1 Introduction

1.1 Reminder of the legal requirements of the Duty of Vigilance

Law no. 2017-399 of March 27th, 2017, relating to the duty of vigilance of parent companies and contracting companies, applies to companies and groups which, at the end of two consecutive financial years, employ more than 5,000 employees in France or more than 10,000 employees in France and abroad. They must establish, publish, respect and assess a Vigilance Plan which aims to identify risks and prevent serious violations in relation to human rights and fundamental freedoms and the health and safety of people and the environment, within their entire sphere of influence, including both subsidiaries and sub-contractors “with an established commercial relationship”.

The law specifies the five components of the Vigilance Plan:
- risk mapping;
- procedures for regularly assessing the situation of subsidiaries, subcontractors and suppliers;
- appropriate actions to mitigate risks and prevent severe impacts;
- a mechanism for whistleblowing and receiving reports;
- a system for monitoring measures and assessing their effectiveness.

This document sets out the Saur group’s 2021 Vigilance Plan.

1.2 Saur group

Since its creation, the Saur group has supported major changes underpinning human progress: access to clean and safe drinking water for everyone, preservation of the environment and the water resource, essential to life.

In a world in search of balance, it is now vital to take a global and interdisciplinary approach. It is in this spirit that Saur is taking action to anticipate and support the transformations of society.

Solidarity, support for vulnerable communities, combating climate change, preserving biodiversity, equal opportunities, regional development, etc. – the Saur Group faces a number of challenges. The Group is fully committed to working at the heart of regions and proud to contribute to them.

The Saur group therefore reviewed its CSR roadmap in 2020. An extensive process of dialog undertaken with stakeholders – communities, citizens, farmers, industrialists, experts, associations, NGOs, startups, etc. and the Group’s 40 main managers – has led to the definition of nine commitments, divided into three strategic areas, in order to integrate the themes contained in the Duty of Vigilance legislation into its roadmap.

These commitments are combined with ambitious objectives for 2025.

1/ Changing models, even if it means anticipating or getting the regulations moving
- Accelerating responsible and continuous innovation Selling water savings, instead not only water volume

2/ Keep improving, especially in areas we already excel at
- From reactive to proactive
- Enriching the “science of experience” with data
- Contributing to local economic and social life

3/ Being exemplary, on all levels, internally and externally
- Contribute to the decarbonization of industries
- Sharing our sense of responsibility
- Deeply connected with our employees
- Being inclusive and diverse

Through its adherence to the UN Global Compact since 2003, the Saur group affirms its commitment to the 10 principles relating to human rights, labor standards, the environment and the fight against corruption. Each year, the Group renews its commitment and communicates on the actions carried out to embody and promote the fundamental values of the Global Compact via its integrated report.

In the same spirit, the Saur group, which is committed to protecting and preserving water resources, naturally contributes to the Sustainable Development Goals (SDGs) defined by the United Nations for 2030. The actions carried out by the Group contribute directly or indirectly to all of the SDGs, impacting 30% of the 169 targets set out in the 17 SDGs. While the Saur Group, by its nature, has a major impact on SDG 6 “clean water and sanitation”, its activities also have an impact on 11 other SDGs, connected with its social responsibility and regional innovation challenges.

#missionwater
The Purpose
At a time when ecological transition challenges are central to the issues facing our societies, by adopting a Purpose, the Saur group has reaffirmed its commitments to act, advocate and unite all players to create a more secure world for future generations. That Purpose is:

“To advocate for water ensuring that everyone - municipalities, industries, citizens, farmers, NGOs, and civil society as a whole- gives water the value it deserves. Beyond our daily business of providing adequate supply and responsible quality treatment of water – we are committed to acting and convincing others so that together we can invest insaving water and in inventing new models to preserve the most precious resource on our planet.”

This Purpose reflects the group’s mission which, since it was founded almost 100 years ago, has always been to provide a service essential to the life, health and economic development of all regions, by continuing to anticipate and support changes in society.

