2023 NON-FINANCIAL PERFORMANCE STATEMENT

GROUP ENVIRONMENTAL, CORPORATE AND SOCIAL RESPONSIBILITY POLICY

SUEZ

Contents

By order no. 2017-1180 of July 19, 2017 and decree no. 2017-1265 of August 9, 2017 amending Articles R. 225-104 to R. 225-105.2 of French commercial law, France has transposed European Directive no. 2014/95/EU on the publication of non-financial information, which requires French companies with an average workforce of more than 500 employees, whose balance sheet or revenue exceed €100 million, to publish a non-financial performance statement for financial years beginning on or after September 1, 2017. This transposition was completed in November 2018 with an amendment to *Article L. 225-102-1* of French commercial law.

By focusing on social, environmental, and societal information that is relevant to the main risks and challenges identified by the company, this system favors a "materiality" approach and the search for greater relevance and usefulness of the information presented for companies and their stakeholders. It also makes it possible to include in the requirements relating to the publication of information:

- An explanation of SUEZ business model;
- An analysis of the main risks and opportunities associated with SUEZ activities;
- A description of the policies applied and the associated action plans;
- The results of those policies, including key performance indicators.

Furthermore, pursuant to the European Commission's two delegated acts of June 4 and July 6, 2021 clarifying the provisions of Regulation (EU) 2020/852 of June 18, 2020 on taxonomy ("Taxonomy Regulation"), French companies subject to the obligation to publish non-financial information pursuant to Articles 19a and 29a of Directive 2013/34/EU, as amended by Directive 2014/95/EU (known as the "NFRD") must include in their non-financial performance statement the information provided for in the Taxonomy Regulation relating to activities considered to be "sustainable economic activities", as defined in that regulation. Section 5 of this non-financial performance statement meets these obligations.

1 Group Business Model

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For over 160 years, SUEZ has been providing essential services to protect and improve the quality of life in the face of growing environmental challenges. SUEZ offers resilient and innovative solutions to enable its customers to provide access to water and waste services.

With a presence in 40 countries and nearly 40,000 employees, SUEZ also gives its customers the ability to create value over the entire life cycle of their assets and services, and to drive the ecological transition together with their end users.

In 2023, SUEZ provided drinking water to 57 million people worldwide and sanitation services to over 36 million people. The Group produced 7.7 TWh of energy from waste and wastewater.

Under the leadership of Sabrina Soussan, the Group recorded revenue of nearly €9 billion in 2023.

Backed by its expertise and capacity to innovate, SUEZ has strong growth prospects. SUEZ relies on a solid consortium of investors made up of Meridiam and GIP – with 40% stakes each - and the Caisse des Dépôts Group with a 20% stake in the capital, including 8% held by CNP Assurances, to pursue its strategic development plans in France and internationally. In addition, 3% of SUEZ capital is held by employees following the "Go SUEZ 2022" employee shareholding plan, the largest in the Group's history.

1.1 | Purpose

SUEZ adopted its purpose in September 2022 and included it in its by-laws in 2023:

"Faced with growing environmental challenges, each day, for more than 160 years, we have been acting in support of our clients and partners to deliver essential services that protect and improve the quality of life wherever we operate.

United by a passion for our work as well as our inclusive culture and team spirit, we innovate to conserve water and create value from waste, in the form of recycled materials and energy. We promote and implement responsible behaviors, more efficient technologies, and circular solutions to recycle and make the best possible use of the finite resources of the Earth.

Deeply rooted in our communities, we are committed to providing people and the planet with the resources for a common future."

The Group actively involved its stakeholders in the formulation of that purpose:

- by making the most of extensive survey data (customers, employees, stakeholders) and in-house and external documentation on the Group's challenges, history, and activities in various geographical zones,
- by consulting a variety of external leaders from different fields (scientists, philosophers, artists),
- by bringing in two panels of around one hundred employees, French-speaking and English-speaking, representing the diversity of the Group's employee profiles and geographies,
- through discussions with employee representatives on the European Works Council,
- by devoting several meetings of the Executive Committee and the Board of Directors' CSR Committee to it, prior to approval by the full Board.

1.2 | Strategy

SUEZ ambition is to become the trusted partner for circular solutions in water and waste.

The strategy focuses on core business, i.e. the waste and water value chains and related services. Those business lines form a dynamic, diversified, and balanced portfolio. The Group also focuses on core markets: combining mature, resilient markets with an appetite for innovation, and high-growth emerging markets.

SUEZ sets itself apart from its competitors with a value proposition tailored to its customers' priorities and needs, bringing together its unique expertise in construction with recognized leadership in digital technology, the user experience, and innovation. The growth strategy will enable to increase the proportion of business that is carried out both internationally and in the waste sector. This is in line with the Group's ambitious and proven commitments to people, the planet, and the environment: SUEZ wants to be the leader in its sector in terms of ESG (environmental, social, and governance factors).

The Group is strengthening the customer focus of the organization, processes, and performance programs. It is improving its operational, commercial, and environmental performance by promoting a culture of entrepreneurship, based on local entrepreneurship, responsibility, inclusiveness, as well as a strong sense of purpose and collaboration.

Thanks to the support of its shareholders, the Group is aiming for an increase in its investments in Research & Innovation of 50% over 5 years versus 2022, in both water and waste management. The innovation strategy enabled SUEZ to hold over 1,700 patents (in 456 patent families) by the end of 2022.

Within 5 years, that strategy will enable SUEZ to set the benchmark in industry, recognized for its agility, restored margins, its capacity to create value and innovation, and its commitment to people and the environment.

1.3 | Activities

In 2023, SUEZ generated 59% of its revenue in France and 41% internationally. 39% of this revenue was generated in the water market and 61% in waste management.

In the water sector:

- In 2023, the Group operated 883 drinking water production sites, producing around 4.1 billion m³ of drinking water;
- In 2023, the Group operated 2,334 wastewater treatment sites, and biologically treated 2.9 billion m³ of wastewater.

In the waste sector:

- In 2023, the Group processed almost 28 million metric tons of waste and served around 13 million people and 66,403 customers in the service and industrial sectors through its waste collection activities;
- In 2023, the Group operated 60 composting platforms, 45 incineration sites, 375 material sorting, recovery, and transfer stations, and a fleet of 4,445 heavy vehicles.

With the acquisition of IWS at the end of 2022, SUEZ has broadened its scope of activities with the treatment and recovery of hazardous waste (transport, stabilization and storage, incineration, production of alternative fuel for the cement industry, energy and material recovery, treatment of polluted water, transit platform). This subsidiary provides an integrated approach to its clients with a wide range of solutions covering all types of hazardous waste, over the entire value chain and with the associated traceability.

SUEZ operational responsibilities vary according to the types of projects and contracts that support them. As a result, the Group does not always own the infrastructures it operates on behalf of its industrial or municipal customers. In the water sector, this is almost never the case. Its ability to intervene on these sites, particularly for actions requiring major investments (for adaptation to climate change, for example), is subject to the agreement and support of its customers.

1.4 | Value chain

SUEZ activities and areas of expertise naturally contribute to preserving the environment and providing essential services. SUEZ intends to play a leading role in achieving the United Nations' Sustainable Development Goals for 2030, in particular the one relating to water and sanitation (no. 6), as well as those relating to climate and energy (no. 7, 13) and sustainable production and consumption (no. 12). By transforming its activities, SUEZ aims to strengthen its presence in areas where there is a growing need (no. 11, 15). SUEZ Sustainable Development Roadmap 2023- 2027, and its integrated risks and opportunities management process, are based on a detailed analysis of the 169 targets in the UN's Agenda for 2030.

As an integrator of environmental technologies and solutions, SUEZ works with more than 43,000 suppliers and subcontractors around the world with €3.9 billion in annual expenditure. 80% of the Group's purchases are spent in France, 12% in the rest of Europe, and the rest internationally.

- **Direct or production purchases:** energy, network and plant equipment such as pumps, heavy vehicles, construction and sludge or waste transportation services, smart sensors and meters.

- **Indirect or non-production purchases**: general maintenance and facility management, applications, infrastructure and digital equipment, light vehicles and fuel, intellectual services, current supplies, temporary employment services.

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Main non-financial challenges related to SUEZ activities

2.1 | Identification of non-financial challenges

2.1.1 | Methodology

SUEZ has set up a system for keeping track of CSR trends that present both risks and opportunities for the Group. That monitoring involves regular surveys of customers and stakeholders, systematic exchanges with SUEZ BUs, as well as tools for analyzing the press, social media, and stakeholder publications, as well as the network of the Strategy, Sustainable Development, Public Affairs, Marketing, and Communications Departments.

Group's risks and opportunities stem from the following macro trends:

⇛ Political instability

Political instability may result in frequent changes in policies and regulations related to water and waste management. This inconsistency can create uncertainty for industry stakeholders, making it difficult to plan and adapt operations accordingly. Regulatory gaps or conflicting policies may also lead to inadequate protections for water quality and environmental standards. Political instability can weaken the capacity of government institutions to effectively govern and enforce regulations within the water and waste sector. Instability can lead to frequent turnover of key positions, lack of expertise, and limited resources for monitoring and enforcement. This can result in inadequate oversight of water and waste management practices, potentially leading to pollution, improper disposal, and inadequate treatment. Current geopolitical tensions affect supply, availability of raw material and inflation, which has consequences on costs and margins.

⇛ The impacts of climate change

The latest IPCC report highlighted the overall inadequacy of the commitments made under the Paris Agreement to secure a maximum temperature rise of 1.5°C and limit the risks associated with the consequences of climate change. This was confirmed by the last COP: implementation of the Paris Agreement is not where it should be. There is a big mitigation gap, with the current trajectory of global emissions not being consistent with limiting the global temperature rise to 1.5°C, while adaptation to climate change is not at the levels needed.

Climate change will continue to have an impact on the water and waste cycle, with more frequent severe droughts, less snow, more deadly floods, multiplying pollutions, increased greenhouse gas emissions, and loss of biodiversity. There are technological solutions to mitigate those effects and plan ahead for a more resilient model of society. The waste and water businesses have become resource businesses for local authorities. With the help of digital technology, local authorities are combating the strain on the quality and quantity of resources, reducing the carbon footprint of services and customers by producing, for example, secondary raw materials, or producing renewable energies.

⇛ Demographic growth and "metropolization"

Since November 15, 2022, the world's population has passed the 8 billion marks. Current projections suggest that population growth will continue and then stagnate over the coming decades, reaching 9.7 billion by 2030 and 11 billion by 2100. This trend, coupled with the strong urban concentration of populations near coastal areas and the westernization of lifestyles, is very significative. As a consequence, cities—which concentrate most of the wealth and innovation, but at the same time crystallize most of the risks and difficulties (impoverishment, budgetary constraints, overstretched resources, new nomadic lifestyles, health problems, employment, etc.)—have begun to adapt. Systemic approaches, based on interactions and taking local conditions into account, will need to be developed. The cross-disciplinary and universal nature of the water and waste activities means that they need to be integrated into projects, providing practical, suitable solutions.

⇛ The impacts of digital technology

Spurred on in the early 1970s, the digital revolution has become part of our daily lives. In territorial terms, the digital revolution is helping to reshape cities and rural areas. Whether in terms of transportation, mobility, the environment, employment, education, energy, waste or water, all of our areas of competence incorporate a digital aspect. Those solutions contribute to an unprecedented cross-disciplinary approach to urban services, opening up a whole new range of possibilities and new uses. The rapid expansion of regenerative Artificial Intelligence will probably accelerate the evolution of all industries, bring new solutions in our sector as well as challenges related to the environmental impact of Information Technologies.

2.1.2 | Risks and opportunities management approach

SUEZ approach to managing risks and opportunities is based on an overall risk management process (Enterprise Risk Management), that aims to identify major stakes facing the Group. This approach defines a "major stake" as any event (or series of events) or trend likely to:
- impact SUEZ strategic objectives,
- and/or to have a major impact, positive or negative, on one or more of its key assets (financial, tangible, intangible and human).

Identified risks and opportunities are:
- classified by category: strategic, financial and compliance, operational,
- assessed in terms of likelihood, Impact and Room for improvement,
- quantified where possible, and the way of handling them is reviewed, feeding into action plans at different levels of the company.

That work enables SUEZ to draw up an annual summary of the major stakes (risks & opportunities). Those major stakes are then discussed and validated by the Executive Committee. However, environmental, industrial, and climate-related risks are addressed from a number of angles and in relation to other policies (e.g. health and safety, human rights, reputation).

The ERM process involves several stakeholders, including:
- Group Risk Manager: responsible for defining the methodology, consolidating and overseeing the deliverables, monitoring action plans and conducting regular watch
- Executive Committee: responsible for validating the list of major stakes, defining priority stakes and appointing risk/opportunities pilots to define and implement action plans
- "Risk/Opp. Referents" within Business Units : responsible for implementing the ERM methodology within their scope and monitoring action plans.

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2.1.3 | Notable events in 2023

There were some significant external and internal events in 2023 that had an impact on the Group.

From an operational perspective perspective, with 2 fatal accidents in 2023 (including one among our subcontractors), health and safety issues are still a priority for SUEZ *(see section 2.5)*.

From a governance perspective, it is the second year after the acquisition of SUEZ by the Consortium of Shareholders comprising Meridiam, GIP and Groupe Caisse des Dépôts and the appointment of Chairman and CEO Sabrina Soussan on January 31, 2022. After the adoption of its purpose in September 2022, SUEZ published its Sustainable Development roadmap in February 2023. SUEZ businesses and expertise contribute to preserving the environment and provide essential services. The sustainable development roadmap aims to strengthen and amplify this contribution by structuring its actions around a strong common ambition wherever it operates. The Group's new sustainable development orientations are detailed later in this document *(see section 2.2.1)*.

After its Purpose, which defines its course, the Strategy, which defines the path to follow, and the Sustainable Development Roadmap, which ensures the sustainability of its actions, SUEZ launched in July 2023 its new operating model. This new organization is driven by 5 objectives:
- to place the customer at the heart of the organization;
- to encourage entrepreneurship and responsibility in everyone;
- share our expertise and know-how throughout the company;
- to reduce complexity and make our organizations more efficient;
- promote collaboration.

This operating model is supported also by a new Leadership Model, which will become the foundation of SUEZ corporate culture. The objective of this Leadership Model is to become a behavioral guide for all the company's managers and employees, whatever their function, Business Unit or country.

In 2023, the Group acquired three major entities: EnviroServ in South Africa, SUEZ UK and IWS in France. The integration of these entities was a priority for 2023 including the implementation of our Sustainable Development objectives and vigilance duty.

The war in Ukraine and the energy crisis reinforced the importance of resource-efficiency and energy independence. The price of energy had an impact on our service rates at a time of growing investment needs, particularly in the context of the climate and biodiversity crisis. SUEZ adapted by rapidly putting forward an energy efficiency plan in 2022. In 2023, led by the Energy department newly created at Group level, efforts were extended toward the diversification of our energy supply and focus on energy production on site.

In 2023, the Group pursues its international expansion with the acquisition of an independent recycling and waste management company F&R Cawley Ltd. It enables recycling and recovery activities of SUEZ in the UK to expand their footprint north of London and to enter the lithium-ion battery processing market. This second UK acquisition in 12 months marks another step towards SUEZ international growth targets. As one of the largest waste markets in Europe, the UK is a strategic growth area for SUEZ. It forms a key part of SUEZ international growth ambitions, with a target to reach 40% turnover from international markets by 2027.

In the last quarter, SUEZ successfully priced 2 new Green Bond issuances: the first one is an inaugural £600 million Green Bond issuance on the Sterling market and few weeks later, another a 500 million euros Green Bond issuance. Reflecting its ambition to become the trusted partner for circular solutions in water and waste, SUEZ reaffirms its commitment to sustainable financing.

The Group is also preparing to the Corporate Sustainability Reporting Directive. It realized its double materiality assessment and prepares actively for its first sustainability reporting in 2025.

2.1.4 | Table of ESG risks and opportunities identified for SUEZ

The Group has set out the risks and opportunities associated with those major challenges:

Main risks and opportunities identified	Description of the issue and the associated management policy	Associated risks	Key performance indicators audited	Sustainable Development Goals
1. Optimize water and waste management	Section 2.3	Pollution and industrial accidents Conflicts over the use of resources Damage to biodiversity	Waste recovery rate (%) Technical efficiency of drinking water distribution networks Wastewater reused (%)	6.4, 7.3, 8.4, 12.2, 12.4, 12.5, 13.1
2. Protect biodiversity and ecosystems	Section 2.3	Pollution and industrial accidents Conflicts over the use of resources Damage to biodiversity	Percentage of priority sites with a biodiversity action plan deployed (%)	14.1, 15.1, 15.5
3. Fight and adapt against climate change	Section 2.4	Pollution and industrial accidents Conflicts over the use of resources Damage to biodiversity	Greenhouse gas (GHG) emissions (tCO_2e): - Avoided - Direct (scope 1) - Indirect (scope 2 location based) - Indirect (scope 2 market based) - Indirect (scope 3)	7.2, 7.3, 13.2
4. Protect health and safety of all	Section 2.5	Health & Safety	Number of fatal accidents involving employees Frequency rate of workplace accidents	3.6, 8.8
5. Maintain key competencies in the Group's employees 6. Promote social and societal	Section 2.5	Lack of human resources Loss of skills	% of employees trained, including digital % of management positions held by women % of employees covered by a social dialogue system	4.3, 4.4, 4.5
7. Promote human rights and vigilance Duty 8. Fight agains corruption	Section 2.6	Working Conditions Access to services For all identified risks, corruption is a factor that makes matters worse	Number of human rights violation Number of employees trained in ethics	8.8, 16.10

Those key material topics are embedded in SUEZ Sustainable Development Roadmap.

2.2 | Governance on ESG topics

2.2.1 | Sustainable Development Roadmap

SUEZ steers its non-financial performance by means of a roadmap setting out timed and quantified objectives targeting the major Sustainable Development issues raised by its activities. The 2023-2027 Roadmap was drawn up in line with the United Nations Sustainable Development Goals (SDGs), based on a review of their materiality regarding the Group's activities worldwide.

It was jointly drawn up with the Group's operating entities, the SUEZ CSR Committee made up of representatives of our shareholders, and the Executive Committee.

The roadmap is structured around 3 main pillars: climate, nature and social. With this roadmap, SUEZ makes public 24 operational commitments that are specific, achievable, and measurable. Progress on these commitments will be monitored using 43 Key Performance Indicators (KPIs).

An annual Sustainable Development action plan is drawn up with each Business Unit to approve objectives tailored to local issues and in line with the activities conducted in that location. It ensures thus a proper appropriation of the roadmap from an operational perspective. The CSR Committee meets several times per year on a quarterly basis to monitor its implementation. The long-term incentive plan for Group executives includes targets relating to the priority issues set out in the roadmap: reducing greenhouse gas emissions, improving health and safety, and achieving gender equality.

2.2.2 | Sustainable Development organization

To support the implementation of the sustainable development roadmap and to ensure all other missions on Environment, Social and Governance (ESG), SUEZ has defined a Sustainability Governance Structure:

- Board of Directors Oversight: The Board of Directors plays a crucial role in overseeing sustainability efforts. It sets the overall strategic direction, review and approve sustainability policies and initiatives, and ensure alignment with the company's long-term goals and shareholder interests.

- CSR (Corporate Social Responsibility) Committee plays a pivotal role in overseeing and guiding SUEZ CSR initiatives. It evaluates how CSR efforts can contribute to long-term value creation, reputation enhancement, risk management. The committee oversees the allocation of resources, to support CSR initiatives. It reviews on a quarterly basis the implementation of the SD roadmap, as well as the vigilance plan on an annual basis.

- Executive Committee: The CEO and executive leadership team are responsible for championing sustainability within the organization, setting the tone from the top, and integrating sustainability considerations into strategic decision-making processes. The Chief Sustainability Officer is under the director authority of the CEO, he is in charge of defining, validating and rolling out the Sustainable Development strategy. He is also responsible for implementing the strategy of SUEZ, defined jointly with the board of directors through an ambitious development plan for both of its primary activity sectors, water and waste, in France and internationally.

- Sustainability Department: A dedicated sustainability department is responsible for the implementation of the Sustainable development strategy in all operations and is organized around the 3 pillars of the SD roadmap (Climate, Nature, Social). It is supported by a Sustainable Development network with correspondents in all Business Units in charge of the local declination of the Sustainable Development roadmap.

The Sustainable Development roadmap was presented to all employees during a live webcast, then locally detailed to all Business Units steering committees. Employees' representatives were also frequently involved through dedicated trainings on ESG topics or information on specific topics such as new policies.

2.2.3 | Review of major investments in Sustainable Development

The Operations Committee (COMOP) approves any project (related to a new investment or a new or existing contract) with a value in excess of one of the thresholds set out in the Group policy, reviewed in September 2022. Certain projects must be approved by the SUEZ Board of Directors or a Board Committee. The policy includes a risk grid, based on environmental, nature, social and reputation criteria, reviewed by the corporate Sustainable Development team. SUEZ role is to ensure projects are aligned with the Sustainable Development roadmap. SUEZ gives priority to the asset's or project's capacity contributing to accelerate the ecological transition of the territories.

2.3 | Preserving Nature

2.3.1 | Description of the challenges

As defined by the United Nations, *"Nature underpins the functions and health of the planet and thereby the existence and health of humankind"*. Nature is facing an unprecedented loss through biodiversity decline and resource scarcity:

- A total of 75% of the land surface has been significantly altered; more than 85% of wetlands have disappeared[1];
- According to the IPBES, the rate of extinction of species is 10 to 1,000 times faster than the natural rate, at which rate the planet could lose 75% of its species, to the point where we talk now of a sixth extinction[2];
- 1 million species are threatened with extinction in the coming years[3];
- At present, humanity consumes 1.7 Earth planet to meet its annual needs[4];
- By 2035, the demand concerning phosphorus may be higher than supply[5] so as many metals in the coming decades.

A study from Harvard demonstrated in 2021 that *"air pollution from burning fossil fuels like coal and diesel was responsible for about 1 in 5 deaths worldwide"*[6]. According to the World Economic Forum, half of Gross Domestic Product is "moderately" or even "highly" dependent on nature.

As a company operating in the environmental sector - water and waste - where access to essential services and circular economy are at stake, SUEZ value chain is intimately linked to services provided by nature. For example, drinking water production depends on the quality and quantity of water resources, and sanitation processes are linked to the genetic diversity of bacterial pools. SUEZ waste activities are becoming more and more circular to preserve the maximum of resources and allow the transition from a linear economy to a circular economy. This is why the company's contribution to preserving and restoring nature has been integrated into SUEZ purpose.

However, nature remains a vulnerable component impacted by SUEZ activities, whether in terms of residual pollution, pressure on resources or land artificialization. Processes involved in waste and water treatment are managing pollution as part of the resource treated and are closely monitored through adequate management system. SUEZ ensures to avoid impacts on nature through stringent environmental and industrial risks management but also operational excellence. In addition, the Group seeks to minimize and compensate for its impacts on biodiversity, in accordance with the applicable regulations.

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[1] Ibid, p14
[2] IPBES: Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services
[3] IPBES, https://zenodo.org/record/5906976#.Y61Uo3bMI2w, p11
[4] Eu https://knowledge4policy.ec.europa.eu/foresight/topic/aggravating-resource-scarcity/more-developments-relevant-aggravating-resource-scarcity_en
[5] European commission, 2024 https://knowledge4policy.ec.europa.eu/foresight/topic/aggravating-resource-scarcity/more-developments-relevant-aggravating-resource-scarcity_en
[6] Karn Vohra, Alina Vodonos, Joel Schwartz, Eloise A. Marais, Melissa P. Sulprizio, Loretta J. Mickley, Global mortality from outdoor fine particle pollution generated by fossil fuel combustion: Results from GEOS-Chem, Environmental Research, Volume 195, 2021, 110754, ISSN 0013-9351, https://doi.org/10.1016/j.envres.2021.110754. (https://www.sciencedirect.com/science/article/pii/S0013935121000487)

2.3.2 | Policies and action plans

2.3.2.1 | Environmental and industrial risks management

On a day-to-day basis, the Group implements a comprehensive environmental management approach for its water and waste activities. SUEZ is particularly committed to preventing the health and environmental risks associated with its activities, as well as reducing nuisance for residents on sites where it operates on behalf of its customers. Cybersecurity is a strong focus of the environmental and industrial risk management plan, described in the following section.

SUEZ is identifying most vulnerable sites and activities to help them adapt to the physical risks anticipated by the Intergovernmental Panel on Climate Change *(as detailed in section 2.4)*.

Environmental and operational performance measurement and control systems

A specific management system is implemented to manage environmental and industrial risks (EIR). The risks considered may be of accidental or natural origin. They may be due to human or organizational factors, material accidents, or malicious acts. The scope of this management system covers all types of pollution (air, soil, aquatic environments) or environmental nuisance (noise, vibrations, odors, visual nuisance, etc.). It also covers environmental damage, as well as material or human damage caused by fire, explosion, machinery breakdown, natural disasters, collapse of structures, etc.

A structured management system ensures that the defined management principles are applied across all Business Units internationally, under the responsibility of the General Manager of each business unit. To that end, the General Manager appoints an Environmental and Industrial Risk Officer (EIRO) within their organization to ensure coordinated functional management of those risks at every level of the organization.

In addition, a series of environmental and industrial operating rules define mandatory requirements for all Group operations. Business Unit management systems must consider and comply with the principles of those operational rules. Their purpose is to enable operating entities or subsidiaries to check that the operations under their responsibility comply with the criteria set out by the Group. Those Group rules are supplemented where necessary by rules or directives specific to each business unit. Failure by existing entities or newly acquired companies to comply with those operating rules are subject to an action plan designed to ensure compliance within an appropriate timeframe.

Those operational rules are supported by "Practical Data Sheets" which provide guidelines and examples for their application in practice. Those practices are supplemented by feedback from accident analysis, in collaboration with insurance company risk prevention engineers.

The process of monitoring and managing environmental, industrial, and climate-related risks and opportunities is the responsibility of several Group departments, reporting to the Board of Directors and the Executive Committee. The Environmental and Industrial Risks Department is responsible for identifying and assessing risks, with the support of the Sustainable Development Department. The resulting matrix is then reviewed and validated by the Board of Directors' CSR Committee. The Group's strategy with regard to those issues is also reviewed by the Board of Directors.

Furthermore, audits (on selected operating sites) are carried out by the Environmental and Industrial Risks Department. Any failure to apply the management rules and associated standards is escalated to the appropriate managerial level for analysis and arbitration on corrective measures. A summary of any recorded shortfalls is presented to the Group General Management on an annual basis.

Through its network of Environmental and Industrial Risks Officers (EIROs) and its annual Environmental and Industrial Risks reporting, SUEZ monitors the industrial and environmental risk management activities of its Business Units and shares best practices.

SUEZ is continuing its efforts to increase the reliability of its environmental data, which is audited by accredited third parties. The indicators used to measure and improve operating performance are transmitted by the Business Units (BUs), consolidated at central level, and the results are made available to the operational and technical teams in charge of managing the BUs' operating and environmental performance via business intelligence applications. They show the progress made and provide an overall view as well as a close-up view of each of the Group's entities with comparable activities (benchmark analysis).

In 2023, the Performance and Sustainable Development Departments sent a letter to all managers and teams in charge of reporting to remind them of the importance of performance data for the proper monitoring of performance plans, as well as for the sustainability actions undertaken by the Group (preservation of biodiversity, reduction of Greenhouse Gas emissions, optimization of water and energy consumption, etc.).

⇛ Limiting olfactory, noise, visual nuisance and improving air quality

SUEZ has developed a service called "NOSE", which is a way to make an objective assessment and model the olfactory footprint for local residents of a wastewater treatment, sludge recovery, or waste management activity or site.

This service offers ways to control the olfactory footprint, to keep it below the threshold of two odor units per cubic meter (UO.m³) and thereby meet regulatory requirements (footprint below the threshold of five odor units per m³) where they exist.

This makes it possible to take precise measurements to avoid or deal with odor nuisance right from the plant design stage.

For existing facilities, preventive and corrective measures are put in place to limit olfactory, noise, and visual nuisance. The following examples illustrate this:

- Sizing and installation of dedicated treatment units;
- Installation of biogas capture and processing systems;
- Implementation of operational practices to minimize the generation and dispersion of odors;
- Application of masking agents (e.g. in the working areas of landfills in operation);
- Organization of measurement campaigns and verification of compliance with regulatory thresholds for day/night noise levels;
- Soundproofing of technical rooms and noisy machines;
- Use of collection vehicles that run on compressed natural gas (CNG) or all-electric vehicles.

In line with this last example, in order to improve air quality as well as reduce local carbon emissions, SUEZ supports decarbonized mobility. In the UK, as for the new waste and environmental contract with Milton Keynes City Council, many of the new waste and landscaping vehicles will be fully electric. For the Mid-Kent waste partnership contract for waste collection and recycling services, SUEZ will introduce a new fleet of lower emission vehicles using electric bin lifts. In France, in Nîmes by 2025, the 40 collection vehicles will run on alternative fuels with most using waste vegetable oil. In Limoges, as for the waste collection, 16 electric trucks and 10 trucks running on XTL biofuels (made from used oils and fats) will replace the current fleet of fuel trucks.

⇛ Certification of management systems

As a player in the environmental sector, the Group encourages its sites to certify their activities to international standards such as ISO or equivalent. ISO 14 001 environmental management system certification and ISO 50 001 energy management system certification are particularly well developed in the Group's activities.

In France, for example, all SUEZ water activities are ISO 50 001 certified. Our waste-to-energy plants in France are all ISO 9 001, 14 001, 18 001/45 001 and 50 001 certified. Because of their environmental exposure, all of our non-hazardous waste storage and mechanical sorting facilities are also covered by ISO 14 001 certification. Waste activities in the UK are also covered by ISO 14 001 certification (almost 100% of coverage – only 7 sites are still in the process of accreditation).

In terms of SUEZ international water activity, 91% of the volumes produced, distributed, or processed are covered by ISO 14 001 certification (100% in Egypt, India, Australia and Panama).

⇛ Cybersecurity

Cyber-attacks are becoming more and more widespread, frequent, sophisticated, and potentially costly. Cybersecurity risk relates to both the operation of industrial sites managed by the Group and the protection of data relating to the Group, its employees, and its customers. Cybersecurity risk management enables us to prevent the vulnerability of our industrial facilities' control and supervision systems, which could lead, for example, to a partial loss of control of water or waste treatment units.

