

Q1 2020 Financial Results & Covid-19 Update

30th April 2020



Today's agenda

Q1 2020 performance: good start to the year offset by Covid-19 impacts in March

Explain Covid-19 impacts on Q1 and in March / April

SUEZ anticipates, adapts and prepares for exit and rebound

Mobilised to adapt to Covid-19

Bertrand Camus
Chief Executive Officer



Mobilised to adapt to Covid-19 crisis



Ensure continuity of our essential services while guaranteeing **employee safety**



Mobilize to serve our clients
Large, small, private individuals and industries across the world



Anticipate and prepare for the redeployment of business activities around the world



Engage measures to **mitigate potential impacts** on operational performance



All teams highly engaged

Guarantee employee safety

**Equip our teams
with the adapted
PPE**

**Adapted
operational
procedures**

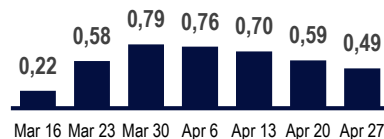


Covid-19 infected & suspected cases

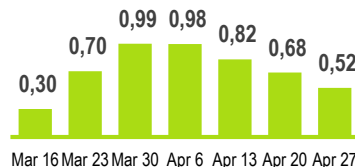
Weekly employee follow up

In % of employees, per region

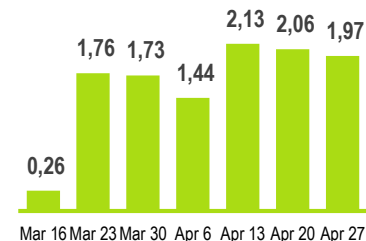
Group



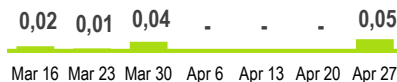
Europe



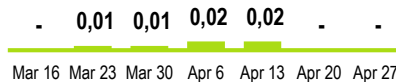
North America



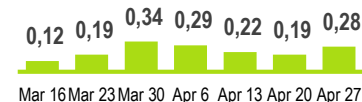
AMECA



Asia – Pacific

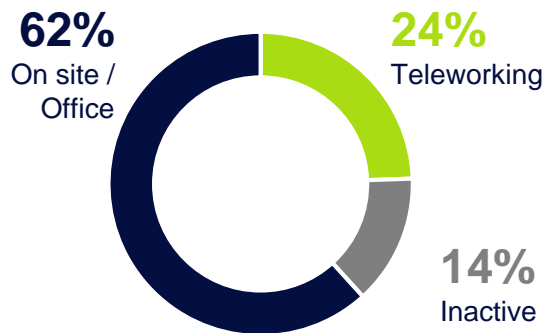


South America

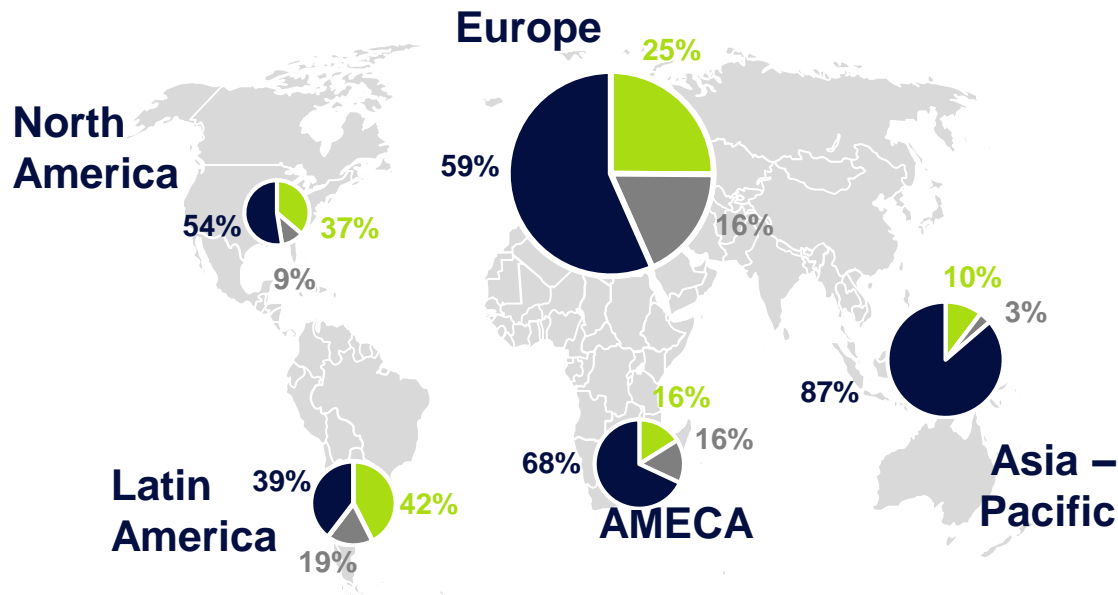


Business continuity plan activated

Success in adapting to Covid-19



Agile and committed workforce

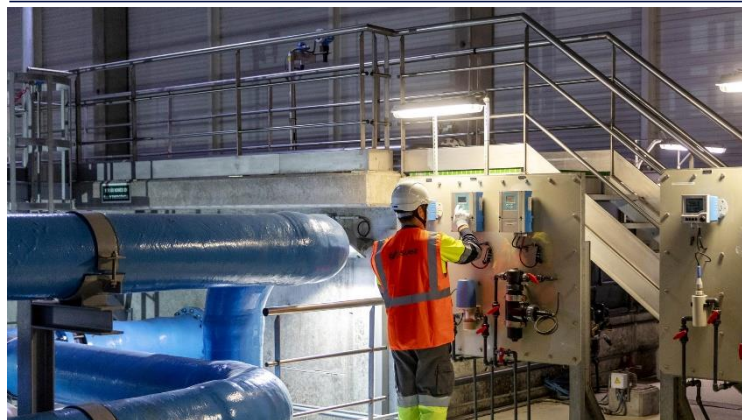


Figures as of April 28th

Size of the pie chart illustrates the proportion of workforce in the geographical area

