

INTEGRATED REPORT 2022-2023



**ECOLOGICAL
TRANSFORMATION:**

**TIME
TO ACT!**



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2022 HIGHLIGHTS

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NEITHER RESIGNED NOR POWERLESS

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of Veolia – Interview with Estelle Brachlianoff,
Chief Executive Officer of Veolia

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SUCCESS WILL BE COLLECTIVE

Success with all our stakeholders by mobilizing
civil society and moving forward alongside
our customers, with and for the regions,
and with our Resourcers – Success with
committed governance

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THE SOLUTIONS ARE HERE

Solutions to fight climate change, deal with pollution,
regenerate resources and improve quality of life
– Solutions born of an enhanced capacity for innovation

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IMPACT REQUIRES A GLOBAL CHAMPION

Leading the way within a new geographical perimeter
– Activities creating local value – A stronger collective
– Creating value for everyone – A serious ability to bounce back
from shocks... and an agile management of the context and
its opportunities – Finance geared to ecological transformation
– Multifaceted performance indicators

The Veolia Group in brief

With nearly 220,000 employees on five continents, Veolia designs and provides solutions that are both useful and practical for water, waste and energy management, and that are helping to radically turn the tide.

Through its three complementary business activities, Veolia helps to develop access to resources, and preserve and replenish them.

In 2022, the Veolia Group supplied 111 million people with drinking water and 97 million people with wastewater services, produced nearly 44 terawatt-hours of energy, and treated 61 million metric tons of waste.

Ecological transformation, that is our purpose

Ecological transformation means acting to reconcile human progress and environmental protection.

We develop and implement locally solutions to depollute our vital resources and preserve them from depletion, solutions to decarbonize our ways of living and producing, and adapt them to the consequences of climate change.

All over the world, attuned to local cultures, we strive to improve the health and quality of life of communities.

At Veolia, we tackle economic, social and environmental issues as an inseparable whole to the benefit of the largest number of people.

Short version of our purpose.

2022 HIGHLIGHTS

FEBRUARY
WORLD

With TotalEnergies, Veolia co-invested in the recovery of biomethane from its waste and wastewater treatment facilities in more than 15 countries.

▼ **The aim: to generate up to 1.5 TWh per year by 2025,** equivalent to the annual consumption of 500,000 people, and to market the biomethane as a renewable fuel for transportation or a substitute for natural gas in other uses.



Biomethane recovery



LIPOR

FEBRUARY
PORTUGAL

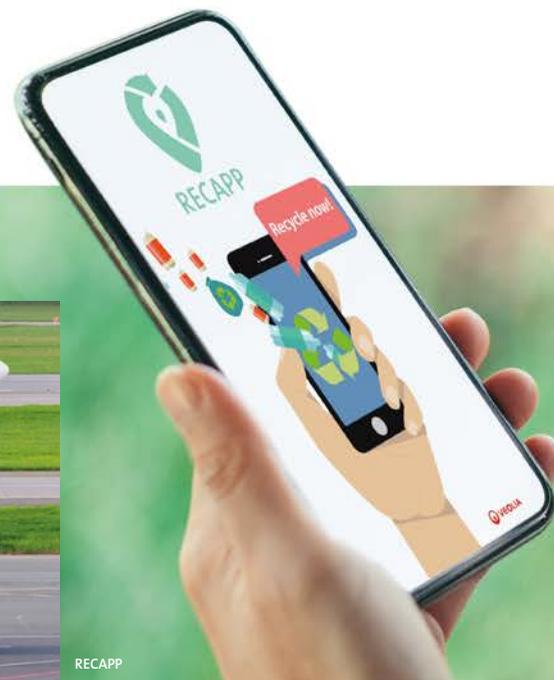
In an interdisciplinary consortium, LIPOR (waste management provider for Greater Porto), P2X-Europe and Veolia launched studies to produce green synthetic e-fuel for the aviation industry, made from the residual CO₂ emitted by the municipal waste-to-energy plant located in Maia.

▼ **This European first is set to revolutionize the industry** of energy recovery from municipal waste.

MARCH
UNITED ARAB EMIRATES

RECAPP, the UAE's first free door-to-door recycling service, introduced by Veolia, opened a new depot in the Al Quoz district of Dubai.

▼ Since launching its app in November 2020, **Veolia has built a community of 15,000 recyclers in Abu Dhabi and Dubai** and collected 180 metric tons of recyclable materials.



RECAPP

APRIL
FINLAND

Veolia launched the world's largest biorefinery project to produce CO₂-neutral biomethanol from a pulp mill.

▼ **Developed in partnership with Metsä Fibre, the refinery will use an innovative concept from Veolia** to produce commercial biomethanol from bioproducts on an industrial scale, safely integrating the refining of crude sulfate methanol into the production process.



Li-Cycle Holdings Corp.

APRIL
NORTH AMERICA

The Canadian firm Li-Cycle Holdings Corp. chose Veolia as a partner for its world-class lithium-ion battery recycling plant in Rochester, New York State.

▼ **The installation will give new life to the equivalent of some 225,000 batteries** from electric vehicles per year, using Veolia's HPD[®] crystallization technology to process selected materials recycled from lithium-ion batteries.



Metsä Fibre

VEOLIA FOUNDATION UKRAINE

Since the current conflict began in Eastern Europe, the Veolia Foundation has been working with its partners (French Red Cross, Médecins sans frontières, Solidarités International, France's Ministry for Europe and Foreign Affairs, UN agencies, etc.) to meet priority hygiene needs in the transit and accommodation centers that are hosting the refugees.

Almost 200 sanitary units have been shipped to Moldavia and Ukraine. Eight semi-trailers departed France to install 72 units in the camps; Croix-Rouge Insertion/Vif! created hygiene kits designed to meet the needs of a family of five for a month; more than 700 Veolia employees helped finance this humanitarian aid effort in Ukraine and the surrounding region.

▼ **Our employees' commitment also extended to a skills-based sponsorship drive:** Veoliaforce volunteers came to reinforce the production capacities of Croix-Rouge Insertion/Vif! during the crunch period when 1,320 hygiene kits were ordered.



2022 HIGHLIGHTS



MAY
EUROPE

Faurecia (Forvia group) and Veolia signed a cooperation and research agreement to jointly develop innovative components for automotive interior modules (instrument clusters, door panels, center consoles, etc.).

▼ **Target: to achieve an average of 30% recycled content by 2025** and accelerate the European rollout of revolutionary solutions for more sustainable interiors. Veolia will begin production of secondary raw materials in France from 2023.



Faurecia



JUNE
FRANCE

Paper-maker Norske Skog Golbey, Veolia and Pearl Infrastructure Capital launched their industrial ecology project “Green Valley Energie” – winner of the CRE Biomasse (CRE 5-3) call for tenders – located at the Golbey site in eastern France.

▼ **From 2024, this cogeneration plant, the largest of its type in France, will produce 200 GWh of clean energy a year, equivalent to the consumption of over 13,000 homes, plus 700 GWh of heat.**



Biomass



JUNE
SPAIN

The agrifood cooperative COVAP invested €25 million in pursuit of energy autonomy and climate neutrality.

▼ **This circular economy model, unique in Europe, involves the construction of three power plants, including a 13.4 MW biomass plant built and operated by Veolia, coming on stream in 2024.**



Energy recovery

VEOLIA INSTITUTE SERBIA

The Veolia Institute is supporting EkoOpština, the first Serbian “Sustainable Cities” contest organized by the French embassy. For Dinah Louda, President of the Veolia Institute, the practical aim in supporting this contest is to encourage local-level sharing of best practices in key facets of a sustainable city – water and household waste management, energy efficiency in buildings, etc. – between regions facing the shared challenge of ecological transformation.

▼ **A second aim: to inform the Veolia Group’s views through dialogue with its local stakeholders.** EkoOpština is making this possible in Serbia, where Veolia is principally active in water treatment and sanitation construction projects, energy services, and the waste treatment center in Vinča. Future generations are also central to the EkoOpština project, thanks to the contest’s schools category. **Find out more: ekoopstina.com**



JULY
FRANCE

In a context of increasing periods of drought, Veolia aims to roll out wastewater reuse to every wastewater treatment plant it operates where consumption volumes justify it.

▼ **Targeting around 100 plants, this initiative could save some 3 million m³ of drinking water.** Initially, the recycled water will replace the drinking water required to operate and maintain the treatment plants. Ultimately, subject to obtaining the necessary authorizations, its use could be extended to industrial and agricultural applications.

To make its water and waste services in France energy self-sufficient, Veolia is installing an unprecedented production capacity of more than 2 TWh of local energy over the next five years to fully cover the equivalent of its own current consumption. This is equivalent to the consumption of 430,000 French households.

This energy will be **100%** local and from 100% renewable sources.



Treatment plant, France

2022 HIGHLIGHTS



VEOLIA announced the finalization of its sale to Suez of 100% of share capital in Suez Recycling and Recovery UK Group Holdings Ltd. The entity sold comprises the former Suez waste businesses in the United Kingdom.

▼ On completion of this transaction, Veolia will remain the leader in the British market for solid waste management, with a revenue of approximately £1.8 billion.



VEOLIA obtained a double A score for its response to the CDP Climate Change and CDP Water Security programs, the only company in its sector to achieve this double.

Other awards: Veolia was one of four companies selected by S&P Global for the DJSI World Index and one of two in the European Index, in the Multi and Water Utilities sector.

This builds on the excellent results already achieved in 2022: first place in Waste and Water Utilities for Moody's ESG Solutions, and in the top 3% of companies, for EcoVadis.

These tributes recognize the Group's leadership in terms of ESG performance and reporting to extra-financial ratings organizations.

Veolia received the 2022 FAS⁽¹⁾ Grand Prize for the Sequoia initiative aiming to make employee share ownership a key human resources marker for the Group following the merger with Suez.

▼ The FAS award acknowledged the wide-ranging nature of the scheme and significant growth in the share capital owned by employees, which now stands at more than 6%.

(1) French federation of employee and former employee shareholders.

United Kingdom



ECOLOGICAL TRANSFORMATION BAROMETER



In September 2022, Veolia and Elabe launched the first ecological transformation barometer. This innovative global opinion survey enables the company to assess the level of acceptability of ecological solutions, analyze the barriers, and identify action levers to accelerate the transformation. With a sample size covering more than half the global population on five continents, this barometer revealed unprecedented results in France and worldwide: while the reality of climate change is now a given, the path to take to address it remains difficult for the respondents to imagine. The majority of the panel questioned, from 25 different countries, said they were ready to go further, provided certain conditions were met.

3 QUESTIONS TO...

BERNARD SANANÈS,
President of French research
and consulting firm Elabe

How did the idea for this barometer come about?

B. S. The opinion survey emerged from the observation that the public debate around ecological issues was still too often focused on the problems created by the climate crisis. Public opinion is fully aware of the ongoing crisis and is waiting for us to find answers. These answers involve changes in behavior, in habits. The aim of the barometer is to determine whether populations are ready to accept the social, economic and cultural changes needed to move to practical action.

At this point, do you think that civil society/public opinion can contribute to shaping the strategic choices of a group like Veolia?

B. S. Yes, because the general public are Veolia's end customers. Veolia's solutions are part of people's daily lives. And a global business like Veolia needs to hear and engage with their opinions. One of the major challenges of ecological transformation is acceptability. Buy-in from the public is crucial: What is acceptable? How quickly? Under what conditions?

How can this barometer support the work Veolia is doing to raise awareness of ecological transformation?

B. S. The role of a company like Veolia is to implement the technical side of ecological transformation, and also to take part in the public

debate by placing solutions at its center. To do this, you have to find what we at Elabe call the "passable road". We face a colossal challenge. But meeting this challenge must also be a source of hope, not just "blood, sweat and tears." People are well aware that this ecological transformation will be complex and come at a price. They are waiting for this transformed world: they imagine it cleaner and themselves happier. They are ready but need guidance and support, and they are looking to companies for that, especially a world leader like Veolia.

Find the complete report here:
<https://www.veolia.com/en/purpose/ecological-transformation/first-ecological-transformation-barometer>

71% OF PEOPLE WORLDWIDE
ADMIT TO FEELING ECOLOGICAL
AND CLIMATE VULNERABILITY



DRAW ME THE WORLD TRANSFORMED... Humankind understands that it shares a common destiny and that urgent action is needed. Far from giving up in the face of ecological and climate emergency, most respondents believe that there is more to be gained than lost by pursuing ecological transformation. These are encouraging results that make everyone involved – companies, public authorities, and individuals – feel accountable and committed to no longer putting off for tomorrow decisions that need to be made today. Veolia is ready...

NEITHER
RESIGNED
NOR
POWER-
LESS



Through these solutions, our Group demonstrates its usefulness to all its stakeholders. It is helping to write the future of human societies.

ANTOINE FRÉROT
Chairman of Veolia



In 2022, Veolia continued its strategy of profitable and selective growth, racking up commercial victories, achieving excellent results and emphasizing its leading position. Not only this but, in the same year, the Group also successfully concluded its merger with Suez. And, by completing this exceptional, perspective-changing operation, it overcame the similarly exceptional circumstances of the war in Ukraine and instability in the energy markets.

