



Integrated report 2023-2024

# FOR AN ECOLOGY THAT TRANSFORMS



**“Up” is the word that energizing  
Veolia’s integrated report 2023-2024...**

**Up** like the trajectory of a champion for ecological transformation celebrating 170 years in business.

**Up**, like the agility and resilience of the Impact 2023 program, based on our multifaceted performance approach, able to achieve and even outperform its objectives.

**Up**, as in GreenUp, Veolia’s new strategic program for 2027, for an ecology that transforms and protects.

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**170 YEARS OF HUMAN  
ADVENTURE!**

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**JOINT INTERVIEW WITH**

Antoine Frérot and Estelle Brachlianoff, Chairman, and Chief Executive Officer of Veolia

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**A TRANSFORMED GROUP**

- 4 years of shocks, 4 years of impact
- Impact 2023 delivering on commitments
- A leader worldwide
- Governance: a team built for transformation
- Our value creation model

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**MULTIFACETED  
PERFORMANCE IN ACTION**

- Mission accomplished
- More innovative
- More sustainable
- More united
- More useful
- More robust

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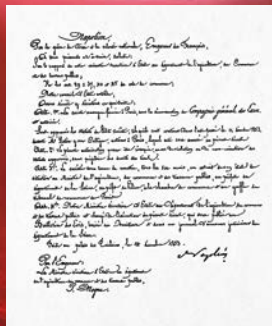
**GREENUP  
STRATEGIC PROGRAM**

- Veolia, the missing link in ecological transformation
- Accelerating the green revolution
- Innovating and uniting for a sustainable and desirable future
- Performance aligned with the challenges of GreenUp

This report is enhanced with QR codes – or direct link in the PDF version – for you to access additional content.

# 170 YEARS OF HUMAN ADVENTURE!

The Compagnie générale des eaux was founded on December 14, 1853, the year of its first water distribution contract, in Lyon. Since then, drawing impetus from entrepreneurs, inventors, engineers, and their teams, it has continued to grow, expanding its areas of expertise and geographical presence. 2023 offered the opportunity to celebrate not only this history, but also our ongoing commitment to reconciling human progress and environmental protection.



**1853**

Creation of the Compagnie générale des eaux by the imperial decree of Napoleon III and its first water distribution contract, in Lyon.

**1867**

First contract to clear mud and waste from the streets of Nantes.



**1880**

First international expansion to Venice, followed by Istanbul and Porto.



**1937**

Creation of Chauffage Service, specializing in heating and air conditioning.

**1973**

Creation of Sarp Industries to deal with hazardous waste.



**2002**

International expansion accelerates with projects in eastern Europe, the Middle East, and China.



**2003**

Adoption of the name Veolia Environnement.

**2019**

Veolia adopts a purpose and multifaceted performance.



**2022**

Acquisition of major international Suez businesses.

**2023**

Successful completion of the Impact 2023 strategic program, launched in 2020.

# LIVE MAGAZINE

**25,000 employees** gathered in person and remotely to share stories that turn the tide at a “Live Magazine” on January 16, 2024, at the Folies-Bergères theater in Paris, thanks to AI which allowed for simultaneous translations in 21 languages.



# CELEBRATING YEARS

## OPEN DAYS

300 Veolia employees welcomed 7,000 visitors to more than 100 Veolia France sites to celebrate the Group’s 170<sup>th</sup> anniversary and mark the 40<sup>th</sup> European Heritage Days.



## PIONEERS SINCE 1853 BOOK

The book’s 230 pages (re)tell the saga of Veolia and the environment from 1853 to the present day, examining the history of water, waste, and energy in a constantly changing world. Continue the experience on the dedicated website [www.pionniers.veolia.com](http://www.pionniers.veolia.com).



## RESOURCERS MOSAIC

**30,000 employees** took part in creating a remarkable photo mosaic celebrating their combined years of experience in the service of ecological transformation. Created by generative AI, each person’s photo represents their length of service with the Group. In total, 126,146 years of experience were represented in the project.

## 170 YEARS IN FILM

The film celebrating Veolia’s 170 years has been shared **28,715** times in electronic greetings cards that Veolia employees have sent in 35 countries and 20 languages.



# Joint interview with

## ESTELLE BRACHLIANOFF

Chief Executive Officer  
of Veolia

## ANTOINE FRÉROT

Chairman of Veolia



**“2023 was another record-breaking year for Veolia! Our financial and extra-financial results reflect this success.”**

**ESTELLE BRACHLIANOFF**

### 2023 was an eventful year. What did you take away from it?

**Estelle Brachlianoff.** Strong progress in all our businesses, especially energy and water technologies; excellent financial and extra-financial results; new commercial victories; new impetus and a new dimension to the Group thanks to the integration of Suez: 2023 was another record-breaking year for Veolia! Our financial results reflect this success. Our revenue rose to €45.4 billion, a 9% increase. Our EBITDA is more than €6.5 billion – it increased by 7.8%, exceeding our set target. Our efficiency gains and synergies from the acquisition of Suez are both ahead of our roadmap. Our current net income of €1,335 million has doubled in five years. Our post-tax ROCE is 8.3%, two years after acquiring Suez. But our success has also been extra-financial, with a Net Promoter Score of 53 testifying to excellent customer satisfaction, and an exceptional employee commitment rate of 89%. It can also be seen in the cubic meters of water saved and tons of carbon avoided.

**Antoine Frérot.** Veolia’s present success has been built patiently, year after year. None of it has happened by chance: it comes from early strategic positioning in an extremely promising market – that of ecological transformation – combined with strict operational management and our employees’ creativity and dynamism.

### Beyond 2023, what is your assessment of the recently concluded Impact 2023 program?

**Estelle Brachlianoff.** It has been a great success! All our financial targets were achieved or outperformed. And we achieved practically all our extra-financial targets. In four years, the Group has clearly changed in size and prospects. It is more international, with 40% of its revenue generated outside Europe, including \$5 billion in the United States, and is in the top 3 in its businesses for all the countries key to its growth. It has gained in attractiveness, visibility, and influence. It has emphasized its leadership, becoming the global champion for ecological transformation.

**Antoine Frérot.** To truly appreciate the value of Veolia’s performance, you must consider the circumstances in which it was achieved. The past four years have been marked by a series of crises: the coronavirus pandemic, the return of inflation, war in Ukraine, volatility in the energy markets, and so on. And yet, despite this chaotic background, Veolia has moved forward on a profitable growth trajectory, demonstrating its ability to deal with crises, be they health, economic, geopolitical or energy-related.



**“Decarbonization, depollution and resource regeneration are among our municipal and industrial customers’ priorities. These 3 issues alone represent a colossal market, estimated to be worth a potential €2.5 trillion!”**

ESTELLE BRACHLIANOFF



**Your Group also celebrated its 170<sup>th</sup> anniversary in 2023. What has that inspired in you?**

**Antoine Frérot.** Immense pride and immense gratitude. Immense pride in the road travelled, because the small drinking water business formed 170 years ago in Lyon has risen to the rank of world leader in ecological transformation. And immense gratitude to all the employees, each generation of whom has brought the best of themselves to expand and enhance our Group: we are the heirs of their vision, their work and their inventiveness.

By agreeing to leave a large part of the fruits of their labor and support with the company, these previous generations provided a springboard for the generations that followed to build higher and go further. Our generation should naturally do the same, to help future generations prove this company’s usefulness to the whole of society and celebrate future anniversaries with the same success.

