

**2013 Annual and
Sustainability Report**





Welcome
TO A WORLD
where everything is a
RESOURCE

The cob is what is left from an ear of corn after the grain has been removed.

It is sometimes used to manufacture animal litter and is also an excellent source of fuel. The main advantage of corncobs is that they have a heat value twice that of wood. Limagrain, an international agricultural cooperative group, and Dalkia are capitalizing on this property under a joint contract that is a first in Europe. Veolia's R&D teams and boiler manufacturer Compteur have designed and developed a steam production unit using

the corncobs left from the transformation of this cereal crop.

The result is a biomass-fired boiler with an hourly capacity of 3.5 metric tons of steam that contributes to the operation of a plant producing cornstarch and other intermediate products in Ennezat, France. This boiler converts almost 4,000 metric tons of corncobs a year into energy. The value creation has a threefold benefit: reduced carbon footprint, greater control over the plant's energy bill and recovered waste.

CORN: A CEREAL WITH **ENERGY** TO BURN



2,600

metric tons of CO₂ not
discharged into the
atmosphere each year

4,000

metric tons of corncobs
transformed each year

3.5

metric tons of steam
generated each hour
from biomass

€2.4M

invested by Limagrain,
including a €960,000
subsidy



50%

less natural gas consumed thanks to its replacement with biogas

10%

increase in fertilizer output in four years

50,000

metric tons of Milorganite produced each year

SLUDGE IMPROVES GRAIN YIELDS

Wastewater sludge, the main byproduct from wastewater treatment plants, was in the past mostly landfilled. Today, it can be recycled for use in the agricultural sector as a soil improver or as compost, or it can be incinerated to produce heat or recovered as biogas.

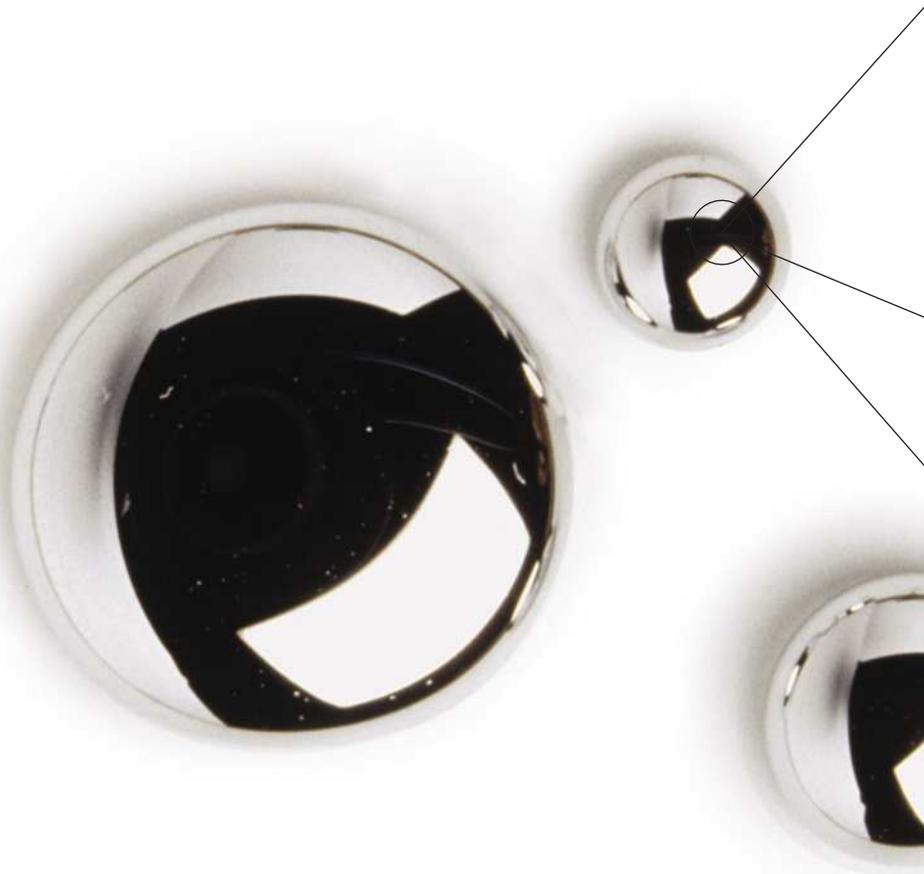
Veolia operates the wastewater sludge plant in Milwaukee, USA. This plant produces a fertilizer product sold throughout the United States under the name of Milorganite. Over the years, Veolia has managed to significantly increase the

quantity and improve the quality of this fertilizer, while at the same time lowering the plant's energy impact. The company has built a gas pipeline from one of its waste landfill sites to the treatment plant to transport biogas used by the Milorganite production plant. This arrangement improves the plant's environmental and operational efficiency: the waste is recovered and has a second life as a quality product sold on the market and the plant's carbon footprint is reduced overall. In Milwaukee, Veolia is doing more with less.

\$400,000

savings on the plant's
energy bill each year

MERCURY FOREVER



Recovery of
99.995%
pure liquid mercury

Mercury is a highly toxic metal that has been known since antiquity. With its subsidiary Batrec, Veolia has a world-renowned center of expertise for the management of mercury-containing waste and a plant to treat catalysts and activated carbon, in particular those used by the petrochemicals, chemicals and water treatment industries. This facility recovers mercury in a 99.9% pure metal state, recycles catalysts and their precious metals, and regenerates activated carbon. This specific expertise has evolved out of a battery recycling business using pyro-metallurgy processes. With high technological added value, this process is used to isolate and recover metals.

In the past, batteries contained a significant fraction of mercury, which enabled the company to develop a specific system for concentrating this metal in its initial liquid form. Today, this innovative, high-temperature distillation process is used to treat all manner of mercury-containing materials and recover the metal in its purest state and, in so doing, eliminate its impact on the environment.

This recycling unit complies with the highest environmental standards and the needs of its industrial customers. It also meets the provisions of the Minamata Convention on Mercury signed by 140 countries, which stipulates the highly regulated use of mercury.

1,000
metric tons of catalysts
and 3,000 metric tons of
activated carbon treated
and recycled each year

800°C
The temperature at which
mercury is distilled

RESOURCING THE WORLD involves **GLOBAL CHALLENGES**

Today, natural resources are becoming increasingly scarce while our needs are growing in an ever more densely populated and urbanized world facing climate change issues.

Humans need to completely rethink their relationship with resources and come up with new social and economic growth models that are more efficient, better balanced and more sustainable.

With 160 years of expertise in the areas of water, energy and waste, Veolia applies its capacity for innovation to pursuing human progress and wellbeing, and improving the performance of businesses and regions.

To make the switch from a resource consumption rationale to a use-and-recover approach in today's circular economy, Veolia designs and implements solutions aimed at improving access to resources while at the same time protecting and renewing those same resources.

This is how
VEOLIA
AND ITS EMPLOYEES
contribute
EACH AND EVERY DAY
TO RESOURCING
THE WORLD



OUR STRATEGY



A talk with
Antoine Frérot

A more
competitive
company

Laying the
foundations
for future growth
and profitability

Creating value
and targeting
our growth



OUR STRATEGY

Antoine Frérot,
Chairman and CEO
of Veolia

A SUSTAINABLE AND SUCCESSFUL BUSINESS MODEL



How would you describe 2013?

2013 was the second year of our company's transformation plan and one of major importance for our future. It was a year of intense and fruitful work that enabled us to lay the foundations for the New Veolia and accelerate the strategic shift we have undertaken. We are now headed in a clearly positive direction.

In 2013, we made rapid progress along the path to this New Veolia, by renewing our strategy and organization and by winning many new contracts. In terms of our strategy, we have strengthened our position in the energy sector, with our decision to acquire 100% of Dalkia International, and in Latin America, by increasing our stake in Proactiva. Both of these transactions consolidate Veolia's profile in fast-growing regions and accelerate our global expansion. Regarding our organization, it has been simplified to enable us to get closer to our customers, and be more attentive to their needs—more responsive, more agile and therefore more competitive. We also won many new contracts in the markets we are targeting, including in mature countries such as France, the UK and Germany. These wins attest to the added value of our services, the relevance of our

products and services, and the appeal of the new business models we have developed.

Can you tell us more about Veolia's new organization?

Veolia is a company with remarkable potential. But to fully realize this potential we had to align our organizational structures with our strategy and goals, a task we completed last July.

Our new organization is based on some simple principles—operating as an integrated company, establishing a single Veolia in each country, setting up regional management teams and strengthening corporate management functions. We have also set up two new departments: Innovation and Markets, whose role is to supervise research and develop marketing; and Technology and Performance, which will oversee the deployment of our processes. The key to our future success will be our ability to adapt our strategy to each country and pursue the integration of our operations. This new organization will enable us to take full advantage of the diverse scope of our expertise, the synergies between our various businesses and the new growth opportunities that are emerging at the interfaces between them.



**"Our new organization
will bring us closer
to our customers,
whether local or global."**



**"Veolia is now headed
in a clearly positive
direction."**

What sort of impact are all of these changes having on Veolia's balance sheet?

Our 2013 financial statements confirm that our situation has improved considerably. By the end of the year our net debt had fallen to €8.2 billion, which is only half as much as four years earlier and well ahead of target.

We achieved this by selling assets and here too we exceeded our objective. The recurring savings resulting from our cost-cutting efforts, excluding the cost of initial implementation, totaled €350 million for the period 2012-

2103, which is in line with what we had announced. As for our adjusted net income, it has grown almost fourfold.

But these results express other things that are even more important in my opinion.

They prove that Veolia is able to carry out a coherent strategy and achieve and even exceed its objectives. The *New Veolia* is now a reality. Our company is transformed and has much less debt, a tighter focus and a more streamlined organization and identity.

We are now ready to seize the many fine opportunities that lie ahead!

>>

OUR STRATEGY



"Over the next three decades the world's cities will have to accommodate 3 billion more people. They will therefore need more drinking water, more energy and more collection and treatment of waste and wastewater."

>>

Talking about opportunities, what exactly is Veolia's strategy?

Our strategy is one of selective, profitable and sustainable growth in the environmental businesses, which have great potential.

It involves three things: targeting the most promising environmental markets, i.e. those that are supported by strong demand and solvent clients and where we have a distinctive competitive edge; increasing business with industrial customers; and focusing on the most dynamic countries and regions.

In addition to our traditional markets, where we must adapt our business models and deploy them where they continue to add value, we have identified seven main disruptive trends where we have the resources and the determination to make a difference. These new market opportunities are the circular economy, to address the problem of increasingly scarce water, energy and raw materials; innovative solutions to make cities and urban services more efficient; the treatment of the most complex types of pollution, such as toxic waste, wastewater sludge and highly contaminated effluent; the dismantling of offshore oil platforms, ships, planes and nuclear power plants; the food industry, where very strict quality

and safety standards must be observed; the mining industry, which is very resource-intensive; and the oil and gas industry, which must comply with extremely demanding environmental requirements.

What new contracts have you won recently in these fast-growing regions or the markets related to the disruptive trends?

Throughout 2013 and in early 2014 we won some impressive large contracts in these promising markets, which we have taken great pains to select.

Let me mention a few that I think are particularly significant. For example, the city of Rialto, California selected us to provide water and wastewater services, with a financial partner providing the capital necessary to refurbish the city's infrastructure. This innovative arrangement allows us to rethink our business models and bid for contracts that used to be out of our reach. In Abu Dhabi, we were selected to provide energy and technical services at four airports in the aim of raising their quality to the highest international standards. In Chile, the world's largest copper producer, Codelco, asked us to treat the effluent from its El Teniente mine and to recover the residual

copper from the effluent, which will increase copper production 3%. This is far from negligible considering that this is the world's largest underground copper mine. In 2014, we also signed a contract with pharmaceutical giant Novartis to manage water, waste and energy at 15 of its largest European facilities. This contract is worth about €1 billion! These new contracts consolidate our leadership in water, waste and energy services. They breathe new life into our business and position us as a pioneer in the ongoing revolution in the environment industry.