Committed to support our customers

Reinforced closeness with clients - large, small, private individuals and industries



Ensure full reliability to accompany our clients

Roll out seamless business continuity

Be ready for the post lockdown period

Support critical operations during the health crisis

Working differently with our clients

Continuity

Food&Beverage

Global Key Account (PL)

Conventional waste collection & recovery maintained to secure our F&B customer continuity of operation



Smart City solutions

On'Dijon (FR)

The 100% connected operation of "OnDijon" has helped to better manage the coronavirus crisis. The cockpit helps make decisions faster



Adaptation

Chemicals

ARKEMA (FR)

Hazardous Waste continuity allowing customer to switch production to hydroalcoholic gels



Food&Beverage

COCAMAR (BRA)

WTS Insight solution

Continuity of service through remote control for water treatment of F&B factory producing food in crisis time



Health-care waste management

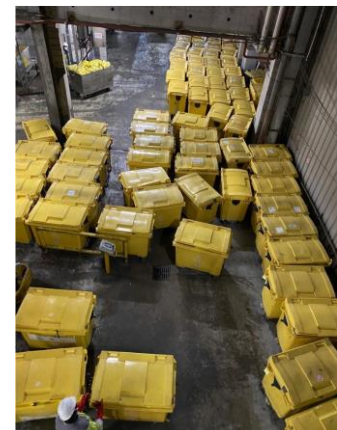
Île de France / Grand Est (FR)

+40% surge in volumes of medical waste.

Specific expertise, with 7 EfW equipped to receive and treat infectious waste.

Sealed bins, automatic disinfection.

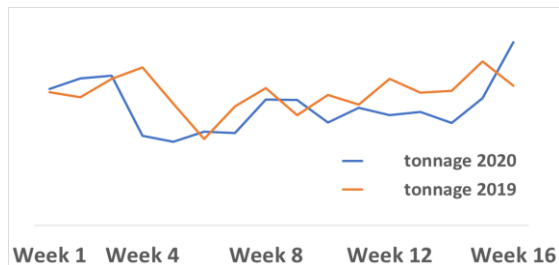
VALO'MARNE and Sausheim facilities are run with extended operating hours to adjust to the rise in volume of waste



Prepare business activity for lockdown exit

Supporting our clients

Experience from China



Proven reliability of our Industrial assets in China to **accompany our clients** in **ramp-up phase**

Collaboration & experience sharing to transpose to other regions

Anticipate the recovery with increased commercial intensity

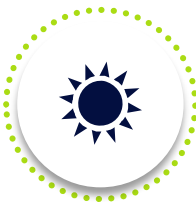


Focus on Financials

Julian Waldron
Chief Financial Officer



Q1 highlights (excluding Covid-19)



- > **Solid organic growth at WTS**
- > **Working capital**
- > **Pricing momentum in Recycling & Recovery**
- > **Commercial wins**



- > **Low volumes in R&R Australia**
- > **Commodity prices**
- > **Drought in Chile**

Key financials Q1 2020

Revenue and EBIT growth impacted by global context of Covid-19

In €m	Q1 2019	Q1 2020	Gross	Organic
Revenue	4,210	4,198	(0.3)%	+0.5%
EBITDA	709	676	(4.7)%	(1.5)%
<i>% Revenue</i>	16.9%	16.1%		
EBIT	293	231	(21.2)%	(14.9)%
<i>% Revenue</i>	7.0%	5.5%		

> **FX impacts**

€(27)m on Revenue

> **Commodity impacts**

€(43)m on Revenue

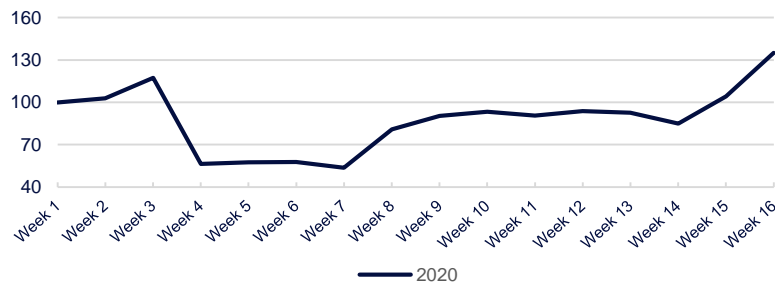
	Q1 2019	Q1 2020	Gross
Net debt	10,367	10,402	+0.3%
<i>Net debt / EBITDA</i>	3.3x	3.3x	