**Estelle Brachlianoff.** After 170 years, Veolia is younger, stronger, and more dynamic than ever! From its origin to the present day, it has retained a spirit of excellence and creativity. Antoine mentioned the crises Veolia has overcome during the last four years. When a company is 170 years old, its solidity, resilience and agility are no longer in question. Our Group has seen its share of headwinds and unfavorable conditions, not least recently, but they did not keep it from growing or prospering.

**What are the general principles of your new GreenUp strategic program?**

**Estelle Brachlianoff.** It’s a program to accelerate ecological transformation in the face of growing worldwide demand. Decarbonization, depollution and resource regeneration are among our municipal and industrial customers’ priorities. These 3 issues alone represent a colossal market, estimated to be worth a potential €2.5 trillion!

With GreenUp, our objective is not just to offer our services in areas that are already “green,” but also and above all to “green up” things that are currently definitely not, by tackling environmental black spots. We want to go where our efforts are most needed, that is, where greenhouse gas emissions are largest, where pollution is most serious, where resources are scarcest. For example, with the planned phasing-out of coal in our electrical power plants in Poland, Germany, and the Czech Republic. The program will run between 2024 and 2027. It prioritizes three growth drivers: local energy, to decarbonize using bioenergy and by improving energy efficiency; new water solutions, to save and recycle this precious resource; and hazardous waste treatment, to reduce pollution and thus improve health and protect biodiversity. These 3 business areas, which currently account for 30% of our revenue, will generate 70% of Veolia’s growth over the next four years.

This program will enable us to consolidate our main strongholds in Europe, to continue our internationalization (especially in North America, the Middle East, and Australia), and take advantage of new geographical opportunities. To do this, the Group will leverage its leading position in key countries and businesses (and, of course, the combination of these), its diversified contract portfolio, its culture of operational efficiency, and its close local relationships.

**Antoine Frérot.** We will also draw on Veolia’s capacity for innovation, and on our 14 research and development centers in particular. We will double the investment budget for innovation in order to invent the solutions of tomorrow. These include carbon capture and recycling, electric vehicle battery recycling, treatments for new pollutants, and generative AI. With GreenUp, Veolia is articulating its ambition to be the company that makes ecological transformation possible for regions, cities, and industries. The company that can rapidly implement an ecosystem of solutions. The company that forges the missing link in ecological transformation, because it makes the connection between the demand for environmental protection – which has never been so strong – and the offer of concrete, affordable, high-impact, ready-to-go solutions.



**“Veolia’s biggest asset is its employees, with their expertise, their involvement and their enthusiasm to be part of transforming the world!”**

ESTELLE BRACHLIANOFF

**What is Veolia’s main asset for implementing this GreenUp program?**

**Estelle Brachlianoff.** If I had to single out one asset, I would say Veolia’s employees, with their expertise, their involvement, and their enthusiasm to be part of transforming the world! Our employees’ commitment is the Groups’ energy. The internal survey we carried out last November emphasized that 89% of them feel committed. This is higher than in comparable companies and a legitimate source of pride and confidence for our company.

**Antoine Frérot.** Our confidence in the ability of our Group to reach these targets is also based on its achievements. What has it accomplished over the last few years? As Estelle pointed out, it successfully concluded its ambitious Impact 2023 strategic program along with the merger with Suez, while outperforming the targets set. There is no reason it shouldn’t be the same with this new program!

**Energy plays an important part in the GreenUp strategic program. Can you tell us more about that?**

**Estelle Brachlianoff.** Energy occupies a central position in ecological transformation as an area open to decarbonization and a business that already represents €12 billion in revenue for Veolia. We have set ourselves extremely high targets for 2030 in this area: to become number 1 in heat networks in Europe; to become number 1 in energy efficiency services in Europe and the Middle East; and to increase our capacity in bioenergies and renewables by 50% to 8 GW. Our strategy for this is to harness unused low-carbon local energy and improve energy efficiency. What is low-carbon local energy? This is energy produced from non-recyclable waste, wastewater and sludge from treatment plants, waste heat from factories, residual cold, etc. In total, our Group has decided to invest €4 billion by 2030 in harnessing this currently untapped energy potential.

**Antoine Frérot.** Our energy, water and waste businesses are not separate – they intersect, and they nourish and stimulate each other. Where these three types of activity intersect is where growth will be strongest, and also where our geographies and our customer portfolios coincide.



**“With GreenUp, Veolia is articulating its ambition to be the company that can rapidly implement an ecosystem of solutions, the company that forges the missing link in ecological transformation.”**

ANTOINE FRÉROT



... like the successful trajectory of the Impact 2023 program, despite multiple unexpected shocks. What is the recipe? Great agility from a Group with a decentralized structure and centralized control.

# A TRANSFORMED GROUP



# 4 YEARS OF SHOCKS, 4 YEARS OF IMPACT

From the pandemic to armed conflict, from an energy crisis to widespread inflation, and the increasingly apparent effects of climate change, since 2020, a convergence of major shocks has ushered in a new world order mired in uncertainty. Despite this, Veolia was able to successfully complete its Impact 2023 strategic program. The Group has proved its ability to bounce back, successfully merging with Suez to become the global champion for ecological transformation, fully equipped to face a world undergoing brutal crises and profound changes.

## 2020 AT VEOLIA... AND IN THE WORLD

**February** Launch of the Impact 2023 strategic program, driven by a multifaceted performance that places the same level of attention and the same demands on all aspects of its performance: economic, financial, commercial, human resources, social, and environmental. **March** The Covid-19 epidemic paralyzes the global economy. **All around the world**, Veolia employees ensure continuity in their essential services for the entire duration of the pandemic. **July** Numerous countries implement measures to support their economies. **August** Offer to buy Engie's 29.9% stake in Suez that it had decided to sell. A public takeover bid for the remaining 70.1% will begin in February 2021. **November** Launch of the Vigie-Covid-19 solution to check for the virus in wastewater. **Following the Recover and Adapt plan**, the Group returns to 2019 activity levels from the third quarter onward.



## 2021 AT VEOLIA... AND IN THE WORLD



**July** The European Climate Law sets a goal of carbon neutrality by 2050. **August** According to the 6<sup>th</sup> IPCC report, unless humankind acts more quickly, the +1.5 °C threshold will be breached by 2030, with +2 °C quickly exceeded as the century progresses.



**September** Signing of the SBTi's Business Ambition for 1.5 °C, a commitment that doubles the Group's efforts compared with 2019 and puts it on a trajectory of net-zero emissions by 2050, in line with the UNFCCC Race to Zero. **November** At COP26, Veolia presents its adaptation and mitigation solutions for reducing its customers' carbon impacts. These will be packaged in the GreenPath Zero Carbon solution in early 2023.



## 2022 AT VEOLIA... AND IN THE WORLD

**January** Integration of Suez teams and businesses begins to create the global champion for ecological transformation. **March** The Russian invasion of Ukraine begins, creating tensions in the energy market and a return to inflation for most of the world. **The EU's 27 leaders agree to gradually reduce their dependence on Russian fossil fuels.** **Launch of the ReSource Plan**, which aims to reduce the Group's energy consumption by 5% while increasing its production of green energy by 5%. **July** Estelle Brachlianoff becomes CEO of Veolia, with Antoine Frérot remaining as Chairman. **October** Veolia steps up a gear in the circular economy with the launch of PlastiLoop, an international recycled plastics solution. **December** The United Nations Biodiversity Conference (COP15) reached a historic agreement to guide global action for nature until 2030. **Signing of the ILO (International Labor Organization) Global Business and Disability Network Charter.** **With Sequoia 2022**, employees become the Group's leading shareholder. **In 2022**, Veolia eliminated 14 million metric tons of CO<sub>2</sub> on behalf of its customers and invested €400 million in phasing out coal in Europe by 2030...