How do you see Veolia's future?

I think that the outlook for Veolia can be summed up in two words—growth and resources. First of all “growth,” because Veolia is definitely on the path toward renewed growth. Our strategy for strong, profitable, disciplined and sustained growth is already paying off well. And this strategy will bear even more fruit in 2014, a year that will be marked by growth, and in fact already is! We will see growth of our operations in the most promising regions and industries, growth of our revenue and above all growth of our profit margins. Secondly “resources,” because when you think about it this is what Veolia is all about—providing services that are essential to everyday life and to the functioning of modern economies; protecting nature and the raw materials it contains; and recycling these materials or developing new ones when they become too scarce. Resources are the common denominator of these diverse challenges: water resources, raw material resources and energy resources. Whether conventional or alternative, natural or recycled, scarce or abundant, finite or renewable, these resources are essential. Improving access to them, protecting and

conserving them and renewing them—that is Veolia's mission. Resourcing the world is what we do. What more rewarding business could there be?

Key acquisitions

- In 2013, Veolia signed a memorandum of understanding with EDF to acquire 100% of Dalkia International and to sell Dalkia France to EDF.

These two transactions are fully in line with Veolia's global growth strategy and increase its presence in the most dynamic regions and markets.

- Veolia also completed the acquisition of the FCC group's 50% stake in Proactiva Medio Ambiente, thus becoming its sole shareholder.

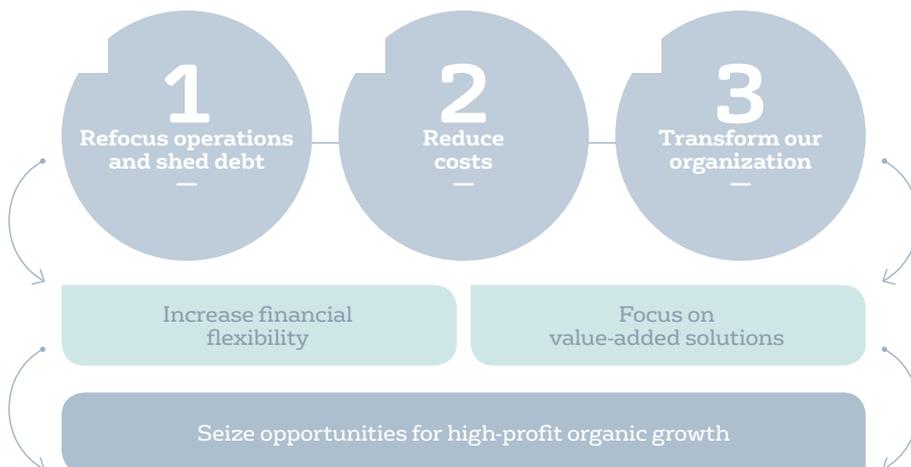
OUR STRATEGY

A MORE COMPETITIVE COMPANY

Veolia has transformed its organization and developed many new links between its operations. The new Veolia is one Veolia, with one head office per country that provides all support functions and coordinates all operations. This simpler structure makes Veolia more agile and enables it to quickly adapt to changes in each national market. This new organization increases Veolia's operational efficiency and brings it closer to its customers.

To further these objectives two new departments have also been created: the Innovation and Markets Department and the Technology and Performance Department. Their roles will be to provide global oversight and coordination of all local and corporate resources, to accelerate the deployment of Veolia's innovative products, services and processes, and to improve performance.

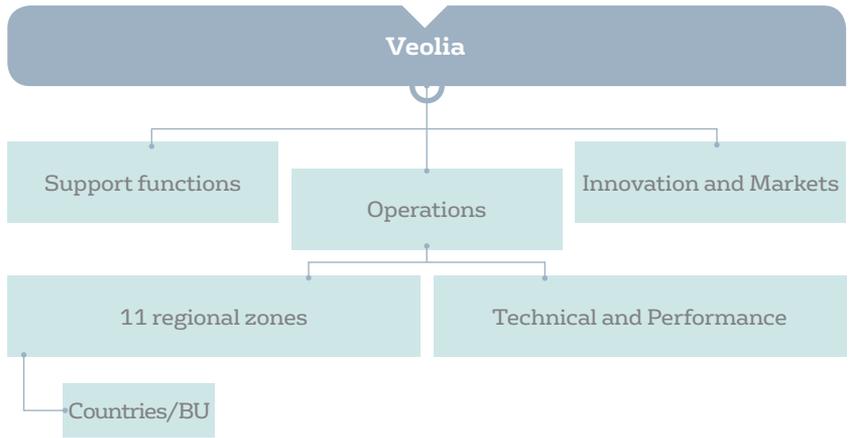
The transformation plan



New organization

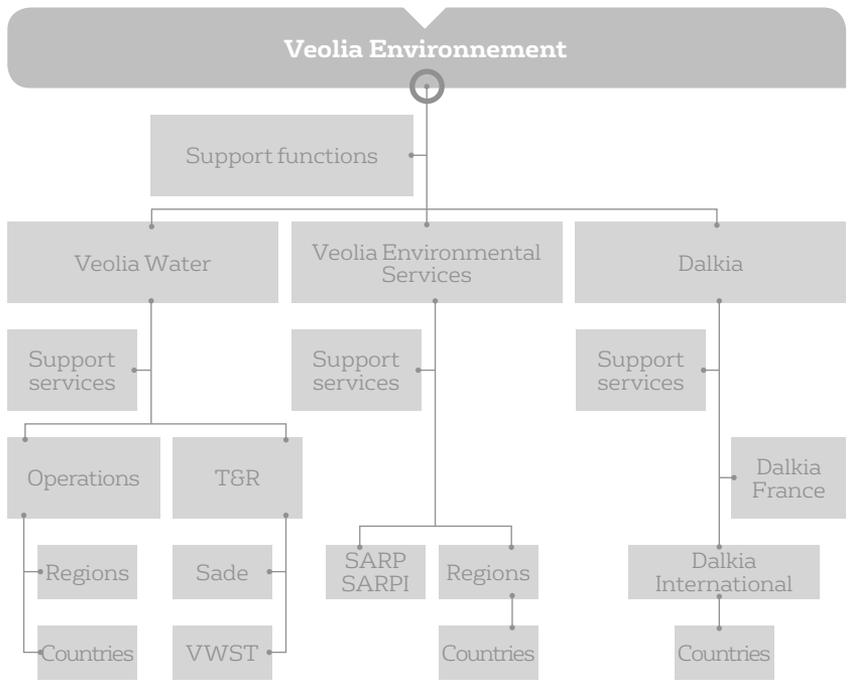
An integrated company with one Veolia per country

2014 organization



- + More customer-focused
- + Simpler
- + More agile
- + More efficient

Previous organization



OUR STRATEGY

The transformation as seen by

François Bertreau,
Chief Operating Officer

LAYING THE FOUNDATIONS FOR FUTURE GROWTH AND PROFITABILITY

Veolia's new organization has also enabled considerable progress in cost-cutting, operations management and investment. Indeed, a key goal of the transformation is to restore the company's profitability and thereby ensure its long-term future.

Cutting costs to be more competitive

The pooling of support services and the merging of head offices, which is currently under way in all countries and regions, also involves streamlining operations and makes it possible to increase productivity. But these changes offer above all a fantastic opportunity to bring people together and accelerate the transformation, and to improve strategic management and operational performance in each country. This pooling of resources also applies to the company's information systems and enables the optimization of IT infrastructure and operations. The applications portfolio is being streamlined and the major programs under way to upgrade support functions, such as the financial back-office and HR management, are being stepped up. More efficient procurement will also enable substantial cost reductions. The objectives are to streamline the purchasing process, optimize the consumption of products and services, anticipate needs and plan purchases more effectively. Price reductions alone are expected to generate some €300 million in savings by 2015.

These efforts will enable Veolia to reduce its recurring costs by €750 million⁽¹⁾ over the period from 2011 to 2015.

Managing operations and investments more efficiently

On a broader level, Veolia is promoting a culture of efficiency throughout its organization. Key performance factors for specific technologies are being identified and efforts focused on those areas where the most gains can be achieved. Best practices are being aligned worldwide and standard key performance indicators are being implemented. Investment processes are also being rationalized. For example, "operations investments" (i.e. capital spending on equipment and maintenance) will be optimized by systematically using decision-aid tools, while "growth investments" will be decided in accordance with the business development strategy. Veolia will continue to invest but with more selective criteria.

(1) €680 million pro forma.

"The new Veolia is more customer-focused, better equipped to deal with the specific characteristics of its markets and structured to make even more progress."



Three questions for...

François Bertreau

Why did Veolia accelerate its transformation project in 2013?

We want to speed up our efforts to become a process-based company with a more industrial approach. This transformation is not an end in itself, but rather the means to rebuild a sound foundation and give us a new impetus. We have no time to waste. We must be able to act with greater agility and speed to succeed in our markets.

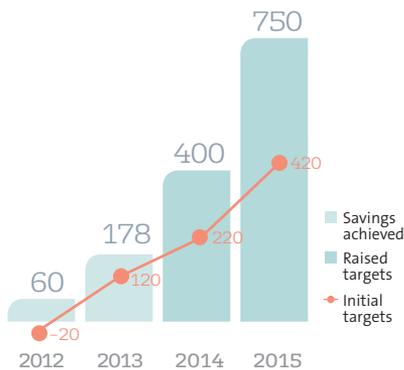
So what did you accomplish?

We completed some key steps toward our goals of operating more effectively as an integrated company and increasing our customer-focus. We completed the overhaul of our organization by grouping our operations together by country, with all of the managerial and organizational changes that this entails. At our head office we integrated all corporate services within a single structure. We made profound changes to our corporate culture. We were very busy in 2013 and accomplished a lot.

And what do you expect from this transformation?

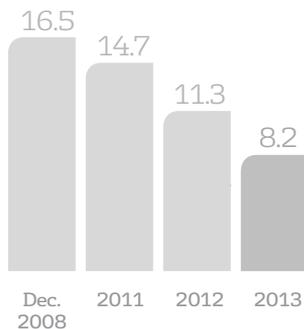
When it is completed, we expect Veolia to be more profitable and more capable of assuming its role as the world leader in environmental solutions.

The new Veolia will be able to meet its customers' needs and to face the challenges of the circular economy. Although we operate distinct businesses (water, waste and energy), we are developing solutions between them. Bringing our diverse forms of expertise together, and doing more and doing it more efficiently—these are the goals that underlie our transformation, which will make us more competitive and enable us to seize the most attractive opportunities.



Cost reduction plan

in millions of euros



Net financial debt

in billions of euros

OUR STRATEGY

Laurent Auguste,
Director of Innovation
and Markets

CREATING VALUE AND TARGETING OUR GROWTH

In just a few years the world has shifted from an economy of unbridled consumption to one where moderation and recycling have become imperative. From 2000 to 2013, the raw materials price index rose almost threefold, whereas over the 20th century it had fallen by half. Given this situation, it is easy to understand why the circular economy model is relevant. It becomes even more so given the expansion of the global middle class from 1 to 3 billion people, the accelerating pace of urbanization and the effects of climate change, which are forcing political and business leaders to profoundly reconsider consumption and production practices. Many cities and manufacturers are naturally turning to Veolia to help them meet the challenge of sustainable growth.

Reinventing traditional markets

For many years Veolia has been a key partner of municipalities, given its experience and expertise in managing the three essential resources of water, raw materials and energy. The slowing of economies in mature countries, the desire of municipal authorities to rethink the governance of public services, increasing regulatory constraints and upward pressure on prices have given Veolia the opportunity

to diversify its utility concession and management business models. It therefore intends to renew its operations in its traditional markets and leverage its engineering and innovation capacity by gaining recognition as a creator of value—a partner that not only operates systems but that can also assist and advise its customers, can oversee the work of other service providers, and can develop new tailor-made services. As a result, instead of being based solely on volume, Veolia's remuneration is increasingly incentive-oriented and performance-based. Conventional business models may continue to be attractive in many parts of the world and may be deployed selectively when they are the right solution for the customer and for Veolia.