This industrial project with Suez certainly allows our Group to create extra value for its stakeholders and maximize its impact on them but, above all, it offers the opportunity to create the global champion of ecological transformation. This project starts not only a new page but also a new chapter in Veolia's long and rich history.

The unique entity that has been created represents the world's finest knowledge base, with greater capacity for action, in one of the 21st century's most important activity sectors: ecological transformation. Today, our Group is responding to many of the 21st century's greatest challenges: the degradation of nature and the numerous, and often serious, forms of pollution; climate change; depletion of natural resources; access for all to essential services, etc. It can look to the future with confidence because, in the long term, the circumstances are favorable for its businesses and because, following the merger with Suez, it has the best talent, the best expertise, and the best solutions.

These are the very solutions that our stakeholders rely on.

Reliable, accessible, effective and widely applicable solutions. Solutions that can transform the impossible into the possible. Adding value where there was none, changing pollution into resources, decarbonizing carbon-based

economies, making resource-poor regions self-sufficient; supplying water to arid regions: every day, our Group is providing solutions to problems that seemed insoluble.

Through these solutions, our Group very concretely demonstrates its usefulness to its municipal and industrial customers, and more generally to all its stakeholders. Thanks to these solutions, it is making the difference and leading the way in its sector. Through these solutions, it is helping to write the future of human society.



The Group's performance is testament to its resilience, its agility, and its ability, whatever the circumstances, to seize the opportunities that arise, including in energy with the ReSource plan

ESTELLE BRACHLIANOFF
Chief Executive Officer of Veolia

During this busy period, the Group's performance is testament to its resilience, its agility, and its ability, whatever the circumstances, to seize the opportunities that arise, including in energy with the ReSource plan.

What does that mean in financial terms?

E.B. Our revenue has grown strongly to €42.9 billion, a 50% increase on the previous year. Discounting the acquisition of Suez and the effect of energy prices, our growth increased to 6.5%. Our EBITDA reached €6.2 billion, equivalent to organic growth of 7.2%: this excellent performance is partly due to our efficiency plan, but also to our new ReSource plan, which enables us to seize opportunities linked to the new energy situation and, of course, to the synergies created by the merger with Suez, which came more quickly and were more extensive than expected. Current net income attributable to owners of the company increased by 30% to €1.16 billion. Our financial net debt of €18.1 billion represents 2.9 times our EBITDA and is therefore well under control. In short, all our targets have been beaten!

How would you assess Veolia's 2022?

E.B. The year 2022 was historic in so many ways. First of all, we achieved record results and strong growth, despite the complex circumstances marked by inflation and chaos in the energy markets. But 2022 was also the year of the merger with Suez, which is already proving successful in operational and human terms. A year ago, we created the global champion of ecological transformation and welcomed 40,000 new colleagues, who bring their talents and their passion to our future plans.

Our financial results certainly show that the merger is a success, but above all it's been a success on the ground.

How is the Suez merger going?

E.B. The structures are in place, and the teams have bonded and are working effectively. They have the same business vision, a shared language, and a collective ambition. Our financial results certainly show that the merger is a success, but above all it's been a success on the ground, in the daily mobilization of our 220,000 "Resourcers", driven by their passion to move forward together in support of the ecological transformation: their engagement rate is 89% – a record level among comparable companies – and they subscribed in huge numbers to the Veolia employee shareholder scheme. Thanks to the merger, we benefit from an increased geographical presence in Spain, Belgium, the United States, Chile, Australia, and the Middle East, and we are now in the top three in our business areas in all key countries for our growth. Veolia is now more international, more geographically balanced, more attractive, and more of a leader than ever!

One of your first decisions on becoming Chief Executive Officer of Veolia was to implement a base level of minimum social standards across the whole Group. Why was that?

E.B. The Group's employees are its prime asset and its future.

It therefore made sense to protect them even more by establishing a common base level of protection at certain key life moments, including in those countries where nothing is required by law.



The CARE program⁽¹⁾ now extends to the whole of Veolia and entitles our employees to ten weeks of maternity leave, a week of co-parenting leave, a pension, health insurance, and the possibility of taking leave to help someone close to you.

Strengthening their sovereignty has become an essential goal for every country. How is Veolia contributing to that?

E.B. The coronavirus pandemic and the war in Ukraine have reminded countries that energy, water, food, raw materials, and the metals needed for energy transition are all sovereignty issues. Essentially, the energy of the future may be low carbon, but it won't be "low metal".

Veolia's solutions for saving or regenerating resources – what some people call "the circular economy" – contribute to strategic autonomy in the countries where we operate. For example, renewable energies from non-recyclable waste are in essence sovereignty energies. Then there is wastewater reuse, and of course, waste recycling.

All these enable us to produce alternative, local resources that are good for the environment as well as supporting regional sovereignty. And Veolia is the world leader or among the world leaders in all of them!

What are Veolia's prospects?

E.B. Our 2022 results put us in an excellent position to achieve outstanding performance in 2023.

During this and subsequent years, we will continue to reap the benefits of our change in size, pursuing profitable growth and stepping up our innovation policy, showing the ecology of solutions in action in all the regions where we operate, and multiplying the links between our interrelated business activities. As a result, we will be able to convince even more municipal and industrial customers to choose us to help them decarbonize, reduce pollution, and regenerate resources.

These three issues are key concerns for them, and Veolia is ideally placed to respond with effective, reproducible, and affordable solutions.

Our next strategic program for 2024-2027 is currently in preparation and will be presented at the end of this year. I can tell you now that it will enable us to strengthen our presence in the most promising sectors for ecological transformation, such as energy efficiency, recycling of batteries and plastics, wastewater reuse, local renewable energy production, treatment of hazardous waste, etc. Most of these growth drivers are solutions to the triple threat of CO₂ emissions, pollution, and scarcity. By coming up with solutions like these, year after year, Veolia cements its position as the global champion of ecological transformation.

¹⁾ Working title.

67% OF THE WORLD'S POPULATION
IS CERTAIN THAT INACTION WILL BE MORE
COSTLY TO HUMANITY THAN ACTION

THE SOLUTIONS ARE HERE



THIS IS A CLEAR CALL TO ACTION! Fifty-five percent believe that we need to radically change our lifestyles to consume less, in particular by implementing technologies that will enable us to progress and reduce our ecological impact. They want a better understanding of the existing solutions and support their being rolled out on a large scale, provided it is done fairly and effectively. Veolia has the means to act...



TO FIGHT CLIMATE CHANGE

To contribute to the fight against climate change, Veolia has committed itself and its customers to rolling out solutions for reducing greenhouse gas (GHG) emissions: energy efficiency, heat networks, renewable energy production, the recovery of waste matter and water, and adaptation solutions such as water recycling.



ACCELERATING REUSE

In France, the Vendée Eau association is planning against the risk of a future water shortage in its region and has opted for a solution that is being pioneered in Europe – the Jourdain REUT (Reuse of Treated Wastewater) program to supply drinking water. Essentially, some of the water exiting the treatment plant is to be collected and subjected to additional treatment in a refining plant built by Veolia. Treatment of the refined water continues until it reaches a drinking water production facility to make it suitable for household consumption. This represents a potential additional resource of 1.5 million m³ of drinking water from May to October in dry years.

In Morocco, wastewater reuse has long been considered an alternative solution to water shortages. In the urban areas of Tangier and Tétouan, where Veolia is the delegate in charge of both water and electricity distribution and sanitation, 75% of green spaces are now watered with treated wastewater. This represented a saving of 6.3 million m³ of drinking water between 2016 and 2021. The aim is to achieve savings of 2.8 million m³ a year from 2023 onward, equivalent to the drinking water requirement of a town of 55,000 people.



FROM SUN TO DESALINATION

Veolia, in partnership with TotalEnergies, has begun construction in Sur, Oman, of the largest-ever photovoltaic project designed to power a seawater desalination plant. The power plant will be located on the site of the Sharqiyah Desalination facility, which provides drinking water to more than 600,000 people. This project is part of the Sultanate's energy strategy, which aims to increase the share of renewables in its electricity consumption to 30% by 2030. More than 32,000 high-efficiency panels will be installed, together with an innovative east-west solar tracking system.

ELIMINATING COAL

Veolia is committed to eliminating coal from the energy production units that it manages in Europe by 2030. And to do this, the Group has created a €1.5 billion investment plan. In Kolín, in the Czech Republic, where the Group manages the urban heat network, the reconstruction of a biomass (wood chip) boiler signals the end of coal use from 2023. Ultimately, the network will run on a mix of 85% biomass and 15% gas, providing heat to 23,000 homes.

Worldwide, Veolia is committed to reducing its greenhouse gas emissions by 22% by 2034 and is gradually converting its coal-fired thermal power plants to a lower-carbon energy mix by incorporating alternative and renewable energies. For example, the DuPont Spruance site (Richmond, USA) now uses a natural gas cogeneration unit. The aim is to optimize energy yields to ensure overall environmental performance while also reducing GHG emissions by at least 50%. Taking the same approach in France, Veolia is building a low-carbon energy cogeneration plant for Solvay on its site in Dombasle-sur-Meurthe. From 2024, this will replace the three coal-fired boilers with an installation powered by refuse-derived fuel (RDF), with the aim of reducing the site's CO₂ emissions by 50%. Named "Dombasle Énergie", this project ensures the competitiveness of Solvay's historical site, secures its steam needs – the RDF is sourced from the Grand-Est and nearby regions – and helps to limit landfill use by implementing waste matter recovery and RDF in France.



61%

OF PEOPLE WORLDWIDE⁽¹⁾ ARE PREPARED TO PAY SLIGHTLY MORE FOR ENERGY PRODUCED MORE LOCALLY WITH LOWER CO₂ EMISSIONS



53%

ARE PREPARED TO DRINK TREATED WASTEWATER

(1) Percentage of responses to the survey carried out in 25 countries and covering a sample of more than half of the human population.

TO DEAL WITH POLLUTION

Liquid and hazardous waste, along with plastic waste, represent a major risk, and their treatment is a lever for limiting the environmental impact of industrial activity and avoiding the spread of pollution. Veolia is providing solutions that combine flexibility and diversity, while ensuring high recovery levels and sector-leading traceability in decontamination services.



PROMOTING CIRCULARITY IN PLASTICS

With its integrated platform PlastiLoop, Veolia enables its customers to obtain recycled plastic resins anywhere in the world, from a range of high-performance, ready-to-use polymers: PET, HDPE, PP, PS, ABS, LDPE, and PVC. These circular resins are valuable because they can be fed into production lines in numerous manufacturing sectors: packaging, textiles, agriculture, furniture and appliances, vehicles, industry and logistics, and construction and building.

PlastiLoop therefore offers a practical solution for manufacturers, more and more of which want to commit to a plastic-recycling process to reduce their carbon footprints and help to economize on resources. This solution is based on Veolia's vast network of experts and its 37 plastic-recycling plants around the world, including the HDPE plastics recycling facility in Dagenham (United Kingdom), dedicated to transforming plastic milk bottles into food-grade HDPE granules. These then re-enter the production cycle and become new bottles. The installation produces around 10,000 metric tons of granules a year, and the bottle manufacturing process requires 75% less energy than when using "virgin" raw materials.



RECOVERING HAZARDOUS WASTE

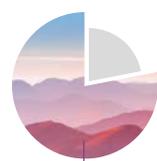
At its energy recovery plant in Taixing, 60 km from Shanghai, Veolia processes the liquid and gas waste from some 800 companies in the Shanghai Chemical Industry Park (SCIP) and wider region, including around a hundred petrochemical groups. With annual capacity for 30,000 metric tons of waste, this energy recovery plant meets the most stringent emissions standards – those of the European Union. It also produces high-pressure steam to supply businesses on the park with clean energy, helping to reduce coal consumption by 8,042 metric tons a year.

In the Middle East, where Veolia is a pioneer and principal supplier of hazardous waste management solutions, the Group will more than double its activity from 2023 onward. In Abu Dhabi, the consortium formed with ADQ and Vision Invest acquired two hazardous waste treatment plants belonging to the refinery division of Adnoc – the United Arab Emirates' national oil company – at Al Ruways, the country's largest industrial complex (800,000 barrels of crude oil per day). The solutions developed by Veolia will make it possible to further reduce the environmental impact of extraction and refining, and promote the circular economy. The Group will be striving to maximize the recovery of resources (water and oil) from this waste, for reuse on nearby industrial sites via local circular economy and energy loops.



76%

OF PEOPLE WORLDWIDE⁽¹⁾ WOULD ACCEPT INDUSTRIAL RECYCLING SITES CLOSE TO WHERE THEY LIVE SO THAT RECYCLING CAN TAKE PLACE LOCALLY



78%

ARE PREPARED TO BUY EVERYDAY PRODUCTS MADE FROM RECYCLED MATERIALS

(1) Percentage of responses to the survey carried out in 25 countries and covering a sample of more than half of the human population.