## 2023 AT VEOLIA... AND IN THE WORLD

**March** The IPCC reports that current policies will lead to global warming of between 2.4 °C and 3.5 °C by the end of the century. **Veolia confirms its Net-Zero Water trajectory and commits to an annual investment of €1.5 billion to help achieve the 13 water- and sanitation-related SDGs in 52 countries.** **September** Launch of Veolia Cares, a social protection framework that covers the Group's 213,000 employees everywhere in the world, including where this is not a legal requirement. **November** Launch of Hubgrade by Veolia, a range of AI-based digital solutions that help customers manage and protect their resources. **December** The consensus reached at COP28 commits the 195 parties to phasing out fossil energies and further emphasizes the global warming target of 1.5 °C above preindustrial levels by the end of the century. **Veolia reaffirms its commitment to invest €1.6 billion by 2030 in phasing out coal Europe and its intent to become carbon neutral by 2050.** **2023 was the hottest year ever recorded, with a global temperature 1.48 °C higher than the preindustrial average.**



# IMPACT 2023 DELIVERING ON COMMITMENTS

Nothing unfolded as expected but, despite numerous twists and turns, Veolia was able to adapt, react and seize opportunities to conclude its Impact 2023 strategic program in line with its commitments and delivering on its ambition to become the reference company for the ecological transformation.

Veolia's ecological transformation plan, with its purpose acting as a compass, enabled the Group not only to withstand every crisis, but to resist and bounce back.

### Rigor, agility, and boldness... the keys to success

The recipe for success has three main ingredients. First, clear strategic choices, driven by the Impact 2023 program, based on rotating assets to finance additional growth; consolidating businesses such as hazardous waste treatment and plastics recycling, and reducing or exiting others such as construction or facility management; and a constant focus on quality of execution. Next, an ability to react to crises, illustrated by the adoption of a series of adaptation plans: Recover and Adapt, launched in April 2020, and allowed the Group to return to 2019 pre-Covid earnings in just six months; ReSource was implemented from March 2022 onward to reduce the Group's and its customers' energy consumptions by 5%, and increase its green energy production by 5%, in two years. And, lastly, the decision, in the middle of a global crisis, to acquire the 29.9% stake in Suez that Engie had decided to divest, and subsequently launch a public takeover for the rest of the business.

With that, Veolia embarked on a major change in scale that now makes it the preferred partner for meeting the challenges of ecological transformation. In terms of results, practically all targets – financial and extra-financial – in the Impact 2023 program were achieved, if not



## IMPACT 2023

### FINANCIAL PERFORMANCE LEVERS

- The **hazardous waste business is booming**, having expanded from €2.5 billion to €4.2 billion in four years, with a Capex of €500 million currently assigned to the construction of new factories that will bear fruit in the next program.
- District heating and **cooling networks in Europe are performing well**, serving as shields against energy price volatility, becoming sources of improved efficiency, and accelerating the transition away from coal.
- The **traditional businesses of municipal water and solid waste are showing resilience**, thanks to the Group's efficiency plans and synergies. Water technologies have been particularly successful in the exit from construction and are again profitable and ready for a phase of stronger growth.



## THREE FRUITS OF CROSS-FERTILIZATION

The merger with Suez has accelerated Veolia's change in scale, positioning the Group favorably for a number of flagship contracts.

- In **Switzerland**, where regulations around treated wastewater quality and micropollutant discharge are some of the strictest in the world, the combination of VWTs ozone treatment technology and VWT nitrogen removal and wastewater treatment technologies has optimized the elimination of micropollutants in an effective and economical process.
- In **Hong Kong**, where teams from Veolia and its partner China State Construction were able to build a relationship of trust with the Environment and Ecology Bureau, the two entities have been appointed to manage the West New Territories (WENT) resource regeneration project.
- In **France**, a wastewater reuse project for the Sud Roussillon federation of communities is the fruit of a spontaneous cooperation between two business units (BUs) on either side of the border: Agbar in Spain and Veolia Water France.

outperformed (see page 29). The measurement of multifaceted performance has also become a key element in managing the Group.

### Veolia-Suez: synergies in full operation

Just two years after integrating the first Suez businesses, the operation is a great success. This confirms the Group's initial conviction that it had a decisive advantage for bringing the operation to a successful conclusion: two extremely similar business cultures with similar outlooks on the business and its future. From the earliest months, commitment indicators proved revealing: record numbers of both new and existing employees subscribed to the Sequoia 2022 employee share ownership scheme, and this was corroborated by Sequoia 2023. Toward the end of 2023, the internal Voice of Resourcers survey revealed that 82% of respondents said they were confident of the Group's capacity to achieve its goal of becoming the champion for eco-

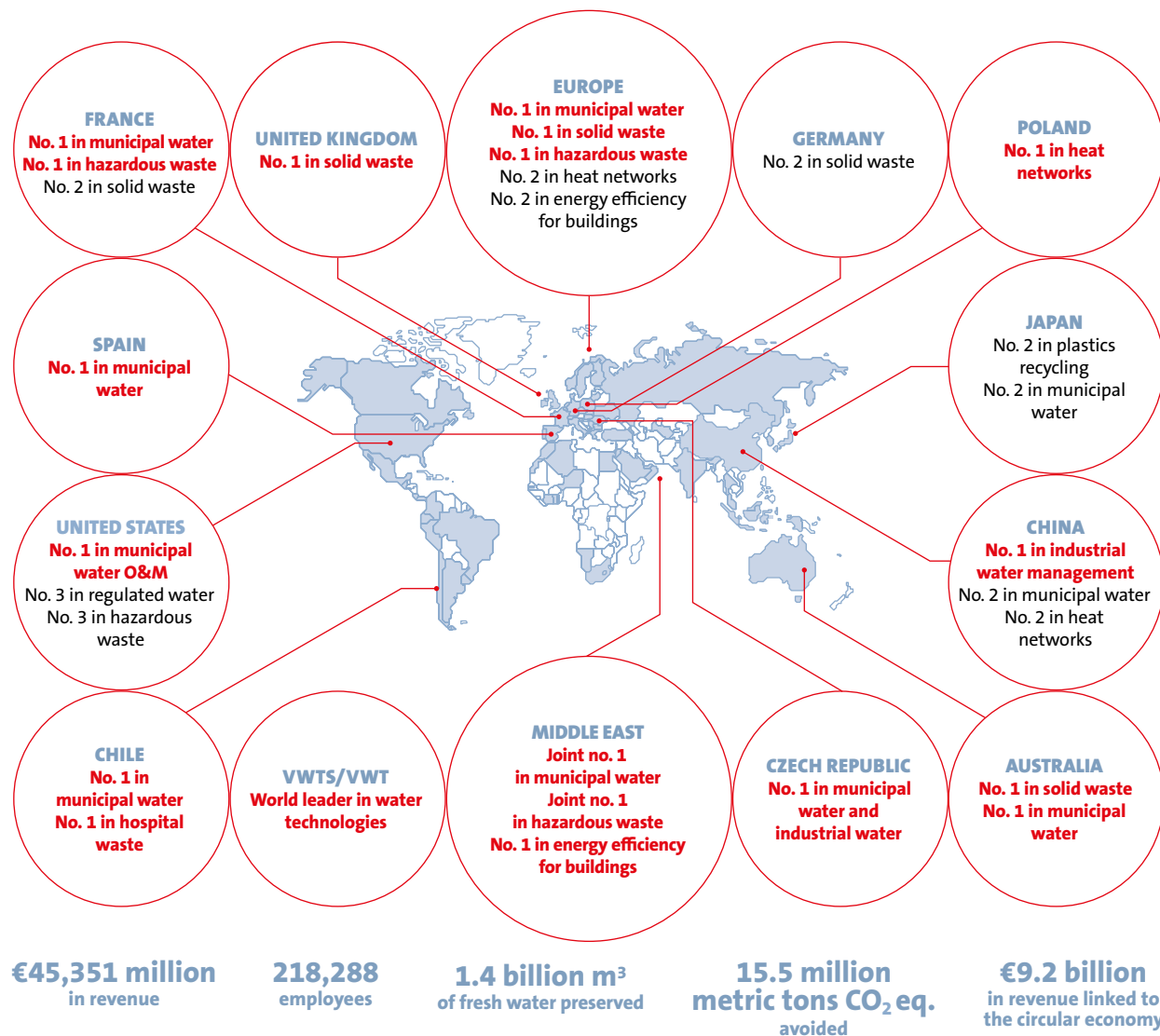
logical transformation. On the commercial side, this integration manifested in more innovative solutions and enhanced global products and services. In financial terms, the expected synergies of €500 million over four years are well ahead of schedule, reaching €315 million by the end of 2023 (against a target of €280 million).