A new approach to industrial markets

Veolia has identified seven very promising market opportunities where pressure on resources has increased the need for specialized expertise. These markets are the new frontier of environmental businesses, where technological know-how is rare and where Veolia has already gained some impressive credentials. It is on these markets that research, innovation, marketing and sales efforts are being

Seven future growth markets

- Circular economy
- Innovative urban solutions
- Complex types of pollution
- Industrial dismantling
- Food industry
- Mining
- Oil and gas

"We must be selective and focus on those areas where we can provide substantial environmental, economic and social added value for our customers."



Two questions for...

Laurent Auguste

focused. In each one Veolia has world-class and unique expertise that it will promote and share throughout its organization to systematically offer its customers the best possible solution. To achieve this objective the company relies on a global network of major account managers who coordinate marketing and sales efforts and disseminate best practices.

Why the new Innovation and Markets Department?

Our department's role is to ensure that Veolia is as well equipped as possible to be the preferred partner of municipalities and industrial customers. This means creating high added value, not only in addressing environmental requirements but economic and social concerns as well. We have everything we need to succeed. By encouraging the pooling of resources and their positioning in the fast-growing geographic markets and sectors we have identified, our department is a catalyst for growth.

Our role is to stimulate the creation of value while developing synergies between our people in strategic planning, R&I, marketing and sales. This is similar to the "circular" role that Veolia will play between its various customers, for example by transforming one customer's waste into energy for another, which will create new business and social dynamics.

What are your priorities?

We want to develop our business in a more strategic, structured and industrial manner. We also want to implement a new approach to innovation and accelerate the sharing of best practices. In a company like ours we must work in a network to identify, assess and replicate what we do best. I also want to instill confidence and enthusiasm, both within and outside Veolia, since we are ideally positioned to meet the new challenges that population growth and economic development are currently posing to the world and will continue to pose over the coming decades. We have the people and the competitive strengths we need to take advantage of all business development opportunities. Given the vital importance of the positive role that we can play in our fast-changing world, we have a duty to succeed.



OUR EXPERTISE, OUR COMMITMENTS



Developing access
to resources

Preserving
resources

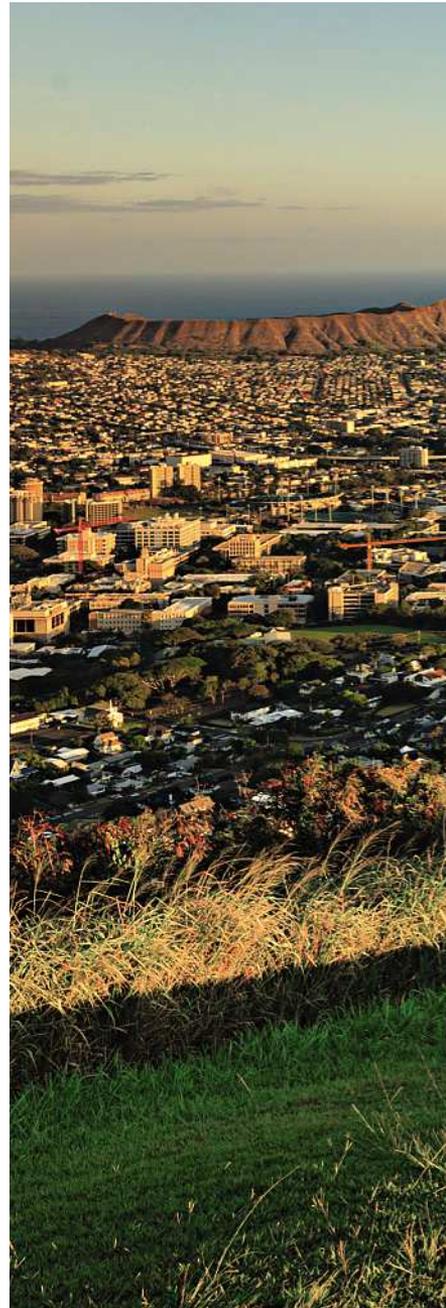
Replenishing
resources



Developing access to resources



In a world of growing needs and dwindling reserves, access to basic resources is becoming increasingly complex and a source of tension. In response to these challenges, Veolia is developing durable solutions to supply the greatest possible number of people with the resources needed to ensure the wellbeing of communities, to make regions attractive and to underpin the performance of companies. These solutions include access to safe drinking water and energy services for cities and their inhabitants, services to industry to guarantee continuous supplies for production processes, and recovery systems for materials within a circular economy.



OUR EXPERTISE,
OUR COMMITMENTS





Bratislava

Guaranteed access to
heating and hot water



OUR EXPERTISE, OUR COMMITMENTS

Nestled on the banks of the Danube, Bratislava, the capital of Slovakia, has a population of around 550,000. Since 2000, Veolia subsidiary Dalkia International has been supplying heating and hot water to the Petržalka neighborhood. With its 40,000 households, it is the most densely populated residential neighborhood in Central Europe. Since 2003, Dalkia International has also been managing the energy performance of the neighborhood's schools with impressive results—a 25% reduction in energy consumption without any impact on the public investment budget.

Given the personnel's long-term **operational performance** and the positive results, the local authorities renewed their trust in Dalkia International under a contract to manage and upgrade the district heating generation and distribution facilities. The aim is to further improve the network's energy efficiency and minimize customers' bills while still providing impeccable service.

The innovative solution proposed by Dalkia International to achieve these targets revolves around the installation of high-efficiency cogeneration units. Eighteen gas engines have been incorporated into the existing boiler plants where they simultaneously generate electricity and heat. The 15 MW of electricity is sold to the Slovak grid operator, and the heat is used in the district heating network. In addition to this cogeneration program, Dalkia International is continuing to upgrade the network through a more reliable distribution system and a more efficient energy system.

For more
information

Energy performance contract

In 2003, Dalkia International signed an energy performance contract for the schools in the Petržalka neighborhood, implemented jointly with the Slovak Innovation and Energy Agency (SIEA). The program has been highly successful thanks to the authorities' commitment to supporting energy efficiency projects, the support from local elected officials and the expertise of Dalkia International's teams in Slovakia.

Dalkia International in Slovakia

Dalkia International has been active in Slovakia since 1993 and now has 850 employees in the country. In particular, it manages car manufacturer PSA's site in Trnava and the energy performance of 70 junior and senior high schools in the Košice region.

Key figures

40,000

households supplied with heating and hot water.

18 gas engines.

Revenue: **€1.1** billion.

25% energy savings without increasing the budget.



Guayaquil

Public water service
for all families



Proactiva, a leader in Latin America

Now a fully owned subsidiary of Veolia, Proactiva operates in eight South American countries. Partnering 120 municipalities, it serves 45 million customers for water and waste management and employs nearly

12,000 people. In the past few years, Proactiva has experienced strong growth of more than 15% per year. Through the complete acquisition of Proactiva, Veolia has consolidated its lead positions in Latin America in the areas of waste management and water treatment, and furthered its strategy of expanding in the world's high-growth regions.

OUR EXPERTISE, OUR COMMITMENTS

Interview

with **Ramón Rebuelta**,
Director,
Veolia Latin America



In 2013, the acquisition of Proactiva opened up new prospects in a region with strong industrial potential and where access to water and sanitation is a major social, health and economic issue.

The business capital of Ecuador, Guayaquil is a large city with a population of more than 2.5 million, many of whom live in a situation of financial insecurity. Proactiva manages all the city's water and wastewater services. In the space of 10 years, the efforts made have resulted in the entire population, including the most underprivileged, having access to these basic services that condition their health and quality of life. Proactiva has also implemented highly efficient social policies based on a three-pronged approach: subsidized pricing, debt reduction jointly with the government and citizen non-profit organizations, and mediation to handle complaints. Proactiva has introduced a number of initiatives to form permanent ties with the population and identify customized solutions. For its citizen outreach activities, the company relies on a network of 1,000 volunteers and four mobile agencies.

The results are telling, as access to safe drinking water has increased 60% in Guayaquil. Today, 97% of the population is connected to the water service and 86% to the wastewater service.

What are Veolia's aims in Latin America?

Latin America is a very dynamic region. Industry is growing rapidly, especially the oil & gas, mining, agrifood and petrochemical sectors. Urban growth is also very strong. Through Proactiva's presence and experience, Veolia is consolidating its position in both these areas by proposing specific and durable solutions to its clients in a context of increasingly stringent environmental requirements.

What are Proactiva's key references?

Proactiva manages the water service for large cities like Guayaquil, Mexico City and Lima, and the waste and street cleaning services in Buenos Aires, Caracas, São Paulo and Santiago de Chile. We also work closely with industry customers, such as in Brazil and Chile where we treat waste, and in Mexico where we manage hazardous waste.

Key figures

2003-2013,
60%
increase in
access to safe
drinking water.

97% of the
population of
Guayaquil is
connected to the
water service.

86% of the
population of
Guayaquil is
connected to the
wastewater
service.

1,000,000 cubic
meters of
drinking water
produced
each day.



Jubail

Desalinated Arabian Gulf water
for industry



OUR EXPERTISE, OUR COMMITMENTS

Interview

with **Frédéric Fleury**,
Director,
Veolia Saudi Arabia

Located on the Arabian Gulf, Jubail is one of the world's largest industrial cities. Petrochemicals, iron and steel, fertilizer, aluminum, and so on—more than 100 facilities require access to water that is sufficiently pure for industrial processes in this region of scarce water resources. The solution is to use water from the Arabian Gulf, which is known for its high salinity.

Marafiq, the leading national Saudi water services and electricity operator, selected Veolia to design, build and operate the country's largest ultrafiltration and reverse osmosis desalination plant. It will supply water to the petrochemicals complex operated by Sadara Chemical Company, a manufacturer of solvents and glues. Tens of thousands of cubic meters of feed water are needed each day for the cooling towers and boilers.

Veolia will extract this water from the Arabian Gulf and treat it using several innovative processes. After a treatment stage combining dissolved air flotation to capture the suspended particles in the water and ultrafiltration, the water will be desalinated by reverse osmosis and then remineralized. This combination of two complementary seawater treatment processes will minimize the new plant's impact on the environment, and ensure it complies with the highly stringent water quality standards imposed by Marafiq.

Through this solution, Veolia will provide a secure water supply, limit the risk of facility failure and extend its lifespan while also reducing the site's energy expenditure. This partnership illustrates the added value Veolia provides industrial customers who are seeking to combine improved performance with responsible growth.



What is Veolia's added value in this part of the world?

Veolia has unique experience in the issues and solutions surrounding access to water, especially in countries where resources are particularly scarce. The company has expertise in all types of seawater desalination technology, whether for water for industry or for drinking. It also has differentiating know-how in water and energy issues. Lastly, Veolia knows Saudi Arabia well because it has been working in the country for a long time.

How is Veolia contributing to Saudi Arabia's industrial strategy?

Saudi Arabia has a long-term strategy to reduce its dependence on oil income. This involves developing its attractiveness for industry by creating the conditions that will encourage companies to establish operations and develop in the country. Water is a key aspect of many industrial processes, and Veolia is ideally placed to provide lasting and effective solutions in a situation of complex access to this resource.

Key figures

148,000 m³ of water produced each day.

Revenue:

€310

million (plant design and construction).

10 years: operation + 20-year extension option.

Veolia in Saudi Arabia

Veolia has been active in Saudi Arabia through its subsidiaries for 35 years. In 2010 it built the first desalination plant—one of the most efficient in the world—in this same city of Jubail. This first plant, with a daily capacity of 800,000 cubic meters, consumes three times less energy than plants based on competing processes.



Hakone

Veolia's first comprehensive public service management contract in Japan



Veolia in Japan

The company has been active in Japan since 2002. While the Hakone contract is the first public service management contract for Veolia, it nonetheless manages many other contracts throughout the archipelago.