In line with the recommendations of the ISO 27 000 international standards, with the cybersecurity standard of the "National Institute of Standards and Technology" (NIST CSF) as well as with the guide on Cybersecurity of Industrial Systems published by the French National Agency for Information Systems Security (ANSSI), the Group has reinforced the following points in terms of governance:

- the implementation of an integrated Group cybersecurity governance system, with strong involvement of teams dealing with Data Privacy, safety, ethics, and environmental and industrial risks;
- strengthening the Group's cybersecurity team in these areas, notably in terms of detection and response to security incidents on a 24/7 basis, with the set-up of a "Global Security Operations Center" (GSOC) covering the entire Group and its entities;

- continuous improvement of cybersecurity crisis management governance throughout the Group, following the organization of cybersecurity crisis exercises;
- continued implementation of measures relating to the GDPR regulations with impact analyses on privacy (Privacy Impact Assessment) for certain key personal data processing operations, the drafting and signature with suppliers of Data Protection Addendum integrating GDPR requirements and raising employee awareness of the GDPR;
- the inclusion in the internal audit plan of undertakings to review the management of cybersecurity by Group entities (governance, organization, compliance with Group policies, technical tests);
- renewal of the overall cybersecurity insurance policy covering all the legal entities.

Approved by the Group's Executive Committee, the 2023-2027 cybersecurity roadmap is designed to ensure the security of industrial sites. That highly ambitious program is designed to improve the level of security at all sites, with priority given to over 130 major sites around the world.

2.3.2.2 | Optimizing water management

According to the United Nations (UN), by 2025, 1.8 billion people will be living in countries or regions affected by a complete water shortage, and two-thirds of the world's population could be living in water-stressed conditions. Risks related to water resources and extreme climatic events incorporated into the Group's integrated management process are of several types:

- those linked to the availability of a sufficient volume of water: existing pressure on water resources represents a significant operational risk, due to the potential impact of prolonged periods of drought or chronic water stress on service continuity. The same applies to repeated heavy rainfall events, which can lead to deadly flooding. Such situations can lead to temporary interruptions in the drinking water supply and wastewater treatment operations. Beyond that, conflicts over the use of water resources are on the rise. As a result, the Group is working with its customers to promote initiatives to reduce consumption and preserve resources, notably through digital technology, the use of alternative techniques such as reuse or groundwater replenishment, improving the efficiency of water distribution networks, and raising public awareness.
- those linked to water quality: the Group's ability to supply water that meets the required standards and specifications depends on the quality of the resources available locally and the technological solutions offered to customers. New production and consumption patterns, combined with climate change, are having a direct impact on the quality of water resources, leading to tighter regulations. The availability of water resources of sufficient quality is at the heart of current and future challenges, to control the risk of service interruptions due to pollution. The quality of life and health of populations is also largely intrinsic to the quality of the water delivered to the tap and discharged into the natural environment. In addition to service continuity risks, extreme weather events leading to too much or too little water can cause significant damage to assets managed by SUEZ (built and natural) under its contracts. Equipment that is underused due to water shortages or exposed to flooding will require more extensive maintenance and adapted, predictive asset management plans.

The preservation of groundwater and surface water is becoming a major concern for public authorities and industrialists alike, to guarantee their production and the local acceptability of their activities. SUEZ supports them both in optimizing the management of the "small" water cycle (i.e. infrastructure management), and in mitigating and adapting to effects of climate change on the "large" water cycle (i.e. protection of upstream and downstream resources and biodiversity).

Regulations are following these concerns and the European Urban Wastewater Treatment Directive has been revised from 2022 with two main objectives: protect EU citizens and ecosystems from the remaining sources of inadequately treated wastewater, while improving transparency and governance in the sector. The revised directive also aims to align EU water policy with the objectives of the Green Deal and climate neutrality. In particular, the Commission wishes to introduce more circularity (reuse of treated wastewater, energy recovery, nutrient recovery), implement measures to achieve carbon neutrality through the use of renewable energies at wastewater treatment plants, lower the level of pollutants, and integrate the notion of Extended Producer Responsibility (i.e. the "polluter pays" principle).

All these trends are directly linked to SUEZ Water activities.

Distributed water: an imperative to protect the quality of the drinking water supply for end-consumers

Self-monitoring programs for network water quality generally exceed regulatory requirements, and Group-operated sites are equipped with remote monitoring systems or 24-hour alert systems. The organization of work, and in particular the implementation of on-call systems, also ensure 24/7 service continuity.

In its annual Water Quality Report, the Group gathers all the information on the performance of its contracts in terms of quality of the water produced and distributed. That report provides means to monitor action plans jointly steered by the Group's Water Technical Department and BUs, aimed at eliminating the risk of non-conformities or quality thresholds being exceeded. In addition to that prevention policy, the Group has developed specific crisis management procedures in the event of accidental deterioration in the quality of distributed water or equipment malfunction, in coordination with local authorities and customers.

SUEZ assesses the quality of the drinking water produced and/or distributed by its entities according to several bacteriological and physico-chemical parameters derived from European Directive no. 98/83/EC of November 3, 1998, concerning water intended for human consumption. That directive was updated in December 2020 (new European Parliament and Council Directive 2020/2184 of December 16, 2020, which was transposed in the Member States in 2022 and is already in force in France).

New health concerns relating to quality parameters of distributed water appear regularly, in connection with the identification of new emerging risks. In addition to bacteriological and physico-chemical criteria, certain substances grouped under the term "emerging pollutants" (pharmaceuticals, endocrine disruptors, etc.) are the focus of particular attention from public authorities, experts, and players in the water and environment sectors. In addition to developing treatment solutions for such emerging pollutants in wastewater, as described below, the Group has set up targeted research programs to better understand, analyze, monitor, and treat those new molecules, while contributing to the public debate on the subject.

Wastewater treatment for protecting health and natural environments

Wastewater treatment at facilities managed by the Group contributes to a significant reduction in the level of pollutants discharged into the environment and likely to affect the quality of water resources. The quality of discharge from wastewater treatment plants is continuously measured based on predefined parameters (chemical oxygen demand (COD), biochemical oxygen demand (BOD), suspended solids, nitrogen, phosphorus, coliforms, etc.) using analyzers and regular samplings. Tested parameters and frequency are defined by Group's monitoring guidelines, whose thresholds are stricter than those set out in existing national regulations.

In its annual Wastewater Quality Report, the Group gathers information relating to the performance of its contracts in terms of treated water quality.

In addition, the Group implements a broad variety of innovative solutions to meet environmental challenges, protect consumer health, and conserve natural capital.

For instance, Aquadvanced® Urban Drainage is a real time software solution dedicated to the monitoring and control of sewerage networks. Thanks to the processing of meteorological data, information from different sensors on the sewerage system, and advanced algorithms, the solution allows to anticipate and prevent floods, control the quality of discharges into the receiving environment, while optimising the existing regulation and treatment infrastructures.

In recent years, major research programs have been dedicated to developing solutions for the treatment of micropollutants in wastewater discharges, essentially based on the transposition of processes used in the treatment of drinking water. Examples include the coupling of ozone oxidation with biological treatment processes, a process applied at the Sophia Antipolis wastewater treatment plant in France, where performance guarantees for the treatment of micropollutants are required by the customer; or the adsorption of micropollutants on activated carbon, which can be coupled with the above process, as envisaged at the Lausanne wastewater treatment plant in Switzerland and under construction at the Klar facility in Denmark.

The Group has also developed a partnership with a company called Toxmate to carry out tests to measure ecotoxicity caused by micropollutants at wastewater treatment sites in Switzerland and France. That solution makes it possible to:
- Monitor the discharge toxicity in real time online by means of integrated measurement;
- Reuse treated wastewater safely;
- Validate advanced treatment processes;
- Reinforce the protection of the environment;
- Minimize the impact on biodiversity.

Those research programs, which are generally conducted in collaboration with partners from the academic world, will enable the Group to meet the following commitment made as part of its 2023-2027 Sustainable

Development roadmap: to include treatment solutions of micropollutants in 100% of commercial proposals for the construction of wastewater infrastructure in areas at stake, according to mapping by national environmental agencies.

Beyond, SUEZ turns wastewater into resources while recovering energy for plants' self-consumption *(see section 2.4)* and phosphorus, an essential, yet limited, resource.

20% of current world demand of phosphorus could be covered by recovery from wastewater. Without reuse of phosphorus, depletion is foreseen in 100 years from now and the European Commission has classified phosphorus among the 20 "critical materials". SUEZ developed a solution that extracts phosphorus via struvite from wastewater and turns it into a fertilizer. This process recovers 40-50% of the phosphorus from incoming water. Phosphogreen™ solution was fist implemented in a full-scale at Marselisborg wastewater treatment plant located in Aarhus. In the future, SUEZ is looking to extract other materials such as lithium. Most of this research is carried out in our ten R&D and excellence centres worldwide.

Haliotis 2 in Nice, France, a wastewater treatment plant in construction by SUEZ, will be a true European hub for advanced "all-in-one" technologies working toward the ecological transition to treat and reuse wastewater, eliminate all types of pollutants including microplastics (90% removed), treat sewage sludge and sand, and improve air quality, all while generating new renewable energy sources (biomethane, solar, heat and cold for buildings).

⇛ Preserving the availability and quality of water resources

As part of its Sustainable Development Roadmap 2023-2027, SUEZ is committed to the following by 2027:

- In 100% of new water commercial proposals, include a commitment aiming to preserve water resources (reduce withdrawals, minimize losses, or encourage sobriety);
- Propose a water resource preservation commitment for 100% of drinking water distribution contracts in water-stressed areas.

To improve the efficiency of the distribution networks, SUEZ is developing digital tools such as smart meters and network instrumentation. Those tools enable better consumption forecasting, online calculation of the water network yields, and more accurate location of leaks. They also enable users to control their water consumption and their bills. SUEZ offers its municipal customers solutions designed to improve the operational performance of drinking water networks: Aquadvanced® Water Networks, enables improved monitoring of drinking water networks by analyzing a wide range of data from various sensors (flow, pressure, flow rate).

SUEZ and PUB, Singapore's National Water Agency, have been working closely since 2015 in R&D pilot and full-scale projects for the management, conservation and digitalization of water for the country. A water innovation hub and delivery center for services was established in Singapore. Collaborating closely with various PUB user teams, SUEZ has tailored its proprietary technologies for a range of projects such as CWOS: PUB uses CWOS (Catchment and Waterways Operations System) to monitor its stormwater networks and water catchment areas.

In India, SUEZ drastically reduced water losses and restored equitable pressurized water supply in Kolkata-Cossipore. The Group's integrated asset management approach includes network rehabilitation, leak detection and repair, AI based analytical tools along with innovative collaborations with the local community of women self-help groups (Jal Bandhu program) to implement water conservation awareness campaigns. As results, 420,000 people covering 36,000 households are provided with equitable and pressurized water. And water losses reduced from 56% down to 13%.

In recent years, Macao Water, a SUEZ subsidiary, has maintained a 7% non-revenue water rate, consistently leading the world and outperforming China's target to be below a 9% non-revenue water rate by 2025. Leakage in the network has significantly fallen, saving 2 million m^3 of water every year, equivalent to the water consumption of about 3,200 households. Macao Water has also been recognized as the most successful PPP model in Asia and a benchmark for China's water industry for its operational and service excellence.

The Tashkent Water Transformation Plan implemented in collaboration with the Uzbek authorities that came into effect in August 2023. This contract acts as a pilot project for the modernization of the Uzbek water sector and will be a showcase for the entire Central Asian region. It is based on an innovative approach of joint management and close monitoring of performance and technical excellence including through key performance indicators, as well as an action plan to improve the quality of drinking water, reduce the Non-Revenue Water by 12%, and increase the Collection rate to achieve financial balance. SUEZ will also support the development of the next generation of Uzbek managers and water specialists through an ambitious know-how and expertise transfer program which includes 1,500 days of training, 350 days of study abroad, and more than 1,200 days of technical assistance. It will allow the company to meet the highest international HSE standards. The contract is financed by a Direct Loan from the French Treasury and a BPI France Assurance Export buyer's credit.

Thanks to all these initiatives, by December 31, 2023, SUEZ had achieved a technical efficiency of 84.2% on its drinking water distribution networks (no impact from acquisitions as they're on the waste business).

SUEZ
Technical efficiency
of drinking water distribution networks

2022	2022 updated	2023
83.7%	83.7%	84.2%

The Group is also implementing actions targeting user behavior, through the introduction of tariffs and tools to encourage water savings, and awareness campaigns against water wastage. In France, SUEZ has set up the ON'connect™ Coach solution for private individuals, which enables users to track their water and related energy consumption on an online platform. This prevents the risk of leaks and offers advice on how to optimize usage and reduce environmental impact. Similar services will be set up in the Brive basin agglomeration in France, where all residents are set to be equipped with a remote meter reading system and a digital application for monitoring their consumption by early 2024 to contribute to the community's resource conservation objectives. This would help SUEZ with achieving the minus 21% of water taken from the natural environment within 7 years, targeted by this innovative contract, based on "service economy" principles. The contract signed with the Bassin de Brive in 2021 was the first in France relating to water efficiency, which links SUEZ remuneration to the annual decrease in volumes.

SUEZ is also committed to helping its customers improve their capacity to withstand the effects of climate change: as part of its Sustainable Development Roadmap 2023-2027, the Group is committed to setting up an action plan for 100% of priority sites vulnerable to the consequences of climate change by 2027 *(more details in section 2.4)*.

Groundwater recharge is an example of SUEZ solution to fight impacts of climate change on water resource. The Le Pecq Croissy Plant was commissioned in 1959. Since then, SUEZ has implemented its Aquifer Storage and Recovery (ASR) technology. With this solution, water is injected into the groundwater and the water stock so that it can be recovered from a single facility. This technology offers the advantages of a smaller land footprint and low maintenance, since water flows in and out of the borehole, reducing clogging. This technology has been deployed for the past eight years in Adelaide, Australia, using treated wastewater for recharge. The Adelaide water table in Australia is regularly replenished with treated wastewater from the Bolivar treatment plant. The water is then used to irrigate agricultural land north of the city.

Reusing treated water is another solution that SUEZ rolls out in France, in Versailles (agricultural irrigation), Cannes (golf course and for street cleaning) or in Orléans (watering green spaces), but also in Egypt. At Gabal El Asfar plant, the treated water is discharged into a drain that joins an irrigation canal located a little further north. A part of the treated water is used to irrigate a 400-acre park of fruit trees. In total, by 2023, 4.2% of the wastewater treated by the Group had been reused (no impact from acquisitions as they're on the waste business).

SUEZ
Reused wastewater
(as a % of processed wastewater)

2022	2022 updated	2023
3.7%	3.7%	4.2%

In countries most exposed to water stress, the Group offers solutions to help regions adapt to the situation, such as seawater desalination systems to ensure the availability of drinking water in areas with insufficient resources or suffering from repeated droughts.

Desalination plants make it possible to diversify the sources of water used to produce drinking water. They are not dependent on traditional freshwater resources such as rivers and lakes, which helps to increase the security of water supply. Desalination plants offer a reliable solution for producing drinking water even in arid zones and coastal regions where freshwater resources are limited. According to figures, the desalination market could reach 22.7 billion dollars by 2027 (with a CAGR of 9.4% from 2023 to 2030). The construction and operation of desalination plants can generate jobs, stimulate technological innovation and support the economic development of the regions concerned.

As a major player in the water market, SUEZ is recognized for its cutting-edge solutions, based on membrane filtration, ozone and UV treatment, and reverse osmosis processes. Main references include:

- Egypt: participation in several desalination plant construction projects in partnership with Meridiam and SASCO.

- Australia: SUEZ built and is now operating the Victoria reverse osmosis desalination plant, one of the largest in the world. SUEZ also delivered the Perth Seawater Desalination Plant (PSDP), which supplies more than 2 million people with over 45 billion liters of drinking water every year.

- China: SUEZ is working with Wanhua Chemical Group to design and build a reverse osmosis seawater desalination plant as an alternative water source for the chemical industrial park. The plant will save more than 36 million m³ of fresh water a year.

- Elba in Italy which will provide up to 6,900 m³ of drinking water per day SUEZ continues to improve its value proposition with a brine valorization R&D program to efficiently produce chemicals from desalination waste and reduce energy consumption.

Sustainable energy supply and efficiency is an important focus to limit the impact if this activity on climate change. In Australia, the plant in Victoria is 100% powered by renewable energy. Geofiltration techniques involving the reinjection of pre-treated surface water into the water table are also in place and available when required. Critical raw materials can also be extracted in large quantities from desalination brines: a brine valorization R&D program is being developed at SUEZ to efficiently produce chemicals such as hydrochloric acid, sodium hydroxide, or magnesium from desalination waste.

In addition to solutions that it offers to its customers for better water resource management, the Group is also involved in partnership initiatives with local authorities, manufacturers, and farmers to protect the quality of water resources in watersheds. In France, SUEZ is experimenting with Payments for Environmental Services. The Group lends its support to farmers who make a commitment to a verified improvement in indicators such as the quantities of inputs used or the areas planted with grassland, to preserve the quality of the water produced locally. This is notably the case in Western Paris, where SUEZ and the *Grand Paris Seine & Oise* urban community have joined forces with the *Agence de l'Eau Seine Normandie* to improve water quality by signing a regional contract for water and climate. Among other things, that contract includes funding and support for farmers to implement agricultural practices that improve water quality. Based on performance indicators, farmers are encouraged to reduce the use of herbicides and increase the area of their property left to grassland. While the results are not immediate in terms of the quality of the groundwater, these initiatives will help reduce the groundwater's exposure to nitrates and pesticides in the medium term.

Furthermore, the Group regularly monitors the quality of the water sources it uses and is constantly innovating to contribute to their sustainability. To be prepared for any type of accident that may arise, the Group has set up an on-call, round-the-clock, remote monitoring, and alert system across all its water activities.

SUEZ supports mitigating risks of conflicts over the use of water resources and affordability of services to the most vulnerable. Thus, the Group promotes solidarity mechanisms and commits to map water poverty risks on its water distribution contracts. It also offers solutions for all types of situations and territories, including modular solutions for crisis situations *(see section 2.5.2.3)*.

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2.3.2.3 | Optimizing waste management

Raw materials are becoming more and more critical and the impact of their production on Nature underlines the importance to increase resource recovery. This dynamic is common to all countries in which SUEZ operates and regulations are following this trend. In Europe, since 2022, states are gradually adopting regulations aimed at fostering the circular economy. The goal is to reduce, reuse, and recycle waste, under the impetus of the European Commission's Circular Economy package of measures. Regulations on packaging, eco-design, and recycled materials for food products are regularly published and SUEZ has already conducted initial analyses and participated in public consultations. Final adoption of those regulations took place in 2023.

Thanks to its key role within circular economy value chain, SUEZ has a key role to play in order to optimize waste management, especially through waste recovery.

⇛ Recovering processed resources and the associated waste

The management of the Group's waste activity is fully in line with the objectives a circular economy.

SUEZ aims to support the transformation of the business model primarily by means of the following two mechanisms:
- Reducing the volume of waste sent to landfill;
- Redirecting flows to material and energy recovery.

To optimize waste recovery, the Group operates several types of facilities, including:
- Voluntary waste drop-off centers/waste collection centers;
- Sorting and recycling centers;
- Solid Recovered Fuel (SRF) production units;
- Dismantling and disassembly facilities: waste electrical and electronic equipment, end-of-life vehicles, bulky waste, furniture, etc.;
- Facilities for reprocessing specific recyclable materials already sorted for conversion into secondary raw materials. Each site processes incoming materials with a view to recycling them and promoting circular economy models. In addition to mechanical recycling techniques, biological solutions also present opportunities for recovery:
- Composting platforms: household waste, urban or industrial sludge, green waste, livestock sludge, grease, etc.;
- Bio-deconditioning and mechanical-biological treatment units;
- Methanization plants.

Lastly, waste-to-energy plants complete the cycle for waste that cannot be recycled into materials, through the production of renewable or recovered energy.

For example, a partnership project between TEREOS and SUEZ, through the construction of a boiler which will supply TEREOS with energy in the form of steam produced from Solid Recovered Fuels (SRF), will deliver 400 GWh of heat and so will reduce the sugar-distillery's fossil energy consumption by 40%. This industrial achievement will establish a local circular economy loop that is beneficial for all stakeholders and the environment. The production of alternative energy from SRF will contribute to the ecological transition and decarbonization of the client site, while enhancing its competitiveness.

In 2023, SUEZ recovered 48.5% of the total volume of waste treated in the form of material or energy recovery.

Results per year are available below. 2022 updated value corresponds to the update following integration of new acquisitions (IWS, UK and Enviroserv). This value is lower because Enviroserv has more landfill assets which are not considered as a mean to recover waste. If we compare the evolution with the same scope of assets (2022 updated vs 2023), there is an increase in the recovery rate by more than 4%.

SUEZ
Waste recovery rate

2022	2022 updated	2023
47.9%	44.0%	48.5%

As part of the Sustainable Development Roadmap 2023-2027, SUEZ is committed to improving its sorting efficiency ratio to advance the development of its recovery capacities. It involves the implementation of actions and projects over the entire value chain: upstream actions (prevention, awareness campaign) to reduce waste at the source, but also downstream actions to increase on-site performance and thus increase material recovery capacities (reuse and recycling). The Group is continuing to innovate on this subject not only to preserve resources and limit its impact on biodiversity, but also to support clients to face a societal trend as citizens expect more and more circularity.

For example, the Group converted its selective collection sorting center at Epinal into an over-sorting center for the new recycling streams. Here, 25,000 tons of plastics can be recycled into new materials: colored PET (oil bottles, for example), opaque PET (certain milk bottles), PET trays (pastries, fruit and vegetables, etc.) and polystyrene (yoghurt pots, trays).

SUEZ is also part of the international project of Saint-Avold, with Loop Industries and SK Geo Centric, to manufacture virgin-quality PET plastic made from 100%

recycled content and infinitely recyclable by leveraging the Infinite Loop technology. The facility has a planned capacity of 70,000 metric tons per year. It will help address the demand for recycled PET, which has continued to grow due to European regulations and requirements and will provide European-based global brands with a solution to their sustainability objectives of increasing the use of recycled content in their packaging and products.

In the UK, Flexible Plastic Fund (FPF) FlexCollect project was set up in May 2022 and pursued in 2023 to understand the best way to collect and recycle flexible plastic packaging and to trial curbside collections across nine different waste collection authorities over three years. As promising results, collections are very well received by households and the quality of flexible plastic packaging are very good (90% recyclable). Further data is required to determine how effective and efficient this system is on a larger scale.

Moreover, in France, SUEZ has started to develop performance contract, a new type of contract that aims at incorporating prevention and recycling objectives beyond waste collection. After Montauban, which was the first reference, Limoges, La Rochelle and Nîmes have chosen to switch to this new business model. The contract includes performance targets: they aim to reduce the volume of waste directed to energy recovery and to improve sorting at source, thanks to an innovative and ambitious prevention and awareness-raising policy. In Nîmes, the ambition is to reduce the volume of household waste by 15% at the end of the 6-year contract, while increasing the selective collection of recyclable waste by 21%.

Multiple trainings and awareness-raising initiatives will be developed to encourage food waste sorting. Digital tools will also be deployed to promote sorting practices among citizens. For example, the application,"*Mon Service Déchets*" ("My Waste Service"), which effectively connects Nîmes Métropole to its users by facilitating access to waste management information and offering tips on how to sort and recycle, will be implemented. Finally, the data collected by collection trucks (volume, location, etc.) will be used to fine-tune awareness campaigns while focusing on areas that need improvement.

Beyond those performance contracts, the Syndicat Pic et Etang awards SUEZ the first contract in France for the operation of a waste-to-energy plant incorporating waste reduction targets. The contract aims to cut the volume of waste incinerated by 25% over the space of 10 years through an ambitious waste prevention policy. To achieve this result, the Group will implement a targeted action plan aiming to remove biowaste from household waste, promote donation, reuse and repair of bulky waste items, sort more recyclable household packaging and sort it better, raise user awareness through digital and local communication with the deployment of the app "*Mon Service Déchets*".

In the UK, SUEZ is the contractor for Greater Manchester's waste and resources management services to treat 1.1 million tonnes of municipal waste from over 1 million households across nine boroughs with a combined contract value of over £1 billion. The two contracts include the operation of 41 facilities over 24 sites including, 4 mechanical treatment and rail head reception facilities, 20 household waste recycling centres, 8 transfer loading stations, a materials recovery facility, the Bolton thermal recovery facility and the creation of a Renew Hub.

In operating the contract, SUEZ has committed to the delivery of 54 social value commitments as well as improving the recycling rate, which through operational interventions has already increased from 44% in 2019/20, to 53% in 2022/23 (with a target of 60% by the end of the 10-year contract) whilst also diverting over 96% of Greater Manchester's municipal waste from landfill (with a target of 98% at the end of the contract).

This new business model, shifting from volumes to uses and functionalities, also takes the stakeholders into account and delivers benefits:
- the impact of the performance results on the overall cost of waste management is taken into account (beyond the market);
- a bonus or a penalty applied depending on the achievement of a minimum performance target;
- a share of the bonus is allocated to the partners associated with the contract.

To optimize waste sorting and recycling, SUEZ innovates and uses artificial intelligence, a promising solution for optimizing waste management.

SUEZ ambitions to support the customers in improving their knowledge and traceability of waste flows by partnering with startups or developing internal solutions. The objectives are to maximize performance of the group's core businesses, improve the quality of service and develop innovative service offers.

For example, Qualiwaste® Collection is an innovation that uses computer vision to detect 3 types of information:
- the nature of flows;
- the presence of undesirable materials;
- the presence of recoverable materials.

It covers the whole value chain of waste businesses: from collection, to sorting, recycling and energy recovery. SUEZ ambitions to support the customers in improving their knowledge and traceability of waste flows by partnering with startups or developing internal solutions. The objectives are to maximize performance of the group's core businesses, improve the quality of service and develop innovative service offers. As an example, Qualiwaste® Collection is a solution using Artificial Intelligence. A camera placed in the garbage bin

characterizes the waste and then maps sorting errors in order to support local authorities in their prevention and awareness campaigns.

Qualiwaste® EFW enables the detection of undesirable waste at the plant entrance, which interferes with the process and increases the risk of accidents.

For sorting centers, SUEZ has developed the Autodiag® solution, which uses artificial intelligence to continuously calculate the mass purity of outgoing flows in real time, before baling and dispatch.

⇛ Waste: controlling atmospheric emissions

In the waste sector, atmospheric emissions of pollutants (NOX, SOX, mercury, dust, particulate matter, etc.) are primarily a result of the processing of flue gases from the thermal processing of waste (APCR: Air Pollution Control Residues). Those emissions are constantly monitored in line with local, regional, and/or national regulations, and are published in site annual reports for customers and local authorities.

Each year, the Group consolidates information on atmospheric emissions from its incinerators in its Air Quality Report (AirQR). This makes it possible to monitor the action plans jointly steered by the Group's Recycling and Recovery Technical Department and the Business Units, aimed at completely eliminating the risk of non-compliance or exceeding quality thresholds.

Information relating to air quality is presented annually to the SUEZ Board of Directors. Prepared by the teams from the Performance Department in conjunction with the Business Units, the AirQR is the preferred tool of management bodies for monitoring the implementation and performance of action plans, as well as regulatory compliance.

2.3.2.4 | Protecting biodiversity and ecosystems

SUEZ water and waste management activities inherently contribute to nature conservation:

- solving water and land resources pollution (2.86 billion m³ of wastewater treated in 2023) by treating water and waste;
- contributing to the preservation of water resources by implementing solutions such as wastewater reuse and leakage control;
- reducing the depletion of natural resources by producing secondary raw materials from waste (2.7 million tons of secondary raw materials produced in 2023);
- reducing soil depletion by creating new enriching agents for agriculture (651,933 tons of standardized compost produced in 2023).

With its Sustainable Development Roadmap, the Group highlighted the importance of nature preservation and defined 9 new commitments. To reduce the impact of its activities, it addresses the five factors responsible for the decline of biodiversity as identified by the Intergovernmental Platform on Biodiversity and Ecosystem Services (IPBES), the biodiversity equivalent of the IPCC for climate:
- Land degradation
- Over-exploitation of resources
- Climate change: see climate commitments
- Pollution
- Fight against invasive alien species

SUEZ main KPI on biodiversity protection is the percentage of priority sites with biodiversity action plan implemented. Some sites have more impact on biodiversity than others due to their location. The Group through a data-driven analysis of its operations identifies those sites defined as priority sites. At SUEZ, a priority site regarding biodiversity is a site:
- *that is in or crosses or is situated along* 1) In Europe Natura 2000 areas (birds or habitats) and in the rest of the world IUCN protected areas 4, 5 or 6
- or has a surface that is superior to 10 ha
- or is an open landfill site

SUEZ	2022	2023
Percentage of priority sites with a biodiversity action plan implemented	**63.6%**	**65.4%**

A biodiversity action plan consists of a set of actions designed to preserve the biodiversity present at a facility and/or encourage its development. At the very least, it is based on an initial diagnosis of biodiversity on the site, including flora and fauna. Following the initial diagnosis, potential actions to preserve and/or develop biodiversity are identified. Once the actions have been validated by internal stakeholders, they are described in a formalized action plan with actions localized and described over time. The action plan must be monitored over time and evaluated at the end of the planned duration. The action

plan can evolve over time. Only a competent body can carry out the initial diagnosis and the action plan *(an approved association for the protection of nature or a consultancy specialized in ecology or an internal expert)*. The action plans can then be implemented by the site's operational teams (depending on the measures).
SUEZ is currently finalizing a Green Charter for worksites and a Nature Reference Document for sites with practical worksheets dedicated to biodiversity preservation good practices. Those documents provide rules that will be applicable to any types of worksites and sites belonging to SUEZ or managed by the Group on behalf of our customers. They will replace SUEZ Technical Guide created in 2021.
Besides, as described above, SUEZ took a commitment on invasive alien species to reach 100% of sites with renaturation and landscaping operations using only local species by 2027. The Group has also deployed numerous solutions and tools to eradicate at the maximum invasive species present on sites operated or owned by the Group such as a specific guidance and explanatory signs in France for the extraction and destruction of invasive alien species the Group faces on its sites.
Avoidance, reduction, and ecological compensation measures have been incorporated into the Group's environmental management and risk prevention systems.