TO REGENERATE RESOURCES

Veolia is making it possible to create “secondary” resources that will gradually offset the depletion of natural or “primary” resources. The solutions implemented considerably increase the life and use value of the extracted primary resources, and even contribute to producing new resources.



TRANSFORMING WASTEWATER AND WASTE INTO BIOMETHANE

In France, at the Valenton wastewater treatment plant – Europe’s second largest –, Veolia and the managing authority (Siaap – the greater Paris Sanitation Authority) are beginning construction of France’s largest facility for the production and injection of wastewater treatment-derived biomethane. It will allow recovery of the 20% of biogas that was previously flared – 80% of the biogas produced from wastewater treatment sludge is self-consumed. The challenge is to purify and reinject it into the public network. The gas obtained will equate to the annual consumption of more than 10,000 households and will avoid 9,000 metric tons of CO₂-equivalent emissions a year. Siaap wants locally produced biomethane reused as close to its installations as possible. It has set a date of late 2023 to start reinjection into the network of GRDF, France’s leading natural gas distribution operator.

In Brazil, on the three waste management sites for the States of São Paulo and Santa Catarina, Veolia is maximizing the energy recovery of biogas with the installation of three power plants. Using biogas from decomposing organic waste, these units produce 12.4 MW of renewable electricity in total, equivalent to the needs of a town of 42,000 people. Biogas capture and recovery at these installations will ultimately avoid 20,093 metric tons of atmospheric methane emissions, or more than 562,000 tons of CO₂ equivalent a year. With other capture projects included, landfill activities in Brazil avoided 1.46 million metric tons of CO₂ equivalent in 2022.



CONSERVING DRINKING WATER

In Southern California (United States), where drought has raged since the 1970s and almost 60% of the water consumed is imported, Veolia’s Edward C. Little facility supplies up to 180,000 m³ of treated wastewater a day to the West Basin Municipal Water District and its 17 cities (Beverly Hills, Malibu, West Hollywood, etc.). This plant is the only one of its kind and can produce 5 different grades of water to meet the specific needs of approximately 300 municipal, agricultural and industrial customers in the Los Angeles region: watering public spaces, irrigation, supplying boilers and cooling towers on industrial sites, etc. Edward C. Little also supplies 45,000 m³ of dam water a day to replenish groundwater and protect South Bay’s 153 coastal reservoirs against saltwater intrusion from the Pacific Ocean. Since 1995, this installation has reduced local dependence on imported water by a billion cubic meters.

In Spain, where 14% of wastewater is treated and reused, the Veolia-managed Baix Llobregat plant is one of the world’s most important wastewater reuse facilities, swelling the Catalan region’s water resources by 50 million liters a year. It is also one of the most modern plants in Europe. Its ultrafiltration and reverse osmosis processes produce treated water of high enough quality to be reinjected into the aquifer of the Llobregat river and create a freshwater barrier, solving the problem of brackish water intrusion into this aquifer. More of the treated water is reused to water green spaces, clean the streets, and maintain wetlands, as well as for industrial use.



69%

OF PEOPLE WORLDWIDE⁽¹⁾ ARE PREPARED TO EAT FOOD FROM AGRICULTURE THAT USES RECYCLED WATER AND WASH THEIR DISHES USING RECYCLED WATER



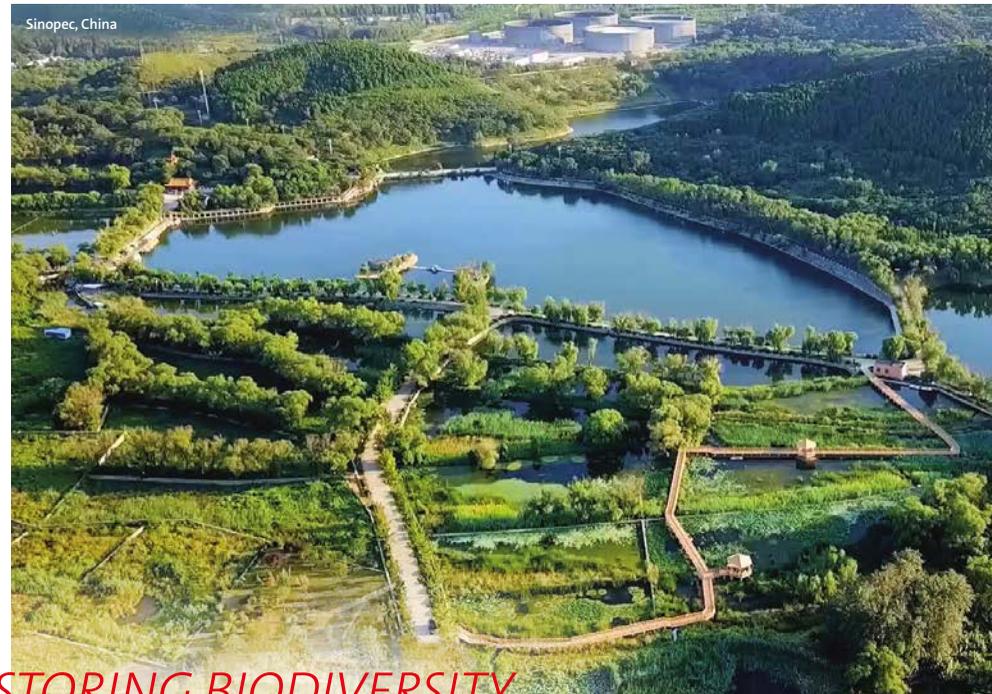
68%

ARE IN FAVOR OF SITES NEAR THEIR HOMES TO PRODUCE ENERGY LOCALLY FROM LOCAL WASTE

(1) Percentage of responses to the survey carried out in 25 countries and covering a sample of more than half of the human population.

TO IMPROVE QUALITY OF LIFE

With biodiversity under threat and the consequences of climate change for our quality of life, wellbeing, safety, and purchasing power weighing more heavily every day, Veolia provides solutions to improve day-to-day urban wellbeing and protect the natural environment.



RESTORING BIODIVERSITY TO ECOSYSTEMS

To fight the degradation of biodiversity around the world, Veolia is rolling out solutions on three levels: studying the interactions between nature and its activities; supporting its own and its customers' sites; raising awareness both among employees, and customers and subcontractors. One example is Sinopec, China and Asia's leading oil refiner.

To make its Beijing Yanshan petrochemical complex the benchmark in environmental terms, Sinopec asked Veolia, which manages the site's entire water cycle, to implement the most exacting standards and the best technologies.

To ensure the protection of local water resources, 8 hectares of wetlands were restored and rebuilt as a series of 23 terraces designed for optimal hydraulic function, phytoremediation and biodiversity renewal. The wetlands are fed using treated effluent at a rate of 1,600 m³ an hour. Now open to the public, Niukouyu Reservoir is dotted with information panels explaining the benefits of wetlands and describing local fauna and flora. A family recreation area has also been added.

ONA: A NEW SOCIAL CONTRACT

The ONA (Ocupació, Necessitats i Apoderament) program emerged in 2020 from an alliance between the Spanish Red Cross and Aigües de Barcelona, with support from Tandem Social, a nonprofit social labor cooperative. Its mission: to help vulnerable people escape from hardship by supporting them through a two-year program of social reintegration and help finding decent work. The program has already helped 231 people see their personal and professional skills grow, with more than half finding employment. The program is now in an expansion phase and closely analyzing data to better target vulnerable audiences and offer them opportunities to reintegrate into society.



MEETING THE CHALLENGE OF INDOOR AIR QUALITY

Just as Veolia has made access to drinking water an essential lever for public health and quality of life, the Group is also applying its expertise and solutions to improving indoor air quality. Veolia offers its customers a solution that includes monitoring with Air Control, guaranteed results with Air Performance, and support for building users with Air Humans.

These three services guarantee an optimal level of indoor air quality and can be adapted to each type of customer. Flagship contracts include Norman Manley International Airport in Kingston, Jamaica's main airport; the Sheraton Grand Hotel, Dubai (United Arab Emirates); the water concession offices of Shanghai Pudong (China); and numerous childcare settings in France: in Meyzieu, where Veolia equipped the cafeterias in eight schools and two preschools with CO₂ sensors; and in Raincy, where air handling units have been installed in two schools since 2019.



74%

OF PEOPLE WORLDWIDE⁽¹⁾ FEEL EXPOSED TO DEGRADATION OF THE ECOSYSTEM AND BIODIVERSITY IN THEIR COUNTRY



64%

IMAGINE A MORE SUPPORTIVE WAY OF LIFE IN A WORLD AFTER THE ECOLOGICAL TRANSFORMATION

(1) Percentage of responses to the survey carried out in 25 countries and covering a sample of more than half of the human population.

THANKS TO AN ENHANCED CAPACITY FOR INNOVATION

Given the scale of the environmental and social challenges ahead, innovation is one of the pillars of ecological transformation. Veolia has the power to accelerate the rollout of existing solutions while simultaneously creating the solutions of tomorrow.



TWICE THE R&D SCOPE

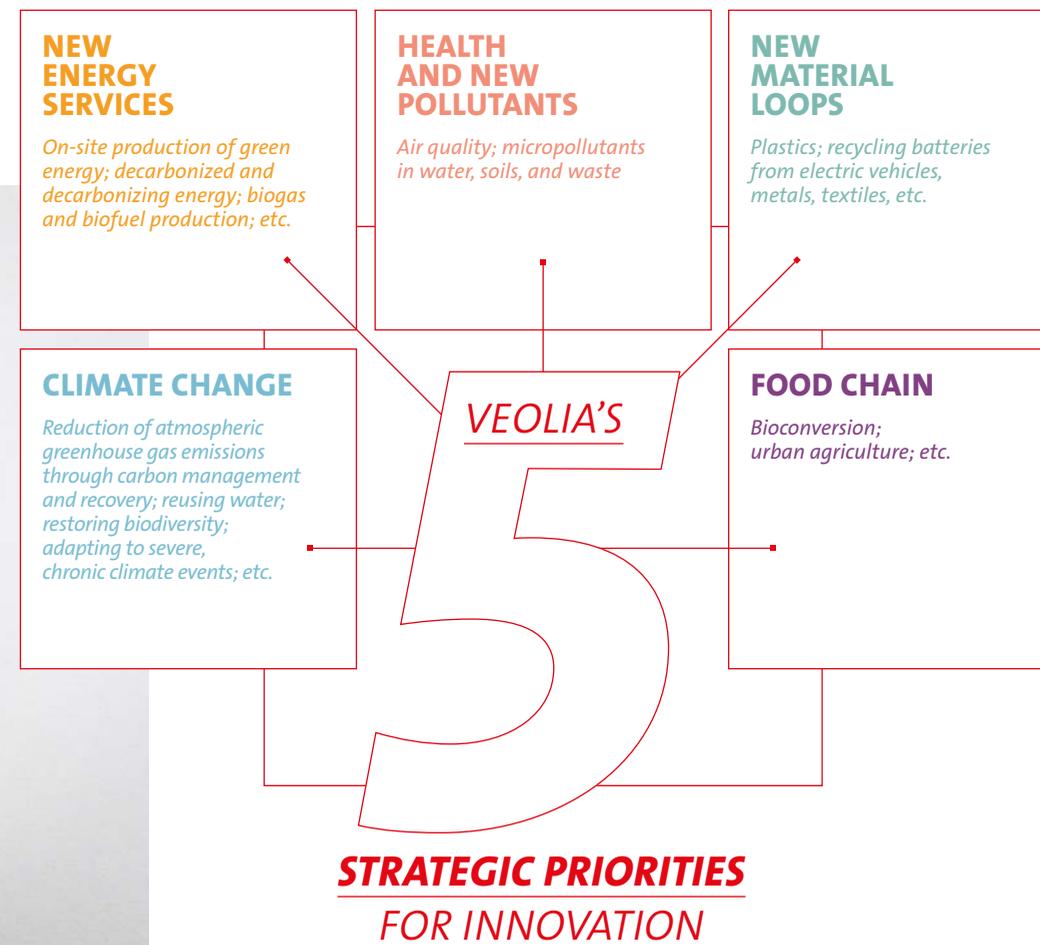
Scientific and technological expertise is essential to innovation at Veolia. The Department of Scientific and Technological Expertise is one of the Strategy and Innovation Department's leading lights, thanks to its ability to reconcile and adapt scientific knowledge and know-how to the development of innovations within the Group. In 2022, research and innovation activities mobilized more than 600 researchers and innovation developers, together with experts in all the Group's entities. This expanded community naturally enhances the potential for innovation, with a strong dynamic of ties to the field. This intake also underpins the open innovation strategy, because it provides experts able to evaluate the reliability of the solutions proposed by startups. The skills they bring cover everything from the logistics of testing their ideas (laboratory access and support, pilots, industrial sites) to help with accelerating their rollout within the Group.

AN ORGANIZATION CLOSELY LINKED TO THE MARKETS

Innovation is a collective and collaborative task that must be closely linked to the markets and realities on the ground. To push the boundaries, Veolia develops an innovation in two dimensions.

