

SUEZ Australia Modern Slavery Statement for 2020

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Modern Slavery Statement for the year ending 31 December 2020

About this statement

SUEZ opposes slavery in all its forms. This statement has been prepared to meet the requirements of the *Australian Modern Slavery Act 2018 (Cth)* and constitutes SUEZ's Modern Slavery Statement for the calendar year ending 31 December 2020.

It is submitted as a joint statement on behalf of the SUEZ reporting entities listed on page eight of the statement. The statement outlines the actions of SUEZ to identify, assess and address the risks of modern slavery practices across our operations and supply chains.

This is our first statement issued under the Act.

All references to "our", "we", "us", "the company" and "SUEZ" refer to SUEZ Australia Holding Pty Ltd (ABN 30 070452 890) and its subsidiaries, unless otherwise stated. All references to a year are the calendar year ended 31 December 2020, unless otherwise stated.

This statement was approved by the board of directors of each of the reporting entities covered by it. It is signed by the managing director and CEO of SUEZ Australia Holding Pty Ltd, being the Australian parent company and highest entity in the SUEZ Group in Australia.



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Mark Venhoek
Managing Director and CEO
SUEZ Australia Holding Pty Ltd

29 June 2021

Acknowledgement of Country

SUEZ acknowledges Aboriginal and Torres Strait Islander Peoples as the Traditional Custodians of this place we now call Australia. We recognise and respect their ongoing cultural and spiritual connection to the land and waters and their sustainable contribution to our natural capital's preservation. We pay respect to Elders, past, present and future.

1. OUR VISION

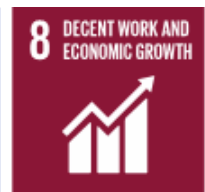
Modern slavery is a worldwide and growing issue, particularly given the rapid rise in global migration. SUEZ recognises the need to adopt a collaborative approach to tackle the complexity of slavery and human trafficking practices. An important component of our approach is our continuous respect for human rights.

SUEZ is committed to operating responsibly and maintaining high ethical and social standards. We reject any activities which may cause or contribute to modern slavery, including forced or bonded labour, child labour, human trafficking, slavery, servitude, forced marriage or deceptive recruiting for labour or services.

Our commitment to upholding human rights – including opposition to modern slavery – is an inherent part of the value of respect, which is one of SUEZ's four core values (together with passion for the environment, customer first and team spirit). These values underpin the way we interact and work together with our colleagues, customers, clients, partners and the wider community.

In addition, SUEZ is committed to the United Nations' Sustainable Development Goals (SDGs). Our modern slavery strategic action plan is an important part of SUEZ's contribution to **SDG 8** and in particular **Target 8.7**: *Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.*

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



For all the reasons above, we are committed to taking actions to reduce the risk of modern slavery in our business and supply chain.

2. GOVERNANCE

The SUEZ Australia leadership team comprises nine executive staff and is led by the SUEZ Australia chief executive officer (CEO). The team is responsible for the oversight of all sustainability issues.

The SUEZ Australia CEO and leadership team are responsible for managing the Recycling and Recovery (R&R) business unit and the Water business unit of the SUEZ Group in Australia.

Another global business unit of the SUEZ Group, SUEZ Water Technology & Solutions (WTS), is operated outside of the SUEZ Australia Holding Pty Ltd group and is under separate management.

SUEZ Australia operates with a centrally managed group structure. The day-to-day implementation and coordination of our sustainability strategy is undertaken by our sustainability team in close collaboration with other areas of the business, including our legal team, human resources team and procurement team.

Our modern slavery cross-functional working group includes representatives from the sustainability, procurement, legal and human resources teams. The purpose of the working group is to design, recommend and implement SUEZ's action plan on modern slavery. SUEZ's chief legal officer is appointed as the sponsor of this group. The team provides updates to the SUEZ leadership team.

2.1. Relevant policies and procedures

SUEZ employees are expected to practice the highest ethical standards at all times and to operate in compliance with all policies and laws that apply to SUEZ.

SUEZ has in place a number of policies which assist in protecting the human rights of our employees and within our suppliers' operations. These policies and procedures include:

- Company Code of Conduct
- Ethics in Supplier Relations
- Ethics Charter and Ethics in Practice Guide
- Ethics in Commercial Relations
- Whistleblowing Policy

2.2. Reporting and remediation processes

SUEZ provides a number of mechanisms for employees, contractors and third parties to raise grievances.