### A strong local presence: the bedrock of an "antifragile" leader

Over these last four years, Veolia has been able to rely on its globally managed multi-local operational model, a real asset when navigating crises and their social, economic, and political consequences. Aware that, acting alone, it would not be able to create the best possible ecology of solutions, the Group has sought out allies in a bid to strengthen its local presence. By working with all stakeholders at the heart of every region, all around the world, in a healthy local dialogue, the Group can achieve its ecological transformation ambitions. ■

# A LEADER WORLDWIDE

As its Impact 2023 strategic program comes to an end, Veolia has changed dimensions: now more international, it is the world leader of the ecological transformation, with essential services businesses ready to depollute, decarbonize, and conserve and regenerate resources to protect the environment and safeguard human health. Thanks to its transformative merger with Suez, the Group is now one of the top three companies, in each of its business lines, in every key country where it operates.



Figures as of December 31, 2023.

## 2023 HIGHLIGHTS AROUND THREE STRATEGIC PILLARS

### Decarbonization



#### Operation and maintenance of the country's first waste-to-energy plant in Istanbul, the largest in Europe

- 1.1 million metric tons of non-recyclable household waste converted into energy annually
- 560,000 MWh of electricity produced annually
- 1.5 million metric tons CO<sub>2</sub> eq. avoided annually<sup>(1)</sup>



#### A biomass-gas power plant entered operation in Braunschweig to replace the old coal-powered installation

- 800 GWh of heat produced
- 25% of green electricity generated
- 50% carbon footprint reduction



#### Implementation of a pioneering cold energy recovery solution to produce low-carbon local energy in the Port of Barcelona

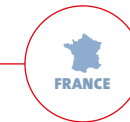
- 131 GWh of local, low-cost, environmentally friendly energy produced annually
- 42,000 metric tons CO<sub>2</sub> eq. avoided annually

### Depollution



#### Integrated waste management for the Gold Coast, Australia's second-largest local authority

- 5% increase in household and organic waste recovery rate by 2025
- 90% guaranteed methane capture rate
- 77,000 metric tons CO<sub>2</sub> eq. avoided annually



#### Construction began on an electric vehicle battery recycling plant

- Hydrometallurgical extraction of copper, nickel, cobalt and lithium
- Treatment capacity of 20,000 metric tons annually



#### Acquisition of two hazardous waste treatment plants at the Al-Ruways complex in Abu Dhabi

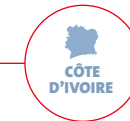
- 70,000 metric ton annual treatment capacity
- Maximized recovery of resources (oil and water) from oil and gas industry waste

### Resource efficiency and regeneration



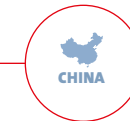
#### Public drinking water distribution service for Lille Métropole

- 10% reduction in water extractions over 10 years
- 65 million m<sup>3</sup> conserved over the contract period



#### Operation of the La Mé drinking water treatment plant, one of West Africa's largest drinking water production facilities

- 240,000 m<sup>3</sup> of drinking water a day, enough to meet the daily needs of 2.4 million people in Abidjan



#### Design, construction and operation of the extension to the West New Territories (WENT) resource regeneration site in Hong Kong

- Up to 90 million metric tons of non-recyclable waste treated over the next 20 years
- 90% guaranteed methane capture rate 10 million metric tons CO<sub>2</sub> eq. of emissions avoided over 20 years

(1) Official evaluation carried out by ISTAC/IMM.

# GOVERNANCE

## A TEAM BUILT FOR TRANSFORMATION

Veolia is committed to the ecological transformation of regions and industries, with support from experienced governance to enact the mission enshrined in its corporate purpose: to be useful to all its stakeholders.

This year was pivotal in several respects – with the conclusion of the Impact 2023 strategic program and launch of the GreenUp strategic program, but also the first full fiscal year since the functions of the Chairman of the Board of Directors and Chief Executive Officer were separated – and required the close involvement of the Group’s governance bodies.

### Changes to the Board of Directors

One key event in 2023 was the departure of Louis Schweitzer, who, as Vice-Chairman of the Board of Directors and Chairman of the Nominations

Committee, played a decisive role in modernizing the way the Board operates. Senior Director Maryse Aulagnon has taken over as the new Vice-Chairwoman of the Board of Directors. Pierre-André de Chalendar succeeds Louis Schweitzer as Chairman of the Nominations Committee, and Antoine Frérot takes his place as Chairman of the Purpose Committee.

### First full year of separate governance

On March 14, 2023, at an executive session specifically dedicated to assess the adoption of separate governance, the Board of Directors unanimously praised the working relationship between the non-executive Chairman and the Chief Executive Officer.

### Seminar on the Group’s 2024-2027 strategy

In December 2023, all directors attended a seminar dedicated to the 2024-2027 strategic program. On the agenda were: a presentation of the program’s aims; an analysis of the geopolitical, economic, political, financial, social, technological, and competitive context; a study of key concerns; and a detailed review by business and by region. Participants were then given a financial summary of the program and its quantified aims for other elements of multi-faceted performance, in particular the proposal to accelerate the Group’s decarbonization trajectory and how to secure its implementation. ...

### THE BOARD OF DIRECTORS AS AT DECEMBER 31, 2023

- 61 years** average age
- 54.5%<sup>(1)</sup>** female directors
- 82%<sup>(2)</sup>** independence rate
- 6 years** average term served
- 96%** attendance rate
- 4** non-French directors

(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.  
 (2) Excluding directors representing employees and the director representing employee shareholders in accordance with the Afep-Medef Code.