The first is incremental and transformative. It is formed between business units and focused on innovative solutions applied to the core business. It represents the majority of Veolia's innovations, based around its traditional business lines. These are local innovations, supported by the Group's seven business segments. They concern the optimization and transformation of traditional businesses to anticipate customer needs and market expectations, for example, the large-scale rollout of treated wastewater reuse for the fight against water resource depletion, the transformation of treatment plants into agricultural fertilizer production plants, etc.

The second dimension is disruptive and drives growth. It is concerned with the five innovation themes identified in the Impact 2023 strategic plan (see diagram). Innovation at Veolia is co-managed by the Strategy and Innovation Department and the zones within geographical hubs. Each innovation hub manages one of the themes on behalf of the Group, and involves the other zones concerned. This new organization, based on a "distributed" operational model, makes it possible to create an innovation roadmap to share the efforts involved in disruptive innovation projects. For example, France is accelerating the recycling of electric vehicle batteries to recover strategic metals, but other zones are also active in this area (including the UK and Asia). Northern Europe is concentrating on new material loops (plastics), and Spain is focused on adapting to climate change.



ROADMAPS FOR EFFECTIVE INNOVATION

For each strategic innovation theme, the creation of an “innovation roadmap” makes it possible to define priorities in terms of markets and pilots. Many of these are currently on an industrial scale, such as battery recycling, or in the market launch phase, such as indoor air quality. The feedback will enable these to be duplicated in other regions with the “copy and adapt” approach. Other topics will require other pilot schemes in 2023 and future years to test and roll out new solutions at full scale (carbon capture, biogas recovery as biomethane, etc.).



FROM INNOVATION TO BUSINESS CULTURE

Rolling out innovation involves raising awareness, managing change and training. At Veolia, innovation is everyone’s business. That is why the Group is preparing its own school of innovation. The aim is to encourage,

train and inform all employees to better identify and deploy innovation opportunities, be they incremental or more disruptive. The school of innovation will offer varied programs tailored to each target:

- a program to engage and mobilize senior managers and management committees in local entities, giving them the keys to create the conditions for innovation in their area of responsibility;
- a program to train and professionalize the teams in charge of innovation projects by giving them the tools to manage their projects at every stage of the innovation process;
- a program to raise awareness and acculturate all employees, seeding innovation throughout the entire company’s DNA.

OPEN INNOVATION IS IN VEOLIA’S DNA

Collectively building the solutions to accelerate the ecological transformation – this is Veolia’s mindset when engaging external stakeholders via open innovation, based on an ecosystem of startups. Launched in 2010, Veolia’s VIA method structures and simplifies access to emerging innovations developed outside the company, with the aim of identifying, selecting and qualifying the best innovations from the ecosystem of startups and SMEs. In Germany, the Group launched the U-Start program in 2016, and, in the United States, it is offering open-source expertise to local startups in the water treatment sector. This approach is in Veolia’s DNA, and the company goes so far as to use startup methods to accelerate internal innovation. For example, the successful experience with Corporate Transformers – a program from the Parisian incubator HEC, based at Station F – followed by Group subsidiaries such as Birdz (pioneers in remote water metering) and Biothane (biogas recovery solutions).

In 2022, Veolia became a partner in the European open innovation program EIC x REPowerEU to promote cooperation between European startups and large enterprises on issues pertaining to resilience in the EU’s energy system. In this way, Veolia collaborates with numerous startups in the field of energy efficiency, evaluating their technologies and partnership opportunities.



55% OF PEOPLE WORLDWIDE
CITE COMPANIES AS USEFUL
CONTRIBUTORS TO SUCCESSFUL
ECOLOGICAL TRANSFORMATION



SET ENERGY FREE AT EVERY LEVEL! Six in ten people say they are ready to accept 90% of the changes that ecological solutions would bring. But only under certain conditions, including a real shared project for the future of society, one that inspires and motivates, and is capable of producing a collective movement encompassing political and economic stakeholders. Veolia is mobilizing its ecosystem to provide acceptable, effective and workable solutions.



SUCCESS
WILL BE
COLLEC-
TIVE

SUCCESS WITH ALL OUR STAKEHOLDERS

Aware of the extent and urgency of ecological issues, which go beyond climate change – biodiversity loss, resource depletion, pollution, etc. –, Veolia is convinced that the key lies in collective intelligence and dialogue between different stakeholders from different backgrounds.



93%
OF PARTICIPANTS
IN THE FIRST TRIAL
OF THE “+1” INITIATIVE
BELIEVE THAT THE AIM
OF WORKING BETTER
TOGETHER WITH
VARIED PROFILES
HAD BEEN ACHIEVED

— By engaging civil society

To combine corporate social responsibility (CSR) and commercial challenges, and suggest a shared goal for collective action: this is the challenge for the “+1, for an ecology in action” initiative. Half think-tank, half do-tank, this Veolia initiative, launched in 2021, calls upon 50 Group stakeholders from different backgrounds – employees, customers, shareholders, society, planet – to hold frank discussions and foster new interactions. This is a way of amplifying cooperation and ideas to create more concerted solutions for ecological transformation.

This consultative prototype, shared in open source, can be transposed to different contexts, geographical zones, and subjects. A deployment kit enables each willing participant, from inside or outside Veolia, to take ownership of the process. This has already been tailored to the scale of a Group contract – Arianeo for Nice Côte d’Azur – and a Veolia business unit in Portugal. As for creating Veolia’s next strategic plan (2024-2027), the “+1” method offers the opportunity for a consultation with Group stakeholders in all its geographical zones.

— Moving forward alongside our customers and partners

A pioneer in industrial ecology, Veolia is a major partner for its customers, especially with regard to their carbon emissions reduction targets. With **Faurecia** (Forvia group), a cooperation agreement covers the joint development of high added-value components. The target is to achieve 30% recycled plastics in vehicle interiors (instrument clusters, door panels and center consoles) by 2025. With **TotalEnergies**, Veolia is co-investing in a portfolio of international projects with the aim of producing up to 1.5 TWh of biomethane a year by 2025. The agreement requires both parties to pool their industrial expertise in biomethane production: Veolia brings its expertise in the production and treatment of biogas from its waste and wastewater treatment facilities, while TotalEnergies contributes its knowledge of the entire biomethane value chain. With **Solvay**, Veolia is hoping to produce France’s largest quantity of clean, competitive energy from refuse-derived fuel (RDF), through the “Dombasle Énergie” industrial ecology project, which aims to replace coal with RDF. Lastly, faced with the challenges of fighting climate change, manufacturers, researchers, and public bodies have everything to gain from working together on new technologies, especially in the area of carbon reduction. This is the spirit of the alliance signed in 2022 between the **Collège de France**, the **French Atomic and Alternative Energy Commission (CEA)**, Veolia and **Siaap** – Europe’s largest public sanitation service. Veolia has thus surrounded itself with one of the world’s best research teams in the field of CO₂ recovery, in order to develop an innovative solution based on the biogas produced in wastewater treatment plants.

“+1” – WHAT THE STAKEHOLDERS SAID

EMPLOYEES

GUILLAUME DARMOUNI,
STRATEGIC PROJECT MANAGER,
VEOLIA:

“I am convinced there is no such thing as too much cooperation, empathy and listening. Each stakeholder must play their role in the collective and remember this.”

PLANET

MATTHIEU AUZANNEAU,
DIRECTOR OF THINK-TANK
THE SHIFT PROJECT:

“For businesses, the starting point for any resilience strategy is to understand their place in the territory, where they are in a network of connections that determine what they will be able to do.”

CUSTOMERS

JOHAN PIVRON,
DIRECTOR OF CORPORATE REAL ESTATE,
MAJOR PROJECTS AND INNOVATION,
BOUYGUES IMMOBILIER:

“I found this approach to be truly virtuous. I’ve introduced it to the Bouygues group.”



The ecological transformation will occur thanks to an acceleration in training and a firm local presence in the regions.

— With and for the regions

Because the response to the ecological emergency will occur at a regional level, Veolia is driving the creation of a School of Ecological Transformation. The Group entrusted the former French Minister for National Education, Youth and Sport, **Jean-Michel Blanquer**, with the task of paving the way for this school.

What interested you about this project?

Jean-Michel Blanquer Ecological transformation is an absolute priority for humankind, but it can only take place if there is an acceleration through training, which is foremost among the levers for success. We must act, collectively and individually, to protect our planet and design human, economic, social, and technical progress in light of this imperative. There is also the conviction that the ecological transformation will occur thanks to an acceleration in training and a firm local presence in the regions.

For that, the legitimacy of Veolia, the world leader in ecological transformation, its international dimension, its presence in the field, and its desire to carry out a large-scale general-interest initiative are the strengths that will ensure the success of the School of Ecological Transformation that we are naming “Terra Academia”.

What are the ambitions for this school?

J.-M. B. They are large, on a par with the task at hand! This institution will unite people and organizations from the business world, academia, public authorities, and civil society. It will be a school of thought based on a cross-disciplinary scientific council composed of high-level experts of national and international renown. From there, the school will develop a systemic analysis of ecological transformation and its tangible impacts on professional skills and evolving professions.

Based on these analyses and according to the needs of its stakeholders, training will be offered, directly or in partnership, to various audiences: managers, employees, professionals changing careers, students in initial training, etc. The institute will also act at a regional level to encourage the emergence of projects led by local stakeholders, both public and private. Through reflection and action, the aim is to promote an ecology of solutions at the national and local levels.

How do you make the regions the winners in this operation?

J.-M. B. Our aim is to bring about a new generation of campuses, each designed to be the ecological brain of its region. A campus of this type will be able to continuously analyze ecological transformation issues within its area of responsibility. Based on this analysis, it will develop appropriate training. In practical terms, these campuses will be created by a public-private partnership, with local governance comprising local or national academic institutions, businesses of all sizes, regional authorities and civil society. Each partner will benefit from these initiatives: the ecology-focused business that may be created; the company facing recruitment issues; employees consolidating their skills; and young people in search of career guidance, who will have access to training and meaningful future jobs. This is also an opportunity for a local authority to attract people and maintain a population that lives, trains and works in the area.



RESOURCERS FOR COMMUNITIES: TIME FOR INDIVIDUAL ACTION!

Launched in March 2022 and tested in seven pilot entities in France and Morocco, the citizen engagement program **Resourcers for Communities** offers every Veolia employee the opportunity to become a local champion for ecological transformation by getting involved with nonprofit

associations in their region. Each pilot business unit (BU) posts proposed assignments from selected associations on a platform. An employee wishing to allocate a day of its working time simply chooses an assignment from the platform and is automatically put in touch with the association concerned. There is a wide selection of assignments, from helping someone write a CV or helping out at a food drive to running environmental awareness or team building sessions. **This is a “win-win-win” approach, where everyone involved stands to gain: the employees, 78% of whom say they feel useful; the associations, whose stated satisfaction level is 100%; Veolia, because the pilot BUs overwhelmingly support the program, and 80% of employees believe they can help make the Group the leader in ecological transformation. See you in other countries and BUs in 2023!**

These campuses will also be places of openness, innovation and public involvement. This will make them key locations for ecology at the heart of a region.

What are your timeframes?

J.-M. B. To ensure its successful rollout, we intend to establish the main node in the Terra Academia network in the first half of 2023, on a site in Paris that will become a real hive of ecological transformation: a place for reflection, training, meeting, and demonstrating solutions – a place for creating. At the same time, we are working to open ecological transformation campuses in the regions to root the school’s efforts in one, if not two, French regions in the second half of the year. Afterward, we of course plan to expand in Europe and around the world.



— With our Resourcers

Close to 220,000 employees make up the Veolia of today. No company in the world has ever fielded a comparable team of environmental professionals. **A powerful collective, proud to be part of the global champion of ecological transformation.**

EVERY VOICE COUNTS

The fourth edition of the engagement survey **Voice of Resourcers** was conducted in 55 countries in November 2022, and saw its scope greatly increased to include all managers across all geographic regions in the Group, along with ex-Suez employees. **In total, over 160,000 employees (compared with 100,000 in 2021) were invited to respond to the questionnaire, and 72% did so.** Among other things, we saw that team engagement has continued to grow, increasing by 2 points, with pride in belonging increasing by 4 points. The engagement rate among former Suez employees is also very high at 89% – the same as the Group as a whole. Additionally, 84% of these new Resourcers responded positively to the statement “I am confident in Veolia’s capacity to achieve its goal of becoming the champion of ecological transformation.” These results reflect the excellence of their integration throughout 2022.

72%

OVERALL PARTICIPATION RATE

89%

ENGAGEMENT RATE

VEOLIA’S PURPOSE

59%

OF EMPLOYEES ARE FAMILIAR WITH IT (UP 12 POINTS VS 2020)

81%

OF EMPLOYEES ARE CONFIDENT IN THE GROUP’S CAPACITY TO ACHIEVE ITS GOAL OF BECOMING THE CHAMPION OF ECOLOGICAL TRANSFORMATION

EMPLOYEE SHAREHOLDER SCHEME: RECORD RESULTS FOR SEQUOIA 2022

The Sequoia 2022 employee shareholder operation reached a subscription rate of 42%, the highest in the Group’s history, with more than 75,000 employees choosing to subscribe. Employees now own 6.5% of the Group’s share capital, becoming the leading shareholder. The success of this, the first round of the operation since the merger with Suez, illustrates its Resourcers’ confidence in the Group and the successful integration of the new employees, among whom the subscription rate is comparable to the overall rate, even higher than in 2021, especially in countries where they are strongly represented: 19% in Belgium, 42% in Chile and 47% in Spain. Sequoia 2022, like the operations carried out every year since 2018, is fully aligned with Veolia’s vision of “multifaceted performance”, which aims to connect as many of its employees as possible with the Group’s development and performance.