In France, SUEZ has reaffirmed its commitment to the National Strategy for Biodiversity by joining the "*Entreprises Engagées pour la Nature - Act4nature France*" scheme, run by the French Office for Biodiversity (OFB). As such, SUEZ is officially "committed to nature" and is a legitimate partner when it comes to supporting local authorities that are committed to the "*territoire engagé pour la nature*" (region committed to nature) initiative.

For example, as part of this commitment, SUEZ includes for its waste activity in France a biodiversity component in all of its responses to calls for tenders for infrastructure projects (sorting centers, energy recovery units, etc.). This biodiversity component is adapted to the context and potential of the site in question and aims to implement actions designed to reduce the impact of its activities and enhance the existing potential. It consists in an ecological diagnostic of the facility, an assessment of the challenges at the site, and recommendations for implementation. That is followed up with the drafting and implementation of an action plan. The Group is in the process of extending that best practice so that, it will offer a biodiversity preservation package whenever the site is located in a priority zone and the call for tenders authorizes such an initiative by 2027. It includes actions to integrate biodiversity promoting features and habitats into the design of operations sites.

Each Business Unit oversees the deployment of the Nature pillar of the Sustainable Development roadmap ensuring its fit with local challenges and contexts. Therefore, biodiversity training and toolkits developed all over the world are usually created and deployed at the scale of business units to fit with local needs and local biodiversity and ecosystems issues. SUEZ in France has developed a biodiversity training based on gamification focusing on French biodiversity local challenges. SUEZ in the UK uses its Sustainability Champions Network to raise awareness, train its employees on the biodiversity topic and an app is available on all phones to identify flora. SUEZ Sustainable Development network is used to share feedbacks and tools within SUEZ employees responsible for the deployment of the Nature pillar all over the world.
SUEZ is speeding up the implementation of solutions that significantly improve the ecological quality of the environment, both within its own scope of activity and that of its customers. The Group offers operations to restore soil functions, ecological rehabilitation and land restoration initiatives that can be part of the Nature based Solutions concept, and environmental monitoring services. Such solutions are not only helpful in promoting biodiversity, but also in adapting to climate change. Several examples of offers could be mentioned as:

- the production of biochar, a highly promising agricultural fertilizer and carbon sink;
- the dragonfly zone, an environmental innovation inspired by natural wetlands acting as a buffer space downstream from wastewater treatment plants, where treated wastewater continues to be purified by a series of ecological processes that work naturally in wetlands, with the bonus of developing local biodiversity and storing carbon.

As the Group has no activities directly related to the use of animal resources, its business does not require any special measures to ensure animal welfare other than those described above.

2.4 | Fighting and adapting against climate change

2.4.1 | Description of the challenges

SUEZ activities are closely linked to the fight against climate change. For the Group, that may involve risks related to the economic impact of environmental regulations, but it may also take on a more operational dimension due to the physical impacts that could arise, such as those tied to extreme climatic events. Besides, the Group can also address climate change by proposing to its clients operational solutions such as decarbonizing their activities or the location where they are based, energy/climate performance, community resilience and securing industrial processes in the face of the already proven effects of climate change.

There are two types of risk linked to climate change incorporated into the Group's integrated risk management process:

- Risks relating to changes in environmental regulations, particularly those focusing on climate challenges, and their implementation, as well as the potential impact of a carbon tax applied to some of the Group's waste activities or those of some of its suppliers;
- Physical risks of a more operational nature, in particular those linked to service continuity in a global context of accelerating frequency and intensity of extreme meteorological phenomena, such as droughts and floods.

Regulatory changes are a powerful driver for the development of circular economy solutions, such as energy and material recovery from waste (recycling and reuse of materials) and wastewater, optimization of the energy efficiency of industrial facilities, or even the implementation of renewable energy supply solutions. Targets set by governments as part of their Nationally Determined Contributions (NDCs) to the Paris Agreement, by municipal authorities, and by industry have put the Group in a position to be able to identify certain business growth opportunities for its low-carbon solutions. In developing countries, greenhouse gas (GHG) emission reduction targets enable the Group to promote the transformation of the municipal and industrial waste management model, from disposal to recovery. Those new treatment processes are clearly in line with the priorities espoused by national governments, and they come with a host of benefits, such as improved health and quality of life in cities.

Energy is also a key challenge and an opportunity for the Group. Indeed, energy management has always been key for operations as many of our sites depend on energy. But this is also an opportunity as our sites also produce energy (electricity, thermal energy and biogas). In Europe, 60% of the energy consumed is imported, this shows that a real strategic autonomy in energy in Europe is far from achieved. SUEZ contributes to reinforcing this autonomy by producing more energy than it consumes, this being also the case in Europe.

2.4.2 | Policies and action plans

SUEZ addresses all those challenges in its Sustainable Development roadmap, and it commits to contributing to energy decarbonization, decarbonizing its value chain and adapting its most exposed sites to climate change.

2.4.2.1 | Contributing to energy decarbonization

As explained above, energy is a key topic in 2023 and will continue to be so for geopolitical reasons, sovereignty and climate reasons.

To understand how SUEZ is contributing to energy decarbonization, this section will introduce the Group's activities with regards to energy consumption and production.

SUEZ energy profile

Looking into SUEZ consumption and production, one can understand that the Group produces more than it consumes. The table below explains these 2 figures by activity. While both water and waste activities are consuming energy, waste activities are clearly the ones producing most of SUEZ energy thanks to energy from waste.

SUEZ energy profile by activity

	Energy Consumption (GWh)	Energy Production (GWh)
Waste	2,627	7,279
Water	3,195	416
Total SUEZ	**5,822**	**7,695**

In terms of geography, most of SUEZ production is actually in Europe which is the same for its consumption and even in this geography the Group produces more than it consumes.

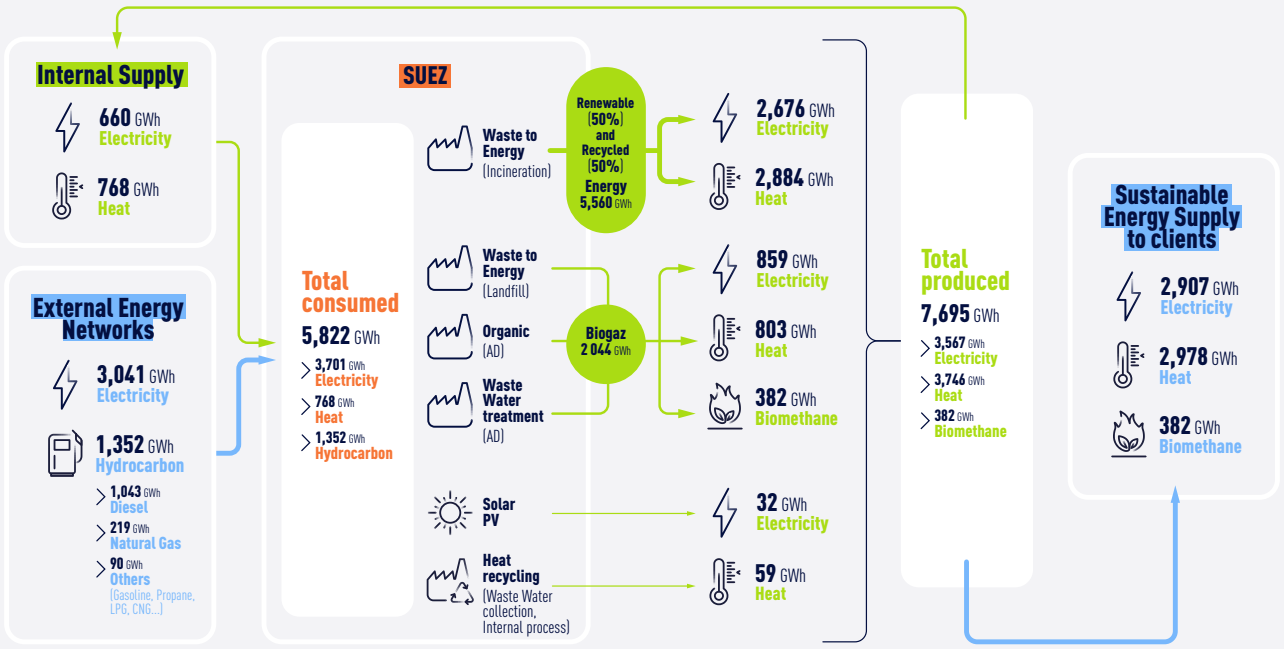
SUEZ energy profile by geography

	Energy Consumption (GWh)	Energy Production (GWh)
Europe	4,101	7,163
Rest of the world	1,721	532
Total SUEZ	**5,822**	**7,695**

To better understand the different sources and types of energy consumed and produced, the picture below helps to visualize this:

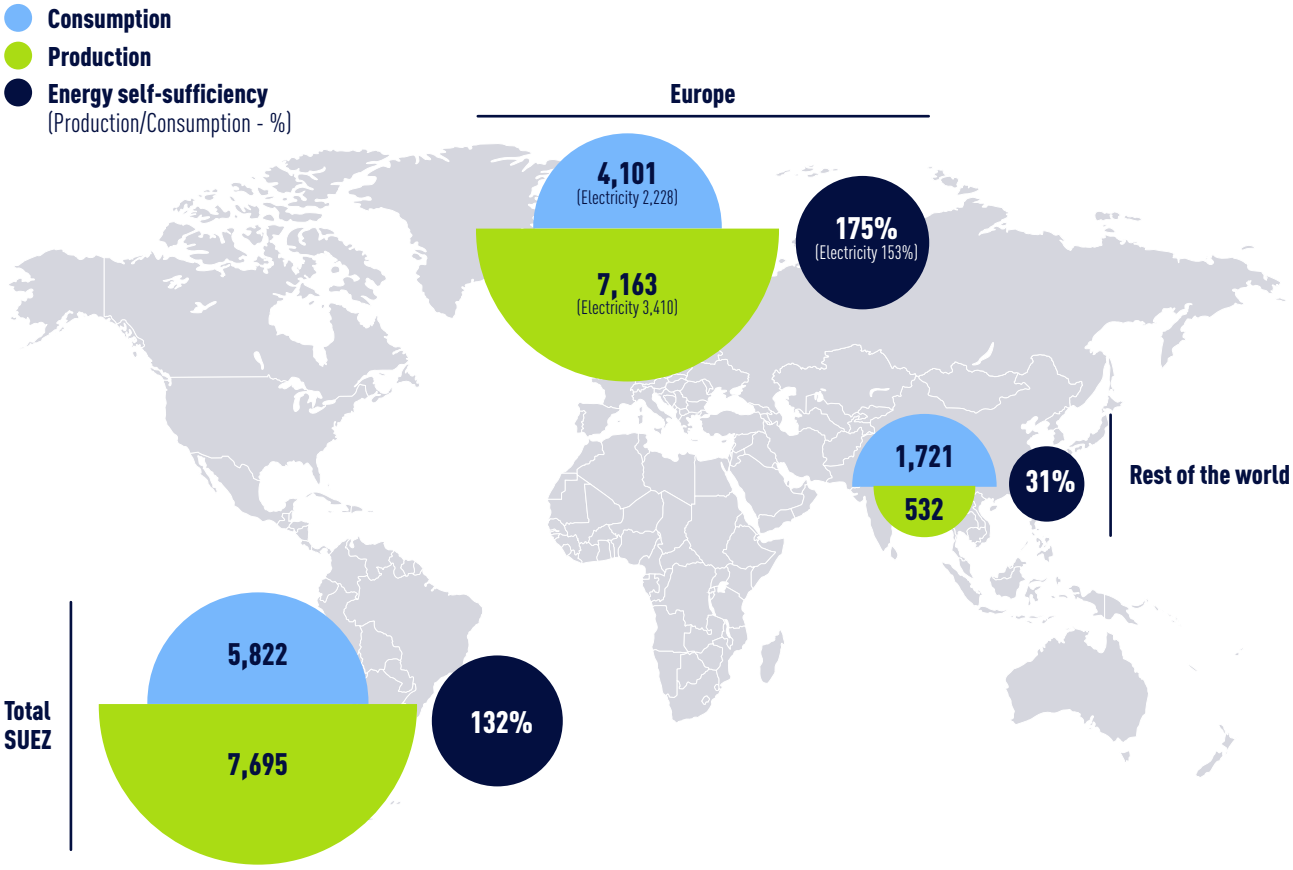
Consumption and Production

GWh of "equivalent" energy = Final energy consumed or produced by SUEZ



In terms of geography the split between Europe and "rest of the world" can be represented as follow:

Global map: Consumption and Production
(GWh of "equivalent" energy = Final energy consumed or produced by SUEZ)



Understanding SUEZ energy profiles is important before looking at SUEZ commitments and 2023 results.

⇛ SUEZ energy roadmap and decarbonization

Each table of this section will present 2022 data, as published in the last Non-Financial Reporting Statement; 2022 updated including changes in perimeter with acquisitions realized in 2022; and 2023 data.

Regarding energy decarbonization, SUEZ, as a producer of energy is contributing to both energy decarbonization and energy self-sufficiency of locations in which it operates. In its roadmap, the Group has set the following targets:

- Achieve self-sufficiency in electricity for its activities in Europe: the water and waste activities are not only consumers, but also producers of energy, thanks to waste and wastewater recovery. SUEZ will mobilize the potential of waste more strongly in the service of the energy transition, to produce more electricity than it consumes by 2023 in Europe, and to maintain that self-sufficiency over the duration of the plan.

SUEZ in Europe	2022	2022 updated	2023
Electricity production (GWh)	1,692	3,348	3,410
Electricity consumption (GWh)	2,036	2,322	2,228
Ratio Production / Consumption	83%	144%	153%

This target has been reached, mainly thanks to SUEZ UK acquisition (2022 updated results) but also thanks to better energy management (less consumption than in 2022 updated scope) and new projects of energy production (more production compared to 2022 updated results).

- Contribute to the low-carbon energy transition at local level: by enabling local communities to benefit from local renewable energy instead of fossil fuels, and by reducing GHG emissions linked to SUEZ own energy consumption, the Group enables them to accelerate their low- carbon energy transition.

Group total	2022	2022 updated	2023
GHG emissions avoided by energy production (tons CO_2eq)	751,753	1,247,031	1,252,602
GHG emissions from energy consumption (scope 1 + market-based scope 2) (tons CO_2eq)	1,358,702	1,394,110	1,355,387
Total (tons CO_2eq)	55%	89%	92%

As mentioned in the section *"2.3.2.3 Optimized waste management"*, thanks to Solid Recovered Fuel projects, SUEZ helps its clients decarbonizing by producing renewable and recycled energy. This contributes directly to GHG emissions avoided by energy production.

- Accelerating the development of renewables is key to achieving carbon neutrality in 2050. For communities, it also represents a major challenge to sovereignty. In this regard, waste-to-energy solutions can play a key role because they enable the production of local and renewable or recycled energy. Therefore, SUEZ also commits to make its own energy consumption more sustainable by increasing the share of sustainable electricity to 70% of the Group's total electricity consumption by 2030. This share will be raised to 100% for electricity consumption in Europe. SUEZ defines sustainable electricity by renewable and recycled (electricity produced from waste heat on waste to energy plants) electricity. To reach that goal, the Group relies on both its own power generation capacities and new renewable electricity supply contracts.

Group total (GWh)	2022	2022 updated	2023
Sustainable electricity consumption (GWh)	605	1,005	860
Total electricity consumption (GWh)	3,999	4,026	3,700
Share of sustainable electricity consumption	15%	25%	23%

There is a slight decrease in 2023 that is because the Victoria desalination plant in Australia hasn't produced any water (no need from the client due to high water resources in 2022, so no need for desalination water in 2023). If we reprocess the data without this plant, the 2022 ratio would have been 21%, hence an increase of sustainable electricity consumed by the Group of +2%.

This explanation is easily illustrated looking at results at European level where SUEZ has a commitment to reach 100% of sustainable electricity by 2030:

Europe (GWh)	2022	2022 updated	2023
Sustainable electricity consumption (GWh)	437	676	698
Total electricity consumption (GWh)	2,043	2,327	2,228
Share of sustainable electricity consumption	21%	29%	31%

This increase is supported by the development of renewables which is a priority for SUEZ which has signed four long-term power purchase agreements (PPA) in 2023.

SUEZ intends to continue developing new PPAs to reach this target and has already identified a new potential for 2024. The Group will also develop photovoltaic solar production projects on its closed landfills.

2.4.2.2 | Contributing to SUEZ and its value chain decarbonization

Reducing GHG emissions of economic stakeholders across the world is key to restricting global warming to below 2°C. At European level, the EU Green Deal calls for Member States to attain carbon neutral status by 2050. To contribute to carbon neutrality, SUEZ is committed to:

- Reduce emissions from its water activity by **39% by 2030**, by improving the operational efficiency of treatment processes, optimizing the energy consumption of pumping systems, increasing the production of renewable energy from sewage sludge, or reinforcing its renewable energy supply contracts (wind, solar);
- Reduce emissions from its waste activity by **26% by 2030** (excluding incineration), in particular by leveraging the biogas production potential of its landfill sites, covering its landfill sites, switching to a more sustainable fleet of vehicles for waste collection, and improving the energy efficiency of its processing sites;
- Improve the environmental performance of its incineration activities through innovation: the Group will invest a further €40 million in its Research & Development programs dedicated to carbon capture and sequestration. Reducing Greenhouse gas emissions remains a top priority, it will not be enough to achieve the carbon neutrality targets established in the Paris Agreement. In this respect, all stakeholders must continue and scale up their efforts as well as deploying carbon sequestration solutions with immediate effect. The Intergovernmental Panel on Climate Change estimates that achieving that objective will require, in addition to emission reduction targets, the sequestration of 2 billion metric tons of CO_2 per year by 2030, rising to 10 billion metric tons annually by 2050.

⇛ SUEZ carbon profile

Greenhouse gas accounting methodology

Assessing SUEZ greenhouse gas (GHG) emissions is an essential part of its efforts to reduce its impact on climate. SUEZ calculates its emissions each year to manage and keep track of its reduction plans. Those calculations are based on technical data collected from each of the Group's operating sites, using the "GHG Protocol®" methodologies. More methodology is available in the section *"4.3 Methodological aspects of the environmental reporting"*.

Type of emissions calculated

In terms of GHG emissions different emission's types are calculated:

- Direct emissions (scope 1) incoming from sites and assets under the operational control of SUEZ.
- Indirect emissions linked to the usage of energy (scope 2) according to two accountability methods defined by the GHG protocol:
  - "Location based" using geographical grid average emissions factors for electricity;
  - "Market based" using emissions factors shared by the supplier of electricity and allowing the usage of market instruments.
- Other indirect emissions (scope 3) produced by the Group upstream and downstream value chain (providers, subcontractors, clients, ...).

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- Biogenic emissions resulting from SUEZ activities. Indeed, biogenic emission by convention are separated for fossil emissions. They are presented here for pedagogic purposes to demonstrate the non negligeable weight of this type of emissions within the water and waste activities.

- Avoided emissions produced by or products and services. They are calculated in comparison with a reference scenario. Indeed, they quantify the emissions that would have occurred in the absence of the product or the service provided by SUEZ (for instance, the production of a virgin material quantity versus the production of a recycled version, the use of high carbon-intensive energy versus the consumption of recovered energy for incineration, ...). They cannot be subtracted from induced emission this is why they are reported in parallel.

GHG presentation scope choices and justification

At SUEZ, most important sources of emissions are the use of water by the consumer (including the heating of domestic hot water) and the transformation of the recovered material by industrials further in the value chain (new materials produced from metal scraps, sorted plastics and paper, ...). The reduction options for these two emission sources are constrained by the fact that they fall outside the direct scope of SUEZ actions. In consequence SUEZ emissions are presented according to two distinct focuses:

- The "**Exhaustive**" GHG focus: taking into account all of the extended sources of the scope 3;

- The "**Operational**" GHG focus: excluding water heating and transformation of recovered materials. This approach focuses on scope 3 sources where SUEZ has more direct and operational means to reduce emissions thanks to technical decision, policies, etc...

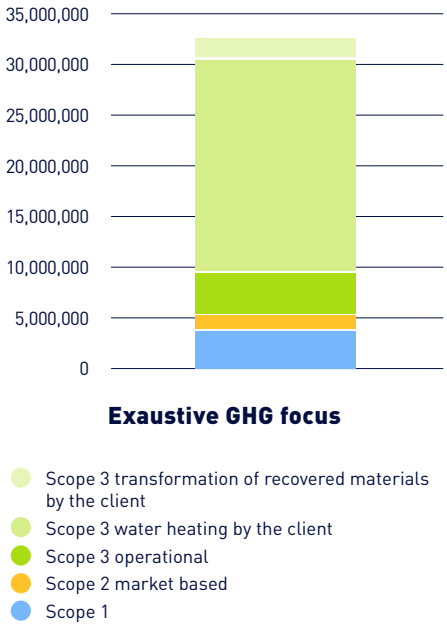
Both concepts are presented below, but the detailed analysis focuses on the second option.

Similarly, as SUEZ reduction targets are explained in terms of a "market-based" scope 2 basis, in that report we outline the concept of the two "location-based" and "market-based" methodologies, but detailed results are presented on a "market-based" scope 2 basis.

GHG emissions broken down by scope "Exhaustive" GHG focus

Scope 1, 2 "Market Based" and 3 (water heating and transformation of recovered materials included)

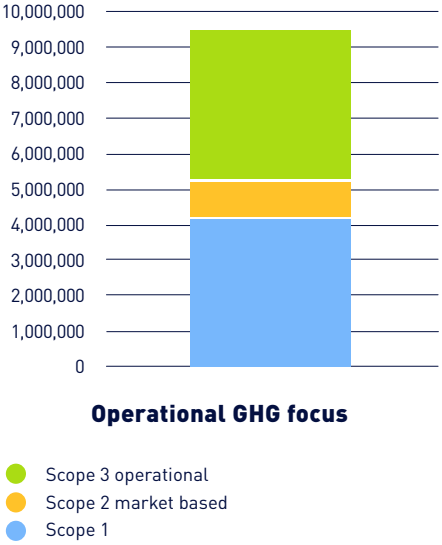
32,689,000
tons of CO_2eq



GHG emissions broken down by scope "Operational" GHG focus

Scope 1, 2 "Market Based" and 3 (water heating and transformation of recovered materials excluded)

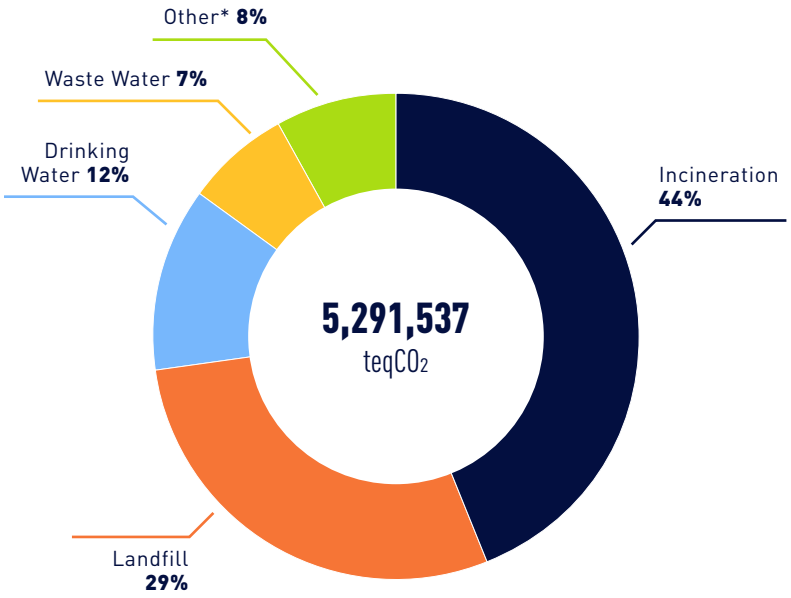
9,507,000
tons of CO_2eq



Total scope 1 and scope 2 market-based amounts to 5,291,537 metric tons of CO_2 equivalent in 2023. The available information offers a more detailed view broken down by activity:

2023 Scopes 1&2 market-based emissions generated by SUEZ

Vision per activity ($teqCO_2$)



* Other : waste collection, organics, sorting, ...

2023 Scopes 1&2 market-based emissions generated by SUEZ

Vision per Business Division ($teqCO_2$)

	Scope 1 ($teqCO_2$)	**Scope 2 market-based** ($teqCO_2$)	**Total Scopes 1&2 market-based** ($teqCO_2$)
Water	133,125	936,232	1,069,357
Waste activity excluding waste-to-energy	1,829,612	46,136	1,875,748
Waste-to-energy	2,310,673	35,759	2,346,432
Total	**4,273,410**	**1,018,127**	**5,291,537**

SUEZ scope 1&2 emissions in 2023 can be broken down as follows:

- In the water business (production and distribution of water and collection and treatment of wastewater): 1,069,357 metric tons of CO_2 equivalent, i.e. 20% of the Group's total emissions Scope 1 and Scope 2 Market Based emissions. Most of these emissions are indirect (Scope 2 Market based, 88%) come primarily from the electricity consumption required to operate SUEZ plants and networks.

- In the waste activity, excluding waste-to-energy: 1,875,748 metric tons of CO_2 equivalent, i.e. 35% of the Group's total emissions (scope 1 and 2). Most of these are direct emissions (Scope 1, 98%) arising from the release of methane emissions from landfill sites and emissions from waste collection vehicles.

- In the waste-to-energy activity: 2,346,432 metric tons of CO_2 equivalent, i.e. 45% of the Group's total emissions (scope 1 and 2). These are mainly direct emissions (Scope 1, 98%) arising from GHG emissions (primarily CO_2, but also some N_2O) from waste combustion, which includes a proportion of fossil carbon.

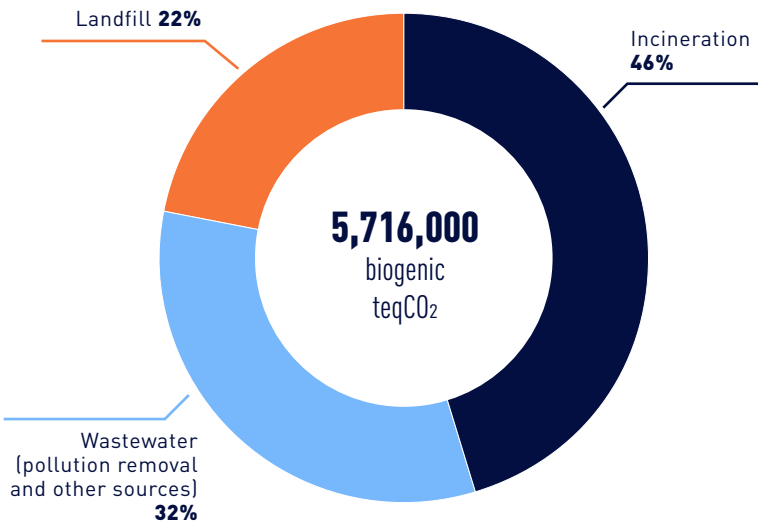
- Calculating scope 2 according to the GHG Protocol's "market- based" methodology increases SUEZ CO_2 equivalent emissions by 105,294 metric tons compared to the "location-based" approach. Indeed, the Market Based approach implies that every fraction of energy purchased not covered by green energy certificates shall be accounted using the respective country's residual mix emission factor. Typically, this factor is higher than the average grid mix utilized in the location Based approach because all renewable energy is allocated to the consumer who bought it. It's important to note that in 2023, for France specifically, the residual mix was significantly higher than the average grid mix. This was primarily due to the decrease in nuclear production.

Biogenic emissions

In parallel to fossil emissions, SUEZ monitors its scope 1 biogenic emissions. As a reminder biogenic emission are part of the natural carbon cycle (biomass decomposition or combustion) and are distinct from anthropogenic CO_2 emissions, which result from human activities such as burning fossil fuels. This is why by convention they are accounted separately. These types of emissions are presented here for pedagogic purposes and to provide order of magnitudes.

The main source of biogenic CO_2 is the biomass fraction contained in the waste that is incinerated within SUEZ own facilities. This biomass, when energetically valorized, serves as a source of renewable energy for final consumers. The second source of biogenic carbon arises from pollution reduction processes within water treatment systems operated, often attributed to microbiological activity. This function is essential for purifying water before its return to the environment or reuse. Other sources include various activities such as waste degradation in landfills, secondary activities related to wastewater treatment.

SUEZ 2023 biogenic emissions (t biogenic CO_2)



Greenhouse gas emissions comparison with last year

In 2022, notable acquisitions expanded the Group perimeter, including SUEZ UK, IWS France, and EnviroServ in South Africa. These additions were not consolidated in the previous year's reporting because the consolidation rule mandates at least six months of operational activity. To enable a comparison of emissions with the previous year, a presentation of emissions both with (2022 updated) and without the acquisitions (2022 as in our last report) is presented.

The proposed comparison is solely based on identical perimeters.

Scope 1 & 2 market-based comparison with and without acquisition
($teqCO_2$)

	2022 ($teqCO_2$)	2022 updated ($teqCO_2$)	2023 ($teqCO_2$)	2023 vs 2022 updated
Water	1,142,788	1,125,216	1,069,357	-5.0%
Waste activity excluding waste-to-energy	1,099,384	2,067,684	1,875,748	-9.3%
Waste-to-energy	1,520,476	2,371,595	2,346,432	-1.1%
Global	**3,762,648**	**5,564,495**	**5,291,537**	**-4.9%**

By comparing 2022 updated and 2023 we can observe that all businesses have reduced their scope 1 and 2 Market Based emissions.

- For the water business (-5% reduction): the explanation mainly resides in SUEZ capacity to increase energy efficiency on its sites, more production of energy for self-consumption (Alexandria wastewater treatment plant), an improvement in Asia and Australia electricity mix with more renewable electricity.
- For the Waste excluding waste to energy business (-9.3% reduction): improvement in biogas capture (Meknes-Morocco, France and UK landfills), improvement in CH_4 measurement (South Africa) and improvement in SUEZ fossil fuel consumption (both less consumption and switch to alternative fuel vehicles).
- For the Waste to energy business (-1.1% reduction): improvement of SUEZ plants' overall performance.