Based on an in-depth transformation of its model, the Saur group is ready to take a further step to respond to the challenges of availability of quality water and mutual trust between all stakeholders, both public and private players, involved in water management.

Mission Water represents our commitment and our sustainable business model.

Stakeholders
The Saur group particularly exercises its responsibility in respect of:

Employees: the Group asserts its desire to guarantee respect for everyone and to promote the principle of equal opportunities. It undertakes to implement the resources necessary to protect the health and safety of its employees and to guarantee protection of privacy.

Shareholders: the Group ensures the transparency, honesty and veracity of financial and non-financial information.

Customers and consumers: the Group undertakes, in accordance with the contracts concluded, to provide high-quality services, with the constant objective of improving its performance and innovation, contributing to the preservation of resources and the limitation of environmental impacts.

Suppliers and subcontractors: the Group undertakes to select them impartially for their professionalism and their respect for environmental and societal concerns. The Group urges them to adopt ethical rules, insofar as necessary, and to adopt practices compatible with its own values.

Civil society: the Group ensures respect for the culture of the countries in which it operates and participates in general interest initiatives, particularly via the Saur Solidarités endowment fund. Furthermore, in consultation with local authorities, the Group participates in patronage and sponsorship actions with a view to supporting the regions according to a defined approval procedure.

1.3 Development of the Vigilance Plan
The Saur group has always worked to promote values it holds dear – the health and safety of its employees, human rights and environmental protection – since these are closely linked to its activity.

In 2021, the Saur group formalized the various work in this area by drafting its Vigilance Plan.

This involves various company entities, including the Procurement Department, the Ethics and Compliance Department, the QHSEE (Quality, Health, Safety, Environment and Energy) Department, the Internal Control Department and the CSR Department. With a continuous improvement logic, this Vigilance Plan sets out the strengths of the Group’s existing systems, as well as areas for improvement to be addressed in the coming months and years.

Preparation of this Vigilance Plan addresses several objectives:

- Better understanding of the company’s environmental and social impacts
- A solid framework allowing the establishment of relevant measures to counteract negative impacts identified and maximize positive impacts
- Greater transparency towards our stakeholders.
2 Risk mapping

2.1 Process adopted

The risk mapping process is based on several systems that exist within the Saur group. Risk mapping linked to the Duty of Vigilance focuses on human rights, health and safety and environmental violations. It covers the risks arising from:

- the Group’s activities,
- the activities of subcontractors and suppliers.

Identification and classification work has been carried out by the CSR, Procurement, Internal Control, QHSEE, Ethics & Compliance, Risks & Insurance departments.

The main elements used were:

1. **Mapping of the Group’s major risks**
   The Group Ethics & Compliance, Risks & Insurance department oversees the risk management system and coordinates updating of the assessment of the Group’s main risks, both in France and internationally. All Group entities are included in the scope covered. The risk mapping is validated by the Executive Committee and presented to the Audit Committee.

2. **Materiality analysis**
   A materiality analysis was conducted in early 2021. Nearly 2,000 internal and external stakeholders expressed their expectations in relation to 27 themes divided into five categories, allowing the identification of the Group’s main challenges.

3. **Risk analyses at supplier level conducted by the Purchasing Department**
   Critical suppliers are assessed annually, particularly on CSR issues.

   The scope currently covered is that of the Water Services France business line, which accounts for 74% of revenue and 70% of employees.

   These critical suppliers/subcontractors are identified based on their revenue (the revenue threshold differs between national and regional suppliers) and their purchasing category (operations, support, equipment, pipelines or engineering work).

4. **Risk analyzes conducted by the QHSEE Department in relation to ISO 45001 and 14001**
   Environmental, Health & Safety and Labor risks are assessed annually as part of the renewal of ISO 14001 and 45001 certifications. The scope currently covered is that of the Water Services France business line.

5. **HRIA (Human Rights Impact Assessment)**
   In 2019, the Saur group conducted an assessment of its activities’ impacts on human rights in order to identify salient problems at country level and the level of their management. The scope covered was all of the Group’s entities.