> **Working Capital Requirement & Capex lower year-on-year**

Covid-19: focus on the recovery in China

Focus on Hazardous Waste

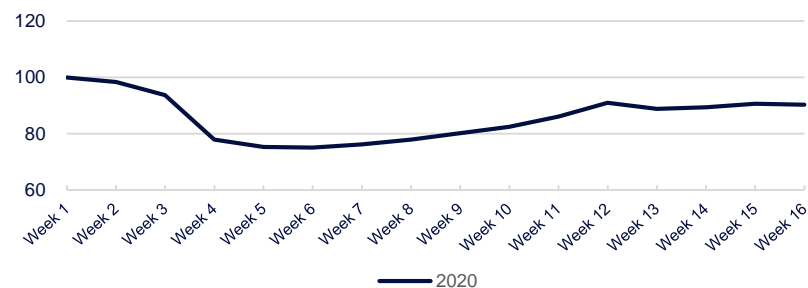
Tons per week, base 100 week 1, 2020



- > Sharp decrease from week 4 with 6 hazardous waste facilities shut down
- > Volumes at SCIP volatile but hold on
- > Weekly volatility relatively high

Focus on Water volumes

Tons per week, base 100 week 1, 2020



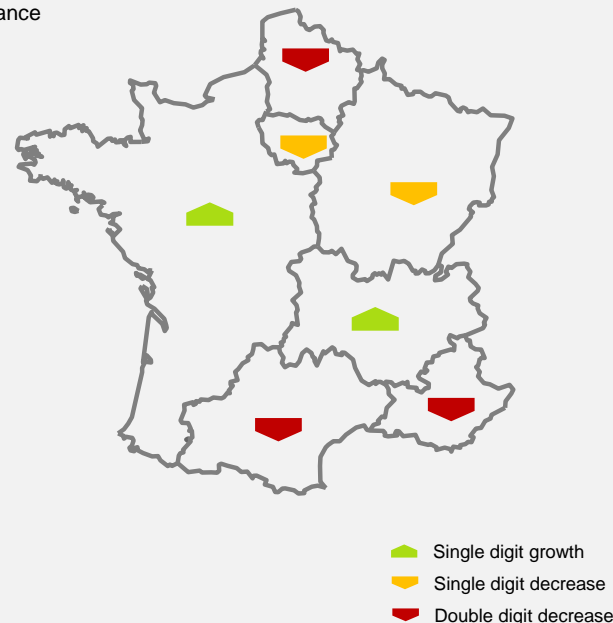
- > Volume decrease in tourism exposed areas, mainly Macao
- > c.20% decrease in volumes in week 4, progressively recovering up to week 12

Estimated **impact on EBIT in China at €30m to €40m in 2020** confirmed

Covid-19: impact in Water – end Q1

- **Reduction in volumes observed in some geographies, mainly linked to tourism**
 - Europe: tourism-dependent places in **France** and **Spain** impacted by lower consumption
- No significant impact observed so far in **North America**
- **Chile** equally impacted by drought and Covid-19
- We have suspended disconnections in all impacted geographies
- Construction projects generally stopped

Trends in volume,
France



Covid-19: impact in Water – April / Today

Varied impacts: illustration

> North America

Volumes sold have remained in line with historical trends

> Czech Republic

Implementation of containment measures led to a slowdown in volumes from Mid-March

Positive trend observed since the second half of April, with progressive restart of economy

> Spain (tourism)

Tourism regions like the Canaries and Balearic Islands facing a severe decrease in volumes

Lockdown measures expected to be maintained at least until end-May



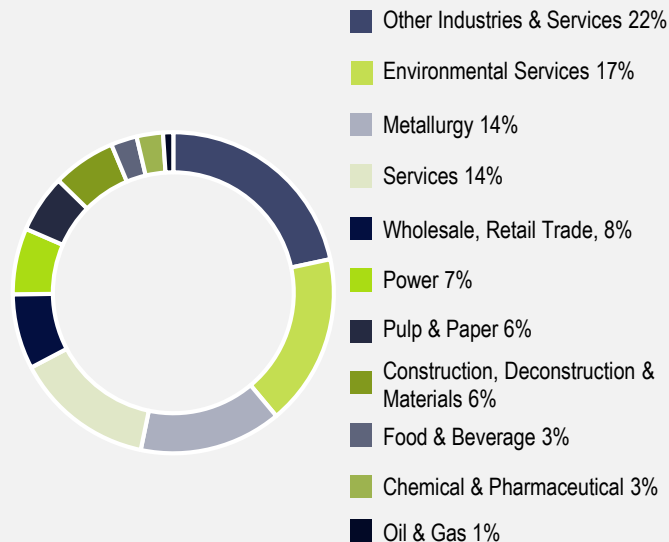
Magnitude of the slowdown - illustration

Covid-19: impact in Recycling & Recovery – end Q1

- **Europe** most impacted area, with strong differences between countries
- **Sharp decline of I&C collected and treated volumes**, driven by industrial production slowdown and store closures
- **Rapid implementation** of mitigation measures (interventions, logistics, interims, partial unemployment)
- **Saturation of EfW facilities maintained**

R&R revenue exposure

% of 2018 revenue, by industry



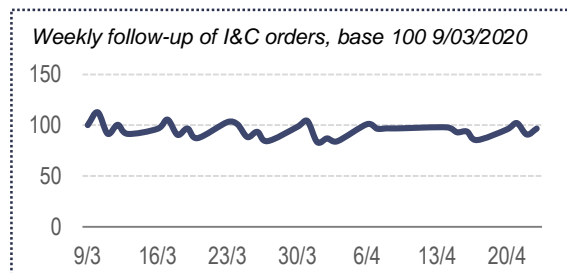
Covid-19: impact in Recycling & Recovery – April / Today

Varied impacts: illustration

> Germany



Global volumes of processed waste maintaining, despite lower contribution from I&C



Magnitude of the slowdown - illustration

> Australia



As was anticipated, slowdown in infrastructure works leads to a reduction in landfill volumes