In all, 3 million people benefit from wastewater services operated by Veolia. The company also has significant service management contracts for customers in Tokyo, Kyoto and Osaka, where it manages 25 million customers or 20% of the population.

OUR EXPERTISE, OUR COMMITMENTS

Interview

with **Christian Jersalé**,
Director, Veolia Japan,
Municipal Business



Located west of Tokyo, Hakone is a tourist center renowned for its *onsen*, the famous natural hot water springs that are an integral part of Japanese life. In a first in Japan, Kanagawa Prefecture decided to contract to a private international service provider the complete management of the water service in several of its districts. The JFE Engineering consortium, including Veolia, won this contract.

This five-year contract covers the complete management of water services in the town's main districts of Midono, Italy and Shinanogi. Each has its own raw water resources, treatment plant and distribution network. Veolia has been entrusted with rehabilitating the infrastructure, water production and distribution, and customer service management. Veolia and its partners will have to incorporate a crucial aspect of the local lifestyle, namely the operation of the raw water system supplying the *onsen* for which this region is renowned. A total of 5,300 cubic meters of hot raw water will be pumped each day 400 meters up into a reservoir.

Winning this contract

is a victory with significant symbolic value. It is the first comprehensive public service management contract Veolia has won in the Japanese market, which opened to public-private partnerships in 2002. Veolia is currently the only international private company operating under this model in Japan. This commercial success therefore opens the door to excellent prospects for winning other potential contracts in this prefecture with a population of 9 million people.

What does this contract represent for Veolia?

Up until now, Japanese local authorities only contracted limited services to private companies, as they considered that only the public sector could deliver the full value chain of a water or wastewater service. This time, the municipality decided to delegate all these activities to a private operator under a single contract. This decision has enabled us to increase our visibility and our reputation, not just in the municipal sector but also in the industry market. It will provide us with a very significant pathway to growth.

What are the advantages of the Japanese market?

First, the investment needed to renew water infrastructure is \$13 billion a year through to 2025, according to figures published by the Japanese Ministry for the Economy,

Trade and Industry. Then, companies in various sub-sectors (pumps, filters, pipes, operation, etc.) are not used to pooling their expertise and do not know how to present an integrated service. And lastly, Japanese water sector companies have extensive technical expertise but none has developed over the years any expertise in the provision of services. This situation provides Veolia with solid long-term growth prospects in Japan.

Key figures

20,000 m³
of water
produced
each day.

6,200 people
served.

3 plants and
7 pumping
stations.

Water for the population of Basra Iraq

In southern Iraq, water from the Euphrates and the Arabian Gulf is a major challenge because of its scarcity and high salinity. The Iraqi Ministry for Municipalities and Public Works contracted Veolia to build a desalination plant

and operate it for five years. The plant will produce 200,000 cubic meters of drinking water a day for the 2.3 million inhabitants of Basra under a contract worth \$115 million.



TEN YEARS of urban growth and innovation Shanghai

Pudong, Shanghai's business district, is one of the leading economic and financial centers in Asia and the world. Veolia manages Pudong's entire water service for a population of 4 million under a public-private partnership contract. Unprecedented in China, this contract concerns a daily water volume of 1.5 million cubic meters. Ten years after its inception, the results are conclusive: the joint venture has doubled its productivity by increasing the production capacity of the plants, extending the network by 115%, using more efficient treatment technology, and real-time monitoring of the 4,470 kilometers of network. Innovation is ongoing with the creation of an ultramodern control center, efficient customer relations management, and exemplary water quality supervision by an independent laboratory. And all this has been achieved despite the population increasing by 1.5 million over the same period.

REHABILITATION of water infrastructure London

Thames Water, the UK's leading water and wastewater services management company, contracted the Veolia Water-Costain-Atkins consortium for a significant tranche of the rehabilitation program for its water production and wastewater treatment facilities in London and the Thames Valley. Expected revenue for Veolia is €530 million between 2015 and 2020.

Greater Nancy extends its waste management contract

The urban community of Greater Nancy has extended for a further seven years its partnership with Veolia for the management of the community's household waste. Worth €91 million, this contract includes waste pre-collection, collection, sorting, recovery and treatment. Veolia completes all these tasks while complying with environmental and traceability commitments and maintaining an ongoing dialogue with all the region's stakeholders.



OUR EXPERTISE,
OUR COMMITMENTS



**RENEWED
MOMENTUM** for
the public water service
Marseille

The urban community of Greater Marseille-Provence has renewed its contract with Veolia to manage its water and wastewater services for a further 15 years. With 17 municipalities totaling a population of around a million people, it is the second largest contract in France in terms of revenue (€1.7 billion).

Veolia has in particular committed to rolling out remote water metering using 183,000 smart meters, to investing in upgrading the wastewater infrastructure to bring it into

compliance with the new European standards for bathing water, and to establishing an annual fund of €1 million to assist the most underprivileged residents.

75 million cubic meters
of water distributed each year
to consumers in the greater urban
community.

Commitment

Contribute to people's wellbeing and their development

Veolia undertakes to implement and develop systems to help promote lasting access to high-quality resources at an affordable cost. In doing so, it increases the attractiveness and competitiveness of regions and companies.

Facilitate access to basic resources.

The company has developed technical, economic and contractual solutions designed to provide all users with equal and continuous access to basic services tailored to each set of circumstances. In particular, Veolia provides financial aid for the most underprivileged through systems developed at its initiative or jointly with local government authorities. Veolia also undertakes to establish mediation systems. Assessing and incorporating experience feedback into these systems ensures they remain continuously relevant and effective.

Contribute to regional development.

Veolia principally operates at the local level. The methods the company uses to maintain, operate and develop infrastructure and access to resources contribute to making cities and regions more attractive. Its facilities contribute significantly to local employment as the jobs involved are not relocatable. Veolia is a committed partner working with regions and communities without which it would not exist. It contributes to developing green employment by focusing on integrating the long-term unemployed and supporting the development of SMEs.

Dialogue with stakeholders. The company maintains open dialogue with its internal and external stakeholders in all the regions where it operates. This dialogue is a prerequisite for ensuring efficient, transparent and legitimate operations. At the local level, consultation with consumers, communities and civil society takes the form of neighborhood meetings, meetings with elected officials and site visits. Internally, Veolia pays close attention to dialogue between management and employees at all levels. The company implements measures to improve the quality of this dialogue in the existing bodies and encourages the creation of discussion forums in the countries where it operates.

96%

of Veolia's revenue in France is ploughed back into the economy.

92%

of Veolia employees worldwide have access to a management-employee discussion forum.

OUR EXPERTISE, OUR COMMITMENTS

STRENGTHEN the contact with public services

In France, Veolia has participated actively in the creation of Pimms (multi-service information and mediation points) designed to allow society's most vulnerable people to maintain contact with public services. In these local "one-stop" centers, users can get information and tips about how to improve their household practices, such as waste sorting, energy savings and sustainable consumption.



Solidarity

Guarantee access for everyone to basic resources

For people on low incomes, access to water or energy may be compromised. In Varna, Bulgaria, and Southwark, United Kingdom, the community has access to stable energy prices over time. Veolia has been able to make this commitment by introducing particular technical and contractual solutions. In France, Veolia is co-managing with the Greater Paris region water authority a complete program that covers emergencies, assistance and prevention. It is creating new systems, such as personal welfare vouchers, while also contributing to France's housing solidarity fund.



Veolia Foundation

Solidarity with regions and communities

Development aid and assistance for humanitarian emergencies are just two of the missions of the Veolia Foundation, which focuses its efforts on restoring access to resources in the event of a disaster thanks to its network of 500 volunteer employees in more than 20 countries. In 2013, the Foundation was in particular involved in assisting the Philippines following the natural disaster suffered by the country.

860 is the number of days during which the Foundation used the skills of its volunteer employees on the ground in 2013.

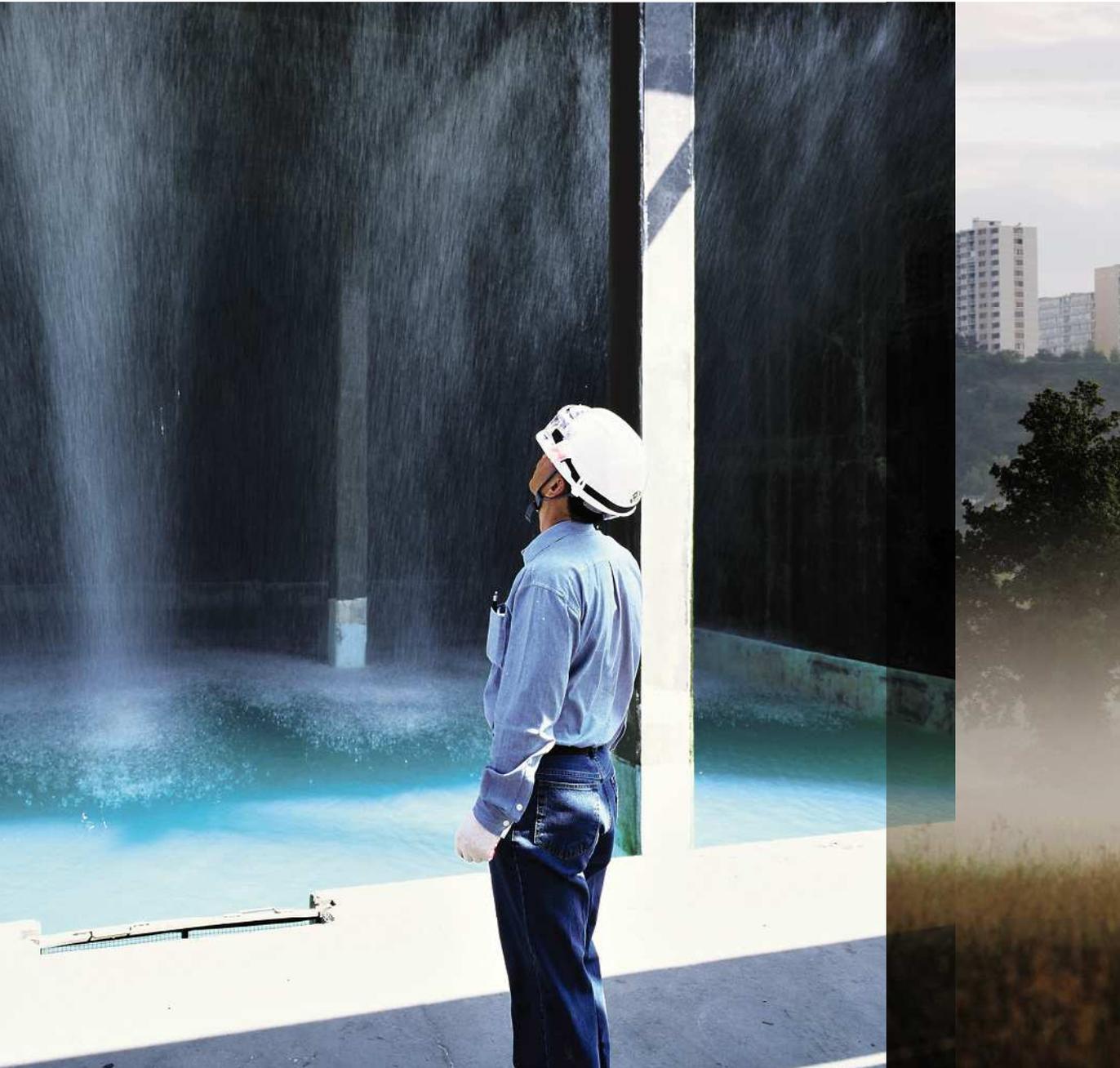
Preserving resources



Given the growing tension surrounding resources, it is everyone's collective responsibility to conserve and protect them. Resources that are less intensively consumed, better used and less damaged are resources that will still be available in the future. Veolia therefore develops innovative and sustainable solutions so that it extracts only what is strictly necessary, from the right place, at the right time and using the right methods. At the same time, it protects the balance of ecosystems to ensure resources remain available. Veolia uses its expertise to optimize the use of these resources, to make sure nothing is lost throughout the usage cycle and to minimize any downstream impact so as to guarantee there are no harmful effects on human health or the natural environment.