READY TO INSPIRE THE NEXT STRATEGIC PLAN

In September 2022, a consultation on creating the new strategic plan was thrown open to Group employees. This enabled them to share their opinions via a platform available in 22 languages. The main aims were: to continue to raise awareness of ecological transformation; to encourage engagement and enthusiasm around the new program; and to promote the next steps in the ecological transformation. **For stakeholders, the “+1 Inspire 24-27” consultation encourages open dialogue.** A committee of employee representatives, customers, shareholders, and people representing society and the planet was created at business-unit level in each of the Group’s 8 zones. These 8 committees are contributing to the consultation work being done to create the next strategic plan in 3 complementary work sessions – #1 Listen (Oct.-Nov. 2022), #2 Prioritize (March 2023), #3 Commit (July 2023), using the “+1” methodology applicable to various contexts and problems (contracts, projects, business units, etc.).

Following the launch of this consultation, an analysis of the responses produced a summary in early 2023 that was shared with senior managers in the Group, then with all employees and zones, to fuel and inspire the program’s qualitative phase.



12,648

PARTICIPANTS ACROSS ALL VEOLIA ZONES



212,301

IDEAS COLLECTED

THE MOST-CITED BUSINESS THEMES

- 1. New (green) energies:** number-one investment issue for successful ecological transformation
- 2. New loops of materials:** including from recycling, with an acceleration of the circular economy in the regions
- 3. Water challenge:** ultra-high priority in ecological and planetary terms
- 4. Decarbonization:** reduced and avoided emissions, new carbon capture solutions
- 5. Reducing consumption:** taking efficiency a step further (in energy, water, the digitalization of recycling, etc.) for Veolia and its customers
- 6. Depollution:** caring for living things (water=quality, protecting oceans and rivers, air quality, decontaminating soil, protecting biodiversity)

SUCCESS WITH COMMITTED GOVERNANCE

Having reorganized and consolidated its governance in 2022, Veolia is well placed to lead the field in environmental business areas and highlight its leadership in the ecological transformation for regions and industries.

The Board of Directors

By fully exercising its role in governance, the Board of Directors makes a decisive contribution to Veolia's pursuit of its corporate mission, being useful to its stakeholders and faithful to its purpose.

Successful separation of functions

The functions of Chairman of the Board of Directors were separated from those of the Chief Executive Officer on July 1, 2022, at the end of a highly structured process.

The directors expressed their unanimous wish for Antoine Frérot to remain Chairman of the Board. His term of office as director was renewed at the Shareholders' General Meeting on June 15, 2022. The Board of Directors also approved the appointment of Estelle Brachlianoff to the post of Chief Executive Officer of the Veolia Group on July 1. She was elected to the Board at the Shareholders' General Meeting on June 15. The success of this new governance is due in particular to its meticulous preparation and to a privileged relationship based on dialogue and intellectual proximity. The Chief Executive Officer and Chairman regularly discuss strategic directions and their application within the Group.

An ad hoc committee dedicated to Veolia's purpose

The Purpose Committee was formed within the Board of Directors in 2021 to nurture Veolia's purpose, and to promote and monitor its ownership by Group employees. On behalf of the Board, it assesses the effective rollout of Veolia's purpose to all its stakeholders – employees, customers, suppliers, shareholders, partners and the regions where the Group operates –, so that they are aware of its meaning and participate in its effective application. The committee met twice in 2022 to work on a condensed version of Veolia's purpose (see page 1) and prepare a resolution for the 2023 Shareholders' General Meeting with the aim of enshrining the company's purpose in its statutes.

THE BOARD OF DIRECTORS AS AT DECEMBER 31, 2022

13
DIRECTORS AND
1 NON-VOTING DIRECTOR
including 2
EMPLOYEE REPRESENTATIVES
and 1
EMPLOYEE SHAREHOLDER REPRESENTATIVE
61
AVERAGE AGE
60%⁽¹⁾
FEMALE DIRECTORS
99%
ATTENDANCE RATE
3
NON-FRENCH DIRECTORS

THE FIVE BOARD OF DIRECTORS' COMMITTEES AS AT DECEMBER 31, 2022

ACCOUNTS AND AUDIT

5 members

NOMINATIONS

5 members

COMPENSATION

4 members

RESEARCH, INNOVATION AND SUSTAINABLE DEVELOPMENT

5 members

PURPOSE

7 members

Employee shareholder representation

In June 2022, Agata Mazurek-Bąk, Human Resources Director for Central and Eastern Europe and Veolia Poland, was appointed director representing employee shareholders on the Board of Directors and the Accounts and Audit Committee. She has occupied various management roles in the Group in the areas of finance, purchasing and strategic projects in operations.

Since the most recent Sequoia employee share ownership operation concluded in December 2022, employees have been the leading shareholder in Veolia, with 6.5% of the company's capital. Alongside a large majority of independent directors and two directors representing employees, the new director will enhance the diversity of the Board of Directors, in line with governance best practice.

MEMBERS OF THE BOARD OF DIRECTORS AND THEIR KEY AREAS OF EXPERTISE

	EXPERIENCE IN VEOLIA'S BUSINESSES	INTERNATIONAL EXPERIENCE	PUBLIC AFFAIRS	INDUSTRY	R&D	BANKING AND FINANCE	CSR	DIGITAL
Antoine Frérot	■	■	■		■	■	■	
Estelle Brachlianoff	■	■	■				■	■
Louis Schweitzer		■	■	■		■	■	
Maryse Aulagnon	■	■	■			■	■	
Pierre-André de Chalendar	■	■	■	■	■	■	■	
Isabelle Courville	■	■	■	■		■	■	
Clara Gaymard		■	■	■		■	■	■
Marion Guillou		■	■		■		■	
Franck Le Roux ▲	■						■	
Agata Mazurek-Bąk ●	■	■				■	■	■
Pavel Páša ▲	■						■	
Nathalie Rachou		■	■			■		
Guillaume Texier	■	■	■	■		■		
EXPERTISE RATE	69%	85%	77%	38%	23%	69%	85%	23%

▲ Director representing employees ● Director representing employee shareholders

(1) Excluding directors representing employees and the director representing employee shareholders pursuant to articles L. 225-27 and L. 22-10-7 of the French Commercial Code.

Executive Committee

The Executive Committee is a forum for discussion, consultation and decision-making on general policy, and its role is to implement the Group's major directions. Its new composition also reflects the fluidity with which the teams and new employees are working together.

New Chief Executive Officer

On July 1, 2022, Estelle Brachlianoff succeeded Antoine Frérot as Chief Executive Officer of Veolia. She also joins the Board of Directors, and participates in the discussions and deliberations of the body responsible for defining the Group's strategic directions.

COMPOSITION AND ROLE OF THE EXECUTIVE COMMITTEE

It implements the Group's major directions. Its members are the following⁽¹⁾:

Estelle Brachlianoff
Chief Executive Officer



Isabelle Calvez
Senior Executive Vice President,
Human Resources



Sébastien Daziano
Senior Executive Vice President,
Strategy and Innovation



Gavin Graveson
Senior Executive Vice
President, Northern Europe



Philippe Guitard
Senior Executive Vice President,
Central and Eastern Europe



Éric Haza
Chief Legal Officer



Azad Kibarian
Senior Executive Vice President,
Italy and Africa/Middle East



Claude Laruelle
Deputy CEO, in charge of
finance, digital and purchasing



Christophe Maquet
Senior Executive Vice
President, Asia/Pacific



Jean-François Nogrette
Senior Executive Vice President,
France and special waste Europe



Laurent Obadia
Chief Stakeholders and Communications
Officer, Chairman's advisor



Helman le Pas de Sécheval
General Counsel



Ángel Simón
Executive Vice President,
Iberia and Latin America



Frédéric Van Heems
Senior Executive Vice
President, North America



Geographical coverage

The Executive Committee has undergone a major change in function. With Veolia's new worldwide scope, all geographical zones are now represented on the Executive Committee, which now better embodies the Group's collective involvement and geographical footprint.

New sponsors of multifaceted performance

Veolia's multifaceted performance commitments apply to all activities in all countries, and to all employees in the Group. Each objective benefits from the support of a sponsoring member of the Executive Committee. In 2022, Veolia reallocated sponsors for some of its commitments.

The new assignments are the following:

- **Frédéric Van Heems** / Commercial performance / Objective: Consumers / Customer satisfaction rate (Net Promoter Score methodology);
- **Claude Laruelle** / Environmental performance / Objective: Combating climate change / Progressing the investment plan aimed at eliminating coal from Europe by 2030;
- **Estelle Brachlianoff** / Human resources performance / Objective: Safety at work / Lost time injury frequency rate;
- **Helman le Pas de Sécheval** / Human resources performance / Objective: Diversity / Proportion of women appointed within Veolia's Top 500 senior executives from 2020 to 2023;
- **Gavin Graveson** / Social performance / Objective: Job and wealth creation in the regions / Socioeconomic footprint of Veolia's activities in the countries where the Group operates (Utopies methodology).

For more information,
the 2022 Universal Registration
Document is available at:
veolia.com/en/veolia-group/finance

(1) Composition of the Executive Committee at the date of filing the 2022 Universal Registration Document.

60% OF PEOPLE WORLDWIDE
THINK THAT THE FUTURE
IS IN OUR HANDS



THE FUTURE IS STILL IN OUR HANDS... So believe 60% of people surveyed, who accept the end of a world, but not the end of the world, and who think it possible to limit climate change and reduce pollution. Veolia shares this conviction and has established itself as a global champion to accelerate the ecological transformation, with a sustainable economic model – multifaceted performance – that involves all the company's stakeholders in evaluating its impact.

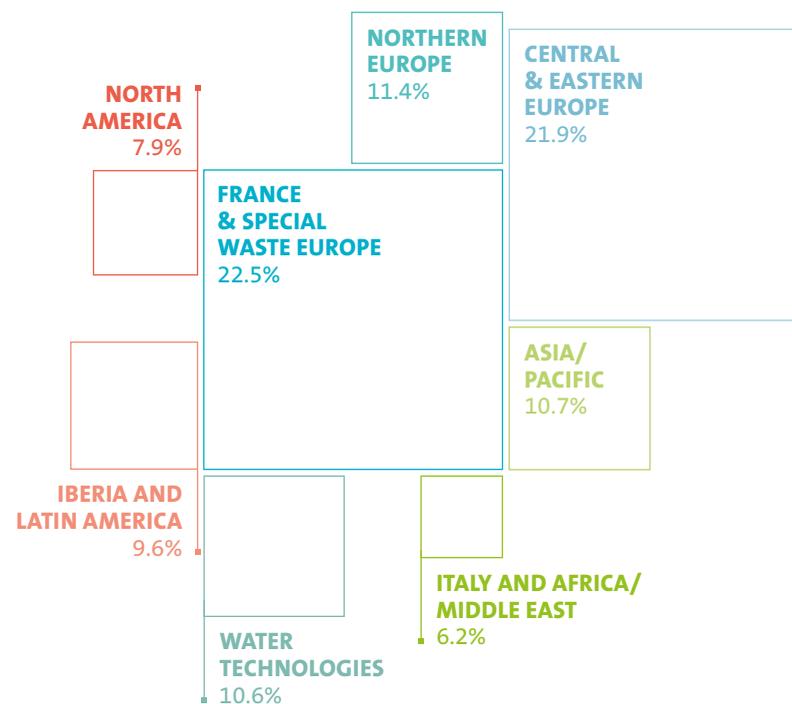
IMPACT REQUIRES A GLOBAL CHAMPION



A LEADER WITH NEW GEOGRAPHICAL SCOPE

Since the merger with Suez, Veolia is the uncontested world leader in water and waste management, and a major player in energy services.

