ENVIRONMENTAL and INDUSTRIAL PERFORMANCE and RISKS
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SUEZ is committed in a radically new management of resources to shift from a linear economy model that over-consumes resources to a circular model that recycles and reuses them.

Facing this ecological emergency, SUEZ must set an example in its environmental and industrial performance in order to serve its customers with the best solutions, managed to their optimum.

These upheavals and the increasing complexity of recovery processes are leading to an increase in environmental and industrial risks that must be controlled.

Performance, Environmental and Industrial Risk Management is based on 5 key processes that ensure the safe and sustainable development of the Group’s activities:

**CONTEXT**

**PRINCIPLES**

**PERFORMANCE MANAGEMENT**

Ensure the achievement of strategic environmental and industrial objectives, optimize the use of resources and consolidate the ability to create value

**ENVIRONMENTAL AND INDUSTRIAL RISK MANAGEMENT**

Prevent value destruction by fire, pollution, breakage.... by relying on risk analysis and implementation of control measures

**INDUSTRIAL CYBER RISK MANAGEMENT**

Prevent cyber-attacks on industrial infrastructures by relying on risk analysis and implementation of control measures

**TECHNICAL REPORTING**

Collect and share operational data at the site or contract level to produce reliable metrics

**KNOWLEDGE MANAGEMENT AND FEEDBACK FROM EXPERIENCE**

Through the TEC&REX communities, ensure the maintenance of Operational Standards and the industrialization of innovations
01. OBJECTIVES and PRINCIPLES

The objective of performance management is to ensure that the objectives of the Group's industrial strategy are met, by protecting resources, optimizing their use and strengthening its ability to deliver economic and environmental value to its customers.

Critical to the Group’s sustainable growth, performance management is based on key pillars:

- **Industrial Standards**: reference practices and solutions, maintained by REX, facilitating performance and innovation;
- **Operational data and KPIs**: monitoring of reliable operational data at site level to measure performance;
- **Performance Programs**: high value-added projects, deployed throughout the Group or local initiatives.

02. STRUCTURE

The Group’s strategy is broken down into a selection of performance programs. The objectives are set by integrating the sustainable development roadmap.

The levers for improvement are identified thanks to the results of innovative pilots, lessons learned from experience and operational data.

These objectives and the associated strategic plans are set out and formalized in Performance Targets established annually with each Business Unit.

Business Units and sites identify performance initiatives according to their local context.

03. IMPLEMENTATION

Performance programs and initiatives are scoped and deployed to improve operational efficiency and accelerate the industrialization of best practices and innovations in relevant areas (activities, regions, sites).

Industrial Standards and operational excellence tools are the basis for the improvement process.

Technical assistance missions are coordinated to connect operational staff with the best experts.

04. CONTROL

Operational data is collected through connected and aligned systems allowing transparent access and in-depth analysis.

Regular assessments are conducted to support the implementation of performance programs and encourage the improvement of industrial performance.

Operational data, project progress and evaluation results are compiled in dashboards and intelligent reports, allowing gaps and areas for improvement to be identified.

05. STEERING

The performance and industrialization steering committees organized by business lines, as well as the quarterly activity reviews, make it possible to analyze progress and results, understand discrepancies, decide on corrective measures to be taken and lessons to be shared.
01. OBJECTIVES et PRINCIPLES

Controlling environmental and industrial risks is a priority objective for SUEZ.

The risks considered may be of an accidental nature or of natural origin. They may be due to human or organizational factors, equipment failures or malicious acts:

- Any type of pollution (air, soil, aquatic environments), environmental nuisance (noise, vibrations, odors, visual inconvenience) or consequences of global warming;
- Damage to the environment as well as material or human damage caused by fire, explosion, machinery breakdown, natural disaster, collapse of structures, etc.

02. STRUCTURE

To achieve this objective, the environmental and industrial risk management system is based on the following elements:

- Creation of a network of Environmental and Industrial Risk Officers, in charge of the implementation within each BU;
- Early identification and prioritization of risks, including before acquisitions;
- Systematic implementation of measures to control identified risks;
- Compliance with Management Rules and Environmental and Industrial Operational Rules;
- Compliance with local regulations, if necessary, surpass to control risks.

03. IMPLEMENTATION

Specific programs are conducted to improve the level of control on sites or on priority risk families.

Innovation programs are conducted to identify and develop the best risk management measures adapted to SUEZ's activities.

Technical assistance missions are coordinated to help operational staff in improving risks on sites and integrating risks into projects.

04. CONTROL

An annual audit plan is conducted, in coordination with the insurance companies, to verify the entities’ ability to identify and control risks.

All the Group’s main sites carry out a self-assessment of the implementation of the best practices in risk management, depending on their activities.

Events are analyzed according to their severity or potential severity in order to share lessons and improve shared risk awareness.

05. STEERING

The results of audit and self-assessment actions as well as the analysis of events make it possible to consolidate a risk map and identify priority actions to be carried out.