I&C volumes down in the three first weeks of April

> France



I&C volumes strongly impacted

Municipal waste impacted notably by cessation of large and green waste collection - part of those volumes should be recovered after lockdown

Covid-19: impact in Environmental Tech & Solutions – Q1 / April / Today

Focus per division

○ Hazardous Waste affected by low volumes

- Minerals hit by stop of all civil and constructions works, Chemicals resisting well
- Lower activity in remediation in Europe
- Fall in volumes in Asia due to plants closure in February

○ WTS quite resilient up to now

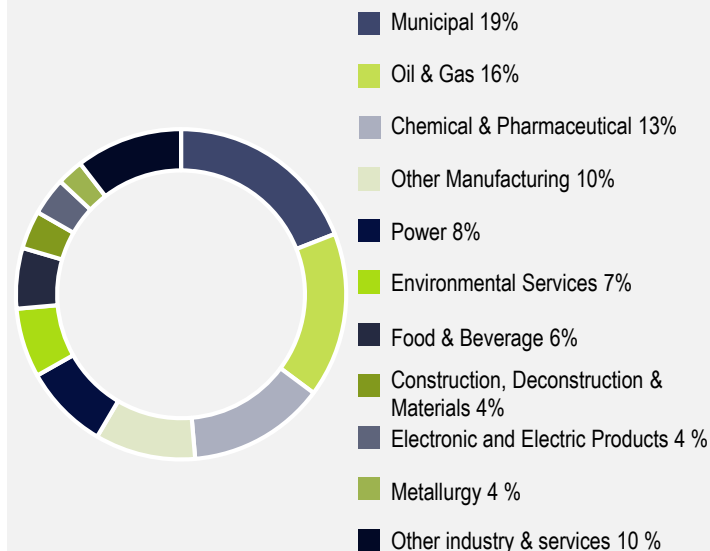
- Supply chain impact in China
- Rest of business proving resilient through April

○ SES: contained impact over Q1, solid trend in orders

- Digital and Consulting activities resisting well
- Environmental Quality Monitoring impacted by slowdown in economic activity, Consulting by lockdown

ETS revenue exposure

% of 2018 revenue, by industry



Covid-19: mitigation actions

Swift adaptation of our operations and cost structure

Cost management

Reduced consumption, driven by partial closure HQs

Travel freeze

Reduce or replace subcontractors

Terminate interim missions, in line with activity decrease

Investments reduction

Total 2020 investments **reduced by c.15%**

Non-critical maintenance operations postponed









Operational adjustments

Non-critical business postponed

Part time / furlough of employees in line with activity slowdown

Negotiated compulsory holiday period for French employees during the containment and activity slowdown

Covid-19: uncertainty on the remaining duration of the containment measures and speed of the economic recovery

	Q1 2020	April 2020	Going forward
China	Full impact 	Lower impact 	> Mitigation actions to continue
Europe	Full impact for c. 2 weeks 	Full impact 	> Volumes stable at this point
Americas	Full impact For c. 1-2 weeks 	Full impact 	> Commodities volatile but paper and oil now positive
AMECA	Full impact for c. 2 weeks 	Full impact 	> Governments determined to reopen economies in April / May / June
EBIT impact	around €60m	> Lower impact in China > Full impact elsewhere	

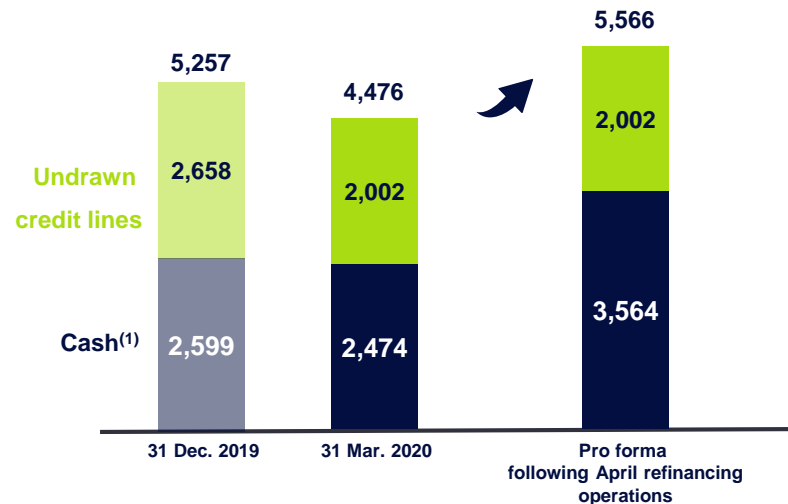
A strong reinforcement of our liquidity

April financing operations

- > **Issuance of €850m** of senior bonds;
- > **Repayment** of €100m and **issuance of €340m** of private placements;
- > **Repayment** of €240m and **issuance of €265m** of commercial paper;
- > **Extension** of main €2.5bn revolving credit facility for 1 additional year to April 2025;

Liquidity position

In €bn



Organising for rebound

Bertrand Camus
Chief Executive Officer



Shaping SUEZ 2030 helping better position the Group

○ Reinforce selectivity

- Support our customers maintaining an open dialog with Municipalities/I&C/Industrials
 - Anticipate opportunities by identifying potential shift in businesses/eco-system/customers
-

○ Performance plan essential to adapt, mitigate and prepare for lockdown exit

- Wave 1 rolled out as planned and strong short-term additional measures taken
 - Monitor health and well-being of employees and social climate
-

○ Reallocate our capital resources

- Moving forward on our asset rotation plan
 - Total 2020 investments down by around 15% compared to 2019 levels
-

Shaping a sustainable environment, now!