Saur is keen to include the notion of continuous improvement in its Vigilance Plan. Each year, new countries and entities will therefore be added to parts of the risk map in which they are not initially included.

2.2 Identified risks

Several sessions were held to draw up a list of seven risk areas:

<table>
<thead>
<tr>
<th>Theme</th>
<th>Risk areas</th>
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<tbody>
<tr>
<td>Human rights and fundamental freedoms</td>
<td>Fight against discrimination</td>
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<tr>
<td>Health and safety</td>
<td>Workplace health and safety</td>
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<td></td>
<td>Sanitary security (water quality, etc.)</td>
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<td></td>
<td>Pandemic crises (Covid-19)</td>
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<tr>
<td>Environment</td>
<td>Environmental pollution (discharge of effluents)</td>
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<td></td>
<td>Resource consumption (decline in network performance)</td>
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<td></td>
<td>Impact of activities on the climate (non-compliance with laws)</td>
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</tbody>
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3 Regular assessment of entities, suppliers and subcontractors

3.1 Assessment of entities

The Saur group’s internal control system is intended to ensure the compliance of operations and internal procedures, as well as the reliability and quality of information. The general architecture of the internal control system is aligned with the following model of three lines of control:

- the first line of control corresponds to the controls exercised by each employee, based on the responsibilities explicitly delegated to them, the procedures applicable to the activity they exercise, and the instructions communicated and coordinated by management
- the second line of control corresponds to the various functions established by management to monitor risk control and compliance,
- the third line of control corresponds to the independent assurance provided by the internal audit or external third-party (auditors, certifying bodies, etc.)

All Saur group business lines, processes, systems and entities are covered by the Internal Audit, without reservation or exception. The application scope includes all operational, financial, administrative and corporate governance processes, as well as risk management and control processes. Entities are covered and assessed by the internal control system.

The Saur group has an internal control system in line with the requirements of the COSO 2013 internal control framework. This system contains 30 key controls covering 13 processes of the Business, Support and Steering & Governance functions. It is assessed by the internal audit department. Feedback is presented to the Audit Committee.

With regard specifically to the duty of vigilance, internal control assesses control of the following supplier/subcontractor risk: the supplier’s behavior does not respect the Group’s ethical principles and/or applicable rules in respect of the services provided on behalf of the Group (respect for human rights, labor law, corruption, safety, environment, etc.)

Furthermore, various entities are ISO 14001 certified for environmental management, 45001 for management of occupational health and safety, 9001 for quality, and 50001 for energy management (including the Water business in France). An internal audit process as well as a certification audit allows annual assessment of the company’s risk approach, particularly HSE risks, and definition of areas for improvement.

3.2 Assessment of suppliers and subcontractors

The Purchasing Department has a procedure for regular assessment of suppliers. It therefore annually analyzes the risks associated with critical suppliers/subcontractors and identifies the management actions to be taken.

For suppliers/subcontractors within critical families, an assessment is conducted every two years, except in cases where the assessment score is "very insufficient" or "insufficient". In those cases, an annual assessment is conducted. Apart from critical families, all suppliers/subcontractors with more than three anomalies per year must be assessed.

In the interest of continuous improvement, the assessment system is due to be reinforced by an external service provider in 2022, with the following objectives:

- To increase the number of suppliers/subcontractors subject to annual assessment in relation to CSR issues, including those associated with the duty of vigilance.
- To have an even more in-depth vision of risk areas.
4 Risk mitigation and prevention actions

The identified risks faced by the Group depend on the nature of activities as well as the economic, political, cultural and legal context in which it operates. For each of the risks identified within the mapping, appropriate measures have been identified and implemented, each supported by the relevant department.

Responsibility, customer service, transparency, solidarity and proximity are an integral part of the Saur Group culture. The Group is committed to respecting these values, as well as those relating to human rights, regardless of the activity or the country in which it is carried out.