The SUEZ Whistleblower Policy and Whistleblowing User Guide set out the process for employees and others to make confidential reports without fear of retaliation. Grievances reported under this policy are reviewed by SUEZ ethics officer who, in appropriate cases, either conducts or commissions an investigation to understand the issue and ensure appropriate action is taken.

The employee assistance program is also promoted to staff as a support program for advice and assistance when needed. It provides an external and confidential support service by telephone through which advice and information are imparted to employees across a wide range of topics.

SUEZ will consider the impact on any person working for the company or on its behalf who believes they are a victim of slavery, human trafficking or forced labour. Furthermore, the company aims to support any such person, including assisting that person in reporting the concern to the appropriate authorities.

3. ABOUT SUEZ – OUR STRUCTURE, OPERATIONS AND SUPPLY CHAIN

3.1. Who we are

SUEZ Australia is the Australian subsidiary of the SUEZ Group, a global organisation headquartered in Paris, France with over 88,000 employees worldwide. The Group has delivered waste collection, recycling and water services since the late 19th century and today invests €120 million per year in research, development and innovation.

In Australia, we have over 2200 employees at close to 100 sites offering customer-focussed and technologically advanced solutions to meet the water and waste management needs of millions of people. Our resource management solutions are at the leading edge in the provision of drinking water, desalination, wastewater treatment and re-use, biosolids management, smart water networks, oil and gas systems, waste collection, resource recovery and recycling and the processing and recovery of organics.



At SUEZ, we invest in preserving and restoring the natural capital and in the future of biodiversity, both on land and at sea. To address the challenges and opportunities of the next decade with respect to climate change,

demographic growth and changing lifestyles, we are implementing Shaping SUEZ 2030, a strategic plan which aims to increase the organisation’s positive contribution to creating value in a changing world.

3.2. Our structure and operations

The Recycling & Recovery (R&R) business unit is SUEZ’s largest business unit in Australia. It primarily focuses on the collection and processing of both commercial and industrial (C&I) and residential waste. The division includes the operation of the southern hemisphere’s largest residential waste collection contract. Our Water business unit is concerned with the treatment and reuse of water. Our WTS division is separately managed and provides specialist equipment and comprehensive solutions to meet the needs of a variety of industries, including food and beverage, chemicals, pharma, and mining.

3.2.1. Our waste recycling and recovery business

SUEZ offers a broad portfolio of recycling and recovery solutions that support our customers in transforming waste into new resources, meeting regulatory obligations and contributing to a circular economy.

Each week, we recycle and recover thousands of tonnes of valuable resources from commercial and industrial businesses, residents and municipal councils back into the economy. We sort and separate recyclables at our **materials recycling facilities (MRF)** which are then remanufactured into new products.

We also divert up to 55% of general waste from landfill by turning household and commercial waste into **compost** at our advanced resource recovery technology (ARRT) facilities. Our organic resource recovery (ORRF) facilities convert **green organic waste** into a range of composts, mulches, and soil blends, creating specialist products for use across a variety of applications including home gardens, sporting fields and public parks.

SUEZ was the first company in Australia to convert commercial, industrial, construction and demolition waste into an **alternative fuel**. At present, we are overseeing the development of three **energy from waste** facilities in Australia that are at various stages of the project lifecycle. These facilities will provide a viable alternative to landfill, by producing electricity and steam from waste.

When waste cannot be recycled or reused, we see to its safe and secure disposal at one of our **engineered landfills**, some of which employ Smart Cells®. A sophisticated, highly engineered alternative to traditional landfill, the cells generate biogas from waste which is converted into renewable energy used to power homes and businesses across Australia.



3.2.2. Our Water services business

Ensuring that clean and safe **drinking water** makes it to households and businesses across Australia is no simple task. Our diverse technological expertise means we have the capacity to build and service high performance water treatment facilities.

SUEZ operates the Prospect **Water Filtration** Plant in Sydney’s west that has been providing Australia’s largest city with 85% of its drinking water for over two decades. With our partners, we operate two **desalination plants** in Australia delivering thousands of supplementary cubic metres of drinking water to residents per day.