- **All the more relevant solutions with positive impact on health, quality of life and the protection of the natural capital**
 - Cultural change at every level of the Group
 - Contribution to a sustainable environment reaffirmed
-
- **Work in close collaboration with governments and authorities**
 - European green deal
 - Stimulus package taking into account climate change, biodiversity and environment protection

Appendices

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Appendix 1

2019 Revenue, EBITDA, EBIT under the new segment structure

2019 under the new segment structure

<i>In €m</i>	Q1 2019	H1 2019	9M 2019	FY 2019
REVENUE	4,210	8,656	13,127	18,015
Water	1,608	3,340	5,127	7,055
Recycling & Recovery	1,837	3,692	5,530	7,463
Environmental Tech & Solutions	800	1,706	2,606	3,690
<i>Intercompany transactions</i>	(35)	(82)	(136)	(193)
EBITDA	709	1,521	2,330	3,220
Water		853		1,788
Recycling & Recovery		521		1,067
Environmental Tech & Solutions		186		435
Other		(39)		(70)
EBIT	293	645	1,016	1,408
Water		432		923
Recycling & Recovery		210		411
Environmental Tech & Solutions		81		217
Other		(78)		(143)

2019 under the new segment structure

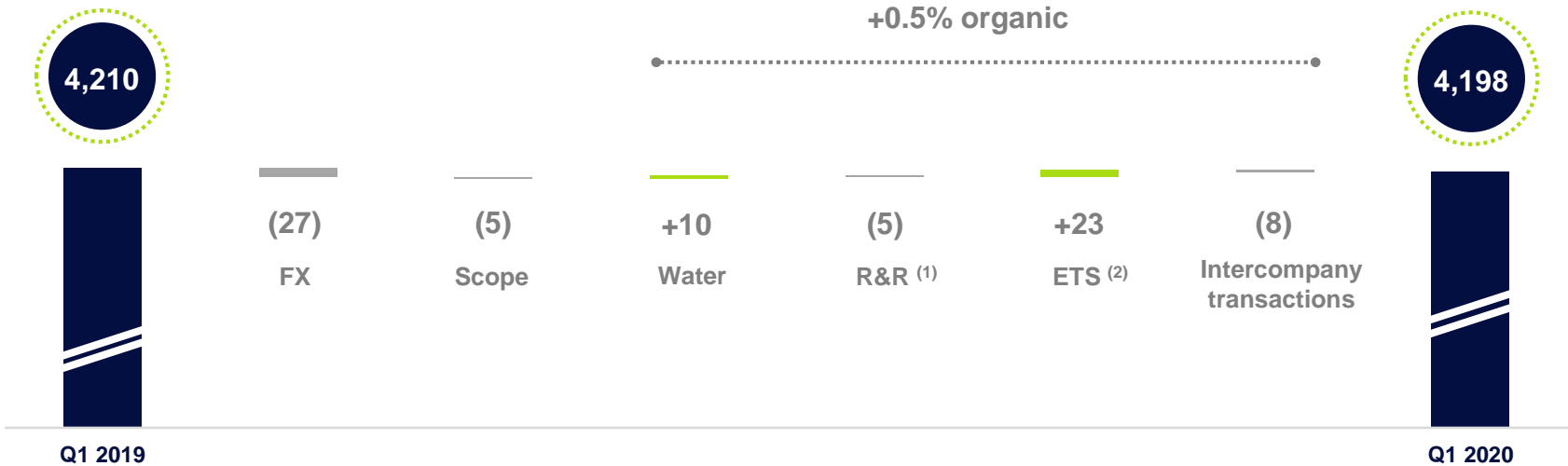
<i>Revenue, in €m</i>	Q1 2019	H1 2019	9M 2019	FY 2019
WATER	1,608	3,340	5,127	7,055
Europe	856	1,796	2,758	3,794
AMECA	193	394	610	865
Asia Pacific	116	261	397	572
Americas	443	889	1,362	1,824
RECYCLING & RECOVERY	1,837	3,692	5,530	7,463
Europe	1,525	3,090	4,625	6,240
AMECA	27	53	73	97
Asia Pacific	276	532	806	1,083
Americas	8	16	26	43
ENVIRONMENTAL TECH & SOLUTIONS	800	1,706	2,606	3,690
Europe	348	718	1,083	1,504
AMECA	33	75	106	147
Asia Pacific	106	254	378	546
Americas	313	658	1,039	1,494
<i>Intercompany transactions</i>	(35)	(82)	(136)	(193)
TOTAL REVENUE	4,210	8,656	13,127	18,015