The Saur Group formalized its Ethics Charter in 2014, before producing a Code of Conduct in 2018, incorporating the themes of the duty of vigilance law and which is applicable to all employees as well as suppliers and subcontractors. The Code of Conduct sets out the main fundamentals applicable to all Group entities and employees in relation to health, hygiene and safety, equal opportunities and non-discrimination, prohibition of harassment, personal data protection, and the environment. The implementation of these principles is supported by several operational procedures applicable to all Group entities. This Code of Conduct is accessible to everyone, in French and in English, via the website.

The Code of Conduct was updated this year as part of a continuous improvement approach. The Supervisory Board and the Executive Committee, as well as the employee representative bodies, have formally approved this code and support its implementation.

4.1 Responsible purchasing

The selection of suppliers and subcontractors is the subject of particular attention from the purchasing department.

A specific procedure stipulates the selection criteria for suppliers and subcontractors. These criteria cover safety, quality, social, environment, energy and economic/financial themes. As part of its systematic continuous improvement approach, this year the Saur group has decided to strengthen its responsible purchasing process.

A Saur group Responsible Purchasing Charter will be drawn up and will be gradually associated with each framework contract. The signing of this charter will be a vital element in conclusion of the agreement with suppliers/subcontractors.

4.2 Human rights and fundamental freedoms

The Saur group’s Vigilance Plan falls within the framework of the “UN Guiding Principles on Business and Human Rights”, the OECD guiding principles, the fundamental conventions of the International Labor Organization (ILO) and the UN’s Universal Declaration of Human Rights.

Fight against discrimination

Saur is committed to ensuring respect for gender equality and diversity within the company. The Equal Opportunities Agreement was therefore revised in 2020, following dialog between various stakeholders. The aim of this agreement is to ensure smooth careers progression for all employees in order to avoid any form of discrimination: careers of seniors, return from maternity leave, working from home, etc.

The EliEau internal gender equality network, formed in June 2018, also addresses these issues, particularly via three action focuses:
- Recruitment of female talent
- Career support
- Changes of behaviour.

In support this objective, training on sexism in the workplace – available online to facilitate accessibility – was made compulsory in France in 2021.

Finally, diversity is a priority issue for the Saur Group. Increasing the number of women in executive positions is one of the nine objectives of the Group’s CSR roadmap, with the aim of achieving parity by 2025, i.e. at least 40% of executive positions occupied by women by that time. This target is also among the societal commitments linked to the Group’s financing.

The percentage of employees with disabilities was 3% in France in 2020. The Saur Group is aware of the importance of this topic and that efforts are still needed and is therefore taking action to change attitudes. Since 2021, training on the integration of employees with disabilities has been available via the e-learning platform. A Disability Week was organized in November 2021 to raise employee awareness and organize DuoDays (a day when an employee partners up with a person with a disability on the labor market).

To promote inclusivity, the Saur Group intranet site is available via immersive reading, in order to provide
greater comfort and ease of use to employees with visual impairment.

Finally, disability is one of the major themes of the Equal Opportunities Agreement, as well as being the subject of monitoring indicators.

### 4.3 Health and safety of people

#### Workplace health and safety

Ensuring the health and safety of employees and external contractors is a priority for the Group. Saur implements a health and safety prevention policy across all of its sites. These list ambitious objectives concerning frequency rates (with and without lost-time) and severity.

To enable the company to achieve that level of excellence, the Saur group:

- Ensures working conditions on its sites and worksites guaranteeing the hygiene, health and safety of its employees as well as of any person related to the Group.
- Implements adequate training in hygiene, health and safety.
- Ensures that all applicable hygiene, health and safety instructions are properly disseminated to all those concerned.
- Undertakes to regularly check the correct application of hygiene, health and safety instructions at workstations and to promote experience-sharing.
- Promotes work-life balance.

Finally, the Saur group’s risk prevention policy is ISO 45001-certified in relation to health and safety.

The Saur group has established a safety management system based on the assessment of occupational risks, the definition of action plans relating to major risks, the implementation of regular awareness-raising (monthly discussions and e-learning modules), conducting of behavioral audits and site inspections.

The Group has defined its Golden Rules, highlighting simple and accessible rules for everyone, enforced by the Group in each of its operations.

