.02%
Twenty-third resolution Authorisation to be granted to the Board of Directors to allocate bonus shares in favour of employees or Corporate Officers subscribing to a Group shareholding plan	Adopted	97.93%	2.06%	0.01%
Twenty-fourth resolution Powers to carry out formalities	Adopted	99.50%	0.50%	0.01%