Water is a reusable resource and we offer our clients proven solutions that enable **wastewater** to be treated and re-used. Through various ‘sludge’ treatment methods, SUEZ assists our customers in reducing, eliminating, or recycling **biosolids**.

SUEZ provides complete water network management services for water authorities and communities. Our investment in our **smart network** means we can not only provide remote water reading for our customer but also identify leaks across the network in real time.

3.2.3. Our facilities

SUEZ Recycling & Recovery and Water facilities map



More information about our business can be found at www.suez.com.au.

3.3. Our supply chain

In the 12 months ending 31 December 2020, SUEZ spent more than AUD685 million with more than 4500 suppliers and subcontractors across our operations. The table below shows the percentage of our top spend by category.

| Category | Percentage |
|---------------------------|------------|
| Subcontractors | 26.21% |
| Disposal | 22.73% |
| Fleet & fuels | 17.37% |
| Professional services | 7.45% |
| Labour Hire & recruitment | 6.94% |

Our supply chain is extensive and varies depending on which business division we are supporting. For example, in the R&R business unit, the waste collections and logistics division has its largest expenditures in the fleet, fuel, labour hire and subcontractor categories. By contrast, the purchase of chemicals and equipment such as membranes for desalination plants accounts for the bulk of our Water business unit's expenditure.

4. REPORTING ENTITIES

This statement is submitted as a joint statement on behalf of the following reporting entities:

| Name of reporting entity | Australian Business Number |
|--|----------------------------|
| SUEZ Australia Holding Pty Ltd | 30 070 452 890 |
| SUEZ Recycling & Recovery Holdings Pty Limited | 18 002 658 255 |
| SUEZ Recycling & Recovery Pty Ltd | 70 002 902 650 |
| SUEZ Recycling & Recovery (NSW) Pty Limited | 93 524 709 106 |
| SUEZ Water Pty Ltd | 33 051 950 068 |

5. ASSESSING THE POTENTIAL RISKS OF MODERN SLAVERY PRACTICES IN OUR OPERATIONS AND SUPPLY CHAIN

5.1. Risk mapping

SUEZ has a broad operational footprint across Australia and collaborates with a diverse range of suppliers and partners, from small family-run businesses to large corporate organisations. We recognise that all products and services carry a risk of modern slavery in their supply chains. We are committed to better understanding the risks of modern slavery for our operations and supply chains and have developed a risk-based approach to the due diligence.

Within the SUEZ Group, a global risk mapping exercise was undertaken in 2018 to identify geographies and products and services that carry a higher level of human rights risk as part of the duty of vigilance law in France. SUEZ in Australia was part of this global risk evaluation exercise which involved an analysis by purchasing category and by country. The combination of these two factors enabled a risk categorisation to be formed which was then applied to modern slavery evaluation in Australia.

The geographic risk was established based on the Global Slavery Index 2018 which highlights how some countries have a higher prevalence of modern slavery. This is often associated with poor governance, weak rule of law, conflict, migration flows and socioeconomic factors such as poverty.

5.2. Results of the risk mapping

Our initial analysis has shown that the vast majority of SUEZ Australia's suppliers are onshore Australian-based suppliers (96%). Regarding the remaining 4% of suppliers, which we source from international markets, the key product categories are membranes and plant and equipment, and the geographies identified as higher risk were Asia, Europe, and the USA.

SUEZ has undertaken an analysis of the company's key expenditure categories and has identified the following products and services categories that pose an elevated modern slavery risk:

| Category of product/service | Area of business |
|--|--------------------------|
| Labour Hire | Operations |
| Plant & equipment; fleet supplies | Supply chain |
| PPE/uniforms supplies | Supply chain |
| Service providers (i.e. cleaning services) | Operations; supply chain |
| Office supplies & consumables | Supply chain |

6. ACTIONS TAKEN TO ASSESS AND ADDRESS THE RISKS

The key steps that SUEZ has taken during 2020 are set out below.

6.1. Supply chain mapping

In 2020, we gathered information from our database of suppliers to better understand our supplier population. We then selected a sample of our suppliers based on risk criteria that included the type of services or goods provided to SUEZ and the country of origin.

6.2. Due diligence self-assessment questionnaire

We developed and launched a self-assessment questionnaire in 2020 and this forms an important ongoing component of our process to identify and assess risks within our higher risk suppliers. There were 650 tier one suppliers (in the first layer of the supply chain) selected in total who were engaged through the questionnaire.