OUR EXPERTISE,
OUR COMMITMENTS





Greater Lyon

Technical innovations deliver
high environmental performance



Preserving water resources

The reasons for improving the performance of a water distribution network include reducing the amount of raw water extracted from the natural environment and helping to make energy savings.

The authority and Veolia have set the target of an 87% performance rate by the end of 2018. The program involves end-target savings of 33,000 cubic meters of water a day, the equivalent amount consumed by the Villeurbanne, Vaulx-en-Velin and Caluire-et-Cuire communities.

OUR EXPERTISE, OUR COMMITMENTS

Interview

with **Serge Sassus**,
Director of the
Greater Lyon Center



Greater Lyon is one of the biggest and most important urban and economic regions in France in terms of its population density and its dynamic economic growth. The local authority awarded Veolia the contract to manage the distribution of water to a population of more than 1.3 million. The main thrust of this contract is to ensure service reliability and improve the performance of this public water service, while also conserving water resources. Nearly 260,000 cubic meters of water are extracted, treated and transported each day to meet the needs of the city's population and businesses.

This role is based on **a triple layer of expertise**: an uncompromising approach to water quality to protect consumers' health, a commitment to the best possible service for users, and rigorous sustainable management of resources and assets.

Veolia applies **the most innovative technology** for data management and traceability under the local "Eau du Grand Lyon" brand. The company is installing an integrated operations center, which will become the nerve center of this new public water service.

Millions of data will converge in real time on this "control tower", which will monitor service continuity and quality 24/7. Veolia will install 6,000 sensors to detect leaks and measure water quality throughout the network's 4,000 kilometers of pipes. The integrated operations center will trigger any necessary work required on infrastructure and dispatch personnel in real time. With remote meter reading, customers will be able to track their consumption online and only pay for the water they actually consume. Any significant consumption discrepancies (for example, caused by a leak) will trigger an alert, and temperature monitoring will even be able to send out "freezing warnings."

What made Veolia stand out in the call for tenders for Greater Lyon?

For us, the difference lay in adopting an approach where we said to ourselves that, even though we had been working with the Greater Lyon water service for many years, we still needed to go back and look at everything from every conceivable angle. By not taking what we had been doing for granted, we were able to submit a tender that was innovative, ambitious and engaging. We committed to investing in the creation of an integrated operations center that would be a showcase for Greater Lyon's digital innovation policy, leveraging communications technology such as remote meter reading and continuous network monitoring.

What are the main challenges facing the community?

As a partner working with the Greater Lyon region, it is our duty to take up the challenge of conserving the water resources and the quality of the water we have to deliver to consumers each and every day. To that, I would add the need for real-time transparency and quality customer relations. With Veolia, Greater Lyon is taking water management into a new technological era, preempting the future model for all public water services.

Key figures

2nd largest water distribution network in France in terms of population (1.3 million).

400,000 customers and **400,000** smart meters to be installed.

260,000 m³ of drinking water produced each day.

6,000 leak sensors to be installed.

€660 million in revenue over eight years.

Responsible commitments over the term of the contract

30% of energy consumed to come from renewable sources.

15% reduction in greenhouse gas emissions.

50% clean vehicle fleet.

70% of waste recovered.
48,000 hours of training.

33,000 m³ of water saved each day.



Guaiba

Combining technical
and environmental performance



OUR EXPERTISE, OUR COMMITMENTS

CMPC (Compañía Manufacturera de Papeles y Cartones) is the world's fourth largest supplier of paper pulp, with mills across South America. Increasingly stringent environmental regulations and higher charges for water, of which the paper industry is a heavy consumer, coupled with its increasing scarcity in some regions are driving manufacturers to opt for facilities that consume less water and to improve their wastewater treatment plants in order to reduce their environmental footprint.

For these reasons CMPC chose Veolia to build three raw water and wastewater treatment plants at its Guaíba mill, in Rio Grande do Sul state (southern Brazil), which produces 450,000 metric tons of pulp and paper a year.

The first unit, with a daily capacity of 39,600 cubic meters, will use ion exchangers and condensate polishing to produce demineralized water for boiler feed.

The second unit, with a daily capacity of 140,000 cubic meters, will use the unique Actiflo clarification process to treat raw water before injection into the paper pulp production process. Lastly, the pulp mill wastewater will be treated in a third unit with a daily capacity of 108,000 cubic meters that has been developed by Aquaflo, a Veolia subsidiary. This tertiary treatment will enable CMPC to comply with very stringent standards for water discharged into the natural environment. Veolia expertise will also allow CMPC to minimize its consumption of process water for each metric ton of paper pulp produced at the mill, to improve the energy efficiency of its boilers, and reduce the overall environmental impact of its activities.

For more information

The pulp & paper sector

The market for paper industry water equipment is worth around \$1 billion. The emphasis placed by producers on technology is driving up investment in water management solutions both in mature and emerging markets. To improve treatment levels and reduce raw material loss, pulp and paper manufacturers are switching from conventional treatment systems to more sophisticated solutions, such as membrane treatment. New generation boilers are more efficient but they also require better quality feed water than that used by conventional boilers. There is therefore a growing demand for water treatment plants producing ultra-pure water. Moreover, mills located in urban forest areas are raising their output and as they are facing steeper raw water costs, they need to reduce their water consumption. In certain regions, raw water resources can be limited and of poor quality. Lastly, the authorities are imposing increasingly strict effluent controls. Few companies are able to tackle all these challenges.

With more than 1,000 references worldwide in the pulp & paper sector alone, Veolia provides unique solutions for water production, and wastewater treatment and recycling. Its expertise ranges from process design to the delivery of complete and immediately operational plants and related services.

Key figures

108,000 m³
of wastewater treated
each day.

140,000 m³ of water
treated each day
for the production
process.

39,600 m³ of
demineralized water
produced each day
for boiler feed.

€130 million
in revenue.



Ellesmere Port

Treatment of Syrian
chemical weapons



OUR EXPERTISE, OUR COMMITMENTS

Under the British government's support for the international mission led by the United Nations to destroy Syria's chemical weapons, Veolia was chosen to destroy 150 metric tons of hazardous materials.

The batches of "Class B precursor" chemicals were treated at Veolia's Ellesmere Port high temperature incinerator (HTi) in the United Kingdom, near Liverpool, under the existing hazardous waste treatment contract between Veolia and the Disposal Services Authority, a part of the UK Ministry of Defense.

"Class B precursors" are used in the manufacture of chemical weapons but, in their singular form, are only classed as hazardous industrial products. These material components are commonly used in the pharmaceutical industry and are similar in nature to the other industrial products treated at the Ellesmere Port site throughout the year.

This HTi facility also treats low-level radioactive waste, complies with very high safety standards, meets high environmental performance levels and is subject to regular, stringent inspections by the relevant authorities.

It is technically one of the most advanced in Europe and treats around 100,000 metric tons of hazardous waste each year and employs over 70 staff.

Veolia's international expertise in hazardous waste treatment was the standout differentiator that led the British authorities to make their choice under this highly sensitive call for tenders.

For more information

Veolia's Ellesmere Port plant incorporates all the latest incineration technology, and gas and effluent treatment. It is certified under the international ISO 9001, ISO 14001 and OHSAS 18001 quality and safety standards.

In particular, it treats:

- highly toxic or malodorous gases and liquids
 - bulk liquids and liquid in drums
 - low-level radioactive waste
 - pharmaceutical products
 - contaminated packaging and other material
 - contaminated soil
 - oily sludge
 - sensitive and special products.
-

Key figures

100,000
metric tons of hazardous material treated annually at the Ellesmere Port site.

150 metric tons of "Class B precursor" chemical agents destroyed.

Incineration temperature of up to **1,200 °C**.



Carmon Creek

Extracting non-conventional oil
while minimizing water usage



OUR EXPERTISE, OUR COMMITMENTS

Interview

with **Klaus Andersen**,
Deputy CEO of Veolia Water
Solutions & Technologies

Shell Canada has selected Veolia to design and supply a water treatment plant for Shell's Carmon Creek heavy-oil project currently under construction in Alberta, Canada. The Carmon Creek project will produce approximately 80,000 barrels of oil per day. The process water used to generate steam is a critical part of the heavy-oil production process. Water, in the form of steam, is injected into underground deposits to facilitate the extraction of oil. The water co-produced with the oil recovered from underground will be treated and re-used in the process.

The plant will generate up to 50,000 metric tons of steam a day to be used in the extraction process through a highly integrated system that features technologies that include hydrocarbon separation, warm lime softening, filtration, ion exchange and evaporation. The water used in the process is expected to be recycled at rates approaching 99%.

Veolia had previously worked with Shell in Qatar at its Pearl GTL complex with a similar requirement to maximize recovery of process water. This project represents Veolia's growing presence in the North American oil and gas industry, with several contracts awarded over the past few years utilizing technologies specifically developed to address water-related issues faced by producers.



What does the Carmon Creek project represent for Veolia?

The oil and gas market is a priority for Veolia and it aims to achieve revenue of €4 billion within five years, up from €1 billion today from this segment. The Carmon Creek project is the largest contract signed by the company in the non-conventional oil segment. Veolia has also developed other technological solutions to solve the environmental issues surrounding the extraction of coalbed gas and shale gas.

Key figures

50,000

metric tons of steam produced per day from the recycled water.

Target of **80,000** barrels of oil produced by the site per day.

Borås: a pioneering “zero fossil energy” city Sweden

Borås is exemplary for its energy policy. Dalkia International works with the city, managing a heat generation plant, a district heating network, water turbines and a facility for recovering energy from wastewater. Together, they came up with the idea for a gigantic 37,000 cubic meter tank to store the energy produced by the biomass plant in periods

of low consumption, ready to be released during peak demand. This solution was chosen from the 10 finalists shortlisted during the 2013 Sustainia competition. Each year, Sustainia awards an innovation in sustainable development prize selected from more than 500 innovative projects submitted from around 70 countries.



OPTIMIZE energy efficiency Hungary

Dalkia International has been active for many years in Hungary, especially in Pécs. In April 2013, it signed a strategic partnership with the Hungarian government, which paves the way to a new form of relationship between the public and private sectors. Under this program, introduced by Hungary to improve the competitiveness of the country's economy, the government will regularly consult Dalkia International as an expert on energy questions.



HELP to consume less and better China

Schneider Electric and Dalkia International decided in September 2013 to put in a joint offer in China to help improve energy efficiency and reduce greenhouse gas emissions, a major issue for the Chinese authorities. In particular, the government has set highly ambitious energy performance targets for buildings, investing €300 billion by the end of 2015. This partnership with Schneider Electric will underpin Dalkia International's development in this high-growth market.



FOCUS

Innovate

to ensure the future
of sensitive facilities

In early 2013, Veolia and CEA, the French Atomic Energy and Alternative Energies Commission, signed a comprehensive cooperation agreement in the area of cleaning up and decommissioning nuclear facilities. Veolia subsidiary Asteralis has built its expertise on a strategic approach as a provider of integrated services to industry. It implements a series of tailored solutions ranging from complete characterization of the initial status to the development of decommissioning scenarios based

on sorting and identifying waste, pretreatment if required, packaging or repackaging prior to transfer to specific treatment facilities and inspection of the final condition of the facility. Work has begun at two pilot nuclear sites in France: Marcoule and Cadarache.

€31 bn

value of the nuclear facility
decommissioning market
estimated by the French Court
of Auditors.

Commitments

Help our clients to reduce their environmental footprint, and protect our employees' health and safety

Veolia implements solutions that combine technology with efficient and economical solutions designed to conserve resources, whether for its own business activities or on behalf of its clients. Veolia also undertakes to improve the safety and ensure the health of its employees, which are its prime resource.