Employees, partners and subcontractors are included in the Group’s safety improvement process. With regard to external contractors, prevention plans and General Coordination Plans are drawn up for implementation on sites or worksites operated by the Group in order to prevent risks and define preventive measures.

The safety audits conducted on its sites and worksites ensure that preventive measures are implemented.

Procedures for employee intervention on high-risk sites are drawn up and provided to workers, along with work instructions detailing installation-specific procedures.

Strict procedures, such as those associated with the management of hazardous products, are available and are subject to internal audits.

Finally, highly operational risk prevention sheets are available.

#### Sanitary security

The quality of the water supplied to users is a responsibility and an essential concern of the Group. Drinking water services are governed by the inter-municipal authorities, six “Agences de Bassin” (Watershed Agencies) (responsible for monitoring and protecting the resource and aquatic life, to preserve an adequate supply of high-quality water at the level of the main drainage basin), and 18 “Agences Régionales de Santé” (Regional Health Agencies) in France.

In France, drinking water is one of the most controlled foodstuffs. It is constantly monitored to ensure its safety. These controls (in addition to continuous monitoring by the operator) are carried out by laboratories approved by the regional health agency, which take samples according to the annual program established by the regional health agency. The purpose of these checks is to verify that the water quality complies with all requirements, at every stage, from protection of water resources to the water that comes out of our taps. If a sample is deemed non-compliant by the laboratory, as a drinking water operator Saur is immediately notified so that it can take the appropriate measures.

The Group monitors the quality of the water supplied as well as numerous parameters in order to ensure compliance based on bacteriological conformity and the physico-chemical compliance rate of the water produced. These indicators are in place for all Group entities and are subject to consolidation.

#### Pandemic crises

During the Covid crisis, the Saur group activated its business continuity plan, which encompasses all measures in this respect (work environment, protective equipment, training in barrier gestures and related communication, new hygiene measures, etc.), as well as the appropriate organization to guarantee service continuity.

A close working relationship was established with the French Professional Federation of Water Companies (FP2E – Fédération Professionnelle des Entreprises de l’Eau) in order to coordinate the actions of water companies (ministerial relations, requisition of PPE, activation of business continuity plans/crisis units, etc.) at sector level.

### 4.4 Environment

The Saur group has defined a CSR roadmap for 2025, the objectives and allocated resources of which are
explained in the integrated report published each year and available on the website. Environmental protection is also one of the main pillars of this 2025 CSR roadmap, since three of the nine commitments are associated with it.

Resource consumption
The Saur group has put in place numerous actions to address water challenges and give water the value it deserves, designed particularly to protect and save this natural resource, the scarcity of which goes hand in hand with climate change.

For example, the freely accessible info-secheresse.fr website allows users to track the status of the resource and the impact of drought in France.

The consumption of other resources is also subject of particular attention, including, for example, the strengthening of monitoring actions and via the ISO 50001 standard on energy management, which aims to improve energy performance indicators.

Environmental pollution
Our activities and our operational performance inherently involve fighting against the risk of environmental pollution, through:
- Collection and transport of network effluents
- Treatment of effluents in a wastewater treatment plant
- Maintenance of storage and network structures.

The Group monitors the quality of the water treated in its treatment plants, using parameters such as Chemical Oxygen Demand (COD), Biochemical Oxygen Demand (BOD) and nitrogen and phosphorus flows entering and leaving treatment plants managed by the Group.

The Group is authorized by water authorities to self-monitor the quality of the water discharged into the environment by the treatment plants it operates and may be audited at any time by an inspection office appointed by the water supervisory authorities in France, particularly the DDT (Direction Départementale des Territoires) or the DREAL (Direction Régionale de l'Environnement, de l'Aménagement et du Logement), to ensure the compliance of our metrology, carry out double sampling and verify our results.