The questionnaire asks suppliers to provide information on how they identify and address the risks of modern slavery in their own operations and the operations of their suppliers. The results will inform future actions to take, including identifying those suppliers where additional assistance or monitoring may be required. The analysis of the responses gathered in 2020 are part of the 2021 priority actions.

6.3. Modern slavery clause incorporated in supply contract terms

Our purchasing standard terms and conditions were reviewed and a specific modern slavery clause inserted, requiring compliance by suppliers with modern slavery laws. The clause also requires suppliers to take reasonable steps to ensure there is no modern slavery within their operations and supply chains. Further, it entitles SUEZ to audit the suppliers for modern slavery compliance.

Suppliers of goods and services to SUEZ must comply with all relevant legislation and international standards as relevant to their industry, including child and forced labour, health and safety of workers, non-discrimination, employment law, human rights, fraud, bribery, and corruption. We expect that our suppliers will hold their own suppliers to the same high standards to which we hold them.

6.4. Engagement with NGOs – Slave-Free Alliance (Hope for Justice) and Anti-Slavery Australia

During 2020, we engaged with **Slave-Free Alliance**, a social enterprise established by **Hope for Justice** to help businesses and organisation manage the threat of modern slavery within their supply chains. Hope for Justice is one of the world's leading anti-human-trafficking charities, operating across five continents. Members of SUEZ's modern slavery working group were given a presentation by Slave-Free Alliance which explained the extent and complexity of modern slavery with a focus on the Australian context and highlighted the new challenges posed by the covid-19 pandemic.

We also engaged with **Anti-Slavery Australia**, a specialist legal practice, research and policy centre committed to the abolition of modern slavery in Australia. We explored the opportunity for the organisation to present a modern slavery face-to-face training session and webinar for relevant employees.

6.5. Training

The modern slavery working group delivered an awareness training session to the SUEZ leadership team during 2020. This session included the topics of what is modern slavery; relevant facts and figures; modern slavery and the Sustainable Development Goals; the international context; the Australian context; how modern slavery relates to Australian companies; the Modern Slavery Act 2018 and its requirements; and the actions being undertaken by SUEZ.

SUEZ also provided training in ethics policies more broadly. Employees are expected to review and comply with our policies, including the Ethics Charter, Ethics in Practice and Ethics in Supplier Relations.

As mentioned in section 6.4 above, SUEZ also engaged with Anti-Slavery Australia to deliver a training session to SUEZ staff in early 2021. This training is aimed at promoting awareness of the modern slavery problem, provide guidance on the signs of potential modern slavery and ways to respond if any modern slavery issues are suspected or identified.

7. ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

We recognise the value and importance of continual improvement and assessing the effectiveness of the actions taken to address modern slavery risks.

As at the date of this CY20 Modern Slavery Statement, we have not identified any incidents of modern slavery within our operations or our supply chains.

We use key performance indicators (KPIs) to measure how effective we have been to ensure that slavery is not taking place in any part of our business or supply chains. In 2020, our KPIs were:

- Number of risk assessments conducted during the year: 650 tier one suppliers in 2020.
- Training provider selected: Anti-Slavery Australia engaged in 2020.

Our modern slavery working group has identified additional KPIs for 2021 and will oversee our evaluation process:

- Number of employees who have received training during the year.
- Number of risk assessments conducted during the year.
- Number of cases discovered within SUEZ operations or in our supply chain (if any).

8. CONSULTATION

At least one of the two directors of the Australian parent company, SUEZ Australia Holding Pty Ltd, is also a director of the other reporting entities covered in this statement.

The process of consultation involved input from the various relevant internal stakeholder groups (including sustainability, procurement, human resources, legal and corporate affairs), culminating in the relevant board approvals.

9. LOOKING AHEAD – KEY FOCUS AREAS IN 2021

In 2021, SUEZ is committed to continuing to improve our approach to respecting human rights and preventing modern slavery. We will do this by:

- Reviewing and, where appropriate, improving due diligence processes.
- Risk assessing suppliers based on responses to due diligence questionnaires.
- Delivering training for employees in procurement, legal, human resources and other relevant business functions through Anti-Slavery Australia and our internal learning & development team.