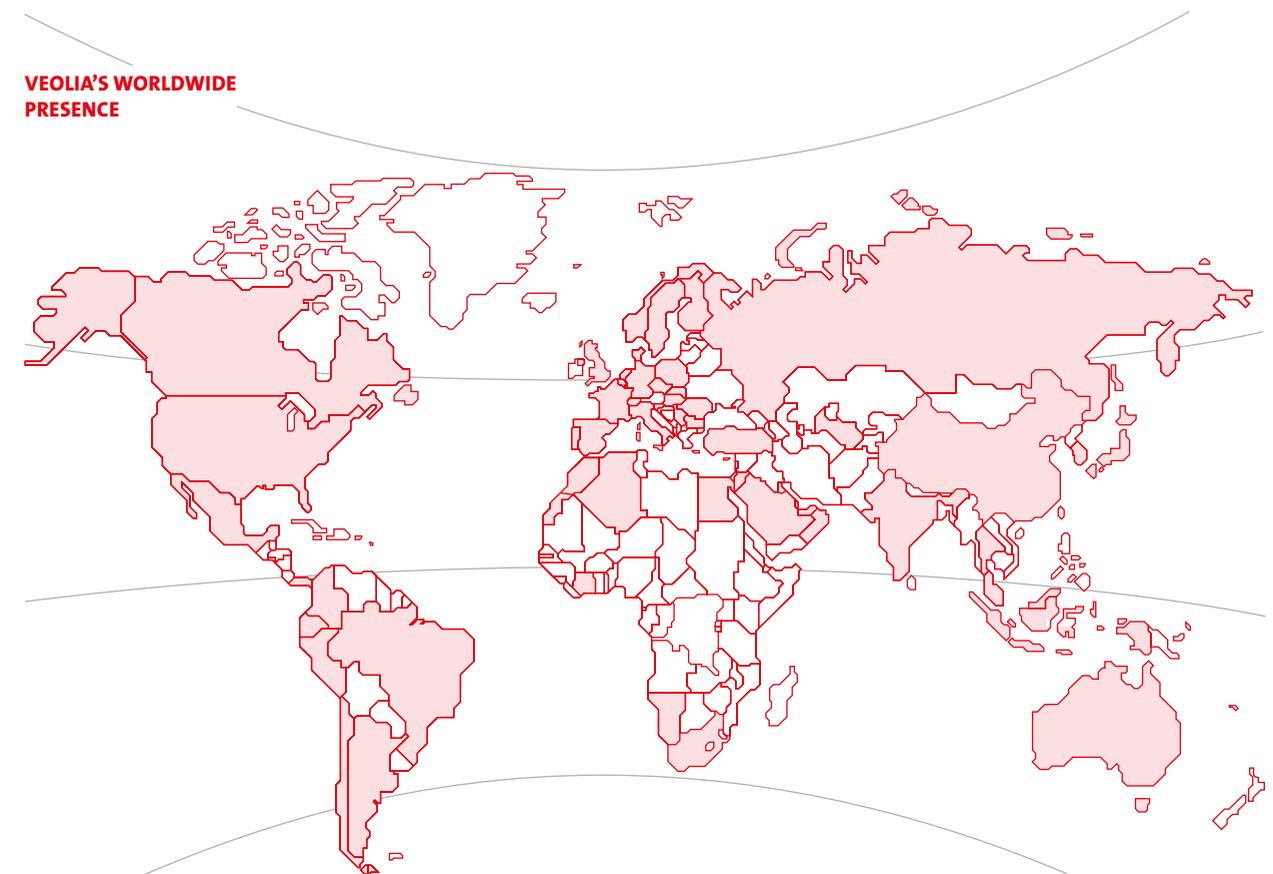
REVENUE BREAKDOWN



Veolia is the world and European number one, and number three in the United States in water management; number one in Europe in municipal and commercial waste management; world and European number one, and number three in the United States in hazardous waste; and number two in Europe in heat networks and energy efficiency. As a result of the merger, Water activities have grown significantly due to acquisitions, particularly in the United States and Chile. Water now represents 42% of the Group's revenue. The Group has also expanded in Waste, and is

now the market leader in Australia, for example. Revenue from Waste has reached €14.7 billion, 35% of the total. Meanwhile, Veolia's most rapid growth has been in Energy, with revenue in excess of €10 billion, thanks not only to the merger, but also to the opportunities seized in this sector. The Group's presence in 58 countries enables it to seize opportunities in the most promising zones and business areas, while maintaining a balanced portfolio between different regions and strong pillars.

VEOLIA'S WORLDWIDE PRESENCE



Figures as of December 31, 2022.



(1) Countries where Veolia has a permanent installation with employees and more than €5 million of capital employed.

LOCAL VALUE-CREATING ACTIVITIES

As a contributor to the dynamic in the regions, Veolia works with all local stakeholders to foster employment and economic development, provide and maintain access to essential services, and promote a culture of ethics that respects the rules and laws in force.



Since 2018, Veolia has commissioned the French consulting firm Utopies to conduct an annual study on its socioeconomic footprint to quantify and demonstrate the local impact of the Group's businesses (purchases, jobs supported, responsible taxation, etc.). Initially conducted in France, then extended to 50 countries by 2022 – based on 2021 data before the merger with Suez –, the study now covers over 98% of Veolia's revenue. It is proving to be a powerful indicator of the Group's local presence.

Measuring impact in the regions

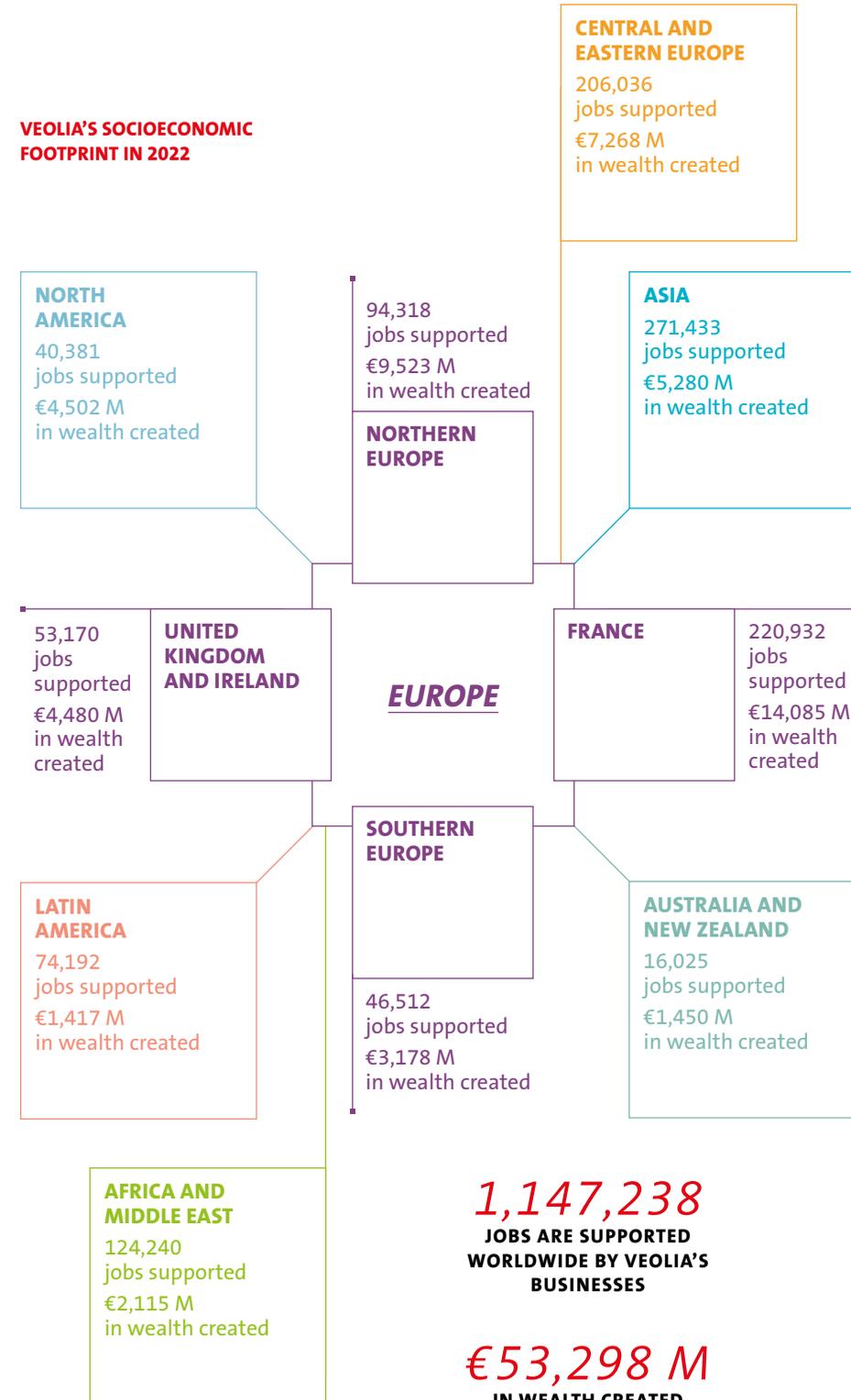
The Utopies study quantifies Veolia's contributions and the value it creates for its stakeholders. This translates into 162,265 direct jobs and 984,974 indirect and induced jobs, that is, a multiplier coefficient of 7.1: for every direct job with Veolia, 6.1 jobs are supported in the economy. In terms of value creation, for every €1 of direct GDP produced by Veolia, an additional €2.30 is generated by suppliers, subcontractors, local authorities, etc. The study also shows that the Group's spending is massively reinvested in the countries where it operates: 91% of purchases are made locally. Lastly, a more detailed analysis of the Group's purchases in France shows that more than 40,000 SMEs and middle-market companies benefit from them: more than 70% of Veolia's purchases in France are from SMEs and 14% from mid-market companies.

FISCAL POLICY

In terms of transparency, Veolia complies with its obligation to file country-by-country reporting with the French tax authorities, which covers all its legal entities established throughout the world. This reporting is then communicated by France to the tax authorities of other countries within the framework of the applicable conventions. Lastly, the Veolia Group applies a tax policy, available on its website, which consists of:

- complying with all applicable international tax laws and treaties;
- paying the right tax;
- ensuring we manage tax risk;
- applying tax choices that are consistent with the economic substance of our business;
- taking a responsible approach to tax authorities.

VEOLIA'S SOCIOECONOMIC FOOTPRINT IN 2022



1,147,238
JOBS ARE SUPPORTED
WORLDWIDE BY VEOLIA'S
BUSINESSES

€53,298 M
IN WEALTH CREATED
WORLDWIDE
(CONTRIBUTION TO GDP)

REDISTRIBUTION OF REVENUE

Payroll, taxes, dividends paid to shareholders, purchases from local suppliers, sponsorships, etc. **The revenue generated by Veolia creates value for the regions** through various redistribution mechanisms.

€42,885.30 M
REVENUE

EMPLOYEES
€9,340.90 M
 Payroll

SHAREHOLDERS
€688.00 M
 Dividends

SUPPLIERS
€29,699.40 M
 Purchases and other

STATES AND LOCAL AUTHORITIES
€2,412.00 M⁽¹⁾
 Taxes

BANKS
€707.30 M
 Net bank charges

NONPROFITS AND COMMUNITIES
€37.70 M
 Sponsorships, studies and grants

(1) 2021 data before the integration of Suez.

A STRONGER COLLECTIVE

With the arrival of some 40,000 employees in 2022, Veolia now has a collective of almost 220,000 Resourcers committed to ecological transformation. This seems a good time to learn more about the new HR strategy with Isabelle Calvez, Senior Executive Vice President, Human Resources.



The merger is a real success, above all in human terms.

To meet the challenges of ecological transformation, how does Veolia help employees transition into new professions?

Isabelle Calvez Veolia is committed to accelerating the rollout of existing solutions while simultaneously creating the solutions of tomorrow. That means working in the new professions that arise – electric battery recycling, indoor air quality, treated wastewater reuse, CO₂ capture, green gas, etc. – and equipping ourselves with new expertise through recruitment, training

or external acquisitions. Not many professions have so much meaning and positive impact on the world, its people, and nature! Additionally, 89% of our employees say that they are committed and useful, according to the recent Voice of Resourcers survey (see page 36). To help them rise to the challenge, we are strengthening our training offer – 23 hours a year for each employee, development and acceleration of digital learning programs, help with the digitalization of work, etc. – plus our acculturation program, and our ecological transformation materials.

What impact had the current unprecedented series of crises on your HR roadmap?

I.C. Veolia has proved its ability to absorb shocks and its agility in the face of these crises. To soften the repercussions of these on workplace relations, we are striving to maintain social bonding and team spirit by modernizing our management methods and making it possible to work differently. While Veolia is far less affected than others by the so-called “great resignation”, we are working hard to promote our professions and increase

employee loyalty. These crises also mean that we need to be extra-attentive to the employees most affected. That is why the Group is vigilant about its employees’ purchasing power, especially in areas where inflation is rocketing, like Latin America and the East.

Aptly, the “Veolia Cares”⁽¹⁾ program is one of your roadmap’s major innovations...

I.C. When she took office, Estelle Brachlianoff wanted to commit Veolia to a global HR pact covering all the Group’s geographies. The idea is to provide a base level of shared social benefits, including paid parental leave (at least ten weeks for any employee who becomes a birth or adoptive parent) and co-parenting leave (at least one week for any new parent or their partner), a contingency scheme (death benefit of at least six months guaranteed), health and hospitalization cover, and ways to support employees who are also carers. Also, the prominence given to wellbeing and the prevention of psychosocial risk factors is given substance in the So’Well program that was launched in 2022. The idea is to closely support all our entities in these areas by sharing best practice and monitoring this effort with the Wellbeing Index, included in the Voice of Resourcers survey in 2022.

How does Veolia take care of its employees, in all their difference and diversity?