Manage environmental performance.

The environmental management system is a tool for managing the risks and impacts from Veolia's operations. The EMS allows detailed data monitoring, which serves as the basis for action plans to limit pollution and save resources. As part of Veolia's continuous improvement approach, the EMS is the subject of a three-yearly report to stakeholders, and is audited by an independent outside organization, along with some 10 key environmental indicators. Veolia is continuing to roll out this system to all relevant activities⁽¹⁾, targeting 93% coverage in 2014.

Combat climate change. Veolia helps reduce overall greenhouse gas emissions through sound day-to-day management and control of the emissions at the sites it operates, and through the use of renewable and alternative sources of energy. It is committed to reducing its clients' carbon footprint.

Conserve and restore biodiversity. Treating wastewater, collecting and processing waste, and managing energy resources responsibly are all activities that help maintain and develop ecosystems. Veolia has undertaken to go still further by contributing to work on the characterization of ecosystem services and implementing actions, products and services designed to protect and strengthen them.

Protect employees' health and safety.

Health and safety is a priority for the company's human resources policy. Improving accident and disease prevention, analyzing accidents, sharing best practices and entering into dialogue with employee representatives about health and safety issues are important aspects of all collective agreements on health, safety and working conditions signed within the company. Each year, more than a third of all training sessions deal with these questions.

(1) Water production and distribution, municipal wastewater collection and treatment, energy services and all waste activities.

23%

Percentage of Veolia's energy consumption from renewable and alternative sources.

OUR EXPERTISE, OUR COMMITMENTS

Train and engage

The True Cost of Water

Understanding the cost of water in order to use it more wisely is crucial for the environment and the life of communities, as water is a key aspect of economic development. Veolia has designed “The True Cost of Water” system, which assesses

the overall cost of water (management costs and risk-related costs). Municipalities and companies use this tool to incorporate resource-related risk modeling into their decisions and opt for more sustainable solutions.



Seoul Declaration

Health and safety at work

On July 1, 2013, Veolia signed the Seoul Declaration at the International Labor Organization (ILO) in Geneva, Switzerland. The declaration recognizes the fundamental human right to a safe and healthy working environment. In addition to recognizing this right, Veolia also undertook to promote continuous improvement in health and safety at work as stipulated in the Seoul Declaration, especially through stakeholder training and management-employee dialogue on these issues.

-10%

Targeted annual decrease in workplace accident frequency over the period 2010-2013. The target was exceeded.

THE BETTER YOU SORT, the less you pay

Veolia has tested volume-based waste invoicing in around 40 municipalities across France. Separate micro-chipped bins for non-recyclable waste are identified by the collection vehicle as it does its rounds. The invoice is adjusted to reflect the number of times the bin is emptied. **Result:** the volume of this category of waste can be reduced 20% in a town of 10,000 people. While the benefits are financial for the municipality and the user, they are also environmental. People become aware of the amount of waste they produce and make lasting changes to their consumption habits.



24

million metric tons of CO₂ not emitted as a result of the overall reduction in GHG emissions and emissions avoided as a result of materials and energy recovered from waste.

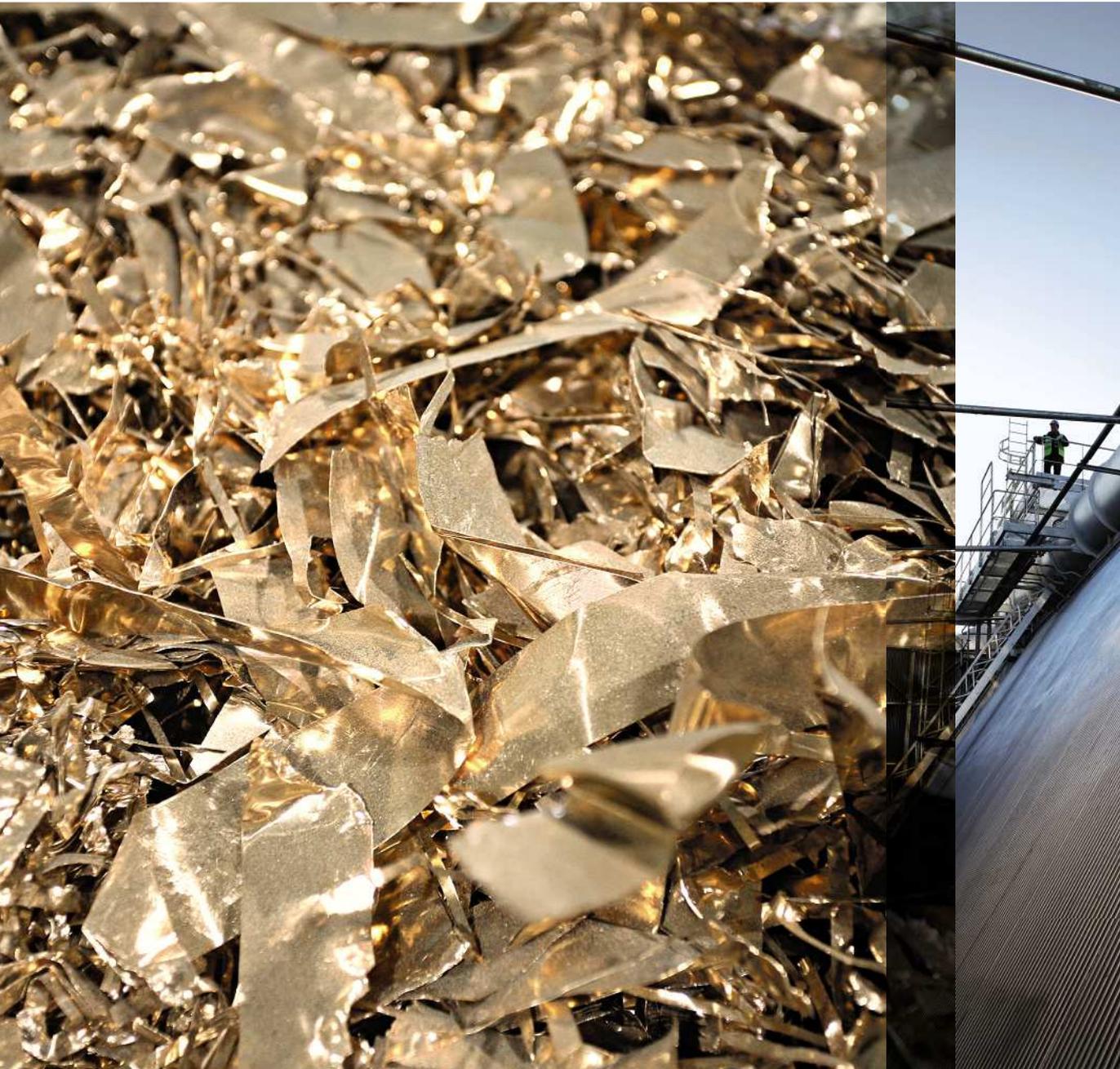
Replenishing resources



By reinventing its business activities, Veolia is making it possible to create new secondary resources that are gradually offsetting the growing scarcity of natural primary materials. Through innovation in recycling materials and recovering waste, Veolia is providing solutions that significantly extend the life span and usage value of extracted resources. To close the loop of the circular economy, Veolia is developing its eco-design expertise to support producers right from the initial steps in creating manufacturing processes through to the production of new materials from transformed waste. Lastly, in each of its business areas—and even more so at their interfaces—Veolia is generating entirely new resources: the heat given off by an industry becomes heating for dwellings; wastewater effluent becomes a fertilizer or a bioplastic; gas emitted by waste treatment becomes electricity or biofuel, and so on.



OUR EXPERTISE,
OUR COMMITMENTS





Fort Saint James

Produce energy from forestry
industry waste



Biomass: a green resource

Biomass involves recovering secondary raw materials from forestry or farming activities, as well as the organic fraction of industrial and municipal waste (for example, wastewater treatment sludge). This fuel is used to generate heat, cold or electricity. Biogas, collected

from the decomposition of fermentable waste, can be recovered in the form of energy, thereby reducing greenhouse gas emissions. The recovery of biomass from waste also provides complex biomolecules for the chemical industries, replacing molecules from mineral or synthetic sources with renewable molecules.

OUR EXPERTISE, OUR COMMITMENTS

British Columbia has extensive wood resources mainly used by the construction and furniture industries.

This resource also has significant potential for the renewable energy market but it is under-utilized in the local energy mix. Dalkia International therefore proposed installing a biomass plant to generate electricity from forestry waste in this Canadian province, where the forested surface area is roughly the same as the entire surface area of France.

The biomass can therefore be sourced from extensive forestry resources and a well-structured timber industry. With a capacity of 40 MW (compared with the average of 7 MW in France), this power plant will be one of the largest biomass-fired plants in the country and will produce enough green electricity to supply 40,000 households. To generate this power, it will recover more than 300,000 annual metric tons of wood waste from sawmills, forestry clearing, and trees destroyed due to the pine beetle infestation that has been affecting local forests for the past 10 years. While generating renewable energy, this project also therefore contributes to forest maintenance.

Dalkia International has joined forces with several local stakeholders to complete this project. The Fengate Capital Management fund will finance the project; forestry companies, local sawmills and the First Nations (indigenous peoples of Canada) will supply the raw material; and BC Hydro & Power Authority will buy the electricity under a 30-year contract. This biomass-fired power plant will prevent the discharge of 95,000 metric tons of CO₂ into the atmosphere, which is the equivalent of the emissions from more than 45,000 cars. This contract marks a first in a very promising market in Canada for Veolia, which already manages over 500 biomass-fired plants worldwide.

Interview

with **Xavier Piétri**,
CEO of
Dalkia Canada



What is different about the Fort Saint James contract?

The contract is based on the creation of two companies: one for the construction and ownership of the assets; the other for operation and which is 100% owned by Dalkia International.

By joining forces with investors, we are able to provide our expertise for the long term, but are not responsible for the financing, which is largely provided by Fengate. We opted for a less capital-intensive development model while maintaining our operating margin.

In what way is biomass a promising market for Veolia in Canada?

British Columbia has committed to a renewable energy development program that obliges electricity suppliers to include a growing amount of green energy in their energy mix. Biomass is ideally placed to help them achieve this aim as the province has access to extensive forestry resources.

The Fort Saint James plant will be our third largest biomass plant after Smurfit in southwestern France and Pécs in Hungary. This project is actually part of a broader contract with British Columbia to generate 500 MW in various regions.

Key figures

40 MW: electricity generated by the biomass plant.
Almost **40,000** Canadian households supplied with electricity.
307,000 metric tons of waste recovered each year.
Revenue of more than **€600** million over 30 years.
250 direct jobs created during the construction phase and 80 direct and indirect jobs created during the operation phase.



Furniture waste

A new area of product recovery in France



Extended producer responsibility (EPR)

EPR is a waste collection and recycling policy applicable to each market segment governed by the "polluter pays" principle. In other words, national

manufacturers, importers and proprietary brand distributors are responsible for the sort-separated collection, recycling and treatment of waste from their own products. In practice, they rely on a state-approved eco-organization, such as Éco-mobilier for furniture waste. That's where Veolia comes in.

OUR EXPERTISE, OUR COMMITMENTS

In France, equipment end of life is managed by eco-organizations under the “extended producer responsibility” (EPR) policy. Since 2012, used furniture waste has come under this system.

Éco-mobilier is a non-profit eco-organization approved by the French Ministry for Ecology that organizes the collection and recovery of used furniture. Created by the professional furniture industry, it complies with recycling obligations while at the same time managing the sector’s ecological transition.

Following a national call for tenders, Veolia won the contract, on behalf of Éco-mobilier, to collect and recover used furniture in 53 of France’s administrative departments. This success means Veolia can position its high-performance materials recovery facilities (Ludres, Rouen and Nice) as the sector’s benchmark industrial facilities.