In overall the Group **has reduced its emissions by 4.9% in comparison to 2022**.

Highlights of main reducing actions and plans

- Water:

  - Pau-Lescar Biofactory is a good example of solutions proposed by SUEZ to its clients for decarbonizing their water activities. Indeed, near Pau (France), SUEZ operates a wastewater treatment plant and is building anaerobic digestion and methanation facilities. The project is employing breakthrough technology to make the Pau-Lescar wastewater treatment unit a positive energy plant that will produce 10 resources and green energy sources. The project includes two innovative solutions resulting in an energy-positive building and an unrivalled carbon footprint.
    - Catalytic methanation. The site's energy performance will be increased by the production of synthetic methane from the methanation of carbon dioxide (CO_2). This innovative catalytic methanation technology will transform all the CO_2 emitted into synthetic methane, a renewable green gas.
    - "Ultra-dewatering" by hydrothermal carbonisation. This new technology divides treatment sludge volumes by four and consumes three to four times less energy than a conventional thermal dryer, while reducing the potential disruption associated with drying. This SUEZ-designed process considerably increases biomethane production and generates a new material resource, biocoal, which can either be returned to the soil, or turned into energy through combustion.

  - As mentioned in the water section (2.3), Nice Haliotis 2 project will also have exemplary credentials as it will help decarbonize the region. It will produce 4 times the energy that it consumes today. It will enable optimal energy recovery of sludge from wastewater treatment and produce biomethane [equivalent to 11,000 homes powered/day and 290 buses fueled/day].

  - In Egypt, at Alexandria wastewater treatment plant, the digesters were fully commissioned and providing 100% of their capacity, enabling the site to decrease 12,000 tons of CO_2 equivalent (50%) its scope 2 GHG emissions.

  - Nitrous Oxyde (N_2O) is a strong greenhouse gas (GHG) with a Global Warming Potential (GWP) of 273 (meaning 1 ton of N_2O is equivalent to 273 tons of CO_2). N_2O is emitted through waste water and organic treatments, so SUEZ invests on Research and Innovation to mitigate its effects and has already developed AirAdvanced®-ActiLayer, a novel cover for sludge treatment plants which reduces 80% of nitrous oxide emitted through the use of catalytic material and the power of sunlight. This solution will be deployed on the wastewater treatment plant of Staffordshire, in the UK, which aim to contribute to carbon neutrality of the local hub.

  - As part of its participation to the COP28, SUEZ was invited to be part to the Sharm El-Sheikh Adaptation Agenda Working Group on Urban Water Resilience and took part to its launch in December 2023. Since then, SUEZ leads one of the subgroups of this initiative on the "climate resilient utilities". The latter will produce every year recommendations and indicators to help utilities and municipalities all over the world building plants reducing at the maximum their GHG emissions and adapted to climate change. This subgroup is composed of public and private stakeholders.

- Waste (excl. incineration):

  - To decrease greenhouse gas and atmospheric pollutants, SUEZ optimizes, when possible, waste collection through less emissive trucks. Internal tools like CO_2 Pilot in France and analysts support tender teams with optimizing fleets of waste collection trucks and reducing at the maximum their relative emissions of GHG and atmospheric pollutants. For instance, for Limoges Métropole, 16 electric vehicles and 10 vehicles running on XTL (HVO 100) biofuel replaced the diesel fleet. Combined with the optimization of collection routes implemented, SUEZ helps its customer reducing by 93% GHG emissions compared to the previous contract.

  - SUEZ is continuing its effort to reduce methane leakage on landfills sites. SUEZ AirAdvanced®-Scan360 service allows to aggregate and disseminate methane (CH_4) datasets at landfills site. The study includes the use of meteorological data and ambient air quality datasets to produce site specific concentration mapping for on-site CH4. The service also provides a coherent understanding for the localisation of on-site leakages. More than 20 sites were measured in 2023 enabling to precisely localize leakages.
    - In South Africa, this first study provided data to support first model adjustment for emission declaration and resulted in a 19% (144,878 tons of CO_2) reduction in reported GHG in 2023. The modelling also assisted in identifying and prioritising 3 sites with high potential for emission reduction through flaring and or installation of engines.
    - Besides, SUEZ is continuously improving its biogas capture on all its most emitting sites. For instance, in Meknes (Morocco), the site can demonstrate in 2023 a decrease of 35,000 tons of CO_2eq (-21%) thanks to better biogas capture which has been used to produce 1,580 MWh of electricity on-site.

- Waste incineration:

  SUEZ takes action to reduce greenhouse gas emissions from its incineration activities, with a dedicated budget and innovation teams working on CCUS (carbon capture, storage and recovery) solutions. Regulations on fossil CO_2 emissions are changing, with the possible inclusion of non-hazardous waste-to-energy plants in the EU Emission Trading Scheme (ETS) between 2028 and 2031. The impact study that will determine the inclusion of these plants in the EU ETS will be delivered by the European Commission by July 2026.

  SUEZ is already anticipating these regulatory changes by studying carbon capture and storage, to provide its customers with the best possible support and offer them alternative solutions for decarbonizing their waste-to-energy facilities.

  In addition, the proportion of biogenic CO_2 (from biomass) present in the flue gases from waste-to-energy plants and RDF boilers, as well as in biogas from methanization, is of interest to many downstream customers.

SUEZ is studying various innovative CO_2 recovery solutions, for example to help decarbonize transport by producing low-carbon alternative fuels and other uses (mineralization, new materials, microalgae, etc.).

At its Terres d'Aquitaine methanization site (Gironde), SUEZ has teamed up with Prodeval to capture, purify and recover the CO_2 from biogas with a view to using it directly locally. Initial results are expected in 2024.

Finally, regarding key waste-to-energy projects, 2023 marked the beginning of service for the biomass/ Solid Recovered Fuel heating facility, BIOSYNERGY, located in the city of Le Havre, France. Since the end of 2023, this facility has been providing renewable and recovered heat for the city's urban network and some nearby industrial sites.

Scope 3 emissions

As for the scope 1 and 2 Market based, the scope 3 is detailed with an updated version of 2022 including acquisitions.

Type	Number	Emitting station	2022 (tCO_2eq)	2022 updated (tCO_2eq)	2023 (tCO_2eq)
Upstream	3-1	Purchased products and services	1,261,425	1,411,182	1,262,258
	3-2	Fixed assets	6,748	67,422	266,466
	3-3	Fuel and energy-related emissions (not included in scope 1 or scope 2)	502,829	529,087	329,976
	3-4	Upstream transportation of goods and distribution	158,732	209,549	221,588
	3-5	Waste generated	839,414	1,824,817	1,729,651
	3-6	Business travel	2,718	4,102	6,946
	3-7	Commuting to and from work	34,308	41,745	40,057
	3-8	Upstream leasing assets	NA	NA	NA
Downstream	3-9	Downstream transportation of goods and distribution	53,166	140,506	120,364
	3-10	Processing of products sold : "recovered material transformation by the client"	Not assessed in 2022	Not assessed in 2022	1,965,959
	3-11	Use of sold products : "SRF combustion by the client"	7,028	7,028	81,576
	3-11	Use of sold product : "water heating by the client "	14,533,728	21,215,947	21,215,947
	3-12	End-of-life of products sold	NA	NA	NA
	3-13	Downstream leasing assets	NA	NA	NA
	3-14	Franchising	NA	NA	NA
	3-15	Investments	5,009	26,679	157,510
Total		S3 "operational" focus (excluding water heating and recovered material transformation by the client)	**2,871,377**	**4,262,117**	**4,216,392**
		S3 "Exhaustive" focus	**17,405,105**	**25,478,064**	**27,398,298**

Significant evolution explanations between 2022 updated and 2023

- 3.1 and 3.2: the accounting methodology was improved in 2023, all purchased goods accounted as CAPEX expenses were transferred from the 3.1 category to the 3.2 as preconized by the GHG protocol.

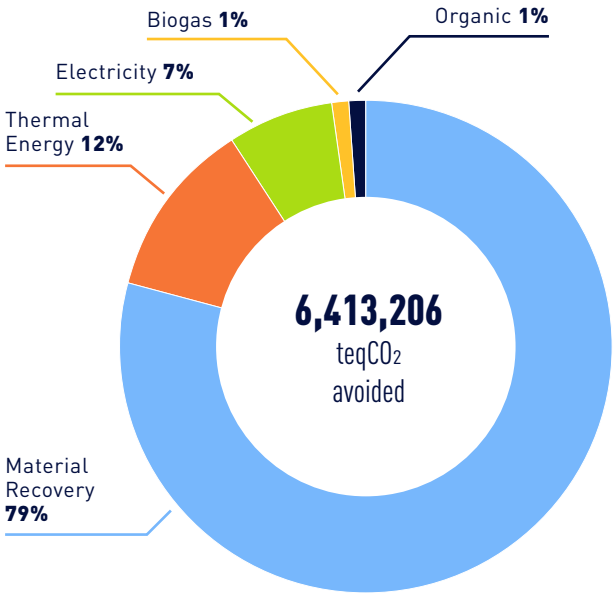
- 3.10 – Transformation of sold products: The transformation of recovered materials by the client: this emissions source was not accounted for in the previous exercises. Even though these materials are destined to be recycled, replacing virgin materials which are often more emissive than the recovered ones, SUEZ decided to include the emissions produced by the client's recycling processes, to achieve the most exhaustive and transparent Scope 3 possible.

- 3.11 – Use of sold products: Water heating: Water heating accounting method evolved between 2022 et 2023. Previously only the volume of water distributed by SUEZ directly to a client was accounted. For 2023, the figure now includes emissions for the scenario where SUEZ produces the water, but it is distributed to the client by a third party.

Avoided emissions

As seen above most of SUEZ greenhouse gas (GHG) emissions come from providing services that are essential to society, i.e. managing and processing the waste material entrusted to the Group. Through its activities, SUEZ enables other players to reduce their emissions by producing, for instance, renewable energy (biogas, biomass combustion, ...) or participating in the production of recycled materials. To quantify this positive environmental impact within its client's scope or its supply chain, SUEZ accounts for avoided emissions. As a reminder, these kinds of emissions cannot be subtracted from the induced one. Nevertheless, they can be used as an external decarbonization indicator.

Emissions avoided by SUEZ customers in 2023 ($teqCO_2$)



The emissions avoided by SUEZ customers are linked to "the use of goods and services produced by the Group", within the meaning of the reporting requirements of Article L225-102-1 of the French Commercial Code and relate to the material recovery and waste-to-energy activities.

The sources of the avoided emissions are essentially linked to the implementation of circular economy solutions offered by the Group to its municipal and industrial customers, namely:

- Material recovery, by means of:
  - collection, sorting, and recycling,
  - composting,
  - recovery of residual waste from the incineration of non-hazardous waste,
  - production of Solid Recovered Fuels (SRF);

- Energy recovery, by means of:
  - incineration of municipal or industrial waste,
  - energy recovery from biogas recovered at landfill sites,
  - energy recovery from biogas produced from wastewater.

In 2023, the emissions avoided by the Group's customers can be broken down as follows:

- In the water activity: 40,514 metric tons of CO_2 equivalent, i.e. 1% of the Group's total avoided emissions. Those avoided emissions correspond to reductions in scope 2 emissions for the Group's customers through the use of energy produced from the digestion of sludge from wastewater treatment plants (biogas transformed into biomethane or natural gas), compared with a reference scenario in which the energy used by customers would be more carbon-intensive;

- In the waste activity, excluding waste-to-energy: 5,322,505 metric tons of CO_2 equivalent, i.e. 83% of the Group's total avoided emissions. Avoided emissions refers to the emission reductions for the Group's customers, such as customer scope 1 (via the use of Solid Recovered Fuels), customer scope 2 (via the use of energy from biogas produced from waste or wastewater), or customer scope 3 (via the use of secondary raw materials);

- In the waste-to-energy activity: 1,050,186 metric tons of CO_2 equivalent, i.e. 16% of the Group's total avoided emissions. Avoided emissions refers to the emission reductions for the Group's customers, such as customer scope 2 (via the use of electrical or thermal energy from waste combustion in waste-to-energy plants) or customer scope 3 (via the use of secondary raw materials from the reclamation of bottom ash and recycled metals from waste-to-energy plants).

Moreover, SUEZ is always investigating new solutions to help its clients decarbonize in several ways, including the production of biochar.

In 2023, SUEZ joined forces with Airex Energy and Groupe Rémabec to create Canada's first industrial biochar production plant in Port-Cartier, Quebec. By transforming forest and agricultural residues into carbon sinks and soil amendments, the facility will produce a carbon-rich biochar with high environmental qualities from the residual biomass of Groupe Rèmabec's operations.

It will leverage Airex Energy's innovative CarbonFX™ pyrolysis technology and SUEZ expertise in the transformation and valorisation of organic waste, agricultural soil enhancement, biofertilisers, and new resources from the circular economy. Biochar is a material with highly promising environmental benefits, identified by the UN IPCC as one of five negative-emission solutions to curb global warming and help achieve the carbon-neutral targets set by the Paris agreements.

Other actions

In parallel the Group was involved in several notable action related to GHG accounting initiative and climate standards.

In France, SUEZ water activities were the main facilitator of the ASTEE's Water GHG Working Group (French Association of Water and Waste Professionals), which main objective was this year to update the "Water and Wastewater Sectorial Guide of GHG Accounting." This initiative was financed by ADEME and the French Ministry of Ecological Transition. The updated guide provides guidelines to enhance the GHG accounting methodology of the sector and a library of directly applicable emission factors. Although developed in the French context, this guide contains best practices applicable to all international perimeters.

The consulting activities of SUEZ, along with a wide variety of actors such as Société Forestière, contributed to the publication of a new 'Label Bas Carbon' method official French carbon finance mechanism piloted by the government named "Arboreal City" (Tree in the city). This methodology will promote carbon sequestration as well as the other co-benefits brought by urban tree planting.

2.4.2.3 | Adapting our most exposed sites to climate change

To ensure resilience of essential services, one must already adapt most vulnerable infrastructures to the consequences of climate change. Extreme weather events can affect the continuity of water, wastewater, and waste services: flooding risks for water treatment plants close to coastlines and aquatic environments; pollution of pumping wells and drinking water production plants in the event of heavy rain; fire risks at waste treatment sites in the event of drought, and so on. To protect these essential services, SUEZ will draw up a action plan for 100% of the priority sites it operates by 2027.

A project dedicated to adapting to climate change is currently in progress, led by the Sustainable Development Department and bringing together Operations, Risks and Insurances Departments with all the Business Units. The first step was to build a tool enabling us to measure site by site the level of exposure regarding the 28 climate-related hazards identified by the EU Taxonomy. The second step will be to determine at site level vulnerability regarding these hazards and then to define and implement action plans.

Thanks to this in-depth analysis, SUEZ is continuing to improve its risk and opportunities financial assessment with regards to climate change. This is helping SUEZ fulfill its TCFD[7] approach and to prepare for CSRD[8]. Examples of first results are available in SUEZ CDP Climate disclosure of 2023.

Based on a first analysis, SUEZ has already started this work for its most vulnerable sites in France, Asia and the UK.

Besides, SUEZ already offers solutions to help its client mitigate effects of climate change *(see also section 2.3)*. As this is still evolving, SUEZ is also investing in Research & Innovation to continue designing new solutions for climate adaptation.

As examples, these three offers cover many aspects of SUEZ value chain:

- Thanks to Aria Technologies, SUEZ can help its sites and clients to process accurate assessments of their exposure to climate hazards. Indeed, ARIA Technologies has a team of climate researchers, specialized in adaptation to climate change, forecasting extreme events such as cold or heat waves, hurricanes, etc. They're able to produce data analyses and maps on what will happen.

- SUEZ provides solutions to adapt some of SUEZ plants, particularly on the water side (e.g. solutions from the AQUADVANCED® suite). It allows SUEZ to adapt its infrastructures to what impacts the most, torrential rains, floods but also water stress. For instance, the AQUADVANCED® Urban Drainage solution makes it possible to adapt rainwater and wastewater networks in real time in the event of flooding or flooding to avoid water and soil pollution and better preserve ecosystems. In Chongqing city (China), AQUADVANCED® Urban Drainage system provides local authorities with a global, real-time view of the entire sanitation network based on data collected using sensors installed on the network and in the receiving environment, and short-term weather forecasts. It is used to monitor, analyze, and forecast the operating status of the rainwater drainage system, urban flood risks, influences on natural ecology and the rainwater reuse system. It will also calculate and report on how a sponge city performs against key performance indicators.

  By centralizing and analyzing all these data, the software will protect the population from the risk of flooding inhabitants against flood risks and limit pollution in the Yangtze, Asia's longest river, which is an essential resource for the population's water supply. The system has also been successfully applied to 20 cities and regions.

- SUEZ has dedicated expertise capacities in terms of consulting missions for territorial adaptation strategies its clients, both in France and abroad.

[7] Task Force on Climate-Related Financial Disclosures (TCFD)
[8] Corporate Sustainability Reporting Directive (CSRD)

2.5 | Contributing to social and societal challenges

2.5.1 | Description of the challenges

The consequences of climate change and the destruction of ecosystems considerably impact populations, primarily affecting the most vulnerable. The International Labor Organization estimates that global warming will cause the loss of 80 million jobs. Moreover, the ecological transition requires transformations that call for collective commitment. Together with its partners and customers, SUEZ is committed to reconciling human and economic development as well as increasing the positive impact of its businesses with a focus 3 challenges: protecting the health and safety for all, growing skills, and fostering employee engagement; and contributing to the sustainable development of communities.

2.5.1.1 | Health and safety

As an industrial company, the Group is exposed to several risks on Health and Safety. Protecting the health and safety of all its employees and subcontractors as well as the customers and populations among which SUEZ work is a priority. During its activities, the Group handles or even produces hazardous products or by-products. Such is the case for certain facilities that treat specific industrial or hospital waste of a toxic or infectious nature. Some chemicals used in the water treatment process are also considered hazardous substances. For any industrial site, there are also risks of industrial accidents such as fire or explosion. These can result from design flaws or be caused by external events beyond the Group's control (actions of third parties, natural disasters, etc.). Road risk, particularly in the context of waste collection, is also a major risk for SUEZ.

2.5.1.2 | Skills and employee engagement

The Group pursues its various lines of work by bringing to bear a wide range of expertise among its technical and managerial staff. To maintain the key skills of the Group's current activities (e.g. sales forces for the industrial sector, major project managers or mega-data experts) and develop those linked to its transformation into new activities, such as smart cities or digital technology, the Group needs to plan ahead for the skills that will be needed for certain lines of work. Continuing to develop its expertise and, more broadly, the employability of employees is a priority for SUEZ. The Group's success depends on its ability to identify existing skills, and to recruit, train, and retain enough employees, including executives, engineers, technicians, and salespeople with the required skills, expertise, and local knowledge, amid a context where competition for employees with such profiles can be fierce.

As regards to employee commitment, as soon as the new General Management team was in place, SUEZ made sure to gauge that commitment by conducting a Pulse survey of all Group employees. That has given us a baseline against which we can regularly gauge employee commitment and the impact of any implemented actions. In-house and external surveys, such as the Pulse in-house engagement survey, show that a sense of social and environmental responsibility is a key factor for attracting and retaining talented people, as well as for satisfying the expectations of public and industrial customers. In that regard, 73% of SUEZ employees responding to the latest Pulse in-house survey in January 2023 gave a positive assessment of the company's engagement with social and environmental issues. As such, SUEZ intends to reflect society at large and promote equality, diversity and social dialogue and to pave the way for its employees to get involved in the environmental transition.

2.5.1.3 | Sustainable Development of communities

As a global environmental services company, SUEZ develops and distributes technological and social solutions for regional development. To be both acceptable and effective, such solutions need to take into account the specific characteristics of the areas they affect, as well as the interests of stakeholders.

As such, SUEZ intends to:
- contribute to local wealth with responsible procurement,
- invent solutions in line with the United Nations' Sustainable Development Goals with social innovation practices,
- strengthen its impact through corporate philanthropy,
- extend its positive influence with academic partnerships or business associations.

2.5.2 | Policies and action plans

2.5.2.1 | Protecting the health and safety of all

Key performance indicator

	2022 results	2023 results
Fatal accidents involving employees	1 within SUEZ direct employees 3 within SUEZ subcontractors	1 within SUEZ direct employees 1 within SUEZ subcontractors
Severity rate	0.55	0.46
Frequency Rate	6.43	5.97

In 2023, SUEZ recorded two fatal accidents:
- An employee of Water France died due to lack of oxygen during an intervention in a pit;
- In Bangladesh, a subcontractor died due to traffic accident.

In 2023, the severity rate dropped from 0.546 to 0.46, and the frequency rate also decreased from 6.43 to 5.97.

As part of its Sustainable Development Roadmap 2023-2027, SUEZ is aiming for "zero severe or fatal accidents" and is committed to reducing both the frequency and severity of workplace accidents, with the aim of achieving a frequency rate of less than 6.15 and a severity rate of less than 0.45 by 2023.

SUEZ Health & Safety actions are guided by three main priorities:
- Controlling its major risks to preserve health and life;
- Making health and safety a key factor in decision-making;
- Making individual and collective commitments to Health and Safety.

The personal commitment of management at all levels (Group, BUs, regions, entities, etc.) ensures effective implementation of the Group's Health & Safety Policy. Operational managers and operators were supported by a network of approximately 400 Health & Safety professionals in 2023.

That policy and the associated actions plans are then implemented and monitored by a comprehensive Group system: annual contractualization of qualitative and quantitative objectives with the General Managers of each Business Unit, Health & Safety audits, managerial training and monitoring by the Health & Safety Department through proactive and reactive performance indicators.

The Group action plan is drawn up by the Health & Safety Department and its steering committee, made up of the H&S Directors of each BU, and then presented to the Board of Directors' CSR Committee. It is then broken down into "Annual Health & Safety Objectives Contracts", comprising both quantitative objectives (frequency rate and severity rate) and qualitative objectives, including the main actions set out in the ZERO severe and fatal accidents roadmap.

Those "Health & Safety Objective Contracts" ensure that objectives are implemented in line with each other. They are drawn up with each subsidiary manager at the start of the year and co-signed by the Group Health & Safety Department. They are supported throughout the year by designated contact persons in the Corporate Health & Safety team, followed by a detailed general review at the end of the year. Their implementation is integrated into the scorecards that have a significant impact on the variable pay of all the Group's top executives.

Lastly, the Health & Safety Department has introduced proactive performance indicators to assess the level of maturity of the subsidiaries' safety culture, and in particular the experience acquired through the analysis of accidents, "near misses" and, above all, high severity potential events (HIPO). In 2023, over 1266 HIPO events were reported and analyzed, and over 30,000 near-misses or dangerous situations were reported by employees, thanks to the climate of trust that has been created.

The Group's Health & Safety action plan for 2023 encompasses various key areas to enhance safety and well-being within the organization. The foremost priority is centered around Leadership in Health & Safety, emphasizing the redeployment of life-saving rules to ensure effective and consistent implementation. Regarding the control of major safety risks, the plan addresses specific domains such as road risks in waste collection, trench work, lock out tag out, the use of dangerous tools and machines, the startup of new facilities, working at height, chemical risks, and confined spaces. Additionally, the plan includes initiatives to control health risks, including mental health and the prevention of psychosocial risks, ergonomics, biological risks, and the prevention of alcohol use. These comprehensive measures underscore the group's commitment to the safety and health of its employees, while implementing specific actions to address particular risk areas.

The health and safety of its employees, partners and all its stakeholders, is the top priority for SUEZ. The Group is continuing its actions to achieve the goal of zero severe and fatal accidents. SUEZ is committed to reducing both their frequency and severity, with the goal of achieving a frequency rate of less than 5.30 and a severity rate of less than 0.39 by 2027.

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2.5.2.2 | Growing skills and fostering employee engagement

Key performance indicator

	2022 results	2023 results
% of employees trained, including digital training	75.3%	77.4%
% of management positions held by women	33.8%	34.5%
% of employees covered by a social dialogue system	92.9%	94.2%

⇛ Training and skills development

In 2023, a specific development plan for experts has been rolled out. Experts were offered learning programs to reinforce their communication skills and to improve their capacity to share knowledge. SUEZ has structured a global policy to develop and support experts in Water and Waste activities. In 2023, the following profiles were trained:
- 30 experts
- 36 key experts
- 6 lead experts (new promotion)

In 2023, following the definition of the company's strategy, its purpose, and the implementation of a new organisation, the Group has decided to adopt a leadership model to clarify the attitudes and behaviours expected from all and contribute to SUEZ cultural evolution.

The purpose of this leadership model is to become a behavioural guide for all managers and employees of SUEZ, regardless of their role, business unit, or country.

Some dedicated communication sessions (Global webcast, senior management dialogue...) have been held. A training called "Leadership calendar" was made available online to all employees. The purpose of this training was to discover and experiment the leadership model in 21 days.

Top management has decided to reinforce the onboarding process. This strategic approach not only accelerates the acclimation of newcomers but also yields tangible benefits such as increased productivity, higher job satisfaction, and improved employee retention. Indeed, SUEZ has focused in 2023 on the deployment of an onboarding tool for all the new SUEZ employees. This online program is called "Welcome to SUEZ" and presents the company's organization, SUEZ purpose and strategy. It also encompasses presentation of the Executive Committee and presentation of the Sustainable development roadmap. In addition, trainings are allocated in Health & Safety, ethic, and cybersecurity. Since the launch of this program in April 2023, 85% of the skilled/management employees ("*Cadres*") who have joined SUEZ have completed the "Welcome to SUEZ" onboarding path.

Given the specificity of its activity, the Group develops dedicated trainings to help its employees to be fully committed into ecological transition.

- The Group supports an initiative called The Environment Fresco designed to raise awareness among all Group employees through a network of ambassadors. The Fresco initiative aims to provide an interactive and enjoyable way to build on the skills and awareness of all SUEZ employees regarding Sustainable Development, and to get them engaged on the issue in their day-to-day lives, helping them to realize the impact and contribution of their actions in their professional and personal lives. To date, 2,631 employees have tried it out, and 114 have signed up to become facilitators and continue to spread the word throughout the Group. A "citizen's passport", consisting of five e-learning modules, enables participants to deepen their knowledge of the challenges involved in the Fresco, SUEZ solutions, best practices at sites, and eco-gestures at an individual level. All SUEZ employees are offered the chance to embark on the path to a "citizen's passport" as soon as they join the company.

- Many trainings have been developed and largely implemented in the different Business Units. For instance, climate issues and climate change have been launched internally in 2023 through digital content. Other key topics have been addressed in specific modules such as Water as a resource, Circular economy or Biodiversity in France. More "hands-on" training sessions were also organized on eco-driving to optimize fuel efficiency across the Group's truck fleets in France.

SUEZ has also launched eco-responsible challenges for some of the Group's employees. The aim is to encourage people to get involved in the effort by leading initiatives that contribute to improving our daily habits, and even to setting up virtuous systems in their activities.

In 2023, different challenges were organized within the Group. The "Go for Good Challenge" has been a great success in France: more than 70 teams have been mobilized to think, imagine and put into action good eco-responsibility practices in both the water and waste sectors, around the 6 pillars of action: waste, food, mobility, equipment, green waste and biodiversity, buildings. In Asia, SUEZ Asia ESG Award program 2023 was launched to encourage and inspire colleagues to take more actions contributive to SD roadmap. In total 90 projects were gathered with the involvement of all BAs in Asia. The submission covers dimensions of climate, nature, CSR and H&S.

⇛ Promoting equality, diversity and inclusion

The action plan for professional equality is based on various mechanisms, such as recruitment, reducing the pay gap, internal promotion of women, working environment conditions and corporate culture. That action plan comes with specific objectives, such as:

- increase the proportion of women recruited to ensure a more balanced representation of the sexes within the Group's various lines of work;
- reduce pay gaps where they exist;
- create an inclusive work environment conducive to equitable treatment;
- promote development programs and accelerate the promotion of women to key positions;
- develop coaching and mentoring programs to open additional career opportunities;
- implement actions to promote an inclusive culture that is conducive to professional equality, with the aim of changing attitudes and removing any remaining barriers.

The proportion of women recruited to executive positions was 35.5% in 2023. In 2023, women made up 23.7% of the workforce and 34.5% of managerial positions (which is 0.8 points higher than last year). SUEZ Diversity & Inclusion policy promotes professional equality and fosters initiatives centered on:

- improving working conditions to pave the way for women to work in operational positions (personal protection equipment designed for women, installation of changing rooms, etc.);
- fighting against sexism and sexual harassment, with a whistle-blowing procedure (protection of victims with the creation of a helpline and psychological support, designation of a contact person in each BU, zero tolerance on sexism). Several e-learning programs are available to all employees to raise awareness of Managers and employees;
- developing support for parenthood (neutralization of maternity leave in salary policy, promotion of paternity and parental leave without gender discrimination, payment of paternity leave under the same conditions as maternity leave);
- retraining and promoting career development in lines of work where the gender is under-represented;
- coaching with specific programs such as "*Alignés*" in France which aims to accompany women in reaching professional and personal goals;
- boosting women management with "Women journey" program helping women in leadership development skills with a combination of webinars, mentoring, digital learnings, working groups on SUEZ business projects and mentoring sessions. It is based on a 6-month journey to facilitate appropriation and experimentation. In 2023, an executive mentoring program called PO2 was also offered to a few women in key management positions to support their career.

SUEZ promotes diversity and inclusion in all its forms and actively fights against all types of discrimination, such as those linked to origins, gender, disability, sexual orientation, or religion. The Group has an ambitious policy of integrating people with disabilities into its workforce. In 2023, the Group's workforce included 1,052 people with disabilities. SUEZ has developed e-learnings on 3-pilar of inclusion (spreading an inclusive culture, promote diversity and build an inclusive environment).

By the end of 2023, 7,680 employees had finished at least one of the 3 modules promoting inclusion (21,638 modules were realized in total by the end of 2023). Several webinars were launched in 2023 on specific topics such as fighting against stereotypes, "wonder parent", sexism issues, neurodiversity as unexplored potential. On average, 600 people per event participated in 2023 to these webinars. In addition, SUEZ continues its podcast "*Diversité sur les ondes*" and created content with "Create the desire to evolve". SUEZ is also involved in the Disability Day with a sensibilization campaign whose 2023 topic was "Innovation for all".