I.C. Our inclusive working environment ensures that everyone is treated with respect, without discrimination, and recognized as a unique individual. Although our actions in favor of diversity and professional equality have now been shaped and broadened to include diversity and inclusion issues – with 33 dedicated WEDO networks around the world –, questions about gender identity and social and ethnic origin are new priorities for our HR roadmap. As is our commitment

to improving working conditions for employees with disabilities. On this last point, in 2022, Veolia signed the International Labour Organization’s global business and disability network charter (see sidebar).

What conclusions do you draw from this year of integration?

I.C. The merger is a real success, above all in human terms. We were able to take the best practice from each company, as the great work done in health and safety proves, with the adoption of Suez’s “Lifesaving Rules” and Veolia’s “10 Safety Standards” to arrive at shared guidelines. Our professions unite us, and our values and cultures are similar, as all the surveys and workshops organized in 2022 show! We now need to embed a shared cultural identity, for example in a managerial conduct guide coming in 2023. Today, all the human assets are in place to successfully implement the champion of ecological transformation’s solutions.

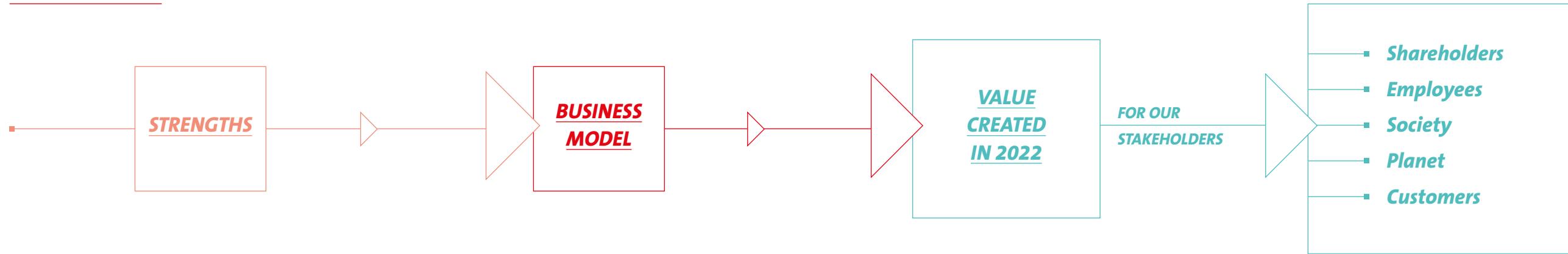
(1) Working title.



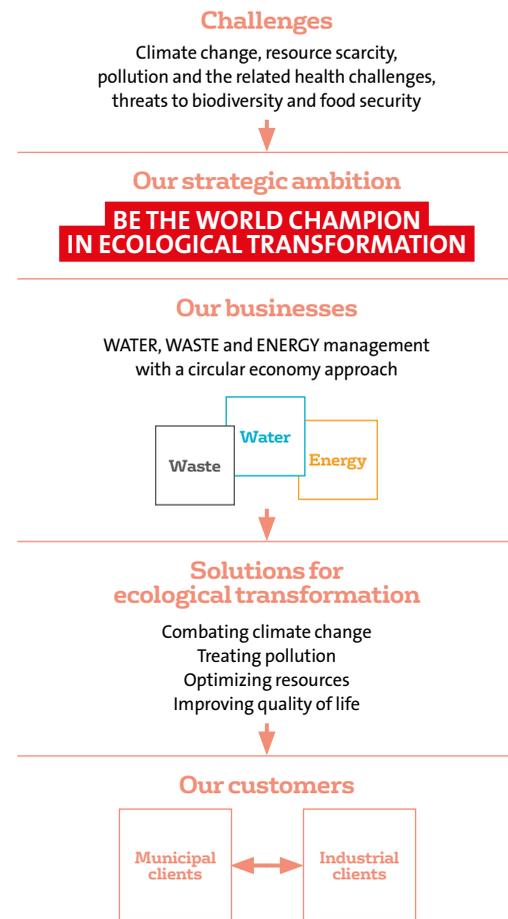
DISABILITY: ALL-INCLUSIVE!

In signing the ILO’s business and disability charter in December 2022, Veolia committed to 10 action points, including respecting and promoting rights, non-discrimination, equal treatment and opportunities, making the premises increasingly accessible, keeping people with disabilities in work, etc. Signing the charter brought about some great results within the Group, including the launch of an e-learning module on disability awareness and a “digital notebook” summarizing the 40 or so initiatives by different business units.

CREATING VALUE FOR ALL



- High value-added know-how**
 - Expertise in the treatment of the most complex environmental problems, such as hazardous waste, soil remediation and decontamination of industrial effluents, etc.
 - An integrated risk management system
- High-impact, co-developed innovation, close to markets**
 - Network of over 400 academic and industrial partners worldwide
 - 13 sites dedicated to research
 - An Open Innovation approach (VIA by Veolia) to detect these issues externally
 - 7 local and thematic hubs, to industrialize innovation close to markets
- Committed men and women around the world**
 - 213,684 employees (+21.1%)
 - 86% of employees proud to work for Veolia
 - 58 countries
- Extensive market presence combined with financial strength**
 - Balanced portfolio between municipal (53%) and industrial and tertiary (47%) customers
 - Global leader with competitors that are now regional
 - Financial strength: net debt/ EBITDA ratio of 2.9
- An ambitious climate strategy**
 - A 2050 net zero roadmap being defined
 - GreenPath: an offer of 100 solutions to reduce the carbon footprint of customers across their value chain
- Adapted Governance**
 - Diverse expertise within the Board of Directors
 - Committee of external experts, the “Critical Friends”, consulted on the Group’s strategic direction
 - Multi-criteria compensation system (including CSR criteria) for the Executive Committee, with annual and long-term components



Economic and financial

- Revenue of €42,885 million
- Current net income Group share: €1,162 million
- Post-tax ROCE: 7.6%
- Free cash flow before discretionary investment: €1,463 million
- EBITDA of €6,196 million
- Dividend of €1.12 per share for fiscal year 2022
- 5-year TSR: +40.58%

Employees

- 89% employee commitment rate, measured by an independent survey
- 5.61 lost time injury frequency rate
- 26 hours of training per employee on average per year
- 30.3% of women appointed among the Group’s Executive Resourcers (Top 500) since 2020
- 30% of women managers
- 1,533 collective agreements signed worldwide regarding labor relations

Society

- 85% of positive answers to the engagement survey question: “Are Veolia’s values and ethics applied in my entity” (all respondents)
- 6.92 million people benefited from inclusive solutions to access water or sanitation services under Veolia contracts
- 1,147,238 jobs supported worldwide and €53 billion of wealth created in 50 countries (contribution to GDP)
- 91% of spending reinvested locally
- 93% of active contracts in the supplier contract base include the Group CSR clause

Environmental

- 30% progress with the investment plan to eliminate coal in Europe by 2030
- 14.1 million metric tons of CO₂ eq.: annual contribution to avoided GHG emissions
- 55.6% methane capture rate
- Revenue of €8.4 billion in the circular economy
- 490 thousand metric tons of plastic recycled in Veolia transformation plants
- 76.3% drinking water network efficiency
- 66% progress with action plans aimed at improving the impact on the natural environment and biodiversity at sensitive sites

Commercial

- Consolidated revenue of €4.12 billion in the “Liquid and hazardous waste processing and recovery” segment
- 10 innovations included in at least ten contracts signed
- Customer satisfaction rate calculated using the Net Promoter Score methodology = 48 with 83% of revenue covered

→ Multifaceted performance indicators

Veolia participates to a varied extent in the implementation of all 17 SDGs. In particular, the Group plays a major role in 13 SDGs, where the challenges directly cut across its Purpose.



A SERIOUS ABILITY TO BOUNCE BACK FROM SHOCKS...

Within a clearly defined strategic framework, Veolia's strength, combined with its culture and values – responsiveness, adaptability, the ability to seize opportunities – makes it extremely resilient as a group. As its Impact 2023 strategic plan (2020-2023) nears its conclusion at the end of this year, Veolia will reach virtually all its targets, if not surpass them, in the case of the financial targets.



IMPACT 2023: ACCOMPLISHED MISSION

From the beginning, the Impact 2023 plan signaled a clear ambition for Veolia: to become the reference company for the ecological transformation while controlling debt through strong strategic choices (which activities to expand, optimize and reduce).

This strategy focused on three key areas: **plastics recycling, hazardous waste treatment, and phasing out coal in Europe by 2034**. Targets are well on track to being achieved in all three. In plastics recycling, PET capacities have been doubled in Europe and are growing in Asia, with the Group operating 15 more facilities than in 2018. In hazardous waste treatment, 54 facilities have been in operation since 2019 (35 of which came with the acquisition of Suez). The challenge for the next strategic plan will be to reap the full benefits of these “slow” investments. With the plan to phase out coal, investments in power plants – over €1.5 billion, mainly in Eastern Europe – should lead to a reduction in GHG emissions of more than 50% by 2030. The war in Ukraine has no bearing on the coal exit strategy or investment levels.

TARGETS FOR 2023 OUTPERFORMED

The strategic choices of Impact 2023 should translate into increased rotation of the asset portfolio: **€5 billion in investments for growth and €3 billion in disposals over the four years of the plan, that is, €2 billion in new investments or an average €500 million a year. A new €1 billion long-term efficiency plan was also prepared. From 2022, thanks to input from the businesses taken over from Suez, the Group outperformed its 2023 targets in every business segment, except for on-site industrial services.**

AGILITY AND ADAPTABILITY

The execution of Impact 2023 was marked by the magnitude of the unforeseen events the Group had to face. As the strategic plan launched in 2020, Veolia was having to deal with the consequences of Covid-19. Six months later, the historic opportunity to take over Suez presented itself, then the energy crisis spawned by the conflict between Russia and Ukraine and the resulting inflation only added to the logistical pressures of moving on from the Covid crisis.

In the face of so many uncertainties, Veolia proved its lucidity, agility and adaptability. Concerned with maintaining essential services in the midst of a health crisis, the Group first implemented the Recover and Adapt plan, returning to pre-crisis performance by the fall of 2020. In preparing the merger with Suez (acquisition, negotiation with the competition authorities, etc.), Veolia was able to count on the unwavering commitment of its management team. Lastly, the ReSource plan launched in response to the energy crisis (see next page) triggered a process to secure the supply chain and renegotiate non-index-linked contracts.

MULTI-LOCAL PRESENCE: A KEY RESILIENCE FACTOR

The main takeaway from the first three years of Impact 2023 is surely Veolia's globally managed multi-local operational model, which proved to be a major factor in its recovery and the source of numerous successes. From the aptness of the Group's strategic choices – its withdrawal from construction and facility management, the achievement of its business targets – to its capacity to make acquisitions and capitalize on the anticipated synergies (Suez being the most important, but also the heat networks in Central Europe). Not forgetting Veolia's aptitude for managing successive cost-reduction plans, its resistance to shocks and its ability to meet new customer needs thanks to its combination of different areas of expertise.

... AND AGILE MANAGEMENT OF THE CONTEXT AND ITS OPPORTUNITIES

To adapt to global energy challenges, Veolia launched the ReSource plan, a balance of defensive and offensive choices.

Through its ReSource plan, Veolia is committed to reducing its own and its customers' energy consumption by 5% and to increasing its green energy production by 5%. To achieve this objective, the Group is investing €150 million by 2024 and boosting the rollout of concrete solutions.

5% LOWER ENERGY CONSUMPTION

To reduce its energy consumption, Veolia has several avenues for optimization. Firstly, the performance of the sites it operates, thanks to more than 60 Hubgrade centers installed worldwide. Next, energy efficiency in buildings, through replacement of the most energy-intensive equipment (which includes the aeration systems in its wastewater treatment plants) and by revising heating set points downward and cooling set points upward. Another area to focus on is the recovery of waste energy wherever possible, like the operations in Poznań (heat recovery on the Volkswagen site), in Issy-les-Moulineaux (heat recovery from wastewater by Energido), in Braunschweig (heat recovery from a data center) and in Barcelona (cold recovery from an LNG terminal). Lastly, the Group is rolling out electrical energy flexibility in the installations it manages, thanks to the expertise of its subsidiary Flexcity, whose load shedding solution enables businesses to reduce the voltage in their electricity networks during peak demand periods.