Climate impact of activities
The Saur group is committed to limiting the impact of its activities on the climate by rapidly reducing its carbon footprint. Carbon intensity is also one of the three indicators associated with refinancing of the Group's debt. By raising sustainable bonds that make its financing conditions subject to achieving concrete environmental and social performance objectives, Saur confirms its ambition to put social responsibility at the heart of its growth model.

In this way, Saur has committed to reducing the carbon intensity of its activities to 22.5 tCO2eq./€m by 2027, particularly by completely neutralizing its emissions linked to electricity consumption by switching to renewable energies, as well as the deployment of a sustainable mobility strategy. This reduction trajectory is particularly ambitious.

In the long term, and beyond the scope of this framework, the Saur group aims for net zero emissions on scopes 1 and 2 by 2035 and net zero emissions on all scopes by 2050, in accordance with the climate neutrality target set by the European Union as part of the Green Deal. These long-term commitments reflect Saur’s desire to be at the forefront of tackling climate change.
5  System for monitoring measures and assessing their effectiveness

5.1 Governance

The Vigilance Plan is coordinated by the Group’s CSR Department, in coordination with the following departments:

- Purchasing
- Legal
- Quality Health Safety Environment Energy
- Human Resources
- Ethics, Compliance, Risk & Insurance
- Audit & Internal Control

5.2 Reporting

In order to monitor the measures implemented and assess their effectiveness, the Saur Group relies on indicators established as part of its extra-financial reporting process, covering duty of vigilance as well as the Group risks management system. This reporting is carried out at least once a year and the indicators are published in the integrated report or will be subject to monitoring from 2022(*). A selection of indicators published in the integrated report is reviewed by an Independent Third-Party Body, which certifies the reliability of the data.

Human rights

- Percentage of women in the workforce
- Percentage of women in executive positions
- Percentage of disabled employees
- Percentage of contracts with suppliers and partners that include an ethics clause(*)
- Percentage of critical suppliers/subcontractors assessed(*)

Health and safety

- Percentage of revenue covered by ISO 45001 certification
- Occupational accident frequency rate and severity rate
- Percentage of critical suppliers/subcontractors assessed(*)

Environment

- Percentage of revenue covered by ISO 14001 certification
- Percentage of revenue covered by ISO 50001 certification
- Volume of water abstracted from the natural environment per subscriber
- Network performance
- Linear network loss index (ILP – Indice Linéaire de Pertes en réseau)
- Percentage of sludge recovered
- Percentage of electricity from renewable sources
- GHG emissions intensity
- Percentage of critical suppliers/subcontractors assessed(*)

6  Whistleblowing procedure

The Saur Group has a system for receiving and processing reports of situations that would be in contradiction with its rules.

This procedure is open to all Group employees. It guarantees confidentiality and that no disciplinary measures will be taken against whistleblowers acting in good faith and in a disinterested manner. It encompasses the themes covered by duty of vigilance legislation.

When an employee encounters or notices a situation likely to characterize a breach of the Code of Conduct or of a legal or regulatory obligation, they may report it to their line manager and/or to the Ethics and Compliance Department, particularly via the whistleblowing procedure put in place by the Group.

The procedure will be revised in 2022 and will be open to all of the Group’s internal and external stakeholders.
As a company committed to protecting water and to the ecological transition, CER will take practical action, via its dedicated subsidiary CE@RSE, to protect the environment.

Promoting long-term behavioral change.

Reducing the use of resources also requires an effort to raise awareness and educate users about consumption savings. To do this, our services include practical actions involving all national users:

• ECODO action plan: set up in partnership with all the stakeholders of the territory (tourism professionals, industrialists, CCI, EAU17, CARA, financiers, etc.) it aims to define common consumption reduction strategies for the benefit of current and future generations and to promote sustainable and efficient exploitation:
  • Water Challenge: coordination of the community of users to promote optimization of water consumption,
  • FACE partnership: establishment of citizen brigades,
  • Socially responsible plumber: helping the most vulnerable (elderly people, people in financial difficulty, etc.) to tackle excessive consumption,
  • Frans Bonhomme partnership: discounts for users wishing to acquire rainwater-harvesting equipment.

Making users our central concern.