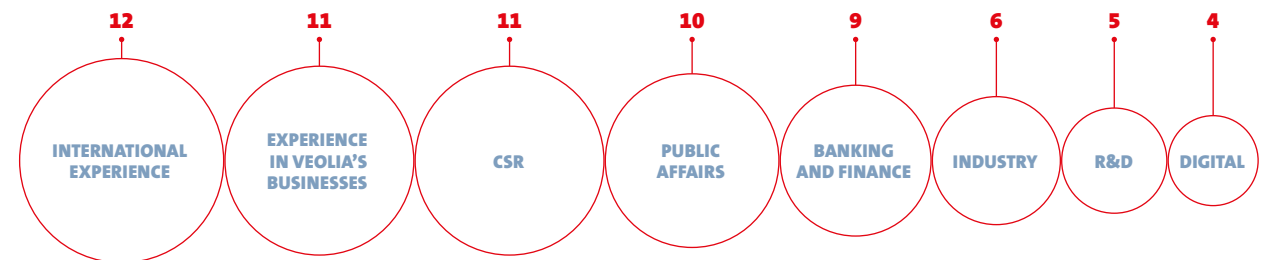
### THE BOARD OF DIRECTORS AS AT DECEMBER 31, 2023

## 14 DIRECTORS AND 1 NON-VOTING DIRECTOR



### KEY AREAS OF EXPERTISE<sup>(1)</sup>

The number of directors with expertise in each key area



(1) Correct on publication date of the Universal Registration Document 2023.

**Promotion of Veolia's purpose**

The year 2023 was also marked by the Purpose Committee's work on recognition of the purpose within the Group and by its external stakeholders. The Committee produced a shorter version of the purpose together with a headline, and it has since been widely distributed (see page 28). The Committee also worked hard to simplify the multifaceted performance framework to make it easier to take on board, proposing to align it with the three pillars of the new strategic program: decarbonization, depollution, and resource efficiency and regeneration.

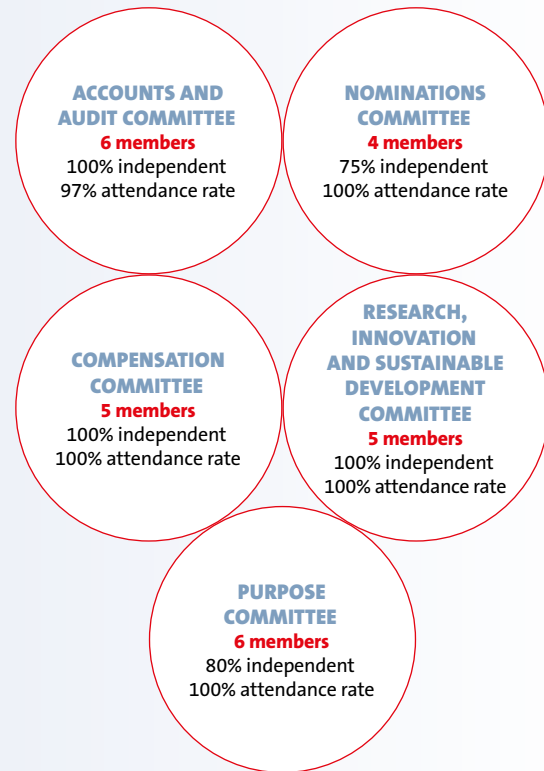
**Changes to the Executive Committee**

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 strategic directions. It is composed of 14 members representing all Veolia's geographical zones. In 2023, the Executive Committee saw the appointment of Anne Le Guennec, the new Senior Executive Vice President, Worldwide Water Technologies Zone. In addition, responsibility for the Italy and Africa/Near and Middle East Zone is now shared between Laurent Obadia for the Africa/Near and Middle East Delegate Zone and Helman le Pas de Sécheval for Italy.

**Multifaceted performance sponsors**

Veolia's multifaceted performance commitments apply to all activities in all countries, where they are closely monitored. To ensure representation and oversight, each objective benefits from the support of a sponsor on the Executive Committee. All these assignments were reviewed when multifaceted performance targets and indicators were defined in connection with the GreenUp strategic program. ■

**BOARD OF DIRECTORS' COMMITTEES AS AT DECEMBER 31, 2023**



For more information, see the Universal Registration Document 2023.



**COMPOSITION OF THE EXECUTIVE COMMITTEE**

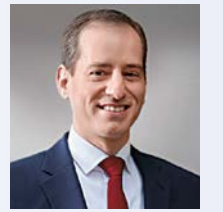
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**Estelle Brachlianoff**  
Chief Executive Officer



**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



**Eric Haza**  
Chief Legal Officer



**Claude Laruelle**  
Deputy CEO, Finance, Digital and Purchasing



**Anne Le Guennec**  
Senior Executive Vice President, Worldwide Water Technologies



**Christophe Maquet**  
Senior Executive Vice President, Asia-Pacific



**Gustavo Migues**  
Senior Executive Vice President, Iberia and Latin America



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



**Laurent Obadia**  
Chief Stakeholders and Communications Officer, Chairman's Advisor, Supervisor of the Africa/Near and Middle East Delegate Zone



**Helman le Pas de Sécheval**  
General Counsel, Supervisor of the Italy Zone



**Frédéric Van Heems**  
Senior Executive Vice President, North America

# OUR VALUE CREATION MODEL

In the fast-growing ecological transformation markets, Veolia is operating its three essential services businesses (water, waste and energy) to meet three major ecological challenges: decarbonization, depollution, and resource preservation and regeneration. The Group is leveraging its three strong positions in municipal water, district heating and cooling networks, and solid waste management, and its three boosters (low-carbon local energy, water technologies and new solutions, and hazardous waste treatment), into which it intends to channel half its investments, to target accelerated development potential for all its stakeholders.

## OUR FOUNDATIONS

### Local presence

- A worldwide geographical footprint in **57 countries**, expressed in a strong local presence
- A flexible organization with strong regional networks

### The combination of businesses

- Expertise in each business area creating added value by combining **3 businesses** of water, energy, and waste

### Geographical reproducibility

- GreenPath: **100 solutions** to reduce its customers' carbon footprint across their entire value chain
- **8 specialized local hubs** to industrialize innovation where it is needed

### Financial discipline

- Revenue divided between **3 businesses**: **41%** from water, **32%** from waste, and **27%** from energy
- Municipal customers (**57%**) and industrial and commercial customers (**43%**)
- Financial strength: net debt/EBITDA ratio of **2.7**

### Operational excellence

- Solutions to deal with complex environmental problems (hazardous waste treatment, decontamination of soil and industrial water, etc.)
- An integrated risk management system
- A 2050 net zero roadmap organized operationally with an emissions reduction plan

### Employee commitment

- **87%** of employees are proud to work at Veolia
- **82%** of employees are confident in the Group's capacity to achieve its goal of becoming the champion for ecological transformation
- Veolia employees are the Group's leading shareholder with **7.5%** of its capital (as at December 31, 2023)

## A CLEAR STRATEGIC DIRECTION

### Risks and opportunities

Issues such as climate change, scarcity of resources, pollution, threats to biodiversity, health and safety, and consumer protection are driving growing demand from our stakeholders for solutions to protect their health and preserve the planet, its climate and resources.