By the end of 2015, almost 260,000 metric tons of furniture will be recovered by the company. The materials (wood, metals and plastics) will be separated at the high-performance sorting centers that Veolia operates in France. A part of the materials will be recycled as secondary raw materials, while the rest will be used to produce refuse-derived fuel or as waste to energy.

In all, Veolia has won 40% of the market managed by Éco-mobilier, which has set itself the target of a 45% share in reuse and recycling by the end of 2015 and an 80% share of overall recovery by 2017. Veolia will play an active role in reaching these two targets.

Interview

with **Bernard Harambillet**,
CEO of Veolia Environmental
Services in France



What are Veolia's strengths in this new market?

Eco-organizations have a dual target: collect and then recover the waste flows. Thanks to its high-performance industrial sorting centers, expertise, nationwide presence and logistics chain, Veolia is ideally placed to engage in this ambitious materials recovery sector and meet its clients' expectations.

In what way does this contract illustrate Veolia's strategy for its waste businesses in France?

This contract is a good illustration of our evolution from a provider of services to a producer of renewable resources (secondary raw materials and green energy). By recovering more used furniture waste in a more effective way, Veolia is contributing to closing loops in the circular economy in France.

Key figures

40%

share of the used furniture waste market managed by Veolia in France.

260,000 metric tons of furniture to be treated in Veolia's facilities by end 2015.

45%: target for used furniture waste reuse and recycling by the end of 2015.

1.7 million metric tons of used household furniture waste in France.



Queensland

Treating and recycling water from natural gas production



Water and natural gas production

Responsible water management is an essential aspect of the extraction process. The gas, which is trapped in the coal seam, is extracted by pumping and depressurization, a technique in some cases associated with cavitation.

The water and the gas contained in the coal are freed, recovered at the surface and separated. The water has a very high sodium bicarbonate content and is processed using techniques that are similar to seawater desalination. Once treated, the water is reintroduced into aquifers or, as in Queensland, reused in industry or agriculture.

OUR EXPERTISE, OUR COMMITMENTS

BG Group, one of the UK's largest listed oil and gas companies, is developing the Queensland Curtis LNG Project through its Australian subsidiary QGC Pty Limited. The project includes gas fields over about 4,500 square kilometers in the Surat Basin of southern Queensland.

Major challenge: To treat the water that is a by-product of natural gas production from coal seams. Natural gas is held in coal seams by groundwater pressure. When this very salty water is released, gas flows from the seams. Gas and water are separated at the well site and the water is sent to temporary storage ponds that feed QGC's state-of-the-art reverse osmosis treatment plants.

QGC has invested in plants to treat produced water for beneficial use by agriculture, industry and towns. In April 2013, QGC awarded a contract worth up to €650 million to Veolia to operate and maintain QGC's three water treatment plants in the Surat Basin. By late 2014, the facilities will have the capacity to process and recycle up to 200,000 cubic meters (1.26 million barrels) of water a day.

Treatment involves four complementary processes to achieve a water quality compliant with Queensland's very stringent regulatory requirements: ultrafiltration, brine concentration, ion exchange and reverse osmosis.

These are techniques with which Veolia has extensive experience through the treatment of water from production of non-conventional hydrocarbons and seawater desalination. This contract strengthens Veolia's position in the rapidly growing non-conventional gas segment. It also ties in perfectly with the company's central aim of protecting and renewing resources.

Interview

with **Doug Dean**,
Director Veolia
Australia/New Zealand



Why is the non-conventional gas market strategic for Veolia?

This market will be one of the most active in the years ahead. There will be major opportunities in Australia, which has the world's third largest coal gas reserves after the United States and Canada. In Australia, Queensland is one of the states with the largest deposits. With this contract, we are confirming our aim of growing our businesses in the world's most dynamic geographic regions.

What is the Veolia difference compared with its competitors?

We have three strong points: recognized presence in Queensland, strong credibility built up in the area of local contracts, and high-level technical expertise, especially in salt water treatment. This contract is recognition of our unique expertise in the highly specialized field of non-conventional gas and provides additional impetus for our strategy of achieving 50% of our revenue with industrial customers.

Key figures

200,000

cubic meters capacity to treat and recycle water each day.

6,000 wells to be drilled by 2030.

€650 million estimated revenue.



Southwark

Producing heat and hot water
from local waste



OUR EXPERTISE, OUR COMMITMENTS

Interview

with **Annie Baker**,
Waste and Transport Manager,
Southwark Council

Southwark is a London borough with 290,000 residents. A pioneer in environmental policy, the borough has opted to turn its urban environmental requirements into an economic opportunity. On one side of the equation is the waste generated by the local residents and on the other the need for energy and heating. This is further accentuated by the multiplying factor of rising energy costs. This dilemma has been solved by the borough and Veolia under its 25-year partnership.

Waste is collected and delivered to a purpose-designed complex that is totally integrated into the local community. The modern facility includes a sorting center, a recycling unit and a mechanical-biological treatment plant for all the organic waste. Veolia and the borough have set themselves the target of doubling the recycling rate to 40% in 2014 and have focused on maximizing the collection system and heightening a campaign to educate the local diversified, multi-cultural population about recycling and the environmental impact.

The second stage of the partnership was to use the biodegradable waste as **a fuel** in another local plant to generate heat and electricity. As an alternative to conventional gas-fired boilers, this solution has the additional advantage of stabilizing the local residents' heating bills for the coming two decades. It also strengthens the energy mix and secures a regular source of fuel. Finally, it reduces the environmental impact, and recovers materials that would otherwise have been landfilled.



Why did Southwark decide to recover its waste?

The decision to invest in an ultramodern sorting center was just another step in the sustainable waste management policy introduced 10 years ago. There were several reasons that prompted the council's decision: recycling rates were low, the volume of waste was increasing, and there was limited landfill space coupled with rising landfill costs. This investment aimed not just to reduce the environmental impact, but also to breathe new life into the local economy.

Why did you choose to work with Veolia?

Veolia is a worldwide reference and already had a significant level of business in the UK. The project's success required a major commitment from our partner. In addition to its technical expertise and financial investment, Veolia demonstrated to us that it is a stakeholder concerned about life in our borough and its future.

Key figures

290,000 residents served.

120,000 metric tons of waste treated in the borough.

40%: target of waste recycled in 2014.

The mechanical-biological treatment plant

The sorting center is fitted with the most advanced optical system in Europe. It identifies and separates out any high quality material for recycling. The recycling center treats household waste and residents' bulky objects. The mechanical-biological treatment plant separates the recyclable waste from the biodegradable content, which is then converted into fuel.

Sydney

Turning waste into a resource

Veolia has signed a contract in Sydney to recover waste under which the company has committed to a 60% reduction in the volume of waste sent to landfill by the end of 2014. Sorted in the Woodlawn mechanical-biological treatment facility, located 250 kilometers outside

Australia's biggest city by population, the biodegradable waste will be used to make compost to rehabilitate a mine site; the recyclable waste will be directed to the secondary raw materials market; and the non-recyclable waste will be used to produce energy.



Bel group

Manage and recover waste

The Bel group, one of the world's leading manufacturers of processed and semi-processed cheeses in individual portions, has renewed its waste management contract with Veolia for a further three years. The contract involves waste collection, the provision of compactors and sorting containers, educating employees about sorting, and the recovery of materials and energy. It covers eight production sites in France, and has a recovery target of 85% by 2016. More than 4,000 metric tons of waste materials will be recycled or recovered as energy.

PRODUCE

bags of bio-compost United Kingdom

Turn into a producer and distributor of green products—in the United Kingdom, Veolia has done just that, with its Pro-Grow brand. It produces high-quality compost from green waste and sells it in bags to the horticultural sector. An alternative to chemical fertilizer, this product is proving highly successful, as 60,000 bags were sold in 2013.

Dismantling

100,000 telephone booths and 317 RER train sets

Orange has contracted Veolia to dismantle and recycle 100,000 telephone booths removed from the streets of French towns and cities. The booths will be dismantled and their component materials (glass, steel, stainless steel and aluminum) recycled. The public telephones and neon tubes, collected separately, will be processed in Triade's five facilities in France. For its part, the Paris transit authority RATP selected Veolia to dismantle 317 RER train sets, each weighing 30 metric tons, over four years. The operation will be performed at a Veolia site that handles all stages: logistics, deconstruction, asbestos removal, recovery of recyclable materials and treatment of the non-recyclable waste.





Wastewater treatment plant of the future **Denmark**

Veolia is a stakeholder in the development and construction of a high-technology wastewater treatment plant in Billund, Denmark. The Danish Ministry for the Environment and VTU Fonden, the foundation for development of technology in the Danish water sector, have allocated €2 million to the Billund BioRefinery consortium, which includes Veolia, to develop this flagship project, which is a concentrate of technological

innovation. In addition to significantly improving the quality of the effluent by using state-of-the-art wastewater treatment technology, this plant will also use the wastewater sludge to generate energy and will produce bioplastics, agricultural fertilizers, and biogas to generate electricity and heat.

6,800 MWh
of electricity generated
each year at the plant.

Commitment

Invent new solutions to give waste and wastewater a new lease on life

The growing scarcity of resources is a challenge and an opportunity to invent a new model of economic and social development that is more efficient and better balanced. Veolia is improving, inventing and implementing new solutions to maximize the use of all resources, and has become a leading player in the circular economy.

Promote and roll out new solutions.

Innovation has always been at the heart of Veolia's business and strategy. Veolia has more than 900 experts working in a single research center where they test new sustainable solutions in more than 250 pilot facilities before releasing them for clients. They are also involved in over 220 research partnerships around the world. But the revolution to be made by far exceeds just the technological aspects: the teams are rethinking economic models, financing methods and cooperation arrangements.

Create value and share it with clients. The circular economy is a day-to-day reality for all professions. In all its business activities, Veolia provides customized solutions that maximize production and recover secondary raw materials and energy, make the use of natural resources and energy more efficient, and recycle water.

Develop employees' skills. Developing employees' skills is a priority for Veolia, and this focus ensures it always has access to the best experts and technology to find the solutions to complex environmental challenges. The Campus network has 20 training centers in 11 countries. The network forms a skills development platform that offers more than 2,300 different courses and covers more than two thirds of the company's employees.

500,000

The number of training courses dispensed in 2013. They aim to develop each employee's skills through recognized training programs leading to diplomas, certifications and professional licenses.

OUR EXPERTISE,
OUR COMMITMENTS



Prototype

Manufacturing bioplastics from wastewater sludge

In Belgium, Veolia has developed a prototype that will mark a turning point. To manufacture plastics, it will no longer be necessary to buy oil or starch, which account for 60% of the production cost, as these materials will be replaced with

wastewater. Each week, handpicked bacteria produce several kilograms of bioplastics at the Brussels North wastewater treatment plant. Eventually, annual production will reach 1,500 metric tons.

220 research partnerships. Veolia's innovation policy is characterized by its openness to the outside world to ensure it works with the best experts worldwide.

ENCOURAGE innovation in open mode

To support the Veolia Innovation Accelerator, the ambitious "open innovation" program launched in San Francisco in 2010, the company is now also developing open innovation regional centers. For example, the Nordic Innovation Accelerator was launched on November 20, 2013 in Lahti, Finland, with local partners. This new center targets companies of various sizes and degrees of maturity, working in the field of the environment in Scandinavia, a region with a very dynamic cleantech development sector. The new center helps them speed up their development by providing access to a network of professionals in order to develop cooperation agreements.



ACTIVE GOVERNANCE

In 2013, we made some changes to our governance bodies, which were very busy during this period of profound transformation for our company. The decisions they made and the implementation of these decisions in our operations are certain to make the year a decisive one in our history.

THE BOARD OF DIRECTORS

The Board of Directors met 10 times in 2013, with an average attendance rate of 86%. During a strategy seminar, Board members engaged in in-depth discussions on the key strategic guidelines proposed by senior management. Throughout the year, the Board dealt mainly with matters concerning strategy, the long-term business plan, the 2014 budget, the review of financial statements for 2012 and the first

half of 2013, first and third quarter accounts and the associated financial reporting.