Moreover, a kit for inclusive management has been launched in 2023 whose goal is to make SUEZ a more inclusive workplace by helping Managers to get rid of stereotypes in management and trigger discussions with their team on diversity.

Stimulating social dialogue

SUEZ is committed to promoting social dialogue, as well as the establishment of collective agreements. In 2023, 94.2% of the Group's employees were covered, either directly within their legal entity or at a more general level, by a system of social dialogue.

Current European instance that was reviewed in 2022 have been fully functional in 2023 with the European committee council. Local or national councils have continued to run and address key topics. For instance, the European committee was consulted on the operating model which was validated by the representative in March 2023. In addition, some negotiations at European level have started in 2023 related to Health & Safety agreement.

In order to define its Sustainable Development priorities, and with the aim of preventing or dealing with controversies linked to its activities, SUEZ adheres to a proactive policy of dialogue and regularly consults experts and stakeholders to collectively address dilemmas as and when they arise. In the field, SUEZ proposes mechanisms of dialogue adapted to the contexts and stakeholders of its projects. The Sustainable Development Department is in charge of coordinating that dialogue: it monitors social issues, raises awareness among managers, and gets internal stakeholders involved in the challenges to be addressed.

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Fostering employee engagement

Since 2021, SUEZ is measuring employee satisfaction through the "Pulse" internal survey covering all SUEZ employees. In its Sustainable Development Roadmap, the Group has set the target to remain 10 points above the benchmark. In 2023, the results of the survey are 7 points above the benchmark. Social and environmental commitment of the company is clearly a strength identified in the survey, with 15 points above the benchmark, as well as the focus on safety and the respect of diversity. In terms of improvement areas, collaboration or customer centricity have been highlighted.

To strengthen the commitment of its employees and involve them in the rollout of its strategy, SUEZ aims to increase the proportion of employee shareholding in its capital. Between September and December 2022, the "Go SUEZ" operation offered employees in nine countries the chance to become shareholders in the Group. Nearly half of the employees with assets in the former Sharing plans in France, i.e. over 6,800 employees, have subscribed to the "*Go SUEZ Réinvest*'" package. And more than 12,000 Group employees—over 40% of eligible employees in Spain, France, Hong Kong, India, Macau, Morocco, Poland, the Czech Republic, and the United Kingdom—have subscribed to the Go SUEZ Classique and Multiple offers. This has enabled SUEZ to raise over 140 million euros through employee shareholding. In 2023, SUEZ employees' participation in the Group total capital was around 3%, representing more than 13,000 employees.

SUEZ was awarded by the the *Fédération Française des Associations d'Actionnaires Salariés et Anciens Salariés* (FAS), by the "*Grand Prix de l'actionnariat salarié*", for its proactive employee shareholding policy.

2.5.2.3 | Contributing to the sustainable development of communities

SUEZ implements tailor-made solutions that can be adapted to the specific characteristics of each region, the size of each town, the constraints of each farmer, and the location of each industrial company.

In general, SUEZ strives to take into account the UN's Sustainable Development Goals (SDGs) in its investment strategies, in order to bring its expertise to bear locally while taking into account the economic, legal, and technical realities. SUEZ intends to play a leading role in achieving the UN's 2030 Sustainable Development Goals (SDG), in particular the one relating to water and sanitation (SDG 6), as well as those relating to climate (SDGs 7 and 13) and sustainable production and consumption (SDG 12). By transforming its activities, SUEZ aims to strengthen its presence in areas of growing need (SDGs 11 and 15).

In its Sustainable Development Roadmap 2023-2027, SUEZ makes a commitment to contribute to a responsible economy by providing employment and local development in the regions where it operates:
- by increasing the share of local businesses among its suppliers;
- by increasing the proportion of spending on organizations that promote inclusion, e.g. for the employment of vulnerable people;
- by having 5,000 people benefiting annually from its programs supporting reintegration into the workforce in 2027.

It also supports voluntary work from SUEZ employees monitoring the number of hours dedicated to local associations and support access to basic services in most critical situations with 2 main indicators:

- pourcentage of contracts of drinking water distribution covered by a solidarity mechanism;

- pourcentage of water distribution contracts "profiled" towards water poverty (i.e., mapping of areas at risk regarding availability, accessibility or affordability of services).

⇛ Contributing to local wealth with responsible procurement

With 40,000 suppliers, SUEZ has a responsible purchasing charter that associates its subcontractors and suppliers, with its Sustainable Development roadmap. SUEZ contributes to the progress of the industry as a whole and encourages the emergence of eco-industries. SUEZ is committed to acting fairly, transparently, and impartially towards its suppliers, in accordance with the applicable regulations and the rules and guidelines set out in its Ethics Charter, its Human Rights policy, and its Vigilance Plan, which is currently being drawn up. SUEZ responsible purchasing charter stipulates its commitments towards Sustainable Development:
- contribute to mitigating climate change, especially with regards to Scope 3 impacts;
- preserve Biodiversity;
- social and territorial commitment;
- responsible Governance.

Those commitments are detailed into operational objectives. SUEZ expects its suppliers to proactively implement these operational objectives, thereby contributing to the creation of overall value, economic, social and environmental performance, as well as managing sustainable development risk management.

Ethical and Sustainable Development clauses are stipulated in SUEZ General Purchasing Conditions. (GPCs) and standard contracts. In 2023, 59.9% of supplier contracts included a CSR clause at the Group level. This indicator measures the rate of contracts that include a CSR clause outlining several engagements that suppliers must adhere to, such as adherence to SUEZ 'Ethics Charter,' 'Ethics in Business Relations' guide, and 'Ethics in Supplier Relations' practical guide, as well as compliance with international and national norms addressing fundamental topics such as human rights, the health and safety of employees and third parties, environmental protection, anti-corruption measures, competition laws, and economic sanctions. It is applicable to various contract types, including framework contracts, listing contracts, application contracts, and project contracts. This indicator encompasses suppliers from all countries where SUEZ operates.

Many Business Units have launched initiatives to animate and reinforce inclusion of sustainability in their processes. In particular, trainings over different forms have been conducted on the purchasing teams in France, in the UK etc... In the UK, SUEZ partners with the Supply Chain Sustainability School and use this to train the procurement team and others within SUEZ. As part of the partnership, a series of workshops were held in 2023 on Biodiversity, Modern Slavery, Carbon reporting. In France, a seminar with the purchasing team of the water activities was made to train buyers on social and environmental issues within the Supply Chain.

SUEZ in the UK run supplier awards for 3 past years. These awards recognize and reward suppliers who support SUEZ in achieving its goals in the following categories:
- protecting the Environment;
- health, Safety and Wellbeing;
- delivering Social Value;
- continuous Improvement and Innovation;
- excellent Collaboration.

⇛ Developing appropriate solutions for all regions and their inhabitants

Social innovation

In France, the role of the Social Innovation Department is to "bring employment and the circular economy together" in the regions where SUEZ operates, by supporting the subsidiaries and meeting their needs as closely as possible (inclusion clauses in contracts, employees' commitment to solidarity, etc.), and by developing collaboration with local players. That department coordinates various integration programs and mechanisms, such as *Rebond Insertion*: a wholly owned subsidiary of SUEZ that helps reintegrate people into the workforce.

Rebond Insertion was launched in 2002. In 22 years, it has supported more than 11,000 beneficiaries on 13 sites. 70% of employees leave Rebond Insertion with a long-term employment or a qualifying training.

The action of social innovation department covers 3 areas:

- propose enhanced commercial solutions by designing a circular and inclusive economy component in SUEZ offers. After having analyzed territories and local ecosystems, SUEZ concludes partnerships with circular economy entrepreneurs. In some cases, those entrepreneurs are even supported by one of the SUEZ incubators based in Paris, Lyon, Bordeaux.

- promote inclusive recruitment through apprenticeship or integrated social purchasing thanks to Rebond Insertion for instance. The objective is to offer these employees a career, specific trainings and support in their daily life for instance.

- encourage skill-based sponsorship of SUEZ employees to provide access to essential services to population which are not covered. This is possible through SUEZ foundation or Aquassistance, whose missions are described later in this document and through an employee volunteering charter allowing employees in France to work 2 days per year for an association through *Vendredi* web platform.

In France, 3,337 people were beneficiaries from SUEZ inclusive structures & job inclusion programs in 2023. In 2023, Rebond Insertion allowed 784 disadvantaged people to get a job and solve housing, mobility or health problems. 74% of people employed by Rebond Insertion ended up with a sustainable job or a qualifying training.

In the United Kingdom, SUEZ ensures since 2019 Greater Manchester's waste management, which is equivalent to 1.1 million ton produced by around 2.3 million people inhabitants. The Group supports Greater Manchester in its strategy to promote a circular economy, as part of the 5 Year Environment Plan, to significantly improve recycling rates and avoid the storage of more than 96% of household waste. In the course of this contract, the Renew Hub was created to focus on prevention, reuse and repair and move towards a circular economy and reduce reliance on imported resources. The Renew Hub is the UK's largest re-use operation. It has created 20 new jobs in the green sector so far.

In South Africa, EnviroServ has over 300 reclaimers at two of its waste management facilities. Over the years, the reclaimers have proven to be critical stakeholders. The relationship between EnviroServ and the reclaimers is mutually beneficial. By reclaiming waste at both the Chloorkop and Rosslyn waste management facilities, they divert waste from landfill and save much needed airspace. In return, EnviroServ provides safe, humane, sanitary and convenient working conditions.

Access to water services

In other geographies, to meet the challenge of access to water in certain regions of the world or in specific contexts, SUEZ is developing decentralized water treatment and sanitation plants in more than 40 countries, including Ivory Coast, Benin, Ghana, the Philippines, Malaysia, and in the Caribbean and Pacific islands. Officially committed to the implementation of the right to water and sanitation since that right was recognized by the UN in 2010, SUEZ intends to contribute to the achievement of Sustainable Development Goal 6 by:
- developing sustainable access to essential services as part of its contracts;
- dedicating nearly €3 million in 2022 for the SUEZ Foundation, which has supported 21 projects, including five dedicated to access to essential services in countries where needs are greatest;
- sharing know-how to accelerate access to services by supporting training programs and making its expertise available as part of the AgroParisTech-SUEZ "Water for All" Chair.

The expertise developed by the Group enables it to meet the challenges of access to essential services, in countries in both Northern and Southern countries.

- In Northern countries, SUEZ helps its customers set out and implement social policies in relation to water aimed at guaranteeing access to service for people experiencing economic difficulties. Whether that means implementing a mediation and social support program, introducing special water rates, or putting subsidy mechanisms in place, all these measures are defined in consultation with local parties, with the aim of responding as effectively as possible to the specific challenges of the area. In France, 60% of drinking water contracts were covered by a solidarity mechanism.

- In response to the major challenges of access to services faced by residents of cities in Southern countries, the Group makes available to its customers the expertise and experience it has acquired in improving and extending services in underprivileged, unconnected neighborhoods. Deployed in India, as well as in Senegal since January 1, 2020, the Group's expertise in this field combines knowledge of the water activity and expertise in social engineering practices to ensure a good understanding of the local context, community involvement throughout the project, and the implementation of technical and commercial solutions adapted to the context.

In India, 15 million people have benefited from SUEZ's expertise in improving the efficiency of wastewater networks and drinking water distribution. Between 2021 and 2023, more than 1,500 km of water network was replaced, 10,000 leaks were fixed, and 2,800 km of sewers were cleaned. The Group has designed and built 250 drinking water and wastewater treatment plants in the country, and will be operating 25 plants starting from 2022, seven of which recycle over 90% of the treated water for agricultural or industrial use. SUEZ provides drinking water and wastewater services for major metropolises such as New Delhi, Mumbai, Bengaluru, and Kolkata, and other major cities such as Lucknow, Mangalore, Davanagere, Coimbatore, and Udupi.

To help its managers set out their priorities in terms of dialogue and actions to optimize its societal contribution in the regions where it operates, SUEZ has developed a specific methodology, tools, and dedicated training courses. SUEZ employs that methodology for all its critical projects. In line with SDG 17, the Group encourages the use of innovative partnerships that enable local players to work together to find solutions to the issues and problems they face.

⇛ Strengthening our impact through sponsorship

SUEZ intends to combine its expertise and the energy of its employees with that of civil society. This commitment to solidarity stems from a strong desire on the part of the Group's employees, as evidenced in feedback from in-house surveys.

In 2023, 6,738 hours of voluntary work were dedicated from SUEZ employees with local associations.

In 1994, the Aquassistance association was founded by a group of SUEZ employees: it is a network of 625 members that makes its volunteers' skills and equipment available to support projects around the world. Aquassistance provides assistance to vulnerable populations in the areas of water, sanitation, and waste, both in development aid projects and in emergency and post- emergency situations.

SUEZ focuses its philanthropic efforts on the areas and populations that need them most, making sure to set them clearly apart from its contribution to its commercial activities. Within the framework of its public service delegation contracts, SUEZ promotes and implements contractual solidarity mechanisms and decentralized cooperation initiatives, where that is provided for in regulations and contract specifications. In terms of corporate philanthropy, the Group has three foundations and two associations in Europe and Asia, to which SUEZ devotes a total budget of over €3 million annually.

The Board of Directors of the SUEZ Foundation is chaired by Sabrina Soussan, CEO of SUEZ and Chair of SUEZ International, and comprises 6 directors, including a representative of the Group's employees and three individuals qualified in its scopes of intervention. In the area of access to essential services, the Foundation takes action by supporting partner associations, including Aquassistance, an NGO for SUEZ employees and retirees, and by training water and wastewater service operators in developing countries through the AgroParisTech-SUEZ "General Management of Urban Water and Wastewater Services" Chair. Since its creation in 2009, the Chair has trained over 500 managers from four continents. The Foundation also plays an active role in France on the theme of inclusion, supporting employment and training for people who have fallen out of the workforce, and social cohesion through education, culture, and sport for young people in priority urban districts and fragile rural areas.

In September 2023, the SUEZ Foundation set up an emergency fund for Morocco, to support NGOs and associations helping people affected by the earthquake.

The Foundation has continued to promote inclusion through access to essential services in emerging and developing countries:

- In Bangladesh, the SUEZ Foundation supports an NGO called "ACTED" in a program to improve waste collection mechanisms and community awareness on waste management to foster sustainable sanitary conditions for Rohingya refugees in Cox's Bazar Sadar refugees' camps;

- The SUEZ Foundation is continuing its partnership with "Fondation Raoul Follereau", which is implementing a program to combat Neglected Tropical Diseases (NTDs) by improving the quality of water, hygiene, and sanitation (WASH) services and through community response in the Soubré Health District, Côte d'Ivoire.

In France, the Foundation promotes inclusion through professional integration and education. In 2023, it supported an organization called "Emmaüs Connect", in its program to help people in precarious social and digital situations to integrate society and recycling

digital equipment. It also supports an organization called "*Ma Chance Moi Aussi*" supporting children from the earliest age, globally, continuously and in the long term, which makes their approach unique. The SUEZ Foundation also supports Kodiko, an organization that provides mentoring thanks to refugee/ SUEZ employee tandem, for their integration in France and to support them in their job search. It supports MakeSense in its action-research project to get young people in impoverished neighborhoods engaged in climate and environmental issues.

At the end of 2023, a process of co-construction with all its stakeholders was launched, to define the Foundation's new strategy and roadmap, in line with SUEZ Purpose. Working within the framework of the UN's Sustainable Development Goals, the Foundation works with its partners to ensure that the right conditions are in place to sustainably improve the living conditions of the populations concerned by its projects, and that the results are long-lasting.

In October 2023, SUEZ launched its first Solidarity Commitment Week. At this occasion, the employee engagement system was launched officially. It provides, for all employees based in France the possibility of:

- volunteering (outside working hours, unlimited) through a dedicated platform offering different missions for numerous associations;
- benefit from a solidarity time credit of 2 days per year per employee;
- carry out an adapted transition mission at the end of their career (employees with more than 10 years of seniority and having acquired all their quarters, limited to 12 months).

⇛ Sharing our expertise and exerting a positive influence

Academic Chair *Eau pour Tous*

In 2008, the SUEZ Foundation joined forces with AgroParisTech to create the "General Management of Urban Water and Wastewater Services" Chair, with the support of AFD (*Agence Française de Développement*) from 2009. The aim of this Specialized Master's degree is to train the future leaders of public organizations in charge of providing public water and sanitation services in emerging and developing countries. For almost 15 years, 280 students from 54 countries have benefited from the Master's courses, and over 200 professionals have been trained in short courses (sanitation, PPP, etc.). In addition to SUEZ via its foundation and AFD, the Chair's partners include Agence de l'eau RMC, PAM Saint-Gobain, Amane advisors, and the Bill and Melinda Gates Foundation.

The 2023-2024 class, sponsored by Sylvain Usher, Executive Director of the African Water Association, has 42 auditors (31 men, 11 women), including 17 French-speaking and 25 English-speaking, from 19 countries in Africa, Asia, Europe and Central Asia. More than 30 SUEZ employees are involved in skills sponsorship as expert speakers, coaches, trainers, thesis and defense evaluators, etc., and 8 academic partner countries are taking part in the "K-OpT" immersion case studies (Ghana, Togo, Senegal, Cambodia, Singapore, Kenya, Morocco, Benin) carried out this year in Morocco, Senegal, Cambodia, Togo, Singapore and Ghana). 21 countries have shared their service management indicators to build a unique Bench-OPT service management database, and an ex-post evaluation is being carried out with service HRDs to measure the impact on improving partner water and sanitation services.

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Relations with institutions

The Group implements a strategy of positive influence with institutions on subjects related to its activities, builds strategic alliances with other players to support the environmental transition, and is at the root of platforms for discussion and the sharing of ideas and standards. SUEZ keeps up a regular dialogue with public institutions at the local, national, European, and international levels (European Parliament, Commission, Council (via the permanent representations of the Member States). The Group communicates regularly with French, European, and international institutions through position papers, direct contact, and by participating in events organized by professional organizations. The main topics covered include issues of general interest, such as the fight against climate change, the efficient management of natural resources, sustainable production and consumption, and adapting to the challenges of the energy crisis. They also relate to subjects more directly linked to the Group's day-to-day activities, such as public procurement management methods, legislation on waste recycling and recovery, and drinking water and wastewater treatment.

In France, in accordance with the Sapin 2 law of December 9, 2016, the Group is listed on the register of the High Authority for the Transparency of Public Life (HATVP). SUEZ publishes annual reports on all its interest representation activities with public institutions and the related costs. Part of the costs of those activities are incurred through SUEZ membership of national associations and federations.

The Group is registered as an interest representative with the European institutions. Each year, the Commission publishes the following information on its website: the Group's areas of interest, its membership of associations linked to the European Union, the amount and sources of funding received from European Union institutions, and the costs incurred in representing the Group's interests to European institutions (staff and travel expenses, membership of professional associations, external service providers).

Standardization

SUEZ has been an active member of AFNOR for many years and recognizes the importance of regulations and standards in the conduct of its activities, both for operational performance and business development. SUEZ has always been a major player in French standardization in the environmental sector. Every year, to keep abreast of standardization-related work, we appoint numerous experts to technical committees, either on behalf of SUEZ or the professional federations to which SUEZ belongs (FP2E / FNADE). Over 30 working groups and standards were monitored in 2023.

SUEZ has been a member of the AFNOR Board of Directors since 2023, and is represented by the Group's Standards Director, who also chairs the Environment and Social Responsibility Strategic Orientation Committee (COS), as well as the Iso/TC 224 committee on Systems and services relating to drinking water, wastewater and stormwater management, and its French mirror committee.

SUEZ was a partner in the organization of AFNOR's annual meetings on energy performance and efficiency, which took place on Thursday November 23 at the CB21 auditorium and brought together around a hundred experts from all horizons on this theme. This meeting is recognition of SUEZ involvement in AFNOR bodies over many years.

Professional organizations and associations

SUEZ is also involved in many professional organizations or associations both at international and national level to achieve progress on sustainable development and advocate on environmental protection. The following list is not exhaustive.

In the waste business, SUEZ is an active member of the European Federation for Waste Management and Environmental Services (FEAD) and of the *Fédération Nationale des Activités de la Depollution et l'Environnement* (FNADE).

In the water business, SUEZ is a member of the International Water Association (IWA) and of the *Fédération Professionelle des Entreprises de l'Eau* (FP2E).

SUEZ is a signatory of the United Nations Global Compact and board member of the *Pacte Mondial des Nations Unies* in France. It is also member of the *Observatoire de la Responsabilité Sociétale* (ORSE), *Entreprises pour l'Environnement* (EpE) and *Entreprises pour les Droits Humains* (EDH) in France.

2.6 | Enforcing basic rights among the value chain

2.6.1 | Description of the challenges

SUEZ has made ethics an essential means of improving its overall performance. Respect for and compliance with those ethical values is essential in all the Group's activities, both in internal dealings and in relationships with customers, partners, suppliers, and all external stakeholders. The Group applies a "zero tolerance" principle, set out in its Ethics Charter, to any act that could be considered an attempt at active or passive corruption in the context of its business relationships. Such acts are prohibited in all relationships with customers and their technical advisors, as well as with competitors, partners, suppliers, subcontractors.

Because it manages common goods in sometimes complex economic and political contexts, relying on more than 40,000 suppliers around the world, SUEZ is regularly confronted with situations involving the protection of human rights. As a major company with a worldwide presence, SUEZ is vigilant in its respect for human rights, through its employees and business partners. SUEZ is careful to identify and prevent risks of serious violations of human rights and fundamental freedoms, as well as risks to the environment, health, and safety. In addition to its vigilance approach, SUEZ intends to promote human rights, in particular professional equality and diversity, and to play a driving role in the effective implementation of the right to water, on behalf of its customers as well as through its corporate sponsorship efforts *(see section above)*.

2.6.2 | Policies and action plans

	2022 results	2023 results
Number of basic rights infringements	0	0
Number of corruption cases	0	0
Number of employees trained in ethics	1,957	2,601

As part of the social pillar of its Sustainable Development roadmap, SUEZ commits to comply with universal values. This means to enforce basic rights among its value chain and make health and safety a priority for all each and every day *(see section 2.4)*.

Enforcement and promotion of basic rights in SUEZ value chain is supported by 3 main levers:
- Its Ethics charter and anti-bribery policy;
- Its Human rights policy;
- Its Vigilance plan.

2.6.2.1 | Promoting ethical practices and fighting corruption

SUEZ employees are asked to consider the impact of their actions and decisions on people, so as to prevent their integrity or dignity from being harmed by a Group entity or one of its employees. In February 2022, one of the first messages from the new CEO, Sabrina Soussan, addressed to all Group employees, reiterated her ethical commitment, and referred everyone to the SUEZ Ethics Charter. A new Ethics Charter was drafted in the first half of 2022 and signed by Sabrina Soussan in her capacity as CEO of SUEZ.

The mapping of ethical risks was updated in 2022. It was presented by the Group Ethics Officer and validated by the Management Committee in July 2022. In its roadmap for 2023, the Group's Compliance and Ethics department has asked each compliance officer to improve the identified risks.

In addition, procedures aimed at managing ethical risks, and in particular the risk of corruption, have been set out and verification measures have been put in place:

- A specific procedure governs the conclusion of contracts with commercial or institutional consultants. In particular, it sets out the due diligence measures to be carried out prior to the conclusion of such contracts and the prior approval mechanisms;
- Due diligence measures have been put in place when selecting co-investors, co-contractors, subcontractors, and suppliers;
- A procedure for patronage and sponsorship initiatives sets out the applicable principles and the mechanisms for prior approval;
- An Ethical and Responsible Lobbying Charter has been drawn up to serve as a point of reference for all employees who undertake to represent the Group's interests.

A procedure for controlling third parties at risk was implemented in 2023. It applies to all the Group's legal entities on the one hand, and on the other, is ensuring that all public or private customers, suppliers, companies likely to be acquired by SUEZ, SUEZ industrial partners, certain employees hired by SUEZ, intermediaries, etc. comply with the requirements set out by SUEZ in its ethics guide and by the *Sapin 2* law.

The implementation of these policies and processes is under the responsibility of the Group Ethics and Compliance Officer and their network of 15 Ethics and Compliance Officers (ECO) in Business Units. In 2023, training courses on compliance and new rules and process were conducted to the Ethics and compliance network.

Over the course of 2023, 2,601 employees received training on ethical matters.

SUEZ ethics and anti-corruption system has also been incorporated into the Group's internal audit system.

2.6.2.2 | Promoting human rights

As a large company present all over the world, SUEZ is vigilant in terms of respect for human rights, through its employees and business partners. SUEZ seeks to identify and prevent the risks of serious violations of human rights and fundamental freedoms, as well as the environment, health and safety. SUEZ has adopted a specific policy regarding the respect and promotion of basic rights in July 2023. This policy applies to all SUEZ activities and its subsidiaries included in its scope of consolidation. The principles of this policy are promoted by Group employees who sit on the boards of directors or supervisory boards of companies in which SUEZ holds a stake. They also apply to SUEZ subcontractors and suppliers, in accordance with the ethics and sustainability clauses included in their contracts.

The Group's human rights policy is based on international reference texts, in particular:

- The Universal Declaration of Human Rights and Additional Covenants;
- Conventions of the International Labour Organization (ILO), in particular with regard to the non-use of forced labour (Conventions no. 29 and 105), child labour (Conventions no. 138 and 182), discrimination (Conventions no. 100 and 111), and the protection of the right to organise and collective bargaining (Conventions no. 87 and 98);
- The Charter of Fundamental Rights of the European Union;
- The Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises;
- The United Nations Guiding Principles on Business and Human Rights United Nations;
- The United Nations Convention against Corruption;
- The French law on the duty of vigilance and similar laws, in particular those on the fight against modern slavery in the United Kingdom and Australia;
- The Group's purpose adopted in September 2022, and its Ethics Charter, updated in 2022: the commitments voluntarily made by SUEZ as part of its Ethics Charter, its Sustainable Development roadmap, its adherence to the 10 principles of the United Nations Global Compact, and the OECD Principles on water governance.
- The International Finance Corporation's sustainability standards, which apply directly to many SUEZ projects.

This policy covers three main areas / stakeholders:
- Commitments towards employees;
- Commitments towards responsible purchasing;
- Commitments towards local communities.

An action plan is being implemented to strengthen existing measures for mitigating and preventing the risks of human rights abuses that may arise in connection with the Group's activities and its supply chain. It is based on two pillars:

- Informing employees and training them in the best practices to adopt when faced with the risk of human rights violations. For example, information sheets on the main human rights issues to be observed in certain countries are sent to managers of teams operating in those countries, and awareness-raising and training materials are available for all Group managers;

- Based on a mapping of supplier-specific risks, the Purchasing Department has strengthened its qualification process for suppliers and subcontractors, as well as control and support systems, coordinating relationships and negotiations with the Group's strategic suppliers and ensuring, in particular, that they are committed to respecting the principles of Sustainable Development and Human Rights, as well as complying with SUEZ ethical rules. Ethical and Sustainable Development clauses are stipulated in SUEZ General Purchasing Conditions (GPCs) and standard contracts. In 2023, 59.9% of supplier contracts included a CSR clause at the Group level (which is more than 10 point higher than last year).

The Group's Sustainable Development and Legal Departments are responsible for co-steering the human rights policy and, in particular:
- establish and regularly update a global mapping of potential negative impacts and inform other Group stakeholders of any new risks or issues related to their activities;
- ensure the existence and deployment of an appropriate control framework;
- monitor this operational implementation and report on application of this Policy;
- promote it inside and outside the Group.

At operational level, risk officers are responsible for the annual review of local impact mapping. Each department responsible for the various risks identified is responsible for ensuring that the Policy is properly applied.

The results of the implementation of the Human Rights policy are:
- discussed annually by the Executive Committee;
- presented annually to the CSR Committee of the Board of Directors;
- presented to the social partners, within the framework of the European Works Council annually;
- published each year in the Group's Extra-Financial Performance Statement, for information and dialogue with stakeholders.

Anyone is able to report alerts on ethics and/or human rights. SUEZ has a Group alert system open to all its stakeholders. The confidentiality and protection of those who use it are guaranteed.

2.6.2.3 | Vigilance plan

In application of French law no. 2017-399 of March 27, 2017, on the duty of care of parent companies and ordering companies, as well as British or even Australian regulations on the fight against modern slavery in global value chains, SUEZ is implementing a vigilance plan. In line with the United Nations Guiding Principles on Business and Human Rights, it describes:
- the characteristics and organization of SUEZ in the exercise of its duty of care,
- the method for assessing and mapping the risks of serious violations of human rights and fundamental freedoms, human health and safety, and the environment,
- key risk mitigation and prevention actions,
- monitoring and performance indicators.

This stand-alone document is accessible on SUEZ website.

As a player in the environmental sector, SUEZ owns or manages numerous types of water and waste treatment facilities on behalf of third parties. By the very nature of such processing activities, such sites entail risks of damage to natural capital (air, water, soil, natural habitat, and biodiversity) and can also present health risks for consumers, local residents, employees, and subcontractors. Those risks are compounded by the potential physical impacts of climate change.

2022 was a year dedicated to adapting SUEZ vigilance approach to its new scope, by the new players involved in its governance. In January 2024, SUEZ publishes its new Vigilance plan covering the activities of all its subsidiaries for 2023, available on its website. That plan aims to identify and prevent the risks of negative impacts on people and the environment resulting from the Group's activities or those of subcontractors and suppliers when they are related to the Group's activities. It reports on a continuous improvement approach within SUEZ and to its partners.

SUEZ participates in voluntary initiatives and working groups such as the Global Compact on Human Rights and is a member of the *Entreprises pour les Droits de l'Homme* (EDH) office: those discussions with peer organizations support SUEZ continuous improvement approach by applying the shared best practices and using the educational tools developed therein.