To reconcile human progress and environmental protection

### Our purpose

To be the global champion for ecological transformation

### Our ambition

**Strong positions to optimize and develop**

- Municipal water
- District heating and cooling networks
- Solid waste

**Acceleration boosters**

- Low-carbon local energy
- Water technologies and new solutions
- Hazardous waste treatment

### Our strategic pillars DECARBONIZE, REGENERATE, DEPOLLUTE

**2027 targets:**

- 18 million metric tons of CO<sub>2</sub> eq. erased
- 1.5 billion m<sup>3</sup> of fresh water saved
- 10 million metric tons of hazardous waste and pollutants waste treated

### Positive-impact solutions for our municipal and industrial customers

- **“+1” collective:** a panel of stakeholders working to identify concrete actions for energy transition across 8 business units
- **Critical Friends Committee:** a space for collective reflection to observe and challenge elements of Veolia's company strategy and its impacts on society

### Regular and structured dialogue with our stakeholders

## VALUE CREATION FOR OUR STAKEHOLDERS PLANET, EMPLOYEES, SOCIETY, SHAREHOLDERS, CUSTOMERS

### ENVIRONMENTAL PERFORMANCE

- **42%** progress on the investment plan to phase out coal in Europe by 2030
- **15.5 million metric tons CO<sub>2</sub> eq.:** annual contribution to avoided GHG emissions
- **465,000 metric tons** of plastics recycled in Veolia's transformation plants
- **76.4%** efficiency rate in drinking water networks
- **85%** progress on action plans aimed at improving the impact on environments and biodiversity at sensitive sites

### HUMAN RESOURCES PERFORMANCE

- **89%** employee commitment rate, measured by an independent survey
- **4.95** lost time injury frequency rate
- **29 hours** of training per employee on average per year
- **30.7%** women appointed among the Group's Executive Resources since 2020
- **1,713** collective agreements signed with 40 countries regarding labor relations

### SOCIAL PERFORMANCE

- **88%** positive answers to the engagement survey question: "Are Veolia's values and ethics applied in my entity?"
- **7.27 million** people benefited from inclusive solutions to access water or sanitation services under Veolia contracts
- **1,561,629 jobs** supported worldwide and **€77.5 billion** of wealth created in 58 countries (contribution to GDP)
- **90.2%** of spending reinvested locally
- **89%** of active contracts in the supplier contract base include the Group CSR clause

### ECONOMIC AND FINANCIAL PERFORMANCE

- Revenue of **€45,351 million**
- **Current net** income Group share: **€1,335 million**
- Post-tax **ROCE: 8.3%**
- **Free cash flow** before discretionary investment: **€1,683 million**
- EBITDA of **€6,543 million**
- Dividend of **€1.25** per share for fiscal year 2023<sup>(1)</sup>
- Five-year TSR: **99.89%** (as at end of 2023)
- **€107 million** of profit-sharing and incentive scheme payments to employees for fiscal year 2022

### COMMERCIAL PERFORMANCE

- Consolidated revenue of **€4.2 billion** in the "Liquid and hazardous waste processing and recovery" segment
- **17 innovations** included in at least 10 contracts signed
- Customer **satisfaction rate** calculated using the Net Promoter Score methodology = **53 with 82%** of revenue covered

† Multifaceted performance indicators

(1) Subject to approval by the Shareholders' General Meeting on April 25, 2024.



CONTRIBUTIONS TO THE SDGs



# MULTIFACETED PERFORMANCE IN ACTION

... like the excellent results of the first strategic program with quantified multifaceted performance targets – commercial, environmental, human resources, social and financial – concluded in 2023.

# MISSION ACCOMPLISHED

At the end of four years of the Impact 2023 strategic program, practically all of its 18 multifaceted performance targets have been achieved. Committed to building an ecosystem of alliances with its stakeholders, Veolia is well on the way to meeting the ambitious challenge it set itself: to become the reference company for the ecological transformation.

This is enshrined in the Group's purpose. To take its stakeholders' expectations more fully into account in creating and sharing value, Veolia designed its Impact 2023 strategic program around multifaceted performance, organized into five categories – commercial, environmental, human resources, social, and economic and financial – with 18 related objectives. Four years later, almost all have been achieved or outperformed. Recycled plastic volumes and diversity are the only indicators not to have reached their respective targets, despite clear improvement throughout the period.

## Financial and extra-financial requirements in alignment

Multifaceted performance was managed subject to robust operational governance, with an Executive Committee sponsor and a performance officer for each objective, and a network of almost 100 purpose officers responsible for its implementation.

The Group includes multifaceted performance indicators (climate, diversity, access to essential services, and circular economy/plastics) in the variable compensation calculations for 16,000 of its employees, with financial criteria representing only 50% of the criteria. ...

## SUCCESS

FOR VEOLIA'S PURPOSE  
IN ITS SHORTER VERSION

Four years on from adopting its purpose, Veolia decided to complement the initial text with a shorter version to make it easier for employees to take ownership, more clearly highlight its key elements for all stakeholders, and accelerate its take-up. Launched to mark World Environment Day, the "Ecological transformation, that is our purpose" campaign achieved particularly high engagement rates. These excellent results were later confirmed by the 2023 Voice of Resources survey: 70% of the 122,000 respondents were familiar with the Group's purpose (up 11 points compared with 2022), and 93% believe they contribute to it on a daily basis.



## MULTIFACETED PERFORMANCE AS A GROUP MANAGEMENT TOOL

In 2023, 16 targets were achieved or outperformed, with just two falling short: diversity and plastic recycling.

MULTIFACETED PERFORMANCE INDICATORS	RESULTS 2020	TARGET 2023	RESULTS 2023
<b>COMMERCIAL PERFORMANCE</b>			
Customer satisfaction rate calculated using the Net Promoter Score methodology	NPS = 41 with 57% of revenue covered	NPS > 30 with 75% of revenue covered	<b>NPS = 53 with 82% of revenue covered</b>
Number of innovations included in at least 10 contracts signed by the Group	2	12	<b>17</b>
Consolidated revenue generated by the "Hazardous and liquid waste treatment and recovery" segment	€2.5 billion	>€4 billion	<b>€4.2 billion</b>
<b>ENVIRONMENTAL PERFORMANCE</b>			
Progress of the investment plan to phase out coal in Europe by 2030	8% complete	30% complete (~€400 million)	<b>42% complete (€529 million)</b>
Annual contribution to avoided GHG emissions	12.5 million metric tons CO <sub>2</sub> eq.	15 million metric tons CO <sub>2</sub> eq.	<b>15.5 million metric tons CO<sub>2</sub> eq.</b>
Volume of plastics transformed	391,000 metric tons	610,000 metric tons	<b>465,000 metric tons</b>
Progress rate of action plans aimed at improving the environment and biodiversity footprints at sensitive sites	1.7%	>75%	<b>85%</b>
Efficiency rate of drinking water networks (volume of drinking water consumed/volume of drinking water produced)	73.4%	>75%	<b>76.4%</b>
<b>HUMAN RESOURCES PERFORMANCE</b>			
Employee engagement rate	87%	>80%	<b>89%</b>
Lost time injury frequency rate	6.60	<5.00	<b>4.95</b>
Average number of training hours per employee per year	17	>23	<b>29</b>
Proportion of women appointed among Executive Resources from 2020 onward	28.3%	50%	<b>30.7%</b>
<b>SOCIAL PERFORMANCE</b>			
Rate of positive answers to the engagement survey question concerning ethical behavior and compliance rules	83%	>80%	<b>88%</b>
Socio-economic footprint of Veolia's activities in terms of jobs supported and wealth created in the countries where the Group operates	1,105,388 jobs €51 billion added GDP in 51 countries	Impact assessments in at least 45 countries	<b>1,561,629 jobs €77.5 billion added GDP in 58 countries</b>
Number of inhabitants benefiting from inclusive measures for access to water or sanitation services	6.12 million (+7% vs. 2019)	(+12% vs. 2019)	<b>7.27 million (+27.4% vs. 2019)</b>
<b>ECONOMIC &amp; FINANCIAL PERFORMANCE</b>			
Annual revenue growth	€26,010 million	Annual	<b>€45,351 million</b>
Current net income Group share	€415 million	€1,000 million	<b>€1,335 million</b>
Post-tax ROCE	6.4%	Annual	<b>8.3%</b>
Free cash flow (before discretionary investment)	€942 million	Annual	<b>€1,683 million</b>

See Veolia's full multifaceted performance monitoring table on pages 9 and 10 of the Universal Registration Document 2023.