El Trebal Mapocho plant, Chile

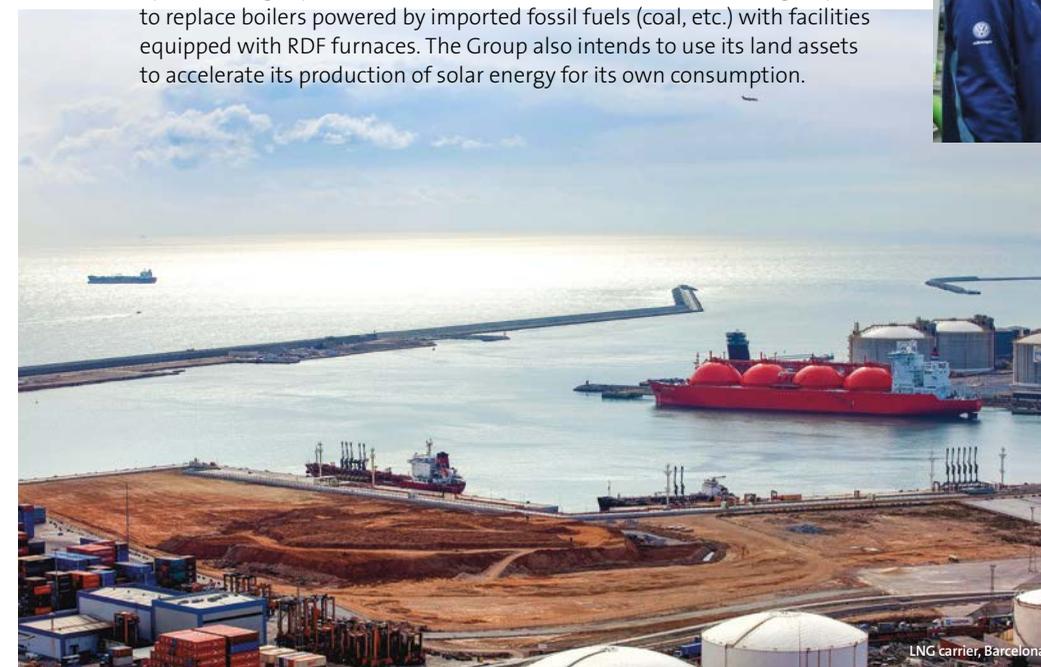
5% INCREASE IN GREEN ENERGY PRODUCTION

While the challenge posed by the energy crisis is a large one, it is also a potential opportunity. The Group produces local, renewable and affordable energies, as well as alternative raw materials. The solutions implemented (see pages 16 to 28) contribute to improved energy autonomy in the countries where Veolia operates.

The Group has alternative fuel sources – biogas, refuse-derived fuel (RDF), etc. – able to replace fossil fuels. Under the partnership with TotalEnergies, studies will be carried out on potential sites in order to optimize biogas production from landfill. Veolia is also accelerating its plans to replace boilers powered by imported fossil fuels (coal, etc.) with facilities equipped with RDF furnaces. The Group also intends to use its land assets to accelerate its production of solar energy for its own consumption.



Volkswagen site, Poznań



LNG carrier, Barcelona

VEOLIA CO-FOUND A "CYBER" INSURANCE PROVIDER

In 2022, to round out their insurance cover against computer attacks by ransomware and other cyber risks, Veolia and six other major European groups created Miris, their own mutual insurance company. The aim is to provide European and international cyber cover to its members based in the European Union and European Economic Area. Miris has been officially able to sell cyber policies since January 1, 2023.

ECOWATT COALITION

Veolia joined the Ecowatt scheme in 2022 to help relieve the pressure on the French electricity grid. A true barometer of electricity consumption, this tool is managed by the operator RTE in partnership with Ademe, France's ecological transition agency. By joining, Veolia is boosting the rollout of concrete solutions to reduce its own and its customers' energy consumption. For example, it is eliminating the most energy-intensive machinery from the sites it operates, doubling its load-shedding capacity and reducing temperature set points to 19 °C on its 4,000 sites.

FINANCE

DIRECTED TOWARD ECOLOGICAL TRANSFORMATION

With 50% of its 2022 revenue already recognized in the EU taxonomy for sustainable activities – two-thirds of which is aligned with sustainability criteria – Veolia confirms its position as the reference company for the ecological transformation.



For the first time in 2022, Veolia evaluated the percentage of sustainable activities in its worldwide portfolio, according to the demanding criteria of the European Union’s green taxonomy, which defines climate best practice.

The taxonomy – a tool for classifying sustainable activities

Despite practical difficulties associated with the Suez merger in 2022, it was possible to evaluate 96% of Veolia’s revenue taxonomically, and most of the remaining 4% corresponds to activities since sold in accordance with antitrust authority rulings.

Revenue, Capex, and Opex⁽¹⁾ from 17,000 production sites worldwide were examined in accordance with eligibility and ESG criteria defined by the European Union: a substantial climate contribution and absence of significant negative effects on other environmental aspects, and minimum criteria on social and governance aspects. It emerged that 50% of the activities evaluated are eligible, and that 35% are “sustainable”, i.e., aligned with the climate taxonomy.

(1) Capex and Opex designate “investment expenditure” and “operating expenses” respectively.



FINANCIAL PERFORMANCE 2022

The excellent results recorded in 2022 reflect both the positive effect of incorporating activities acquired from Suez into the scope, and the impact of synergies generated by the merger, along with the pursuit of organic growth and a solid operational performance. Revenue stands at €42,885 million, a strong 14.1% increase⁽¹⁾ compared with 2021. The margin (EBITDA) rose sharply to €6,196 million (up 7.2%) and current EBIT to €3,062 million⁽²⁾ (up 16.3%)⁽¹⁾. Current net income stands at €1,162 million⁽²⁾, an increase of 29.7%⁽³⁾. Return on capital employed (ROCE) is 7.6%.

BREAKDOWN OF THE 96% OF 2022 REVENUE ANALYSIS ACCORDING TO GREEN TAXONOMY CRITERIA



(1) Activities dismissed by the taxonomy (coal energy, incineration, landfills, etc.).

Progress of discussions with Brussels

In spring 2022, the European Commission published an additional text on taxonomy activities contributing to climate change mitigation, defining in particular the conditions in which natural gas can be considered a “green” transitory solution. This was an opportunity for Veolia to assess the sustainable qualities of the solutions set out in its strategy to phase out coal from its factories in Central and Eastern Europe (€1.5 billion in investments by 2030). Note that the natural gas option is not sufficient to reduce greenhouse gas emissions in line with the ambitious EU target. To be sustainable, the projects must also incorporate an element of low-carbon energy, which Veolia aims to do using biomass, biogas and heat pumps.

In 2023, the European Commission will enhance the climate taxonomy with a mechanism dedicated to water resources, the circular economy, pollution prevention and biodiversity, which will enable Veolia to showcase some of its other environmental contributions.

The Group is actively contributing to this expansion and suggesting the inclusion of activities such as energy recovery from non-recyclable waste after enhanced sorting, in the form of refuse-derived fuel. The advantage for coal users lies in switching to a fuel with GHG emissions similar to those of natural gas, without being subject to the same geopolitical pressures and uncertainties. Another proposal is to develop hazardous waste storage centers, a solution in which investment is vital in order to prevent pollution from certain types of waste by addressing the lack of facilities, including in Europe.

(1) At constant scope and exchange rates.
 (2) Excluding the impact of the Suez purchase price allocation.
 (3) At the current exchange rate.

MULTIFACETED PERFORMANCE INDICATORS

Veolia's commitment to multifaceted performance is a driver for in-depth transformation, based on a balance between economic, social, and environmental imperatives. This concept is at the heart of the company's organization and operations.



OBJECTIVES AND ASSOCIATED INDICATORS	2019 REFERENCE	2020 RESULTS	2021 RESULTS	2022 RESULTS	2023 TARGET
Economic and financial performance					
<ul style="list-style-type: none"> Revenue growth Annual growth in published revenue 	€27.2 billion	€26.0 billion	€28.5 billion	€42.9 billion	Annual target
<ul style="list-style-type: none"> Profitability Current net income – Group share 	€760 million	€415 million	€896 million	€1,162 million	€1 billion
<ul style="list-style-type: none"> Return on capital employed ROCE after tax (with IFRS 16) 	8.4%	6.4%	8.2%	7.6%	Annual target
<ul style="list-style-type: none"> Investment capacity Free cash flow (before discretionary investments) 	€1,230 million	€942 million	€1,720 million	€1,463 million	Annual target
Human resources performance					
<ul style="list-style-type: none"> Employee commitment Rate of engagement of employees, measured through an independent survey 	84%	87%	87%	89%⁽¹⁾	≥80%
<ul style="list-style-type: none"> Safety at work Lost time injury frequency rate 	8.12	6.60	6.65	5.61	5
<ul style="list-style-type: none"> Employee training and employability Average number of training hours per employee per year 	18 h	17 h	21 h	26 h	23 h
<ul style="list-style-type: none"> Diversity Proportion of women appointed among Executive Resourcers from 2020 to 2023⁽²⁾ 	Not applicable	28.3%	30.4%	30.3%	50%
Commercial performance					
<ul style="list-style-type: none"> Customer and consumer satisfaction Customer satisfaction rate calculated using the Net Promoter Score methodology 	Not applicable	NPS = 41 with 57% of revenue covered	NPS = 43 with 72% of revenue covered	NPS = 48 with 83% of revenue covered⁽³⁾	NPS >30 with 75% of revenue covered
<ul style="list-style-type: none"> Development of innovative solutions Number of innovations included in at least 10 contracts signed by the Group 	Not applicable	2	6	10	12
<ul style="list-style-type: none"> Hazardous waste treatment and recovery Consolidated revenue generated by the hazardous and liquid waste treatment and recovery activities 	€2.56 billion	€2.53 billion	€3.06 billion	€4.12 billion	>€4 billion



OBJECTIVES AND ASSOCIATED INDICATORS	2019 REFERENCE	2020 RESULTS	2021 RESULTS	2022 RESULTS	2023 TARGET
Environmental performance					
■ Combating climate change					
• Reducing GHG emissions: progress of the investment plan to phase-out coal in Europe by 2030	Not applicable	8.1% of investment to be achieved	17% of investment to be achieved	30% of investment to be achieved	30% of investment to be achieved ⁽⁴⁾
• Avoided emissions: annual contribution to avoided GHG emissions (assessed with regard to a reference scenario) – EF IEA 2013 ⁽⁵⁾⁽⁶⁾	12.1 million metric tons of CO ₂ eq.	12.5 million metric tons of CO ₂ eq.	12.4 million metric tons of CO ₂ eq.	14.1 million metric tons of CO₂ eq.	15 million metric tons of CO ₂ eq.
■ Circular economy: plastic recycling					
Volume of recycled plastic in Veolia transformation plants ⁽⁷⁾	350 thousand metric tons	391 thousand metric tons	476 thousand metric tons	490 thousand metric tons	610 thousand metric tons
■ Protection of environments and biodiversity					
Progress rate of action plans aimed at improving the environment and biodiversity footprint in sensitive sites ⁽⁸⁾	Not applicable	1.7%	30%	66%	75%
■ Sustainable management of water resources					
Efficiency of drinking water networks ⁽⁹⁾ (volume of drinking water consumed/volume of drinking water produced)	72.5%	73.4%	75.6%	76.3%	>75%
Social performance					
■ Job and wealth creation in the territories					
Socio-economic footprint of Veolia's activities in the countries where the Group operates, with regard to jobs supported and wealth created	Not applicable	1,105,388 jobs supported €51 billion of added value created in 51 countries	1,033,623 jobs supported €49 billion of added value created in 52 countries	1,147,238 jobs supported €53 billion of added value created in 50 countries	Annual assessment of impacts, overall and by geography in at least 45 countries
■ Ethics and compliance					
Rate of positive answers to this question of the engagement survey "Veolia's values and ethics are put into practice within my entity"	92% of Top 5000	83% of all respondents	84% of all respondents	85% of all respondents⁽¹⁰⁾	≥80% of all respondents
■ Access to essential services (water and sanitation)					
Number of inhabitants benefiting from inclusive measures for access to water or sanitation within contracts	5.71 million inhabitants	6.12 million inhabitants (+7%)	6.71 million inhabitants (+17.5%)	6.92 million inhabitants (+21.3%)	+12% vs 2019 at constant scope

(1) 2022 data excluding the scope integrating employees transferred on the Suez merger: 88%.
(2) Formerly referred to as the Top 500 senior executives of the Group.
(3) 2022 data excluding the scope integrating activities transferred on the Suez combination (no 2021 reference). The 10 largest business units in this scope have a score of 45 with 85% of revenue covered.
(4) Investment budget in new forms of energy aimed at eliminating coal in Europe by 2030 was initially estimated at €1.274 billion between 2019 and 2030. It was revalued at €1.584 billion at the end of 2022.
(5) Emissions factors (EF IEA) for electricity used to set the Impact 2023 plan target.
(6) The 2021 EF IEA updated in the Global Report reporting tool in 2021 show a value of 13 million metric tons of CO₂ eq. in 2022.
(7) Since 2021, this indicator includes plastic volumes recycled in Veolia transformation plants processing WEEE and volumes recycled in plants acquired or sold by Veolia during the year. In 2022, in the case of non-consolidated joint ventures, the indicator includes volumes of recycled plastics in proportion to Veolia's stake in these joint ventures.
(8) 2019-2022 pro forma data.
(9) For networks serving over 50,000 inhabitants. At constant scope.
(10) 2022 data excluding the scope integrating employees transferred on the Suez merger: 85%.



Through the Climate Solidarity Initiative, the carbon footprint of the present report has been offset by supporting conservation and agroforestry projects in France and Peru organized by the Pur Projet nonprofit organization.

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