3 Key performance indicators associated with the identified main challenges as part of the non-financial performance statement

Section of the challenge in the non-financial performance statement	Key performance indicator	Assurance level	Unit	2022 result (without acquisitions)	2023 result
2.3 Preserving Nature	Waste recovery rate	Moderate	%	47.9%	48.5%
	Technical yield of drinking water distribution networks	Reasonable	%	83.7%	84.2%
	Wastewater reused	Moderate	%	3.7%	4.2%
	Percentage of priority sites with a biodiversity action plan deployed	Moderate	%	62.5%	65.4%
2.4 Fighting against climate change	Direct emissions - Scope 1	Reasonable	tCO_2e	2,673,370	4,273,410
	Indirect emissions - "Location-based" scope 2	Reasonable	tCO_2e	1,297,034	912,833
	Indirect emissions - "Market-based" scope 2	Reasonable	tCO_2e	1,089,278	1,018,127
	Indirect emissions - Scope 3 "Global" including water heating and transformation of sold products	Moderate	tCO_2e	17,405,105	27,398,298
	Indirect emissions – Scope 3 "Operational" excluding water heating and transformation of sold products (details below)	Moderate	tCO_2e	2,871,377	4,216,392
	Indirect emissions - Scope 3.1	Moderate	tCO_2e	1,261,425	1,262,258
	Indirect emissions - Scope 3.2	Moderate	tCO_2e	6,748	266,466
	Indirect emissions - Scope 3.3	Moderate	tCO_2e	502,829	329,976
	Indirect emissions - Scope 3.4	Moderate	tCO_2e	158,732	221,588
	Indirect emissions - Scope 3.5	Moderate	tCO_2e	839,414	1,729,651
	Indirect emissions - Scope 3.6	Moderate	tCO_2e	2,718	6,946
	Indirect emissions - Scope 3.7	Moderate	tCO_2e	34,308	40,057
	Indirect emissions - Scope 3.8	Moderate	tCO_2e	NA	NA
	Indirect emissions - Scope 3.9	Moderate	tCO_2e	53,166	120,364
	Indirect emissions - Scope 3.10	Moderate	tCO_2e	NA	1,965,959
	Indirect emissions - Scope 3.11	Moderate	tCO_2e	14,540,755	21,297,523
	Indirect emissions - Scope 3.11 "without water heating "	Moderate	tCO_2e	7,028	81,576
	Indirect emissions - Scope 3.12	Moderate	tCO_2e	NA	NA
	Indirect emissions - Scope 3.13	Moderate	tCO_2e	NA	NA
	Indirect emissions - Scope 3.14	Moderate	tCO_2e	NA	NA
	Indirect emissions - Scope 3.15	Moderate	tCO_2e	5,009	157,510
	Avoided emissions	Moderate	tCO_2e	4,040,487	6,413,206
2.5 Contributing to social and societal challenges	% of management positions held by women	Moderate	%	33.8%	34.5 %
	% of women in the Executive committee	-	%	-	28.6%
	% of women in the Board of Directors	-	%	-	23.1%
	% of employees trained, including digital training	Moderate	%	75.3%	77.4%
	% of employees covered by a social dialogue system	Moderate	%	92.9%	94.2%
	Fatal accidents involving employees	Moderate	Number	1 SUEZ employee 3 Subcontractors	1 SUEZ employee 1 Subcontractor
	Frequency rate of workplace accidents	Reasonable	Rate	6.43	5.97
2.6 Enforcing basic rights among the value chain	Number of basic rights infringements	Moderate	Number	0	5.97
	Number of corruption cases	-	Number	0	0
	Number of employees trained in ethics	Moderate	Number	1,957	2,601

Application of the European Green Taxonomy to SUEZ activities for the financial year 2023

4.1 | Context and consistency

4.1.1 | Regulatory context

European Regulation 2020/852 of June 18, 2020, on the establishment of a framework to encourage sustainable investment, known as the "European Green Taxonomy" establishes a classification system for economic activities considered environmentally sustainable. That shared European Union frame of reference identifies economic activities that contribute to the European objective of carbon neutrality, i.e. "the Green Deal", and establishes a basis for comparison between companies. Ultimately, the aim of the European Green Taxonomy is to steer investment by public and private players towards activities that contribute to the transition to a more sustainable economy.

To that end, the regulation sets out six environmental objectives:

1. Climate change mitigation;
2. Climate change adaptation;
3. Sustainable use and protection of water and marine resources;
4. The transition to a circular economy;
5. Prevention and reduction of pollution;
6. Protection and restoration of biodiversity and ecosystems.

The Regulation, through its Delegated Acts, establishes scientific, ambitious, and transparent criteria for assessing an activity's contribution to one of the six objectives. Two main concepts are identified to that end:

Eligibility

An eligible activity is one listed in the Delegated Acts as contributing to at least one of the six environmental objectives and for which technical criteria have been defined. To date, those are the "priority" activities with the greatest potential for contributing to environmental objectives. However, the Delegated Acts will be progressively updated and reinforced, with the aim of integrating more and more activities and strengthening the requirements.

In 2023, new eligible activities have been introduced by the amendments to the Climate Delegated Regulation (EU) 2023/2485 and the Taxonomy's Environmental Delegated Regulation (EU) 2023/2486 adopted by the EU Commission in November 2023.

As such, an activity eligible under the "climate change mitigation" or "climate change adaptation" objectives in force is an activity listed in Annexes I and II of the Taxonomy's Climate Delegated Regulation (EU) 2021/2139 or in Annexes I and II of the Taxonomy's Amended Climate Delegated Regulation (EU) 2023/2485. An activity eligible under the "sustainable use and protection of water and marine resources", "transition to a circular economy", "pollution prevention and control" or "protection and restoration of biodiversity" objectives in force is an activity listed in Annexes I, II, III and IV of the Taxonomy's Environmental Delegated Regulation (EU) 2023/2486.

Alignment

An aligned activity is an eligible activity that makes a substantial contribution to an environmental objective according to the technical criteria set out for each environmental objective, that does not cause significant harm to other environmental objectives, and that complies with the minimum safeguards criteria.

Alignment of activities within the meaning of the Taxonomy

Under Delegated Regulation (EU) 2021/2178 of July 6, 2021, stipulating details on the content and presentation of information to be published by companies [...] as well as the method to be followed to comply with that information obligation, companies are required to publish the share of their turnover, capital expenditure, and operating expenditure associated with their eligible and aligned activities.

In 2023, for the financial year 2022, the regulatory obligation to publish information was extended to the alignment of activities under the two climate objectives. In 2024, for the financial year 2023, the regulatory obligation to publish information is now extended to the eligibility of activities under the four environmental objectives as well as to activities listed in the amended Climate Delegated Regulation. SUEZ as a new SUEZ S.A. entity is subject to that publication obligation.

The financial year 2022 was the first year of publication for SUEZ S.A., following the acquisition on January 31, 2022, of the SUEZ business lines sold by Veolia. As a result, the 2022 published figures were the consolidated figures for only eleven months (February 1, 2022, to December 31, 2022).

This is the second Taxonomy report for SUEZ S.A. and the first one with consolidated figures for twelve months.

4.1.2 | Link with SUEZ Sustainable Development strategy

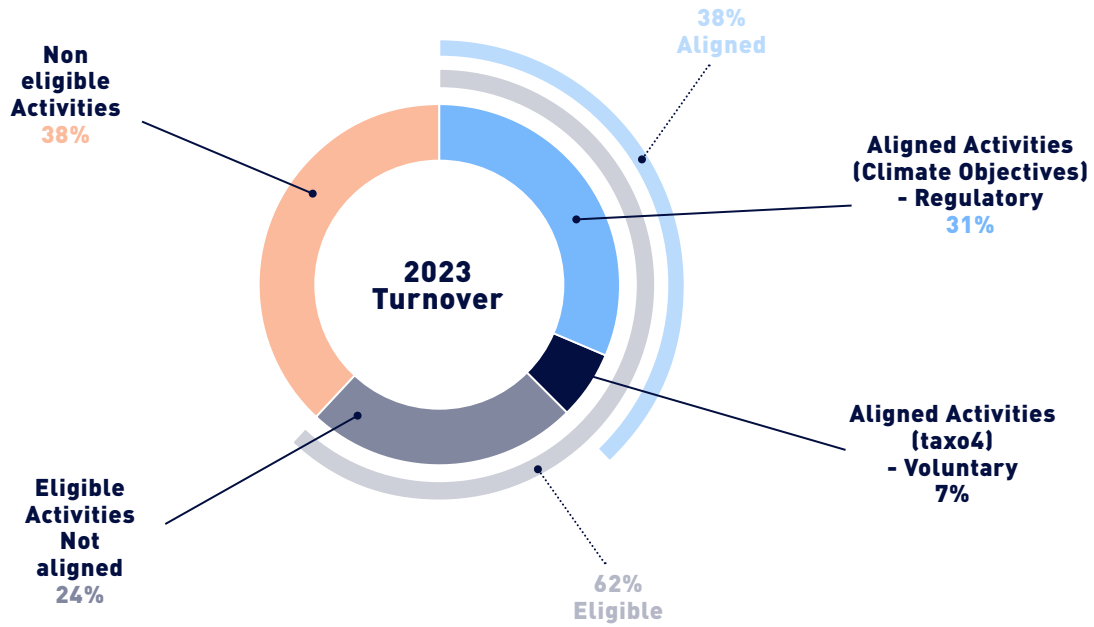
In January 2023, SUEZ published its new Sustainable Development Roadmap 2023-2027. It includes strong ambitions for the six Climate and Environmental objectives of the EU Taxonomy. The taxonomy will be an important steering tool for our operational and non-financial performance.

Eligibility (and alignment in the future) with the taxonomy are now criterias incorporated into project evaluations when projects come for approval by the Operations committee. That committee approves any project relating to a new investment or a new or existing contract whose amount exceeds one of the thresholds set out in the Group procedure. Some projects must be approved by the SUEZ Board of Directors or a Board Committee. The procedure also includes a risk grid, including environmental and social criteria, reviewed by the central Sustainable Development team.

4.2 | Results of eligibility and alignment of SUEZ activities with the European Taxonomy

4.2.1 | Turnover indicators

Summary of 2023 EU Taxonomy results (including Taxo4 alignment)



Turnover KPI summary	Turnover €M	Turnover %
A.1 Sustainable activities (aligned)	2,793	31%
A.2 Eligible non-sustainable activities (not aligned)	2,711	31%
Total (A.1 + A.2)	5,504	62%
B. Taxonomy-non-eligible activities	3,377	38%
Total (A+B)	8,881	100%

This year, under the two climate objectives and the four new environmental objectives of the taxonomy:

- 62% of the revenue is eligible;
- 31% of the revenue is aligned under the two climate objectives (38% of the revenue is aligned under the six objectives).

That eligible revenue primarily corresponds to the following activities:

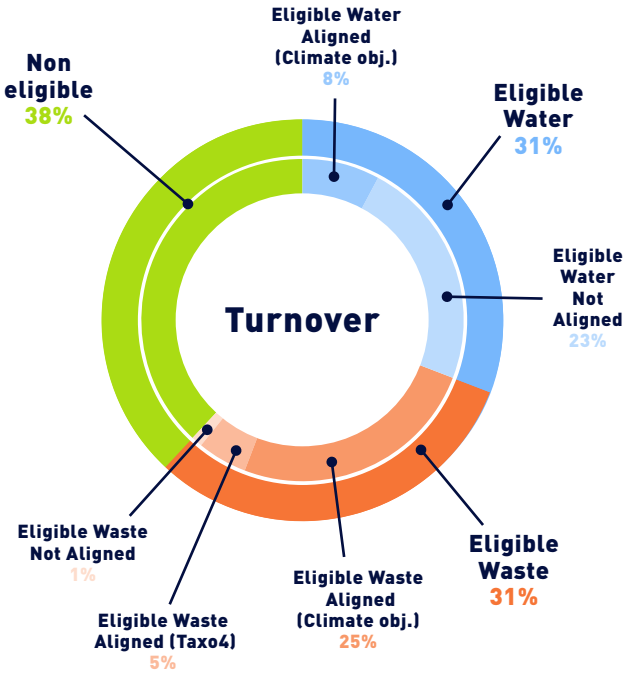
- Municipal water supply:
  - Production and distribution of drinking water;
  - Wastewater collection and treatment.
- Waste management:
  - Selective waste collection;
  - Sorting and recycling;
  - Biowaste: anaerobic digestion and composting;
  - Landfill biogas recovery;
  - Collection and transport of hazardous waste;
  - Treatment of hazardous waste.

In the same way, SUEZ has carried out this second alignment reporting exercise in a spirit of total transparency and in strict compliance with the criteria set out in the regulation. A conservative approach was chosen whenever arbitration was needed on the interpretation of substantial contribution or Do No Significant Harm (DNSH) criteria. Details of those interpretations are presented in the methodological note (section 6). The Group may review those arbitrations in future reports in the light of future additions made by the commission or in the light of joint interpretations by the industry.

In addition to the regulatory analysis of alignment with climate objectives, SUEZ has chosen to analyse the alignment with the 6 objectives in advance, the table below includes, as aligned, all SUEZ activities aligned under the two climate objectives and the four new environmental objectives:

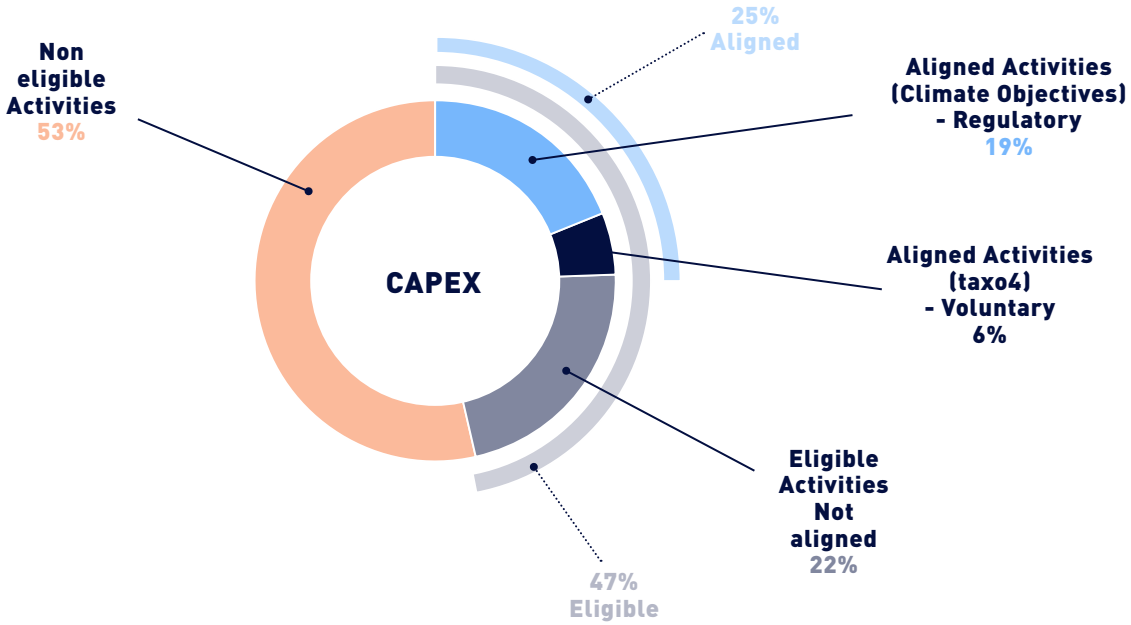
Turnover KPI summary	Turnover €M	Turnover %
A.1 Sustainable activities (aligned)	3,347	38%
A.2 Eligible non-sustainable activities (not aligned)	2,157	24%
Total (A.1 + A.2)	5,504	62%
B. Taxonomy-non-eligible activities	3,377	38%
Total (A+B)	8,881	100%

Revenue breakdown by activity



4.2.2 | CAPEX indicators

Summary of 2023 EU Taxonomy results (including Taxo4)



CAPEX KPI summary	CAPEX €M	CAPEX %
A.1 Sustainable activities (aligned)	131	19%
A.2 Eligible non-sustainable activities (not aligned)	188	27%
Total (A.1 + A.2)	319	47%
B. Taxonomy-non-eligible activities	365	53%
Total (A+B)	684	100%

This year, under the two climate objectives and the four new environmental objectives of the taxonomy:

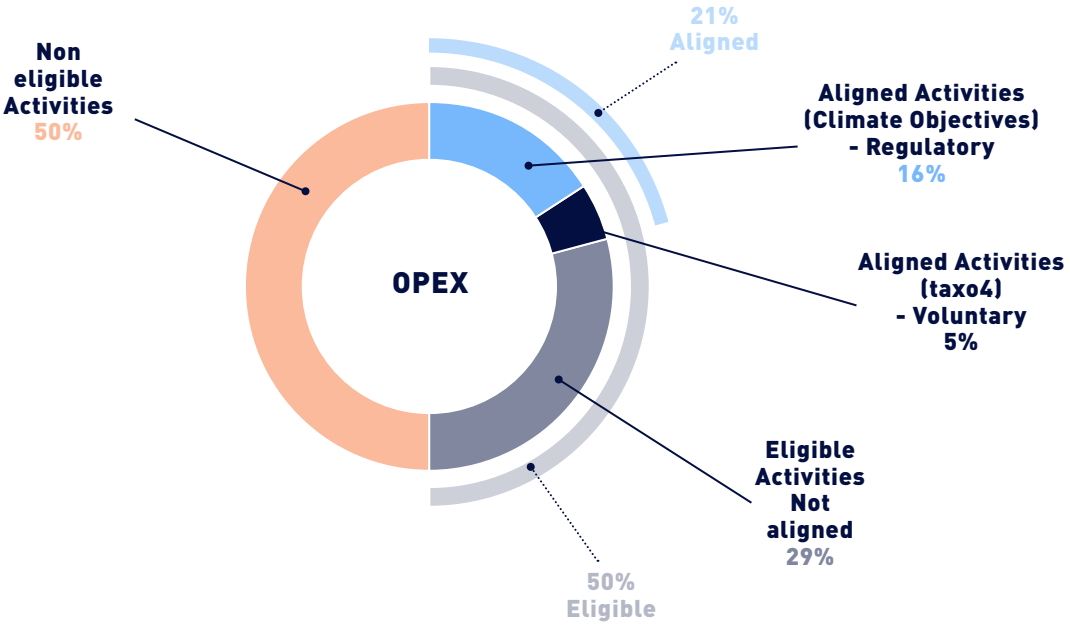
- 47% of CAPEX are eligible under the six objectives;
- 19% of CAPEX are aligned under the two climate objectives (25% of CAPEX are aligned under the six objectives).

As SUEZ has chosen to analyse the alignment with the 6 objectives in advance, the table below includes, as aligned, all SUEZ activities aligned under the two climate objectives and the four new environmental objectives:

CAPEX KPI summary	CAPEX €M	CAPEX %
A.1 Sustainable activities (aligned)	168	25%
A.2 Eligible non-sustainable activities (not aligned)	151	22%
Total (A.1 + A.2)	319	47%
B. Taxonomy-non-eligible activities	365	53%
Total (A+B)	684	100%

4.2.3 | OPEX indicators

Summary of 2023 EU Taxonomy results (including Taxo4)



OPEX KPI summary	OPEX €M	OPEX %
A.1 Sustainable activities (aligned)	141	16%
A.2 Eligible non-sustainable activities (not aligned)	298	34%
Total (A.1 + A.2)	439	50%
B. Taxonomy-non-eligible activities	447	50%
Total (A+B)	886	100%

This year, under the two climate objectives and the four new environmental objectives of the taxonomy:

- 50% of OPEX are eligible under the six objectives;
- 16% of OPEX are aligned under the two climate objectives (21% of OPEX are aligned with the six objectives).

As SUEZ has chosen to analyse the alignment with the 6 objectives in advance, the table below includes, as aligned, all SUEZ activities aligned under the two climate objectives and the four new environmental objectives:

OPEX KPI summary	OPEX €M	OPEX %
A.1 Sustainable activities (aligned)	185	21%
A.2 Eligible non-sustainable activities (not aligned)	254	29%
Total (A.1 + A.2)	439	50%
B. Taxonomy-non-eligible activities	447	50%
Total (A+B)	886	100%

4.2.4 | Variations compared to the previous year

The financial year 2022 was the first year of publication for SUEZ S.A., following the acquisition on January 31, 2022, of the SUEZ business lines sold by Veolia. As a result, 2022 published figures were consolidated figures for only eleven months (February 1, 2022, to December 31, 2022). The financial year 2023 is the first one with consolidated figures for twelve months.

Compared to prior year, the main changes are related to the three following acquisitions:

- SUEZ Recycling & Recovery UK (December 2022). 42% of its revenue is eligible including municipal, commercial and industrial sorted collection, processing & recycling;
- IWS the leading hazardous waste company in France (November 2022). 83% of its revenue is eligible including hazardous waste incineration, facility management and production of solid recovered fuels from hazardous waste;
- EnviroServ the leading waste management company in South Africa (September 2022). 37% of its revenue is eligible including hazardous waste collection and sorted commercial and industrial collection.

Indeed the 2022 publication included these three entities only from the date of their integration: EnviroServ on September 30, 2022, IWS on December 1, 2022, and SUEZ Recycling and Recovery United Kingdom (R&R UK) on December 5, 2022.

Other changes are mainly related to regulatory evolutions including:

- New eligible activities including hazardous waste collection and treatment, waste transfer stations due to integration of the four new environmental objectives for eligibility;
- Improvement of alignment on Climate Objectives with integration of international perimeters aligned.

4.3 | Outlook

The taxonomy will be a key tool for steering SUEZ strategic choices.

For the financial year 2023, the analysis of eligibility and alignment with the European Taxonomy highlighted areas of improvement for future Taxonomy reporting exercises, as well as drawing strategic lessons for the company in terms of its contribution to the environmental transition.

As such, SUEZ has identified several actions to be implemented over the next few years:

- Reinforcing analysis of the alignment with the four new objectives, which include sorting and recycling activities, hazardous waste collection and treatment activities, wastewater reuse after treatment, desalination, etc.;
- Raising awareness among internal stakeholders to challenges of the taxonomy;
- Alignment with federations to share interpretations of regulations between players in the same sector, and to best reflect the spirit of the taxonomy regulations.
- Analysis of climate resilience and a diagnostic of physical risks. Defining, implementing, and financing action plans is a priority integrated into the Group's new 2023-2027 SD roadmap. As described in chapter 2.4, the Group has started to strengthen its work on adaptation by building a tool enabling us to measure site by site the level of exposure regarding the 28 climate-related hazards and climate projection scenarios identified by the EU Taxonomy. This tool will also help us monitoring our vulnerability and deploying actions plans to mitigate it.

Methodology of annual reporting

5.1 General guidelines

Through its subsidiaries, SUEZ is active in a broad variety of water and waste management business lines, with a variety of contractual forms and operating methods at several thousand sites around the world. This great diversity of situations, in addition to the constant evolution of the Group's operating scope, makes it particularly complex to stabilize the definition of relevant indicators, as well as the calculation and collection of quantitative data. As a result, SUEZ is continuing its efforts to provide data audited by third parties as a guarantee of ever-greater reliability. The aim is to make the Group's non-financial reporting an ever more effective management tool for achieving the goals set out in the Group's Sustainable Development Roadmap and corporate social responsibility, as well as a tool for dialogue on the continuous improvement of its overall performance.

5.2 External checks and audits

The work requested by the Group from the independent third-party body falls within the obligations of Order no. 2017-1280 of July 19, 2017, and Decree no. 2017-1265 of August 9, 2017, transposing European Directive no. 2014/95/EU on the publication of non-financial information, namely the production of a reasoned opinion on the non-financial performance statement, expressing a conclusion of moderate assurance on:

- The statement's compliance with the provisions of *Article R. 225-105* of French commercial code;
- The sincerity of the information provided pursuant to 3°of I and II of *Article R. 225-105* of French commercial law, i.e. the actions and results of policies including key performance indicators relating to the main challenges identified.

5.3 Methodological aspects of the environmental reporting

5.3.1 Scope

The environmental figures published in the non-financial performance statement relate exclusively to companies over which SUEZ has operational control. Once a company partly owned by SUEZ enters the scope of operational auditing, its environmental data are fully taken into account, whatever the share held in that company. The scope of consolidation is fixed at June 30 of the financial year. For disposals taking place after that date, the entity is expected to complete the environmental survey with the data available up to the date of disposal. All acquisitions made after June 30th are excluded from the consolidation scope for the current fiscal year.

The legal entities included in the scope of environmental reporting are those whose activity is relevant in terms of environmental impact (as such, financial, construction, and engineering activities are excluded). Only entities with an industrial activity and over which SUEZ has a dominant operational technical influence are included in the report. Year-on-year comparisons are made on a like-for-like basis. Restrictions on scope may be applied to certain published variables. Those are indicated on a case-by-case basis.

A major evolution in 2023 is the contract SEN'EAU that is no longer under SUEZ operational control and was in 2022.

In terms of period, the scope of reporting is the full calendar year from 1st of January 2023 until the 31st of December 2023[9].

[9] This year, SUEZ in the UK has exceptionally used 12 rolling months data (from November 2022 to October 2023) in order to give better accuracy due to their integration late 2022 but it will align again to Group procedures (full calendar year) next year.

5.3.2 | Waste activities

Waste activities includes notably collection, transfer, sorting and recycling, material, biological or energy recovery, incineration, landfill (open and closed), and treatment of hazardous waste.

5.3.3 | Water activities

Water activities covers all the activities in the water cycle, including drinking water treatment and distribution, wastewater collection and treatment, reuse of treated wastewater, seawater desalination, and sludge treatment and recovery. It also includes all water production and wastewater treatment activities for industrial customers.

5.3.4 | Reporting tool

SUEZ uses an online application for environmental reporting. That application enables management and documentation of the reporting scope, the input, verification, and consolidation of indicators, the production of reports and, last but not least, the provision of the documents required for data collection and the information feedback.

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5.3.5 | Procedures

SUEZ provides its data contributors with online procedures, tools, and support documents for reporting technical information. According to the current organization and allocation of responsibilities, SUEZ IT procedures and tools are rolled out directly through the business units' central departments. The process of escalating and validating information at lower levels (subsidiaries, regional departments, operating sites) is organized in accordance with internal procedures and checks set up by each business unit. In-house procedures and IT tools adapted to each local organization are used at those levels.

The roll-out of procedures and instructions throughout the Group relies on a network of Data Owners formally appointed by each data entry entity. Those Group-level procedures and work instructions describe in detail the phases of collecting, checking, consolidating, validating, and sending technical data to the central department in charge of organizing the process. They are backed up by technical documents providing methodological guidelines for calculating certain variables.

5.4 | Methodological aspects of the social reporting

5.4.1 | Scope

The social analyses in that report relate exclusively to fully consolidated entities (FC), i.e. companies in which SUEZ has a controlling interest, both in terms of capital and management. As soon as a company enters the FC scope in the SUEZ accounts, 100% of its social data are integrated, regardless of the percentage of capital held. With the exceptions mentioned below, the 2023 reporting scope (coverage of the target indicator as a percentage of the Group headcount) is 100% for all the indicators.

5.4.2 | Tools and methods

The social reporting is based on:

- A network of some 100 people worldwide, who collect and check the indicators for their entity/entities during each quarterly social reporting campaign. Each quarter, data from around 230 legal entities is collected and consolidated, and then entered by local Human Resources managers. That network is run via quarterly meetings (in-person meetings for correspondents from French entities, meetings over Microsoft Teams for international correspondents). Those meetings provide an opportunity to pass on information, clarify the definition of certain indicators, share best practices, and reiterate key points to watch out for. A collaborative space is also available to all correspondents;

- On the "User Guide", which brings together all the definitions and procedures that make up the Group's shared frame of reference, i.e. some 50 primary indicators, whose various collection criteria (by age group, gender, etc.) result in a total of around 250 social indicators. This guide is available in English and French. It is distributed to all contributors;

- SUEZ financial consolidation tool which, via a section dedicated to social indicators, enables the collection, processing, and return of data entered by local legal entities that are subsidiaries of the Group. An e-learning module on social reporting is available to the contributors. That module enables new users to teach themselves how to use the tool, and to familiarize themselves with the requested social indicators (definitions, examples and tips). For existing users, that training enables them to deepen their knowledge.

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5.4.3 | Consolidation and internal audit

Once collected, the data is consolidated by the subsidiaries and the Group Human Resources Department (HR Department) according to clearly defined procedures and criteria. Internal control of those data is ensured at the following stages:

- Automatic checks: consolidation packages include a number of automatic checks that enable contributors to ensure the reliability of information entered at the finest level. In addition, contributors can include comments in the packages to explain significant changes or situations specific to the entities concerned;
- Checks at the subsidiary level: the main subsidiaries carry out consistency checks on the data from their entities;
- Checks at the Group HR Department level: the Group HR Department in turn carries out consistency checks on the data from all the entities. Those checks involve analyzing changes in the indicators over time. In the event of a significant change, the contributor in question is contacted for a more in-depth analysis, which may lead to a correction.

5.5 | Methodological aspects of other indicators (except Taxonomy)

5.5.1 | Human rights violation

The scope covered by this indicator is all SUEZ.

This indicator is monitored by the whistleblowing system for SUEZ: ethics@suez.com.

The receipt and processing of alerts are managed by the dedicated procedure "Procedure for ethical whistleblowing". Alerts are received by the Ethics and Compliance Department, which handles them with the help of the relevant functions where necessary.

Alerts for 2023 are listed in the dedicated register and categorised by theme:
- Ethics ;
- HR ;
- Customer service ;
- RGPD ;
- Request for information ;
- Cybersecurity ;
- Integrity ;
- Human rights ;
- Other.

To report this indicator in the NFPS, we account for the number of alerts which falls under "Human Rights" category.

5.5.2 | Fighting against corruption

The response to this challenge is tracked through number of employees trained in ethical conduct. To that end, the Group relies on its online training monitoring tool "Talent'up". The scope covered by this indicator is all SUEZ entities reporting their trainings through Talent'Up, and every employee working for the Group at the end of 2023 (an employee that did a training in 2023 but left the Group before the end of the year will not be counted).

The trainings concerned by this indicator could be digital training or physical ones.