Appendix 2

Q1 2020 Revenue

Revenue +0.5% on an organic basis

Revenue
in €m



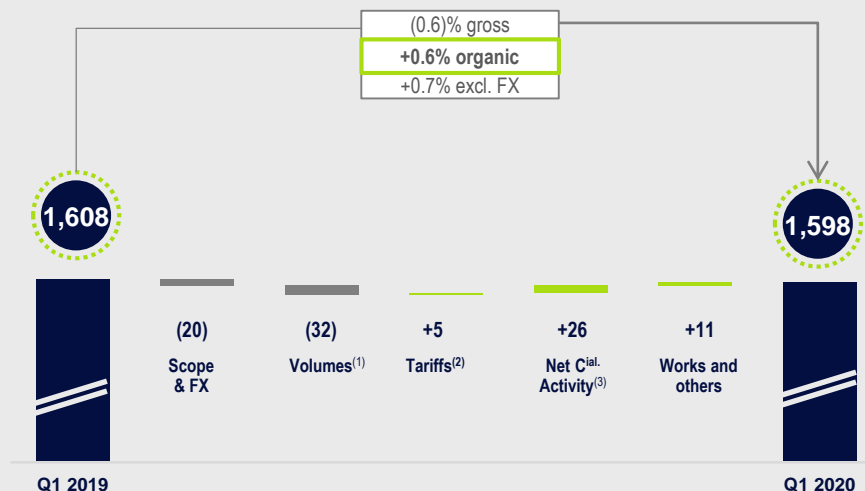
(1) Recycling & Recovery

(2) Environmental Tech & Solutions

Water

Organic revenue growth +0.6%

Revenue, in €m



Volumes down in first quarter in

- Europe and China hit by Covid-19
- Chile impacted by water restriction measures

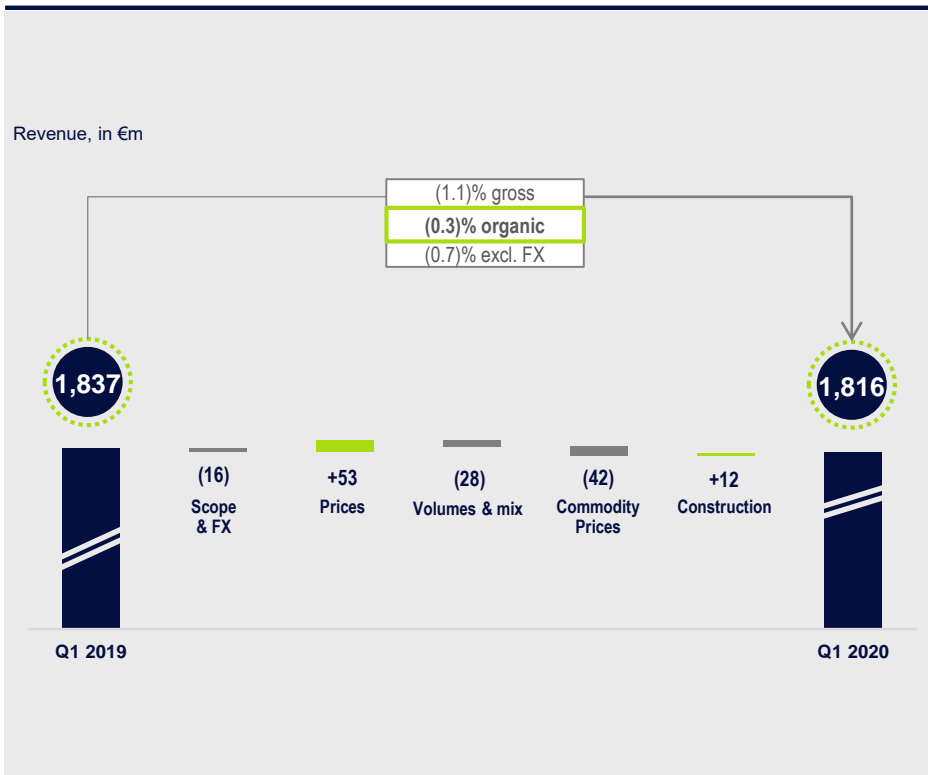
Tariffs up 1.7% in France and +2.0% in Chile, down -1.3% in Spain

Commercial activity benefited from the start of Toulouse contract in France

(1) At iso contracts
(2) Escalation formula
(3) Net balance between contracts gained / renewed / lost & amended

Recycling & Recovery

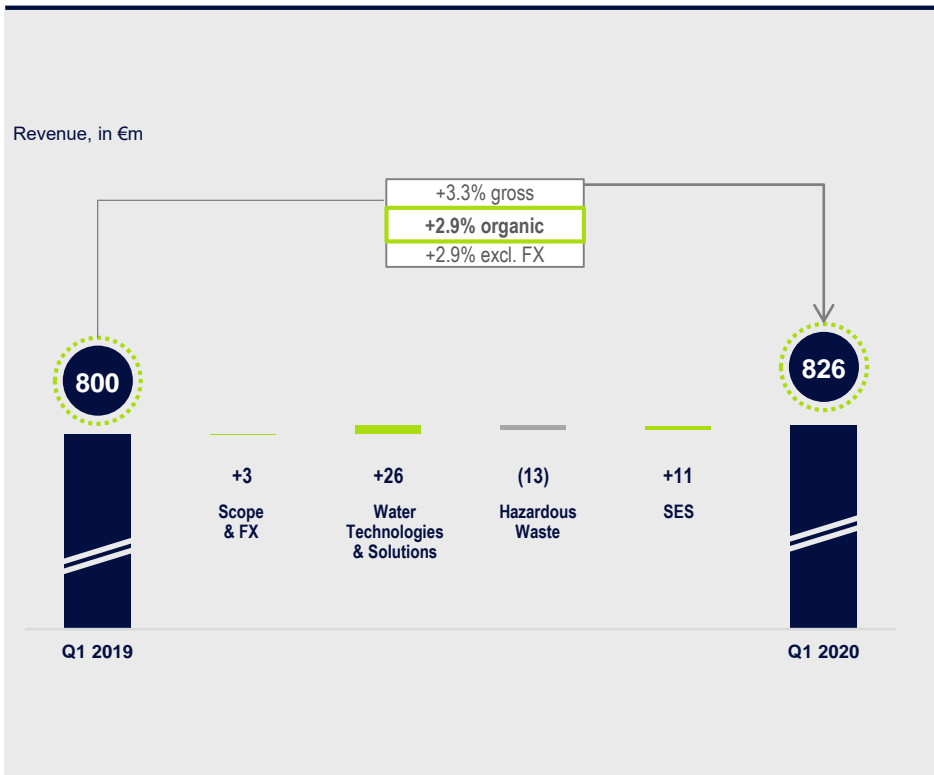
Revenue down (0.3)% organically



- Processed waste volumes **down (3.3)%**, reflecting the impact of population containment on I&C customers and industrial production slowdown in March
- Negative impact from commodities prices, on a declining trend in Q1
- Construction activities slowed due to global context of Covid-19