The quarterly steering committee makes it possible to analyze the progress of the actions and the results.
01. OBJECTIVES et PRINCIPLES

**Industrial Control Systems** (ICS) are essential for our businesses and will be even more so in the future. Their safety is therefore a major challenge for SUEZ.

The risks induced by a failure of the ICS may be due to:
- An **external attack** on systems (viral infection, remote or local control);
- An **internal malfunction** (failure and programming incident, failure of the inter-site communication network).

These risks can lead to **data theft**, **service interruptions** or **industrial accidents** with consequences for people, the environment and property.

02. STRUCTURING

To achieve this objective, the industrial cyber risk management system is structured with the Information Systems Department and is based on the following elements:
- Creation of a network of **Industrial Control Systems Risk Officers**, in charge of the implementation within each BU;
- Early **identification** and **prioritisation of risks** covering organisational, human and technical aspects;
- Systematic implementation of **measures to control** identified risks;
- Compliance with the **Management Rules** and **Operational Rules** of Industrial Control Systems;
- Compliance with local regulations and, if necessary, surpassing them to control risks.

03. IMPLEMENTATION

**Specific programs** are conducted to improve the level of control on sites or on priority risk families.

**Innovation** programs are conducted to identify and develop the best risk management measures adapted to SUEZ’s activities.

**Technical assistance** missions are coordinated to help operational staff in improving risks on sites and integrating risks into **projects**.

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01. OBJECTIVES et PRINCIPLES

Technical reporting produces reliable technical information used in:
- Operational performance management;
- External publications;
- Calls for tenders, research and innovation projects and strategic analyses;

Any Business Unit (BU), subsidiary or facility carrying out an industrial activity and over which SUEZ has a dominant technical operational influence as of June 30 of the year, must be included in the scope.

In the event of the integration of a major entity between June 30 of the year and the end of the year, the entity concerned will be included in the scope of consolidation as far as possible.

Operational data are collected as close as possible to the basic operational level (site, contract, agency) in order to facilitate analysis and value extraction.

02. STRUCTURE

The reporting process follows a continuous improvement cycle around the following key steps:
- Review of the scope of indicators and formulas with stakeholders;
- Parameter setting of the device, training of the participants and launch of the protocol;
- Data collection by interconnection to other data systems, file transfer or manual entry;
- Data control and audit by Independent Third Parties;
- Dissemination and availability of KPIs.

Each indicator has a code, a title and a definition detailing the required measurement method and any data to be excluded.

03. REPORTING RULES

Values can be calculated, estimated (or extrapolated), measured or invoiced. In view of the timetable, some data not available at the closure date must be estimated, in particular those for December.

Several estimation methods are possible:
1) The value of the same month of the previous year, for seasonal data;
2) The value of the latest available month, for year-to-year and seasonally varying data;
3) The average of all available monthly data, for stable data during the year.

Where the figures provided show significant variations from previous years, comments should be made to explain significant differences.

In all cases, the supporting documentation used for the calculations must be available.

04. CONTROL

An external audit program is organized to review a selection of indicators at the various stages of the reporting process. This approach includes audits of a selection of entities up to site level. The global consolidation operation for SUEZ is systematically audited.

This verification provides "reasonable assurance" or "limited assurance" to a selection of indicators. This review meets stakeholders' expectations about the credibility of non-financial reporting.
01. OBJECTIVES et PRINCIPLES

The Return on Experience Process (REX) is key to support performance improvement and innovation acceleration.

The analysis, consolidation and sharing of our successes and challenges are strongly rooted in the concrete and collaborative culture necessary to ensure sustainable performance and resilience:

- Build a common performance culture based on relevant and recognized standards;
- Promote the adoption of best practices and prevent the repetition of errors;
- Select relevant innovations and performance programs.

02. STRUCTURE

The REX process and knowledge consolidation is carried out at all levels of the company and is based on the following elements:

- Meeting organized by experts and operational staff through the Technology and REX communities for each key activity or capacity of the Group;
- Animation of each community by a pilot and a co-pilot;
- Elaboration of concrete decisions and capitalization.

03. COLLECTION

Events of various types are collected at site, regional, BU or corporate level:

- New, emerging, frequent or serious issues;
- Assessment of projects, innovations, performance programs or technical assistance missions;
- Results of audits and technical reporting.

04. ANALYSIS

The collected events are analyzed by the Technology and REX communities using the following criteria:

- Context;
- Impact and frequency;
- Existence of lessons or solutions;
- Elements described in the Standards and Reference Practices;

This analysis makes it possible to assess the learning potential and propose the capitalization actions to be carried out.

05. CAPITALISATION

Capitalization actions can take several forms:

- Updating of Standards and best practices;
- Awareness or training campaign;
- Performance program;
- Innovation;
- Technical assistance.

Knowledge is made available to operational staff in a set of smart libraries accessible via virtual experts.