5.6 | Correspondence tables: Global Reporting Initiative (GRI), TCFD (Task Force on Climate-related Financial Disclosure), United Nations Global Compact

5.6.1 | GRI correspondence table

Source GRI	Disclosure	Section no.
102-1	Name of the organization	See Management Report 2023
102-2	Activities, brands, products, and services	See Management Report 2023
102-3	Geographical location of the head office	See Management Report 2023
102-4	Geographical locations where the activities take place	See Management Report 2023
102-5	Registered capital and form of legal entity	See Management Report 2023
102-6	Markets covered	See Management Report 2023
102-7	Size of the organization	See Management Report 2023
102-8	Number of employees	See Management Report 2023
102-9	Organization's supply chain	See Management Report 2023
102-10	Significant changes to the organization and its supply chain	See Management Report 2023
102-11	Precautionary principle	See Management Report 2023
102-12	Charters, guidelines, and other external initiatives	See Management Report 2023
102-13	Membership of national and international associations	See Management Report 2023
102-14	Statement by the most senior decision-maker about the importance of sustainability to the organization and its strategy	See Management Report 2023
102-16	Organizational values, principles, standards, and rules, such as Codes of Conduct and Codes of Ethics	See Management Report 2023
102-18	Corporate governance structure, including committees of the highest governance body	See Management Report 2023
102-40	List of stakeholder groups with which the organization has established a dialogue	See Management Report 2023
102-41	Percentage of all employees covered by a collective agreement	See Management Report 2023
102-42	Criteria for identifying and selecting stakeholders to engage with in a dialogue	See Management Report 2023
102-43	Approach to stakeholder involvement	See Management Report 2023
102-44	Challenges and major concerns raised	See Management Report 2023
102-45	Entities included in the financial consolidation, with explanations concerning any exclusions	See Management Report 2023
102-46	Definition of the report content and scope of the challenges	See Management Report 2023
102-47	List of relevant challenges	See Management Report 2023
102-48	Reaffirmation of the information	See Management Report 2023
102-49	Changes in the reporting	See Management Report 2023
102-50	Reporting period	See Management Report 2023
102-51	Date of last published report, if applicable	See Management Report 2023
102-52	Reporting cycle	See Management Report 2023
102-53	Contact person for any questions about the report or its contents	See Management Report 2023
102-54	GRI-compliant reporting statements	See Management Report 2023
102-55	GRI correspondence table	See Management Report 2023
102-56	External audit of the report	See Management Report 2023

Source GRI	Disclosure	Section no.
GRI 205 - Fighting corruption 2016		
205-2	Communication and training on anti-corruption policies and procedures	2.6
GRI 302 - Energy 2016		
302-1	Energy consumption within the organization	2.4
302-4	Reducing energy consumption	2.4
GRI 304 - Biodiversity 2016		
304-2	Significant impacts of activities, products, and services on biodiversity Significant impacts related to waste	2.3
GRI 305 - Emissions 2016		
305-1	Direct emissions of greenhouse gases (application scope 1)	2.4
305-2	Indirect emissions of greenhouse gases (application scope 2)	2.4
305-3	Other indirect emissions of greenhouse gases (application scope 3)	2.4
GRI 306 - Waste 2020		
306-1	Waste generation and significant waste-related impacts	2.3
306-2	Managing significant impacts related to waste	2.3
GRI 403 - Occupational health and safety 2018		
403-1	Occupational health and safety management system	2.5
403-2	Identification of hazards, risk evaluations, and investigation of undesirable events	2.5
403-3	Occupational health services	2.5
403-5	Occupational health and safety training for workers	2.5
403-6	Promoting employee health	2.5
403-9	Workplace accidents	2.5
GRI 408 - Child labor 2016		
408-1	Operations and suppliers presenting a significant risk of child labor	2.6
GRI 409 - Forced or compulsory labor 2016		
409-1	Operations and suppliers presenting a significant risk of forced or compulsory labor	2.6

5.6.2 | TCFD correspondence table

Recommendation of the TCFD (Task force on Climate-related Financial Disclosures)		Section no.
Governance	Description of the board's supervision of climate risks and opportunities	2.2
	Description of management's role in evaluating and managing climate risks and opportunities	2.2
Strategy	Description of short-, medium-, and long-term climate risks and opportunities	2.4
	Description of the impact of climate risks and opportunities on the company, its strategy, and financial planning	2.4
	Description of the resilience of the organization's strategy in the face of different climate scenarios, notably 2°C or lower	2.4
Risk management	Description of the organization's processes for identifying and evaluating climate risks	2.2 2.4
	Description of the organization's climate risk management processes	2.2
	Description of how climate risk identification, assessment, and management processes are integrated into the overall risk management processes	2.2
Performance and objectives	Notification of company performance indicators to assess climate risks and opportunities in relation to strategy and risk management	2.4
	Notification of Scope 1, Scope 2, and—if relevant—Scope 3 emissions and associated risks	2.4
	Description of the company's objectives for managing climate risks and opportunities, and reporting on progress towards those objectives	2.4

5.6.3 | Correspondence table with the United Nations Global Compact

The Group is a signatory of the Global Compact, a correspondence table is presented below:

Category	United Nations Global Compact guidelines	Section no.
Human rights	1 - Businesses should support and uphold the protection of internationally proclaimed human rights law within their sphere of influence	2.6
	2 - Businesses should ensure that their own companies are not complicit in human rights violations	2.6
Labor law	3 - Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	2.5 2.6
	4 - Businesses should uphold the elimination of all forms of forced or compulsory labor	2.6
	5 - Businesses should uphold the abolition of child labor	2.6
	6 - Businesses should uphold the elimination of discrimination in employment and professional settings	2.5 2.6
Environment	7 - Businesses should support a precautionary approach to environmental challenges	2.3
	8 - Businesses should undertake initiatives to promote greater environmental responsibility	2.3
	9 - Businesses should encourage the development and dissemination of environmentally-friendly technologies	2.3
Fighting corruption	10 - Businesses should work against corruption in all its forms, including extortion and bribery	2.6

6 Methodological aspects of the Taxonomy reporting

6.1 | Methodology for applying the Taxonomy regulation to SUEZ

6.1.1 | Methodology for analyzing the eligibility of SUEZ activities

6.1.1.1 | Identification and classification of activities covered by the European Taxonomy

The Group has drawn up a correspondence table cross-referencing (1) SUEZ activity matrix, (2) its internal accounting nomenclature, and (3) activity sheets specified in the appendix of the delegated act on climate objectives 1 and 2 of June 4, 2021 and its amendments of June 27, 2023 and in the appendix to the delegated act on environmental objectives 3,4,5 and 6 of June 27, 2023.

6.1.1.2 | Eligible activities

In accordance with provisions of Article 10 of the "Article 8" delegated regulation on sustainability indicators, the 2023 regulatory publication exercise covers the eligibility of activities contributing to climate change mitigation and adaptation (already covered by the 2022 regulatory publication) but also the eligibility of activities contributing to the sustainable use and protection of water and marine resources, the transition to a circular economy, the pollution prevention and control and the protection and restoration of biodiversity and ecosystems. Activities contributing to climate change mitigation and adaptation are identified in appendices I and II of the Delegated Regulation of June 4, 2021 and in Annexes I and II of the Taxonomy's Amended Climate Delegated Regulation (EU) 2023/2485.

As mentioned in section 2.4, SUEZ is already anticipating climate change and is conducting a project to adapt its assets to climate change. To date, SUEZ is not able to declare any turnover, CAPEX and OPEX under the adaptation objective as the action plans are not fully deployed yet.

Activities contributing to the sustainable use and protection of water and marine resources, the transition to a circular economy, the pollution prevention and control and the protection and restoration of biodiversity and ecosystems are identified in appendices I, II, III and IV of the Delegated Regulation of June 27, 2023.

Water Activities

SUEZ activities	Activities as described in the delegated acts and its annexes	Codes
Drinking water production & supply	• Construction, extension and operation of water collection, treatment and supply systems • Renewal of water collection, treatment and supply systems • Water Supply	• CCM5.1 • CCM5.2 • WTR2.1
Wastewater collection & treatment (WW)	• Construction, extension and operation of waste water collection and treatment • Renewal of waste water collection and treatment • Urban Waste Water Treatment	• CCM5.3 • CCM5.4 • WTR2.2
Alternative water	• Production of alternative water resources for purposes other than human consumption	• CE2.2
Smart water management	• Provision of IT/OT data driven solutions for leakage reduction	• WTR4.1

The structure of water and wastewater service contracts makes it impossible to separate out revenue corresponding to renewal of the networks. The Group has chosen to allocate the corresponding revenues to water activities eligible for classification under headings CCM5.1 or CCM5.3 only, without taking into account the differentiation between renewal and construction, extension, and operation of water collection, treatment and supply systems.

Recycling and Recovery activities

SUEZ activities	Activities as described in the delegated acts and its annexes	Codes
Non hazardous waste collection and transport (incl. transfert stations)	• Collection and transport of non-hazardous waste in source segregated fractions • Collection and transport of non-hazardous and hazardous waste	• CCM5.5 • CE2.3
Waste sorting and recycling	• Material recovery from non-hazardous waste • Sorting and material recovery of non-hazardous waste	• CCM5.9 • CE2.7
Production of waste heat or electricity production from bioenergy	• Electricity generation from bioenergy • Production of heat/cool using waste heat	• CCM4.8 • CCM4.25
Capture and recovery of biogas from landfill sites	• Landfill gas capture and utilisation	• CCM5.10
Sludge methanization	• Anaerobic digestion of sewage sludge	• CCM5.6
Biowaste composting or methanization	• Anaerobic digestion of bio-waste • Composting of bio-waste • Recovery of bio-waste by anaerobic digestion or composting	• CCM5.7 • CCM5.8 • CE2.5
Collection and transport of hazardous waste	• Collection and transport of hazardous waste	• PPC2.1
Treatment of hazardous waste	• Treatment of hazardous waste (excluding Landfill) • Remediation of legally non-conforming landfills and abandoned or illegal waste dumps • Remediation of contaminated sites and areas	• PPC2.2 • PPC2.4 • CE2.4 • CE2.6

Individual measures

Within SUEZ, expenses eligible under "individual measures", as defined by the Taxonomy Regulation, correspond to the following activities:

- CCM6.5. Transport by motorbikes, passenger cars and light commercial vehicles;
- CCM6.6. Freight transport services by road;
- CCM7.2. / CE3.2. Renovation of existing buildings;
- CCM7.3. Installation, maintenance, and repair of energy-efficient equipment;
- CCM7.4. Installation, maintenance, and repair of charging stations for electric vehicles inside buildings (and in parking lots attached to buildings);
- CCM7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings;
- CCM7.7. Acquisition and ownership of buildings;
- CCM8.1. Data processing, hosting, and related activities
- CCM8.2. Data-driven solutions for GHG emissions reductions;
- CCM9.2. Research, development and innovation for direct air capture of CO_2.

6.1.1.3 | Non-eligible activities

⇛ Activities not identified in the reference framework as of the date of this report

Based on the method applied by the Group, the activities below do not correspond to the current European taxonomy, or to the definition of objectives as specified in the June 2020 Regulation.

- Treatment of industrial water;

- Revenue from the invoicing of services (consulting, project management) specific to local contractual frameworks and/or corresponding to one-off services provided by the Group.

These revenue sources derive from activities and business models not covered by the taxonomy, and specific to the Group's business sector. Furthermore, these activities play a full part in the environmental transition needed to meet international targets for combating climate change and protecting natural capital and water resources.

- Treatment of industrial water enables the Group's customers to benefit from water whose composition and quality are adapted to their manufacturing processes and consumption. These treatment processes are tailored to the needs of each particular industrial sector: food processing, microelectronics, pulp and paper, etc.

- Invoicing for the provision of services on a one-time basis or as part of the contractual framework for the management and operation of water and waste sites is commonplace for the Group, and includes various types of service provision, such as conducting studies, drawing up master plans and modeling in the water sector, engineering projects, environmental consulting assignments, and the collection and processing of data and the design of innovative digital applications for the environmental efficiency of cities and users. These service provisions help maintain or improve the efficiency and effectiveness of water and waste treatment activities, thereby contributing to better management of water resources and protection of natural resources.

⇛ Activities excluded from the reference system

- Landfill excluding biogas capture and valorization: Landfill of final not recycled waste replaces uncontrolled dumping of waste whose untreated, unsupervised degradation poses risks to human health and the environment as a result of air, water, and soil pollution. It is therefore an activity that contributes directly to public health in regions.
  More specifically, the waste storage solutions offered by SUEZ to its customers in emerging countries initiate environmental management and protection initiatives in areas where waste treatment facilities are still being developed. These solutions take the place of uncontrolled landfills, which are significant sources of methane emissions and industrial accidents. Furthermore, rehabilitating unauthorized landfills involves integrating the site into the local environment by redeveloping the area, and installing a drainage and collection network for leachates and rainwater to reduce pollution for the environment and human health. The Group considers that such activities, which have so far been excluded from the standard, should be included in the European taxonomy as part of the objective of preventing and reducing pollution, when they contribute to preventing pollution impacting the environment and human health in emerging countries.

- Mixed waste collection: In a similar way to strictly separate collection, mixed waste collection, if combined with a thorough downstream sorting process, can also ensure the recovery of a proportion of non-hazardous waste by redirecting some of it to existing recycling and reclamation channels. Moreover, separate collection is not always possible due to specific local conditions, particularly in certain developing countries; a mixed collection process coupled with an efficient sorting system therefore makes for a more circular model.

- Non-Hazardous Waste Incineration (excluding downstream activities): The activity of non-hazardous waste incineration is not currently covered by a Delegated Act.

6.1.2 | Methodology for analyzing technical alignment review criteria and key arbitration decisions

SUEZ eligible activities were evaluated with regard to the three Technical Review Criteria (TRC) categories:
- activity-specific TRCs, including substantial contribution criteria and activity-specific DNSH criteria;
- generic DNSH criteria, which are applicable in the same way to activities in question;
- minimum safeguards criteria, which must be verified at the Group level.

6.1.2.1 | Specific technical review criteria and arbitration decisions

The tables below set out the information used to qualify the alignment of eligible activities for Climate change mitigation objective of the EU Taxonomy, and the details of the methodological approach. As required by the EU Taxonomy regulation, SUEZ includes in its regulatory tables only alignment with Climate Objectives.

⇛ Climate change mitigation

Water activities (revenue, CAPEX, OPEX)

	Substantial contributions	Specific DNSH criteria	Approach and arbitration decisions
CCM 5.1 Construction, extension and operation of water collection, treatment and supply systems	SUEZ sites / contracts declared aligned record either an average net energy consumption for abstraction and treatment equal to or lower than 0.5kWh per cubic meter of water produced or an Infrastructure Leakage Index (ILI) equal to or lower than 1.5 (international BUs only) , and as such meet the substantial contribution criteria.	N/A	
CCM 5.3 Construction, extension and operation of wastewater collection and treatment	SUEZ sites / contracts declared aligned record an average net energy consumption for treatment and collection equal to or lower than the threshold defined for their population equivalents.	N/A	With regard to average net energy consumption, SUEZ has taken into account in its calculations the energy produced, whether self-consumed or sold. With regard to population equivalents, SUEZ has taken into account in its calculations the capacity corresponding to the pollution load actually treated (based on the biochemical oxygen demand over five days: BOD5) rather than the nominal capacity of the plant.

⇛ Waste activities (revenue, CAPEX, OPEX)

	Substantial contributions	Specific DNSH criteria	Approach and arbitration decisions
CCM5.5 Collection and transport of non-hazardous waste in source segregated fractions	In order to analyze the eligibility and substantial contribution of collection activities, separately collected non-hazardous waste flows, transported after sorting at the source and intended to be prepared for reuse or recycling operations, have been identified.	SUEZ strictly complies with the Circular Economy DNSH criteria in its separate collection of sorted waste: separately collected waste fractions are not mixed in waste storage and transfer facilities with other waste or materials with different properties.	As the choice of strictly separate collection and treatment of waste is generally the responsibility of the Group's customers (particularly municipal customers), it is not SUEZ responsibility to set out the waste collection and transportation methods. However, the industrial techniques and processes put in place by SUEZ ensure that volumes of mixed waste collected are prepared so that some of it can be redirected to recycling and recovery channels for reuse and recycling. Where identified, those volumes have been included in eligible revenue, OPEX and CAPEX. "Co-mingled" collection is considered separate here. Co-mingled" flows are recyclable waste flows sent for recovery of materials, but collected and transported together before being sorted a second time prior to processing. For municipal waste collection activities, the proportion of waste collected separately has been identified among the total volumes of waste collected during the year. It should be noted that pre-sorted mixed fractions have been included. The associated financial data have been calculated in proportion to those identified volumes. For industrial collection activities, financial indicators are associated with flow categories: all incoming flows have been considered for eligibility and substantial contribution, excluding unsorted non-hazardous industrial waste. SUEZ accounts for the transportation of sludge and green waste upstream of treatment and recovery through land application or composting under activity CCM5.5, as the flows collected are sorted at source and collected separately.
CCM5.6 Anaerobic digestion of sewage sludge	The SUEZ sites declared aligned under criterion CCM5.6 strictly comply with the criteria for substantial contributions.	SUEZ sites declared aligned under criterion CCM5.6 strictly comply with the Pollution DNSH criteria.	In category CCM5.6, SUEZ only considers sludge anaerobic digestion sites for wastewater treatment activities.
CCM5.7 Anaerobic digestion of bio-waste	The SUEZ sites declared aligned under criterion CCM5.7 strictly comply with the criteria for substantial contributions.	SUEZ sites declared aligned under criterion CCM5.7 strictly comply with the Pollution DNSH criteria.	In the waste management activity, the majority of SUEZ anaerobic digestion treatment plants are fed with biowaste, but some sites are authorized to process sludge. As proportion of the sludge is low in terms of volume, SUEZ decided to include everything in the majority category 5.7 (bio-waste), as details by activity are not available for the financial data requested.

CCM5.8 **Composting of bio-waste**	In order to meet the alignment criteria below, SUEZ considers the volumes of biowaste composted at biowaste or mixed sludge/bio-waste composting facilities.	SUEZ sites declared aligned under criterion CCM5.8 strictly comply with the Pollution DNSH criteria.	SUEZ takes into account all revenue from bio-waste composting facilities in France and in UK, including green waste. For mixed bio-waste and sludge sites, SUEZ will only include the revenue associated with the bio-waste component, and for the associated OPEX and CAPEX, applied pro rata based on revenue.
CCM5.9 **Material recovery from non-hazardous waste**	SUEZ sites declared as aligned convert at least 50%, by weight, of separately collected non-hazardous waste into secondary raw materials suitable for replacing virgin materials in production processes.	N/A	SUEZ takes into account all the revenue that may include sorting, processing, and sales of materials. It includes IBA[10] processing activities. Production of SRF (Solid Recovered Fuels) or RDF (Refuse Derived Fuels) has been excluded. It is important to note that SUEZ has complied with question 68 of the FAQ of December 19, 2022, and, as such, has taken into account only its sorting activities that can be considered as recycling activities, and not only as "pure sorting" activities. This FAQ clarification runs counter to the principle of the circular economy and climate change mitigation, since sorting centers are an essential link provided by SUEZ in the recycling chain. This position is also supported by FEAD and Euric federations. To calculate the proportion of waste recycled, SUEZ compares outgoing flows with incoming flows in terms of metric tons per site. The outgoing flows taken into consideration are those that can be considered as secondary raw materials.
CCM5.10 **Landfill gas capture and utilisation**	SUEZ strictly complies with the following criteria: 1.The landfill has not been opened after July 8, 2020. 3. The produced landfill gas is used for the generation of electricity or heat as biogas, or upgraded to bio- methane for injection in the natural gas grid, or used as vehicle fuel or as feedstock in chemical industry. 4. Methane emissions from the landfill and leakages from the landfill gas collection and utilisation facilities are subject to control and monitoring procedures set out in Annex III to Council Directive 1999/31/EC. However, with regard to the following criterion SUEZ has adopted a specific approach presented in column 3. 2. The landfill or unit where the gas collection system is newly installed, expanded, or modernized is permanently decommissioned and no longer accepts new biodegradable waste.	SUEZ sites declared aligned under criterion CCM5.10 strictly comply with the Pollution DNSH criteria.	In order to encourage investment in biogas capture and recovery infrastructure, the scope of this study also includes landfill sites that are still in commercial operation, indeed such infrastructures are always installed before the landfill ceases operations. The revenue reported for this activity corresponds strictly to the one generated by the sale of energy from landfill gas that has been closed or is still in commercial operation, as well as the associated capital expenditure. SUEZ is not in a position to identify the gas captured from its landfill units still in operation, which moreover represents a non-significant proportion of total quantities captured. The gas is collected via collection networks common to the whole site, which includes the collection facilities of the open units (the minority) and those of the closed units (the majority). In this context, SUEZ has chosen to account for all its landfill gas capture activities in the financial year 2023 considering that gas capture activities offer the significant environmental benefit of avoiding the release of greenhouse gases into the atmosphere.

Energy production

	Substantial contributions	Specific DNSH criteria	Approach and arbitration decisions
CCM4.8 Electricity generation from bioenergy		SUEZ sites declared aligned under criterion CCM4.8 strictly comply with the Pollution DNSH criteria.	Through its Waste-to-Energy plants, SUEZ produces electricity from biomass. SUEZ takes into account 50% of revenues from electricity production, corresponding to the biomass share.
CCM4.25 Production of heat/cool using waste heat	The activity produces heat from waste heat on SUEZ facilities.	SUEZ sites declared aligned under criterion CCM4.25 strictly comply with the Pollution & Circular Economy DNSH criteria.	SUEZ takes into account all revenue from heat production using waste heat on its facilities in France.

Individual measures (CAPEX, OPEX)

Due to the complexity and diversity of the criteria relating to individual actions, the Group was unable to verify the alignment criteria. As a result, CAPEX and OPEX eligible for individual actions are not aligned.

6.1.2.2 | Environmental objectives

In order to assess the voluntary alignment with the 4 environmental objectives and in the same way as for alignment with the climate objectives, SUEZ activities were evaluated with regard to the three Technical Review Criterias (TRC) available to date :

- activity-specific TRCs, including substantial contribution criteria and activity-specific DNSH criteria;
- generic DNSH criteria, which are applicable in the same way to the activities in question;
- minimum safeguards criteria, which must be verified at the Group level.

6.1.3 | Generic DNSH criteria

6.1.3.1 | DNSH Adaptation

In accordance with Appendix A of Annex I of the Delegated Regulation (EU) 2021/2139 on Climate Change Mitigation, the Group has verified compliance with the generic DNSH adaptation criteria for all its eligible activities.

The DNSH adaptation criteria require:
- identification of physical climatic risks that could have a negative impact on the Group's activities;
- an evaluation of the vulnerability of activities to these risks according to relevant scenarios linked to the expected duration of activities and use of assets;
- where major risks are identified, an evaluation of the adaptation measures and implementation of an adaptation plan.

⇛ Analysis of climate resilience and diagnostic of physical risks

The identification of risks and the analysis of asset vulnerabilities were part of the analysis carried out by consulting firm Carbone 4 according to the "OCARA" (Operational Climate Adaptation and Resilience Assessment) methodology.

This analysis, carried out in 2021, covers the entire SUEZ S.A. scope, with the exception of the Water France BU. It assigned a risk level to SUEZ sites based on the vulnerability of the site's processes, its location, climatic hazards, and the IPCC climate projection SS5-8.5.

A specific analysis covering the same methodological aspects was done on the Water France scope, not covered by the previous analysis, in collaboration with consulting firm EcoAct.

Defining, implementing, and financing action plans is a priority integrated into the Group's new 2023-2027 SD roadmap. As described in chapter 2.4, in order to align all BUs with the same methodology, SUEZ has launched a dedicated project. The first step was to build a tool enabling us to measure site by site the level of exposure regarding the 28 climate-related hazards and climate projection scenarios identified by the EU Taxonomy. This tool is useful for compliance with Adaptation DNSH. The second step will be to determine at site level vulnerability regarding these hazards and then to define and implement action plans.

⇛ Adaptation measures

Thanks to this work, adaptation measures have been identified and sites have been prioritized in order to pace the implementation of such actions over the coming months and years.

6.1.3.2 | DNSH Protection and restoration of biodiversity and ecosystems

Under the generic DNSH criteria on biodiversity, detailed in Appendix D of Annex 1 of the delegated regulation, in accordance with European regulation 2011/92/EU, projects must undergo a preliminary analysis to determine whether an environmental impact assessment (EIA) is required. Depending on the results of the assessment, the project may be exempt. Conversely, if an environmental impact assessment (EIA) is required, the assessment must be carried out and mitigation and compensation measures must be implemented to protect the environment.

All of SUEZ eligible activities (with the exception of waste collection (CCM5.5 and CE2.3)) are subject to compliance with this DNSH Biodiversity criteria.

Most of facilities built or operated by SUEZ in France have the ICPE classification as environmental protection facilities.

Facilities with the ICPE classification are subject to environmental authorization and registration. They are among the categories of projects subject to environmental assessment or case-by-case review, according to the appendix to *Article R122-2* of French environmental law. As a result, they are aligned with the DNSH criteria.

For other sites in Europe (ICPE-classified and subject to declaration and sites not classified as ICPE), there are two cases:
- the facility falls into another project category listed in the appendix to article R122-2, and consequently is aligned with the DNSH criteria because it is subject to an environmental assessment or case-by-case review;
- the type of facility is not listed in the Annex to *Article R122-2*, which means that, in the sense of Directive 2011/92/EU, the project is not likely to have any significant impact on the environment, and as such is deemed to satisfy the DNSH criterion.

For activities carried out outside of the European Union, BUs have analyzed compliance with local regulations (when existing) or international standards.

6.1.3.3 | DNSH Sustainable use and protection of water and marine resources

Following the example of biodiversity due diligence, the generic DNSH criteria for water, whose requirements are detailed in Appendix B, follows the same approach: in accordance with Directive 2011/92/3U, the environmental impact assessment (EIA) identifies, describes, and evaluates the environmental effects of projects likely to have a significant impact on the environment. The environmental impact assessment (EIA) must include a water impact assessment in accordance with Directive 2000/60/EC.

SUEZ water and waste activities aligned are subject to and comply with the DNSH Water criteria, see paragraph 6.1.3.2 on DNSH Biodiversity.

6.1.4 | Minimum safeguards

In accordance with guidelines concerning the minimum safeguards described in article 4 of the Taxonomy regulation, economic activities contributing substantially to one of the climate objectives and complying with the relevant generic and specific DNSH criteria must also implement procedures to align themselves with the OECD Guidelines for Multinational Enterprises and the UN Guidelines on Business and Human Rights (including the principles and rights set out in the eight core conventions listed in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights).

The "Final Report on Minimum Safeguards" published by the European Sustainable Finance Platform in October 2022 clarified the scope of requirements to be met as part of that first alignment process. The report highlights four areas which must be covered by minimum safeguards: human rights (including worker and consumer rights), corruption, taxation, and competition law. The Group's compliance with minimum safeguards has been analyzed in the light of the non-alignment criteria proposed in that report. These criteria are designed to ensure that the Group has not been at the origin of any violations of rights and regulations in those four areas, and that procedures are in place within the Group to identify, assess, avoid, and mitigate any such violations.

The Group's review of minimum safeguards was carried out centrally via workshops with the relevant departments. In light of these analyses, the Group has concluded that the minimum safeguards are met, based on the following guidelines:

⇛ Human rights

SUEZ is committed to respecting and promoting recognized human rights and fundamental freedoms. Details of SUEZ initiatives to support the respect and promotion of human rights are detailed in chapter 2.6.2.2 of the non-financial performance statement.

The Group has not been condemned for any human rights violations. No referrals have been accepted by an OECD National Contact Point (NCP), and no allegations have been made against the Group and published on the Business and Human Rights Resource Center (BHRRC) website.

As described in section 2.6.2.3 of the non-financial performance statement, in 2024, SUEZ also publishes its new Vigilance plan covering the activities of all its subsidiaries for 2023, available on its website.

⇛ Fighting against corruption

The Group and its executives have not been condemned for any corruption offenses.

Anti-corruption procedures are in place within the Group and are described in section 2.6.2.1 of the non-financial performance statement.

⇛ Best practices in taxation

The Group has not been condemned for any violation of tax law.

The company considers tax governance and compliance as important elements of oversight, and adequate tax risk management strategies and processes are in place. Managing those risks is part of the Enterprise Risk Management (ERM) process described in the "2.1.2 Risk and opportunity management approach" section of the non-financial performance statement.

⇛ Competition law

SUEZ has not been condemned for non- compliance with competition law.

The company makes its employees aware of the importance of complying with applicable competition laws and regulations, as set out in section 2.6.2.1 of the non-financial performance statement.

6.2 | Methodology for identifying and calculating indicators in SUEZ taxonomy report

The financial information used for this analysis was subject to additional reporting as part of the annual accounts closing process. They have been analyzed and checked jointly by local and central teams, to ensure consistency with consolidated revenue, capital expenditure (CAPEX), and operating expenditure (OPEX) for the financial year 2023.

6.2.1 | Turnover

6.2.1.1 | Presentation of the indicator

The eligible revenue indicator corresponds to the sum of consolidated net revenue generated by Taxonomy-eligible activities divided by the total consolidated net revenue of SUEZ for the financial year 2023.

The aligned revenue corresponds to the sum of consolidated net revenue generated by Taxonomy-eligible and aligned activities, i.e. activities that both correspond to the definition of Taxonomy activity and meet all the technical criteria, divided by the total consolidated net revenue of SUEZ in the financial year 2023.

⇛ Numerator

The eligible and aligned numerator corresponds to the sum of consolidated net revenue generated by the proportion of revenue derived from products and services associated with economic activities eligible and aligned with the Taxonomy. The identification of eligible and aligned revenue was carried out in consultation with technical and financial teams.

⇛ Denominator

The denominator of the revenue eligibility and alignment indicators is based on consolidated revenue for the year.

Accounting principles applied to consolidated revenue can be reconciled with financial statements.

The definition of revenue is detailed in note 5.1 of the Group's 2023 financial statements.