Environmental Tech & Solutions

Dynamic activity supported by commercial wins



- Solid performance of both Water Technologies & Solutions and SES
- Hazardous Waste strongly impacted by volume slowdown both in China and in Europe

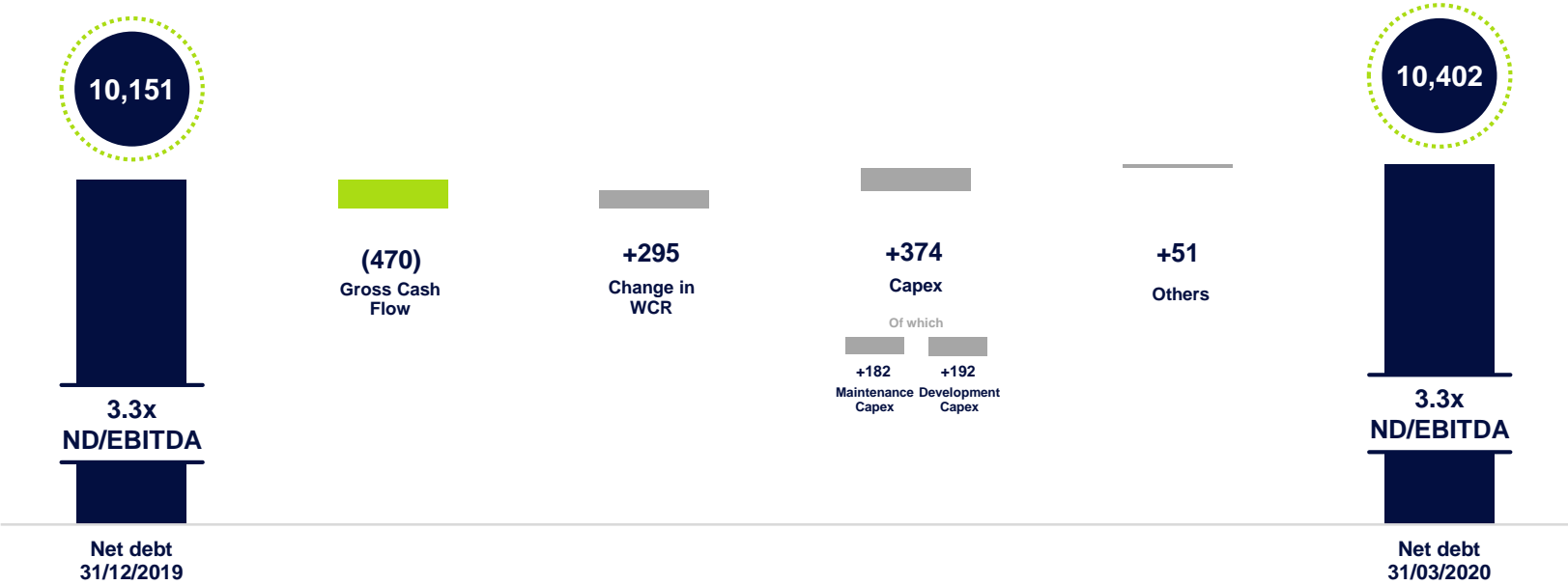
Revenue by division

In €m	Q1 2019	Q1 2020	in % of total	Variation			
				gross	organic	FX	Scope
WATER	1,608	1,598	38.1%	(0.6)%	+0.6%	(1.4)%	+0.1%
Europe	856	851	20.3%	(0.6)%	(0.6)%	+0.0%	-
AMECA	193	201	4.8%	+4.3%	+2.6%	+1.8%	-
Asia Pacific	116	120	2.9%	+3.3%	+4.0%	(0.7)%	-
Americas	443	426	10.1%	(3.9)%	+1.4%	(5.6)%	+0.3%
RECYCLING & RECOVERY	1,837	1,816	43.3%	(1.1)%	(0.3)%	(0.4)%	(0.4)%
Europe	1,525	1,514	36.1%	(0.8)%	(0.3)%	(0.0)%	(0.5)%
AMECA	27	24	0.6%	(11.5)%	(12.8)%	+1.3%	-
Asia Pacific	276	268	6.4%	(3.1)%	(0.1)%	(3.0)%	-
Americas	8	11	0.3%	+41.3%	+39.9%	+1.5%	-
ENVIRONMENTAL TECH & SOLUTIONS	800	826	19.7%	+3.3%	+2.9%	+0.4%	+0.0%
Europe	348	338	8.1%	(2.8)%	(2.4)%	+0.1%	(0.5)%
AMECA	33	39	0.9%	+18.0%	+15.2%	+2.8%	-
Asia Pacific	106	109	2.6%	+2.0%	+0.9%	+0.2%	+0.9%
Americas	313	341	8.1%	+9.0%	+8.2%	+0.5%	+0.3%
Intercos	(35)	(43)	(1.0)%	+22.2%	+22.2%	(0.0)%	-
TOTAL	4,210	4,198	100.0%	(0.3)%	+0.5%	(0.6)%	(0.1)%