**12**  
“+1” collectives  
formed since 2021.

**300**  
stakeholders  
associated with  
the “+1” method.

**8**  
geographical  
zones involved.



### Increased dialogue with local stakeholders

The multifaceted performance model at the heart of its purpose ensures Veolia’s sustainable long-term growth while creating solid relationships of trust with its stakeholders. In 2021, Veolia empowered this collective intelligence, capable of accelerating the ecological transformation, using an innovative “+1, for an ecology in action” methodology. The method has now been rolled out at BUs, contract, and project

levels: these are the “+1 in action” initiatives, the first practical applications of which include “+1 Arianeo”, which opens up contract governance to stakeholders (Métropole Nice Côte d’Azur), “+1 employee representatives” in support of social dialogue, and “+1 Inspire 24-27” to ensure stakeholder input into the GreenUp strategic program. Veolia intends to maintain the link with the original collective of around 50 stakeholders to continue the conversation around key ecological transformation issues. ■■■

## Interview

### JEAN-MICHEL SEVERINO

Chairman of the Critical  
Friends Committee



**“I’ve seen Veolia mature and progress in its convergence of financial and extra-financial performance.”**

**The Critical Friends Committee celebrated its ten-year anniversary in 2023. Which of the Committee’s discussion topics have been most striking for you?**

**Jean-Michel Severino.** Among the more recent topics, how to articulate the Group’s purpose and defining the multifaceted performance measurement framework were both the focus of intense and meaningful discussions. I could also mention more specific themes such as phasing out coal or Veolia’s climate strategy. And, of course, the challenge of aligning the merger with Suez with the Group’s purpose.

**What have you learned from the four years implementing multifaceted performance?**

**J.-M.S.** I have a lot of admiration for the route Veolia has taken. None of that was a foregone conclusion or easily achieved! I’ve seen the company mature and progress in its convergence of financial and extra-financial performance. Achieving such an ambitious goal without compromising on financial requirements is a complex matter. This maturity is the result of the past ten years, during which Veolia has experimented and learned the lessons from successes and failures alike, on an environmental as well as a social level. Additionally, the social aspect of the next strategic program is clearly qualitatively superior and has been formalized in a way that would not have been possible even five years ago.

**What exactly do you expect from Veolia in its 2024-2027 strategy?**

**J.-M.S.** I think that Veolia’s ability to reconcile the social and the environmental will be absolutely essential to the success of its new program. The requirement for environmental quality has an impact on people’s lives, making things more difficult and costly. Take water scarcity, for example, which poses problems of both quantity and quality. Net-Zero Water is an appropriate ambition for our warming world. But, if its implementation makes water more expensive for users, new inequalities will be created. Veolia therefore faces the challenge of delivering even better environmental services in access conditions that the population can cope with.

### THE CRITICAL FRIENDS COMMITTEE

Since 2013, Veolia has been supported by a Critical Friends Committee. This space for collective reflection allows external observers to offer their viewpoints on strategic topics in relation to the Group’s corporate responsibility, in order to foster and support its drive for continuous progress. The committee is composed of independent experts in human resources, social, and environmental issues, who are drawn from institutions, the academic community, non-profit organizations, and company partners.

## VEOLIA’S ESG PERFORMANCE LEADERSHIP

RECOGNIZED IN EXTRA-FINANCIAL RATINGS

Recognized in the most selective stock market sustainability indices and by ESG scoring organizations noted for the quality of their analysis, Veolia is keen to contribute to evolution in the methodologies used, which, to remain relevant, must take detailed account of the specific challenges in each of a company’s business sectors. To make these assessments even more representative, Veolia advocates the inclusion of scope 4: greenhouse gas emissions erased for third parties compared with other existing solutions, currently a blind spot in environmental ratings. This scope would allow recognition of the efforts some organizations are making to decarbonize the economy.

**Stock market sustainability indices:** inclusion in the DJSI (Dow Jones Sustainability Indices) World and Europe<sup>(1)</sup>, the FTSE4Good Index Series and the CAC 40 ESG index

**S&P Global:** No. 1 in the Multi and Water Utilities<sup>(2)</sup> sector, rated “Top 1%” in the Sustainability Yearbook 2024, CSA score of 83/100<sup>(3)</sup>

**ISS-ESG:** “Prime” rating, top 10% in the Multi-Utilities sector, scored B<sup>(4)</sup>

**Moody’s Analytics:** 72/100, leader in the Waste and Water Utilities Europe sector (average score in the sector is 53/100)

**CDP Climate Change:** “Leadership” rating, scored A–

**CDP Water Security:** “Leadership” rating, scored A–

**EcoVadis (2022):** 75/100, 98<sup>th</sup> percentile (i.e. top 3%)

(1) These highly selective indices only rate the most advanced companies in terms of sustainability within each business sector (the top 10% of the 2,500 largest multinational companies from the S&P Global Broad Market Index™ for the World Index, and the top 20% of the 600 largest European companies from the S&P Global Broad Market Index™ for the Europe Index).

(2) As at December 22, 2023.

(3) CSA: Corporate Sustainability Assessment.

(4) As at October 17, 2023.



For more  
information, see  
the multifaceted  
performance – ESG  
progress report.



## COMMERCIAL PERFORMANCE

# MORE INNOVATIVE

Veolia offers its public and private customers an array of high-added-value products and services, and innovative solutions to meet their specific production and development needs while accelerating their decarbonization, depollution and resource regeneration trajectories.

### An expanded portfolio to accelerate transformation

The merger with Suez has added momentum to Veolia's growth thanks to an expanded portfolio of solutions and projects.

This includes original solutions that can be duplicated and adapted across the Group (see box), such as wastewater reuse in Spain, Jordan, Morocco and California.

Additionally, an improved network and enhanced coverage of local markets has been a factor in the densification of businesses – waste in Australia, hazardous waste in Europe, etc. – and commercial synergies: the contract to manage resource regeneration facilities for the West New Territories in Hong Kong; and Turkey's first waste-to-energy plant in Istanbul.

This makes for a unique portfolio thanks to its linking of technologies for strategic industries such as microelectronics/pharmaceuticals, strategic metals, and wastewater treatment.

### A single entry point for water technologies

The merging of the VWT and VWTS water technology portfolios has heightened Veolia's impact in major markets around the world.

Operating in the same geographical areas, they also complement one another in terms of business areas: wastewater reuse, drinking water, micropollutant treatment, effluent recycling, ultrapure water for light industry, and lithium extraction from evaporative crystallization of brines for heavy industry, with a standardized approach to supporting key accounts such as Exxon,

BASF, Intel, Nestlé and GSK. The aim is to provide a single entry point, whatever the customer's needs.

### Hazardous waste, a buoyant market

Veolia's hazardous waste treatment and recovery solutions continue to prosper all around the world, having surpassed the 2023 target of €4 billion in revenue. This activity remains a priority for the Group, with challenges that include consolidating its leadership position in North America, Europe, and Asia. In the United States, its record-breaking performance



is primarily due to the favorable reindustrialization context, which is conducive to rate increases and a good mix of waste treated. This is a dynamic that Veolia hopes to reproduce in Japan, where the Group recently acquired two local SMEs. Veolia also stands out due to its innovative solutions. As the European leader in recycling end-of-life batteries, its hydrometallurgical demonstrator project was selected for the "France 2030"

investment plan. This advanced technology can recover the lithium, nickel and cobalt from used batteries in a sufficiently pure state to be reused in new batteries. This is enough to meet the stringent requirements of the new EU Battery Regulation. The Group also continues to consolidate its position as the strategic partner for ecological transformation, particularly in the Middle East, where, in 2023, changing regulations enabled ...