6.2.1.2 | Regulatory tables

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023[11]

Financial year N	2023			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm') (h)									
Economic Activities (1)	Code (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation from bioenergy	CCM4.8	72,4	0,8%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y		Y	Y	*0,0%*		
Production of heat/cool using waste heat	CCM4.25	37,3	0,4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y		Y	Y	Y	Y	*0,0%*		
Construction, extension and operation of water collection, treatment and supply systems; Water Supply	**CCM5.1** ; WTR2.1	479,6	5,4%	Y	N/EL	*N*	N/EL	N/EL	N/EL	Y	Y	Y			Y	Y	*3,0%*		
Construction, extension and operation of waste water collection and treatment; Urban Waste Water Treatment	**CCM5.3** ; WTR2.2	135,3	1,5%	Y	N/EL	*N*	N/EL	N/EL	N/EL	Y	Y	Y	Y		Y	Y	*1,5%*		
Collection and transport of N-hazardous waste in source segregated fractions; Collection and transport of N-hazardous waste	**CCM5.5** ; WTR2.3	335,7	3,8%	Y	N/EL	N/EL	N/EL	*N*	N/EL	Y	Y			Y		Y	*3,0%*		
Anaerobic digestion of sewage sludge	CCM5.6	1,0	0,0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	*0,0%*		
Anaerobic digestion of bio-waste; Recovery of bio-waste by anaerobic digestion or composting	**CCM5.7** ; WTR2.5	16,4	0,2%	Y	N/EL	N/EL	N/EL	*N*	N/EL	Y	Y	Y	Y		Y	Y	*0,0%*		
Composting of bio-waste; Recovery of bio-waste by anaerobic digestion or composting	**CCM5.8** ; WTR2.5	63,5	0,7%	Y	N/EL	N/EL	N/EL	*N*	N/EL	Y	Y		Y		Y	Y	*0,0%*		
Material recovery from N-hazardous waste; Sorting and material recovery of N-hazardous waste	**CCM5.9** ; WTR2.7	1 541,1	17,4%	Y	N/EL	N/EL	N/EL	*N*	N/EL	Y	Y				Y	Y	*15,0%*		
Landfill gas capture and utilisation	CCM5.10	110,7	1,2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y		Y		Y	Y	*1,0%*		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**2 792,9**	**31%**	**31%**	**0%**	**0%**	**0%**	**0%**	**0%**								**24%**		
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%								*0%*		
Of which Transitional		0	0%	0%													*0%*		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
Electricity generation from bioenergy	CCM4.8	37,7	0,4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Construction, extension and operation of water collection, treatment and supply systems; Water Supply	**CCM5.1**; WTR2.1	808,1	9,1%	EL	N/EL	EL	N/EL	N/EL	N/EL								*16,0%*		
Construction, extension and operation of waste water collection and treatment; Urban Waste Water Treatment	**CCM5.3**; WTR2.2	1 280,0	14,4%	EL	N/EL	EL	N/EL	N/EL	N/EL								*18,0%*		
Collection and transport of N-hazardous waste in source segregated fractions; Collection and transport of N-hazardous waste	**CCM 5.5**; CE 2.3	27,8	0,3%	EL	N/EL	N/EL	N/EL	EL	N/EL								*0,0%*		
Anaerobic digestion of bio-waste; Recovery of bio-waste by anaerobic digestion or composting	**CCM 5.7**; CE 2.5	0,9	0,0%	EL	N/EL	N/EL	N/EL	EL	N/EL								*0,0%*		
Composting of bio-waste; Recovery of bio-waste by anaerobic digestion or composting	**CCM 5.8**; CE2.5	3,4	0,0%	EL	N/EL	N/EL	N/EL	EL	N/EL								*1,0%*		
Material recovery from N-hazardous waste; Sorting and material recovery of N-hazardous waste	**CCM5.9**;CE2.7	27,9	0,3%	EL	N/EL	N/EL	N/EL	EL	N/EL								*1,0%*		
Landfill gas capture and utilisation	CCM5.10	8,8	0,1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								*0,0%*		
Collection and transport of hazardous waste	PPC2.1	74,7	0,8%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
Collection and transport of N-hazardous and hazardous waste	CE2.3	226,1	2,5%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Treatment of hazardous waste	**PPC2.2** ; CE 2.4	47,8	0,5%	N/EL	N/EL	N/EL	EL	EL	N/EL										
Treatment of hazardous waste	PPC2.2	124,0	1,4%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
Treatment of hazardous waste	CE 2.4	16,0	0,2%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Sorting and material recovery of N-hazardous waste	CE2.7	10,3	0,1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Remediation of contaminated sites and areas	PPC2.4	3,6	0,0%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
Production of alternative water resources for purposes other than human consumption	CE2.2	1,6	0,0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Provision of IT/OT data-driven solutions for leakage reduction	WTR4.1	12,2	0,1%	N/EL	N/EL	EL	N/EL	N/EL	N/EL										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**2 710,9**	**31%**	**25%**	**0%**	**0%**	**3%**	**3%**	**0%**								*36%*		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		**5 503,8**	**62%**	**56%**	**0%**	**0%**	**3%**	**3%**	**0%**								**60%**		
B. TAXONOMY-N-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-N-eligible activities		**3 376,7**	**44%**																
TOTAL (A. + B.)		**8 881,0**	**100%**																

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities per environmental objective — Disclosure covering year 2023

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM Climate Change Mitigation	31%	56%
CCA Climate Change Adaptation	0%	0%
WTR Water	1%	31%
CE Circular Economy	12%	26%
PPC Pollution	2%	3%
BIO Biodiversity	0%	0%

[11] 2022 published figures were the consolidated figures for only eleven months (February 1, 2022, to December 31, 2022). As a result, in the N-1 column of this table, published figured are consolidated figures for only eleven months.

6.2.2 | Capital expenditure (CAPEX)

6.2.2.1 | Presentation of the indicator

The CAPEX indicator includes an eligibility ratio and an alignment ratio. Those two ratios are defined respectively as Taxonomy-eligible CAPEX (numerator) divided by total CAPEX (denominator), and Taxonomy-aligned CAPEX (numerator) divided by total CAPEX (denominator).

The CAPEX considered for the analysis of eligibility and alignment with the European Taxonomy are not part of a CAPEX plan.

Numerator

The numerators of the ratios include capital expenditure linked to the associated assets or processes, i.e.:

- Activities that are eligible (for the eligibility ratio), or aligned (for the alignment ratio) with the taxonomy;
- The "purchase" of products from activities that are eligible (for the eligibility ratio) and aligned (for the alignment ratio) with the taxonomy under individual measures.

Denominator

Total CAPEX, the common denominator of the two ratios, comprises acquisitions of tangible and intangible fixed assets during the year, before depreciation and amortization and excluding changes in fair value. It includes acquisitions of fixed assets (IAS 16), intangible assets (IAS 38), new concession work (IFRIC 12) for models classified as intangible assets, and lease repayments (IFRS 16).

The accounting principles applied to CAPEX can be reconciled with the financial statements.

6.2.2.2 | Regulatory tables

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023[12]

Financial year N		2023		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities (1)	Code (2)	CapEx (3)	Proportion of CapEx, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation from bioenergy	CCM4.8	4,6	0,7%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y		Y	Y	*0,0%*		
Production of heat/cool using waste heat	CCM4.25	5,7	0,8%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y		Y	Y	Y	Y	*0,0%*		
Construction, extension and operation of water collection, treatment and supply systems; Water Supply	**CCM5.1** ; WTR2.1	27,9	4,1%	Y	N/EL	*N*	N/EL	N/EL	N/EL	Y	Y	Y			Y	Y	*4,6%*		
Construction, extension and operation of waste water collection and treatment; Urban Waste Water Treatment	**CCM5.3** ; WTR2.2	5,0	0,7%	Y	N/EL	*N*	N/EL	N/EL	N/EL	Y	Y	Y	Y		Y	Y	*1,3%*		
Collection and transport of N-hazardous waste in source segregated fractions; Collection and transport of N-hazardous waste	**CCM 5.5** ; CE 2.3	21,6	3,2%	Y	N/EL	N/EL	N/EL	*N*	N/EL	Y	Y			Y		Y	*3,8%*		
Anaerobic digestion of bio-waste; Recovery of bio-waste by anaerobic digestion or composting	**CCM 5.7** ; CE 2.5	2,8	0,4%	Y	N/EL	N/EL	N/EL	*N*	N/EL	Y	Y	Y	Y		Y	Y	*0,4%*		
Composting of bio-waste; Recovery of bio-waste by anaerobic digestion or composting	**CCM 5.8** ; CE2.5	1,8	0,3%	Y	N/EL	N/EL	N/EL	*N*	N/EL	Y	Y		Y		Y	Y	*0,3%*		
Material recovery from N-hazardous waste; Sorting and material recovery of N-hazardous waste	**CCM5.9** ;CE2.7	59,7	8,7%	Y	N/EL	N/EL	N/EL	*N*	N/EL	Y	Y				Y	Y	*4,9%*		
Landfill gas capture and utilisation	CCM5.10	2,0	0,3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y		Y		Y	Y	*0,0%*		
Installation, maintenance, and repair of renewable energy technologies	CCM7.6	-															*0,1%*		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**131,0**	**19%**	**19%**	**0%**	**0%**	**0%**	**0%**	**0%**								***15%***		
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%								*0%*		
Of which Transitional		0	0%	0%													*0%*		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
Electricity generation from bioenergy	CCM4.8	5,7	0,8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Construction, extension and operation of water collection, treatment and supply systems; Water Supply	**CCM5.1** ; WTR2.1	67,7	9,9%	EL	N/EL	EL	N/EL	N/EL	N/EL								*18,5%*		
Construction, extension and operation of waste water collection and treatment; Urban Waste Water Treatment	**CCM5.3** ; WTR2.2	59,3	8,7%	EL	N/EL	EL	N/EL	N/EL	N/EL								*13,1%*		
Collection and transport of N-hazardous waste in source segregated fractions; Collection and transport of N-hazardous waste	**CCM 5.5** ; CE 2.3	0,9	0,1%	EL	N/EL	N/EL	N/EL	EL	N/EL								*0,0%*		
Anaerobic digestion of sewage sludge	CCM5.6	0,0	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								*0,0%*		
Anaerobic digestion of bio-waste; Recovery of bio-waste by anaerobic digestion or composting	**CCM 5.7** ; CE 2.5	0,7	0,1%	EL	N/EL	N/EL	N/EL	EL	N/EL								*0,1%*		
Composting of bio-waste; Recovery of bio-waste by anaerobic digestion or composting	**CCM 5.8** ; CE2.5	-	0,0%	EL	N/EL	N/EL	N/EL	EL	N/EL								*1,9%*		
Landfill gas capture and utilisation	CCM5.10	1,0	0,1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								*0,3%*		
Collection and transport of hazardous waste	PPC2.1	7,6	1,1%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
Collection and transport of N-hazardous and hazardous waste	CE2.3	4,2	0,6%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Treatment of hazardous waste	**PPC2.2** ; CE 2.4	1,8	0,3%	N/EL	N/EL	N/EL	EL	EL	N/EL										
Treatment of hazardous waste	PPC2.2	12,1	1,8%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
Treatment of hazardous waste	CE 2.4	3,1	0,5%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Sorting and material recovery of N-hazardous waste	CE2.7	0,0	0,0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Remediation of contaminated sites and areas	PPC2.4	0,2	0,0%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
Provision of IT/OT data-driven solutions for leakage reduction	WTR4.1	0,1	0,0%	N/EL	N/EL	EL	N/EL	N/EL	N/EL										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM6.5	7,8	1,1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								*0,9%*		
Freight transport services by road	CCM6.6	0,0	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								*1,1%*		
Renovation of existing buildings	**CCM7.2**; CE3.2	6,0	0,9%	EL	N/EL	N/EL	N/EL	EL	N/EL								*0,1%*		
Installation, maintenance and repair of energy efficiency equipment	CCM7.3	0,1	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
parking spaces attached to buildings)	CCM7.4	0,0	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
controlling energy performance of buildings	CCM7.5	1,3	0,2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								*0,0%*		
Acquisition and ownership of buildings	CCM7.7	5,4	0,8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								*0,6%*		
Data processing, hosting and related activities	CCM8.1	2,7	0,4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Data-driven solutions for GHG emissions reductions	CCM8.2	0,7	0,1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Close to market research, development and innovation	CCM9.1	-	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								*0,0%*		
Research, development and innovation for direct air capture of CO2	CCM9.2	-	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								*0,0%*		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**188,4**	**28%**	**23%**	**0%**	**0%**	**3%**	**1%**	**0%**								***37%***		
A. CapEx of Taxonomy eligible activities (A.1+A.2)		319,4	47%	42%	0%	0%	3%	1%	0%								**53%**		
B. TAXONOMY-N-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-N-eligible activities		365,0	53%																
TOTAL (A. + B.)		684	100%																

Proportion of CAPEX from products or services associated with Taxonomy-aligned economic activities per environmental objective — Disclosure covering year 2023

	Proportion of CAPEX/Total CAPEX	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM Climate Change Mitigation	19%	42%
CCA Climate Change Adaptation	0%	0%
WTR Water	2%	23%
CE Circular Economy	12%	15%
PPC Pollution	2%	3%
BIO Biodiversity	0%	0%

[12] 2022 published figures were the consolidated figures for only eleven months (February 1, 2022, to December 31, 2022). As a result, in the N-1 column of this table, published figured are consolidated figures for only eleven months.

6.2.3 | Operating expenditure (OPEX)

6.2.3.1 | Presentation of the indicator

The OPEX indicator includes an eligibility ratio and an alignment ratio. Those two ratios are defined respectively as Taxonomy-eligible OPEX (numerator) divided by total OPEX (denominator), and Taxonomy-aligned OPEX (numerator) divided by total OPEX (denominator).

Numerator

The numerators of the ratios include operating expenditure related to assets or associated processes, i.e.:

- Activities that are eligible (for the eligibility ratio), or aligned (for the alignment ratio) with the taxonomy;
- Individual measures enabling activities to become low-carbon, or individual building renovation measures.

Denominator

Total operating expenditure (common denominator for the two ratios) includes direct non-capitalized costs related to R&D, building renovation measures, short-term rentals, maintenance and repairs, and all other direct expenses related to the day-to-day upkeep of property, plant, and equipment by the company or a third-party subcontractor that are necessary to ensure the ongoing, efficient operation of these assets. Direct costs for training and other human resource adaptation needs are excluded from the calculation of the ratio in the numerator and denominator, as Annex I to art. 8 of the delegated act only includes these costs in the numerator.

As SUEZ doesn't have the granularity required to isolate these OPEX in its consolidation tool at Group level and to ensure the robustness of the reporting, each Business Unit CFO has signed a report confirming the numerator and denominator amount to be used for OPEX as defined in the taxonomy above.

6.2.3.2 | Regulatory tables

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023[13]

Financial year N	2023			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm') (h)									
Economic Activities (1)	Code (2)	OpEx (3)	Proportion of OpEx, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation from bioenergy	CCM4.8	4,8	0,5%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y		Y	Y	0%		
Production of heat/cool using waste heat	CCM4.25	6,1	0,7%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y		Y	Y	Y	Y	0%		
and supply systems; Water Supply	**CCM5.1** ; WTR2.1	9,5	1,1%	Y	N/EL	N	N/EL	N/EL	N/EL	Y	Y	Y			Y	Y	6%		
Construction, extension and operation of waste water collection an treatment; Urban Waste Water Treatment	**CCM5.3** ; WTR2.2	12,7	1,4%	Y	N/EL	N	N/EL	N/EL	N/EL	Y	Y	Y	Y		Y	Y	2%		
Collection and transport of N-hazardous waste in source segregated fractions; Collection and transport of N-hazardous waste	**CCM 5.5** ; CE 2.3	33,1	3,7%	Y	N/EL	N/EL	N/EL	N	N/EL	Y	Y			Y		Y	4%		
Anaerobic digestion of sewage sludge	CCM5.6	0,1	0,0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%		
Anaerobic digestion of bio-waste; Recovery of bio-waste by anaerobic digestion or composting	**CCM 5.7** ; CE 2.5	5,1	0,6%	Y	N/EL	N/EL	N/EL	N	N/EL	Y	Y	Y	Y		Y	Y	0%		
Composting of bio-waste; Recovery of bio-waste by anaerobic digestion or composting	**CCM 5.8** ; CE2.5	2,6	0,3%	Y	N/EL	N/EL	N/EL	N	N/EL	Y	Y		Y		Y	Y	0%		
Material recovery from N-hazardous waste; Sorting and material recovery of N-hazardous waste	**CCM5.9** ;CE2.7	39,5	4,5%	Y	N/EL	N/EL	N/EL	N	N/EL	Y	Y				Y	Y	2%		
Landfill gas capture and utilisation	CCM5.10	27,3	3,1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y		Y		Y	Y	0%		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**140,9**	**16%**	**16%**	**0%**	**0%**	**0%**	**0%**	**0%**								**15%**		
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%								0%		
Of which Transitional		0	0%	0%													0%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
Electricity generation from bioenergy	CCM4.8	6,1	0,7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Construction, extension and operation of water collection, treatme and supply systems; Water Supply	**CCM5.1** ; WTR2.1	107,4	12,1%	EL	N/EL	EL	N/EL	N/EL	N/EL								21,0%		
Construction, extension and operation of waste water collection an treatment; Urban Waste Water Treatment	**CCM5.3** ; WTR2.2	106,0	12,0%	EL	N/EL	EL	N/EL	N/EL	N/EL								17%		
Collection and transport of N-hazardous waste in source segregated fractions; Collection and transport of N-hazardous waste	**CCM 5.5** ; CE 2.3	1,1	0,1%	EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
Anaerobic digestion of sewage sludge	CCM5.6	0,4	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Anaerobic digestion of bio-waste; Recovery of bio-waste by anaerobic digestion or composting	**CCM 5.7** ; CE 2.5	2,5	0,3%	EL	N/EL	N/EL	N/EL	EL	N/EL								1%		
Composting of bio-waste; Recovery of bio-waste by anaerobic digestion or composting	**CCM 5.8** ; CE2.5	0,0	0,0%	EL	N/EL	N/EL	N/EL	EL	N/EL								0%		
Material recovery from N-hazardous waste; Sorting and material recovery of N-hazardous waste	**CCM5.9** ;CE2.7	1,6	0,2%	EL	N/EL	N/EL	N/EL	EL	N/EL								1%		
Landfill gas capture and utilisation	CCM5.10	1,1	0,1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Collection and transport of hazardous waste	PPC2.1	20,0	2,3%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
Collection and transport of N-hazardous and hazardous waste	CE2.3	13,6	1,5%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Treatment of hazardous waste	**PPC2.2** ; CE 2.4	2,9	0,3%	N/EL	N/EL	N/EL	EL	EL	N/EL										
Treatment of hazardous waste	PPC2.2	15,0	1,7%	N/EL	N/EL	N/EL	EL	N/EL	N/EL										
Treatment of hazardous waste	CE 2.4	2,4	0,3%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Sorting and material recovery of N-hazardous waste	CE2.7	0,2	0,0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Production of alternative water resources for purposes other than human consumption	CE2.2	0,1	0,0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Provision of IT/OT data-driven solutions for leakage reduction	WTR4.1	0,1	0,0%	N/EL	N/EL	EL	N/EL	N/EL	N/EL										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM6.5	1,5	0,2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Freight transport services by road	CCM6.6	12,9	1,5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Installation, maintenance and repair of energy efficiency equipment	CCM7.3	0,3	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM7.5	1,4	0,2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Acquisition and ownership of buildings	CCM7.7	1,6	0,2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Data processing, hosting and related activities	CCM8.1	-	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Data-driven solutions for GHG emissions reductions	CCM8.2	0,2	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL										
Close to market research, development and innovation	CCM9.1	-	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Research, development and innovation for direct air capture of CO2	CCM9.2	-	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**298,6**	**34%**	**28%**	**0%**	**0%**	**4%**	**2%**	**0%**								**41%**		
A. OpEx of Taxonomy eligible activities (A.1+A.2)		**439,5**	**50%**	**43%**	**0%**	**0%**	**4%**	**2%**	**0%**								**43%**		
B. TAXONOMY-N-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-N-eligible activities		**446,5**	**50%**																
TOTAL (A. + B.)		**886,0**	**100%**																

Proportion of OPEX from products or services associated with Taxonomy-aligned economic activities per environmental objective — Disclosure covering year 2023

	Proportion of OPEX /Total OPEX	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM Climate Change Mitigation	16%	43%
CCA Climate Change Adaptation	0%	0%
WTR Water	2%	27%
CE Circular Economy	8%	12%
PPC Pollution	2%	4%
BIO Biodiversity	0%	0%

[13] 2022 published figures were the consolidated figures for only eleven months (February 1, 2022, to December 31, 2022). As a result, in the N-1 column of this table, published figured are consolidated figures for only eleven months.

6.2.4 | Nuclear and fossil gas related activities

In accordance with the FAQ published in February 2024, SUEZ activities were evaluated with regard to template 1 of Annex XII under Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022 : SUEZ is not involved in nuclear energy and fossil gas related activities.

6.2.4.1 | Regulatory table

	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

7 Independent third-party report on the non-financial performance statement

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Signed report is available in the French version of this document on Suez website.

EY & Associés
Tour First
TSA 14444
92037 Paris-La Défense cedex

Tél. : +33 (0) 1 46 93 60 00
www.ey.com/fr

Suez

Year ended the 31st of December 2023

Independent third party's report on consolidated non-financial statement presented in the management report

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the General Assembly,

In our quality as an independent third party, accredited by the COFRAC (Accreditation COFRAC Inspection, n° 3-1681, scope of accreditation available on the website www.cofrac.fr), and as a member of the network of one of the statutory auditors of your company (hereinafter "Entity"), we conducted our work in order to provide a conclusion expressing a limited assurance on the compliance of the consolidated non-financial statement for the year ended 12 31 2023 (hereinafter the "Statement") with the provisions of Article R. 225-105 of the French Commercial Code (*Code de commerce*) and on the fairness of the historical information (whether observed or extrapolated) provided pursuant to 3° of I and II of Article R. 225-105 of the French Commercial Code (hereinafter the "Information") prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), included in the management report pursuant to the requirements of articles L. 225 102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

It is also our responsibility to express, at the request of the Entity and outside accreditation scope, an opinion in the form of reasonable assurance on the fact that information selected by the Entity and identified by the sign * in Appendix 1 (hereinafter the "KPIs").

It is also our responsibility to express, at the request of the Entity and outside accreditation scope, an opinion in the form of limited assurance on the fact that information selected by the Entity and identified by the sign * in Appendix 1 (hereinafter the "Other KPIs").

Limited assurance conclusion on the Statement and the Information

Based on the procedures we have performed as described under the "Nature and scope of procedures on the Statement and the Information" and the evidence we have obtained, nothing has come to our attention that cause us to believe that the consolidated non-financial statement is not prepared in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines, in all material respects.

Reasonable opinion statement on the KPIs

In our opinion, the selected KPIs by the Entity have been prepared, in all material respects, in accordance with the Reporting Criteria of the entity.

Limited assurance conclusion on the Other KPIs

Based on the procedures we have performed as described under the "Nature and scope of procedures on the Other KPIs" and the evidence we have obtained, nothing has come to our attention that cause us to believe that the Other KPIs were not prepared in accordance with the applicable regulatory provisions and were not in accordance with the Guidelines, in all material respects.

Preparation of the non-financial performance statement

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, summarised in the Statement..

Limitations inherent in the preparation of the Information

As stated in the Statement, the Information may be subject to uncertainty inherent in the state of scientific or economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

Responsibility of the Entity

It is the responsibility of the Management to:

- select or establish appropriate criteria for the preparation of the Information;
- prepare a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks as well as the outcomes of said policies, including key performance indicators and, the information set-out in Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- prepare the Statement by applying the Entity's "Guidelines" as referred above; and to
- implement the internal control procedures it deems necessary to ensure that the Information is free from material misstatement, whether due to fraud or error.

The Statement has been endorsed by the Board of Directors .

Responsibility of the independent third party

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;

- the fairness of the information provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks.

It is also our responsibility to express, at the request of the Entity and outside accreditation scope, an opinion in the form of reasonable assurance that the KPIs have been prepared, in all material respects, in accordance with the with the entity's Guidelines, and an opinion in the form of limited assurance that the Other KPIs have been prepared, in all material respects, in accordance with the with the entity's Guideline.

As we are engaged to form an independent conclusion on the Information, KPIs and Other KPIs, as prepared by management, we are not permitted to be involved in the preparation of the Information, KPIs and Other KPIs, as doing so may compromise our independence.

It is not our responsibility to report on:

- the Entity's compliance with other applicable legal and regulatory requirements, in particular the information set-out in Article 8 of Regulation (EU) 2020/852 (green taxonomy), the French duty of care law and anti-corruption and tax avoidance legislation.
- the fairness of the information set-out in Article 8 of Regulation (EU) 2020/852 (green taxonomy).
- the compliance of products and services with the applicable regulations.

Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with Articles A. 225-1 et seq. of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) applicable to such engagement, in particular the professional guidance issued by the Compagnie Nationale des Commissaires aux Comptes, *Intervention du commissaire aux comptes – Intervention de l'OTI – Déclaration de performance extra-financière*, our own procedures (*Programme de verification de la déclaration de performance extra-financière*, July 7th 2023) acting as the verification programme and with the international standard ISAE 3000 (revised).

Independence and quality control

Our independence is defined by the provisions of Article L. 823-10 of the French Commercial Code and French Code of Ethics for Statutory Auditors (Code de déontologie) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) relating to this engagement.

Means and resources

Our verification work mobilized the skills of height people and took place between October 2023 and February 2024 on a total duration of intervention of about twenty weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted ten interviews with the people responsible for preparing the Statement, representing in particular Human resources, environment and climate, health and safety, ethics, Human rights.

Nature and scope of procedures on the Statement and the Information

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Information is likely to arise.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Information:

- we obtained an understanding of all the consolidated entities' activities and the description of the main risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information set out in Article L. 225 102 1 III of the French Commercial Code as well as information regarding compliance with human rights and anti-corruption and tax avoidance legislation and includes, where applicable, an explanation of the reasons for the absence of the information required under Article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- we verified that the Statement provides the information required under Article R.225-105 II of the French Commercial Code where relevant with respect to the main risks;
- we verified that the Statement presents the business model and a description of the main risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the main risks;
- we referred to documentary sources and conducted interviews to
    - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the main risks and the policies presented, and
    - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1; concerning certain risks (Human rights, Ethics), our work was carried out on the consolidating entity, for the others risks, our work was carried out on the consolidating entity and on a selection of entities : R&V France, Eau France, Asia Water Operation, R&R UK et R&V France Infra UVE.
- we verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- we obtained an understanding of internal control and risk management procedures the Entity has implemented and assessed the data collection process aimed at ensuring the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix 1, we implemented:
    - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;

- tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities and covers between 38% and 83% of the consolidated data relating to the key performance indicators and outcomes selected for these tests (53 % of headcount, 65 % of recovered waste, 85 % of water volumes distributed and consumed, 49-52 % of CO2 emissions scope 1 & 2) ;

- we assessed the overall consistency of the Statement in relation to our knowledge of all the consolidated entities.

The procedures performed in a basis for our limited assurance conclusion are less in extent than for a reasonable assurance opinion in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*); a higher level of assurance would have required us to carry out more extensive procedures.

Nature and scope of procedures on the KPIs

With respect to Entity Selected KPIs, we have conducted work of the same nature as described in the "Nature and scope of procedures on the Statement and the Information" section for the key performance indicators and other quantitative results that we considered most important, but in greater depth, particularly with respect to the scope of testing.

The selected sample thus represents between 49% and 83% of the KPIs.

We believe that these procedures allow us to express reasonable assurance that the Information has been prepared, in all material respects, in accordance with the Reporting Criteria.

Nature and scope of procedures on the Other KPIs

With respect to Entity Selected Other KPIs, we have conducted work of the same nature as described in the "Nature and scope of procedures on the Statement and the Information" section.

The selected sample thus represents between 24% and 67% of the Other KPIs.

We believe that these procedures allow us to express limited assurance that the Information has been prepared, in all material respects, in accordance with the Reporting Criteria.

Independent third party
EY & Associés

Olivier Baboulet

Partner, Sustainable Development

La CNCC considère que la traduction n'est pas signée, dans la mesure où il s'agit d'une traduction libre en anglais du rapport original établi en français. En effet, la signature est le graphisme par lequel une personne s'identifie dans un acte et par lequel elle exprime son approbation du contenu du document. En outre, l'apposition d'une signature sur un rapport lui confère la qualité d'être un original. Or, au cas particulier, l'original est représenté par la version française du rapport.

Appendix 1 : The most important information

(Mandatory information for limited assurance report)

Social Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Share of women in management (%) Share of employees covered under a social dialog system (%) Number of fatal accidents (employees' perimeter) Frequency rate (employees' perimeter) (%) Shares of trained employees, including digital trainings (%)	Health and safety (prevention actions), Social relations (social dialogue, collective agreements), Equal treatment (promoting diversity) Maintaining key competencies in the Group's employees
Environmental Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Share of recovered wastes (%) Technical performance from drinking water distribution network (%) Share of reused wastewater (%) Direct greenhouse gas emissions (Scope 1, tCO2e) Indirect greenhouse gas emissions (Scope 2, location-based, tCO2e) Indirect greenhouse gas emissions (Scope 2, market-based, tCO2e) Scope 3 emissions (tCO2e) Avoided emissions to customers by Suez (tCO2e) Share of priority sites with a biodiversity plan deployed (%)	Optimized water and waste management (circular economy) Securing water supply Fighting climate change Protection of biodiversity and ecosystems
Societal Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Number of employees trained in ethics Share of suppliers' contract that include CSR clause (%)	Actions taken to prevent corruption Promotion of sustainable purchases and Human Rights within the Group

KPIs (Reasonable assurance)

Social Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Frequency rate (employees' perimeter) (%)	Health and safety (prevention actions),
Environmental Information	

Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Technical performance from drinking water distribution network (%) Direct greenhouse gas emissions (Scope 1, tCO2e) Indirect greenhouse gas emissions (Scope 2, location-based, tCO2e) Indirect greenhouse gas emissions (Scope 2, market-based, tCO2e)	Optimized water and waste management (circular economy) Fighting climate change

Other KPIs (limited assurance)

Social Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Share of women in management (%) Share of employees covered under a social dialog system (%) Number of fatal accidents (employees' perimeter) Number of worked hours (employees' perimeter) Shares of trained employees, including digital trainings (%)	Health and safety (prevention actions), Social relations (social dialogue, collective agreements), Equal treatment (equality between men and women, fight against discrimination, insertion of people with disabilities) Maintaining key competencies in the Group's employees
Environmental Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Share of recovered wastes (%) Share of reused wastewater (%) Scope 3 emissions (tCO2e) Avoided emissions to customers by Suez (tCO2e) Share of priority sites with a biodiversity plan deployed (%)	Optimized water and waste management (circular economy) Securing water supply Fighting climate change Protection of biodiversity and ecosystems
Societal Information	
Quantitative Information (including key performance indicators)	*Qualitative Information (actions or results)*
Number of employees trained in ethics Share of suppliers' contract that include CSR clause (%)	Actions taken to prevent corruption Promotion of sustainable purchases and Human Rights within the Group