Appendix 3

Net debt evolution in Q1 2020

Net debt evolution in Q1 2020



Appendix 4

Q1 2020 operational KPIs

Non financial KPIs

WATER

<i>Mm³ sold</i> ⁽¹⁾	Q1 2020	Δ 20/19
France	133	(1.8)%
Spain	151	+1.1%
Chile	167	(2.4)%
China	178	(6.8)%
North America	53	(1.3)%
Morocco	37	+4.6%
Water DB backlog - €bn ⁽³⁾	1.1	(3.2)%

RECYCLING & RECOVERY

<i>Mt</i>	Q1 2020	Δ 20/19
Elimination	3.5	(8.1)%
Recovery	5.1	+0.3%
Energy from Waste	2.2	(1.7)%
Sorting & Recycling	2.9	+2.0%
Total processed volumes	8.6	(3.3)%

ENVIRONMENTAL TECH & SOLUTIONS

Water Technologies & Solutions

<i>in €m</i>	Q1 2020	Δ 20/19 ⁽²⁾
Engineered Systems (ES)	381	(7.5)%
Chemical & Monitoring Solutions (CMS)	244	+7.5%
Total orders	625	(2.1)%

Hazardous Waste

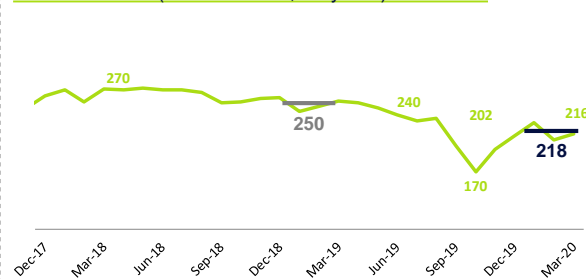
<i>Mt</i>	Q1 2020	Δ 20/19
Elimination	200	+1.3%
Recovery	280	(4.2)%
Total Hazardous Waste	480	(2.0)%

- (1) At iso contracts
 (2) Organic growth
 (3) Variation vs December 31st, 2019

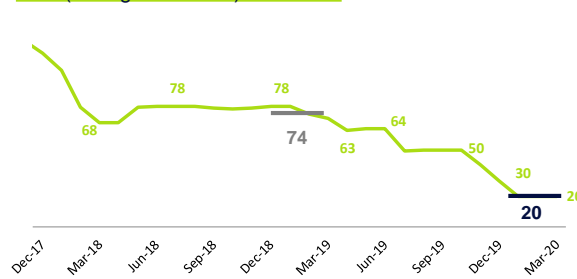
Recycling & Recovery Europe

Commodity prices evolution

BDSV Sorte 1 (ferrous metal, recycled) – in €/ton



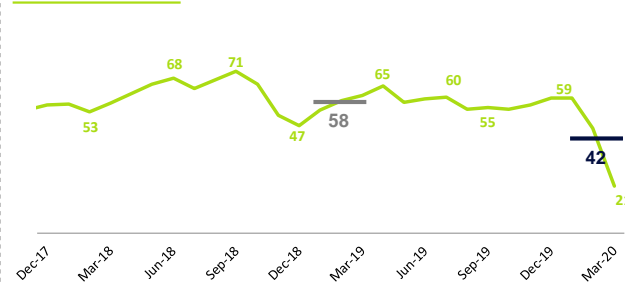
1.05 (corrugated board) – in €/ton



Average Q1 2020

Average Q1 2019

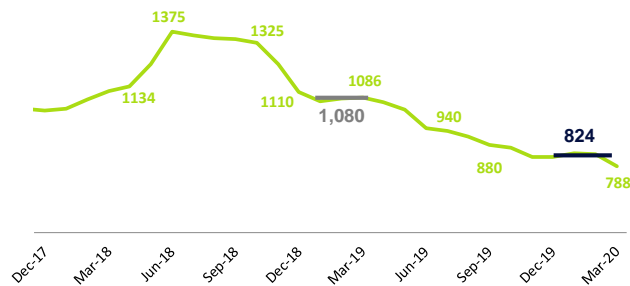
Brent – in €/baril



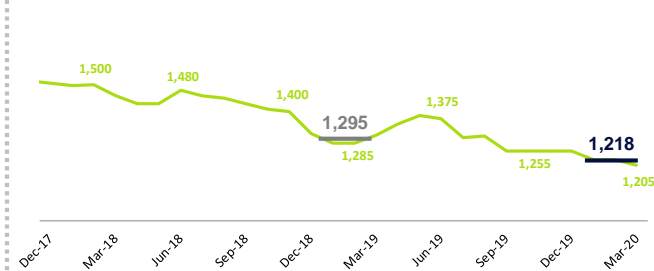
Recycling & Recovery Europe

Commodity prices evolution

PET (Virgin material) – in €/ton



PEBD – in €/ton



Electricity – in €/Mwh – CAL 20



Average Q1 2020

Average Q1 2019

Disclaimer

This presentation contains estimates and/or forward-looking statements and information. These statements include financial projections, synergies, estimates and their underlying assumptions, statements regarding plans, expectations and objectives with respect to future operations, products and services, and statements regarding future performance. Such statements do not constitute forecasts regarding SUEZ's results or any other performance indicator, but rather trends or targets, as the case may be. No guarantee can be given as to the achievement of such forward-looking statements and information.

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