At the annual ordinary and extraordinary shareholders' meeting of May 14, 2013, Mr. Olivier Mareuse, the Director who represents Caisse des Dépôts et Consignations, and Mr. Paolo Scaroni were reappointed for a term of four years.

The cooptation of Mrs. Marion Guillou as Director was also ratified and she was reappointed for a term of four years. On February 26, 2014, the Board approved a resolution to have Mr. Antoine Frérot reappointed to the Board of Directors. If this resolution is approved by shareholders at their ordinary and extraordinary meeting on April 24, 2014, the Board will renew Mr. Antoine Frérot's term as Veolia Environnement's Chairman and CEO for a term of four years.

On March 11, 2014, the Board also voted a resolution to reappoint Mr. Daniel Bouton, Mr. Olivier Costa de Beauregard (representing Groupe Industriel Marcel Dassault), and Mr. Khaled Al Sayed (representing Qatari Diar Real Estate Investment Company) for a term of four years. The Board decided not to reappoint Mr. Paul-Louis Girardot, proposing instead that shareholders at the April 24, 2014 meeting approve his appointment as a non-voting member of the Board, along with that of Mr. Thierry Dassault. After these reappointments and

Shareholders' calendar

February 27:
2013 results

April 24: annual
shareholders'
meeting

May 7: report
on 1st quarter
results

August 28:
2014 1st half
results

November 6:
report on 3rd
quarter results

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BOARD OF DIRECTORS

The Board of Directors sets forth Veolia's strategic guidelines and makes sure they are observed.

Board members

(at March 11, 2014)

Antoine Frérot

Chairman and CEO of Veolia Environnement

Louis Schweitzer*

Vice Chairman and Head Independent Director of Veolia Environnement Chairman of Initiative France

Jacques Aschenbroich*

Board member and CEO of Valeo

Maryse Aulagnon*

Chairman and CEO of Affine SA

Daniel Bouton*

Chairman of DMJB Conseil, Senior Advisor of Rothschild & Cie Banque

Caisse des dépôts et consignations

Represented by Olivier Mareuse, Finance Director of the Caisse des Dépôts et Consignations Group

Pierre-André de Chalendar*

Chairman and CEO of Compagnie de Saint-Gobain

Paul-Louis Girardot*

Chairman of the Supervisory Board of Veolia Water - Compagnie Générale des Eaux

Groupama SA*

Represented by Georges Ralli, board member of Chargeurs and of Carrefour

Groupe Industriel Marcel Dassault*

Represented by Olivier Costa de Beauregard, CEO of Groupe Industriel Marcel Dassault (GIMD)

Marion Guillou*

Chairman of the Governing Board of Agreenium

Serge Michel

Chairman of Soficot SAS

Baudouin Prot*

Chairman of the Board of Directors of BNP Paribas

Qatari Diar Real Estate Investment Company*

Represented by Mr. Khaled Mohamed Ebrahim Al Sayed, Group CEO of Qatari Diar Real Estate Investment Company

Nathalie Rachou*

Founder and Managing Director of Topiary Finance Ltd

Paolo Scaroni*

CEO of ENI (Italy)

Thierry Dassault

Non-voting board member, Chairman and Director of Keynectis SA, Deputy CEO and member of the Supervisory Board of Groupe Industriel Marcel Dassault SAS

Board committees

(at March 11, 2014)

Accounts and Audit Committee

Daniel Bouton (Chairman)

Jacques Aschenbroich

Paul-Louis Girardot

Groupe Industriel Marcel Dassault, represented by Olivier Costa de Beauregard

Nathalie Rachou

Nominations and Compensation Committee

Louis Schweitzer (Chairman)

Daniel Bouton

Serge Michel

Groupe Industriel Marcel Dassault, represented by Olivier Costa de Beauregard

Research, Innovation and Sustainable Development Committee

Jacques Aschenbroich (Chairman)

Paul-Louis Girardot

Pierre-André de Chalendar

Marion Guillou

Thierry Dassault

Ethics Committee

The Ethics Committee's role is to make sure that good ethical practices are observed in technical, financial, contractual, environmental, social and other matters. The committee may make recommendations that concern the company's basic values. It is independent of management and may be contacted directly by all employees. The committee observes strict rules and principles and ensures complete confidentiality.

* Independent director.

GOVERNANCE

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the non-reappointment of Mr. Girardot, the Board of Directors will be composed of 15 members, three of whom (20%) are women.

The Board is assisted by an Accounts and Audit Committee, a Nominations and Compensation Committee, and a Research, Innovation and Sustainable Development Committee.

The Accounts and Audit Committee

This Committee oversees all matters dealing with the preparation and monitoring of the company's accounting and financial information. It meets to examine annual and quarterly accounts before they are presented to the Board of Directors. In 2013, this Committee met seven times, with an average attendance rate of 91%.

The Nominations and Compensation Committee

This Committee is mainly responsible for assisting the Board of Directors with the selection of candidates for senior management positions, with succession planning, with the selection of Directors, and in determining and monitoring the compensation of corporate officers. The Nominations and Compensation Committee met 15 times in 2013, with an average attendance rate of 100%.

The Research, Innovation and Sustainable Development Committee

This Committee reviews and evaluates the company's strategy and policies for R&D and sustainable development and

advises and makes recommendations to the Board of Directors. The Committee met three times in 2013, with an average attendance rate of 73.33%.

THE EXECUTIVE COMMITTEE

The Executive Committee, which is chaired by Antoine Frérot, makes all decisions related to the company's strategy and policy issues. It also approves important projects, including contracts, investments, divestments and asset sales that exceed a certain monetary value. The Executive Committee meets every two weeks.

Veolia share ownership at December 31, 2013

| | | |
|-----|--------------|---|
| 1 – | 72.9% | Public and other investors |
| 2 – | 8.85% | Caisse des Dépôts |
| 3 – | 5.99% | Groupe Industriel Marcel Dassault - GIMD |
| 4 – | 5.15% | Groupe Groupama |
| 5 – | 4.51% | Velo Investissement (Qatari Diar) |
| 6 – | 2.59% | Veolia Environnement |



THE EXECUTIVE COMMITTEE

The Executive Committee reflects the company's new organization. It now includes the heads of the geographic zones and of the Innovation and Markets Department.

Executive Committee members

(at March 31, 2014)

— **Antoine Frérot**
Chairman and CEO



— **Philippe Guitard**
Director, Central and Eastern Europe zone



— **Laurent Auguste**
Director, Innovation and Markets



— **Jean-Michel Herrewyn**
Director, Global Enterprises



— **François Bertreau**
Chief Operating Officer



— **Franck Lacroix**
CEO of Dalkia



— **Estelle Brachlianoff**
Director, Northern Europe zone



— **Jean-Marie Lambert**
Director, Human Resources



— **Régis Calmels**
Director, Asia zone



— **Helman le Pas de Sécheval**
General Counsel



— **Philippe Capron**
Chief Financial Officer



KEY FIGURES

COMPREHENSIVE EXPERTISE IN WATER / WASTE / ENERGY

**Water**

4,532 water production plants operated

3,442 wastewater treatment plants operated

Waste

570,000 business customers (excluding industrial maintenance)

719 waste-processing facilities operated

Energy

770 local and district heating and cooling networks

163,000 energy systems managed

4,300 industrial sites managed

Veolia

€22.3 bn

in revenue (1.8% less than in 2012
at constant scope and exchange rates)

€1,796 M adjusted operating
cash flow (4.1% less than in 2012 at constant
scope and exchange rates and 1.7%
less excluding restructuring costs)

€922 M adjusted operating
income (16.9% more than in 2012
at constant exchange rates)

€223 M adjusted net income
(vs. €58 M at Dec. 31, 2012, restated)

€8,2 bn net financial debt
(vs. €10.8 bn in 2012)

+29.5% higher share price
in 2013

Revenue by business activity

Water: **45.8%** (€10.2 bn)

Waste: **36.2%** (€8.1 bn)

Energy: **16.8%** (€3.7 bn)

Other: **1.2%** (€0.3 bn)

Revenue by geographic zone

France: **50.7%** (€11,303.6 M)

Germany: **8.8%** (€1,968.8 M)

United Kingdom: **8.9%** (€1,988.4 M)

Central & Eastern Europe: **5.4%** (€1,201.4 M)

Rest of Europe: **3.6%** (€810.3 M)

North America: **8.5%** (€1,899.8 M)

Oceania: **4.3%** (€952.1 M)

Asia: **4.8%** (€1,074 M)

Africa & Middle East: **3.9%** (€874.4 M)

South America: **1.1%** (€242 M)

Workforce by business activity

Water: **41%** (83,154 employees)

Waste: **30.1%** (61,095 employees)

Energy: **21.3%** (43,135 employees)

Holding co. & specialist subsidiaries: **7.6%** (15,416 employees)

Workforce by geographic zone

France: **32.5%** (65,990 employees)

Germany: **6.3%** (12,915 employees)

United Kingdom: **7.1%** (14,396 employees)

Central & Eastern Europe: **14.5%** (29,326 employees)

Rest of Europe: **7.8%** (15,785 employees)

North America: **4.6%** (9,424 employees)

Oceania: **2.1%** (4,168 employees)

Asia: **10.8%** (21,913 employees)

Africa & Middle East: **6.2%** (12,540 employees)

South America: **8.1%** (16,343 employees)



202,800
employees
around the world

KEY FIGURES

A UNIQUE PROFILE FOR RESPONSIBLE GROWTH



**Sustainable
development =
a constant discipline**

**Research and
innovation =
indispensable**



million metric tons of CO₂
equivalent emissions avoided



research centers
worldwide



experts



of the energy
Veolia produces is renewable
and alternative



academic and
industrial partners

91% of employees are employed
under unlimited-term contracts

88% of the workforce
is non-management

1,232 labor agreements signed in 2013

36% of training time is dedicated to safety

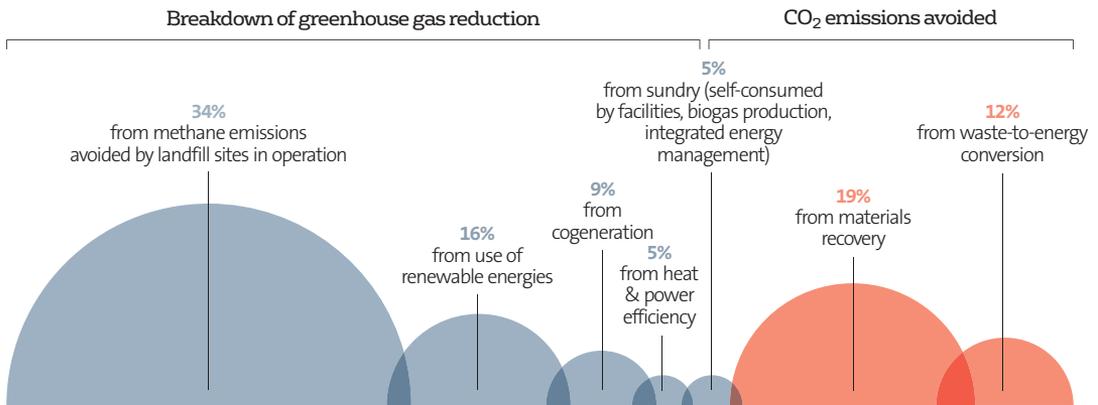
Over **2,300** training courses offered

Via a network of **20** campuses
and training centers

158 full-time trainers

611 occasional trainers

Contribution to the total reduction of greenhouse gas emissions



Energy production by business activity

(in million of MWh)



Energy: **86**
 Waste: **8.2**
 Water: **5.6**

Energy production by geographic zone

(in million of MWh)

France: **36.6**
 Germany: **3**
 United Kingdom: **3.2**
 Central & Eastern Europe: **33.4**
 Rest of Europe: **7.1**
 North America: **7**
 Oceania: **0.1**
 Asia: **6.8**
 Africa & Middle East: **2.6**
 South America: **0.01**



Veolia

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