## COMMERCIAL PERFORMANCE

■ 2020 results ▲ 2023 target ● 2023 results

### CUSTOMER AND CONSUMER SATISFACTION

Customer satisfaction rate calculated using the Net Promoter Score methodology

NPS = 41 with 57% of revenue covered  
 NPS >30 with 75% of revenue covered  
**NPS = 53 with 82% of revenue covered**

### DEPLOYMENT OF INNOVATIVE SOLUTIONS

Number of innovations included in at least 10 contracts signed by the Group

2 12 17

### TREATMENT AND RECOVERY OF HAZARDOUS WASTE

Consolidated revenue generated by the treatment and recovery of liquid and hazardous waste segment

€2.53 billion €4 billion **€4.2 billion**

## THE INCREASING IMPACT

OF NEW "COPY & ADAPT" SOLUTIONS

Following the project to regenerate and sell recycled plastics under the PlastiLoop brand in 2022, Veolia has continued its worldwide rollout of innovative solutions in 2023. Its GreenPath Zero Carbon package is a collection of 100 solutions drawing on the Group's expertise across its three business activities. It provides the ideal foundation to help customers accelerate their decarbonization. The future solutions to be rolled out in "copy & adapt" mode are already in place around the Group's three strategic priorities:

- decarbonization: alternative energy production (RDF, biogas), waste heat recovery, solar panel installations on Group and customer sites, electricity flexibility;
- depollution: treatment of micropollutants and pesticide residues in water;
- resource efficiency and regeneration: wastewater reuse, zero liquid discharge (ZLD), recovery of strategic metals (nickel, cobalt and lithium) from used batteries and from effluent, plastics recycling.

## GREENPATH ZERO CARBON:

OVER 100 SOLUTIONS FOR A SUSTAINABLE DECARBONIZATION MODEL

Thanks to its complementary expertise in energy, water and waste recovery, Veolia is positioned across the entire decarbonization value chain. With GreenPath Zero Carbon, Veolia is able to offer local authorities, manufacturers and tertiary-sector companies solutions for reducing their direct and indirect greenhouse gas emissions, upstream and downstream of their value chain. Based on operational audits, and using environmental impact calculators, Veolia can co-design and implement roadmaps for its customers, furnishing them with the most appropriate solutions to reduce the carbon footprints of their businesses, optimize their energy efficiency, provide low-carbon supply sources, optimize their recycling, create local green energy loops, and even reuse their wastewater.



## NPS

AND THE EXECUTIVE CALLBACK PROGRAM

To understand and win over detractors, Veolia launched the Executive Callback Program initiative. Under this program, a manager calls every customer that has expressed dissatisfaction in order to understand their reasons and deal promptly with their concerns. The initiative is still being rolled out, but is already achieving great results. In the United States, having left the comment “Not sure that Veolia is the right choice,” accompanied by an NPS of 2, one customer had been deemed lost at the end of the contract term. The Veolia team worked hard to rebuild the relationship and better understand their dissatisfaction, which related to power plant operations. The effect of this was quantified in the 2023 survey, with an NPS of 7, along with the observation “For water treatment, Veolia would be a good partner” and a request to extend the contract, which had been due to expire in 2024.

it to acquire two hazardous waste treatment plants – for incineration, physical-chemical treatment, radioactive waste, etc. – belonging to ADNOC Refining, the United Arab Emirates’ national oil company. Its move into Al-Ruways, the region’s largest industrial complex and site of the Middle East’s largest oil refinery, has more than doubled Veolia’s hazardous waste activity in the region.

### Becoming the world’s largest depolluter

These new additions join the 54 factories – including 35 from the acquisition of Suez – integrated between 2019 and 2022. Today, Veolia is the undisputed market leader, present on every continent, with a solid base from which to become the most depolluting company in the world. This base has three strong pillars: in Europe and the United States (contributing €2.2 billion and €1.3 billion in revenue respectively), and now the

Middle East, with its unique expertise in the treatment of the most complex waste, including new pollutants (PFASs) and strategic minerals (end-of-life batteries).

### Customer feedback as a performance indicator

Customer focus – one of the major priorities of Impact 2023 because it is essential to anticipating necessary changes to solutions and practices – means regularly evaluating customer satisfaction. Veolia has chosen the Net Promoter Score (NPS) approach, a refined analysis methodology developed at the local level, where it is the easiest to understand and identify customers’ propensity to recommend the company and its services. Customers are allocated to one of three categories: promoters, passives, and detractors (see box). For 2023, our NPS rose to 53 (from 48 in 2022), in line with our target of over 30. The proportion of revenue

**8** innovation hubs on 3 continents.

**1** innovation e-learning course available in 13 languages.



covered by impact studies remains stable at 82%, exceeding the Impact 2023 target of 75% despite the enlarged perimeter due to the integration of Suez.

### Digital innovation in support of our businesses

Veolia is boosting the marketing of its solutions and customer-focused culture, using artificial intelligence to optimize its operations and meet the demands of decarbonization and the circular economy. The Group’s most recent worldwide solution, the Hubgrade by

Veolia range of digital services (see box on page 36), perfectly illustrate Veolia’s ability to provide digital solutions as ways to manage the production and consumption of water, energy, and waste. AI is also making inroads into selective waste sorting with Veolia’s Portik project, a solution based on the latest cloud technologies. Implemented in September 2023 at the ultra-high-performance next-generation sorting center in Bègles, France, Portik assesses the quality and purity of the waste stream exiting the industrial sorting process. ...

## HUBGRADE BY VEOLIA

MAKING AN ALLY OF AI

The Smart City Expo World Congress 2023, in Barcelona, provided a launchpad for the new Hubgrade by Veolia range of digital services. This tool for ecological evolution had already been used within the Group for several years, but only internally until then – there are now more than 60 Hubgrade centers in 20 countries – and it is far more than just a digital performance solution. What makes it so special?

It combines the power of digital and advanced artificial intelligence with the Group's expert knowledge in the fields of water, waste, and energy to provide a real boost to ecological transformation.



### A culture of innovation inside and outside the company

In the context of ecological transformation, innovation is also finding its way into business models and the concepts of value, social equity, and accessibility. Wastewater reuse for cities, agriculture, and industry is just one example. The technologies exist, but the barrier to implementing this innovation is the lack of social acceptance of its use in agriculture, and even more so for drinking water. By cooperating with stakeholders, Veolia is identifying all the questions being asked in the regions (What matters to them? What are the different expectations?) in order to include and answer them during the innovation process. To enable every employee to better identify and roll out innovation opportunities, whether incremental or disruptive, Veolia has created a “school of innovation” – Innov/Academy.

In 2023, the academy focused on creating workshops aimed at spreading a shared understanding of innovation and raising awareness of the four key behaviors and actions that encourage innovation. It also designed training courses on the Design Thinking method, aimed at managers and innovation project leads, along with innovation e-learning available in 13 languages and introduced to all BUs to encourage assimilation.

Veolia also created eight innovation hubs to foster links between its various geographical zones. This ecosystem-based approach to innovation allows the Group to target its research and duplication topics more precisely. In North America, for example, the Group worked alongside local startups, providing open access to its expertise and helping them develop innovations in the field of water treatment (see box). ■

### “+1” – what the stakeholders said

*“Our challenge is to make a structural change. To break the habit of taking baby steps in policymaking. Successful ecological transformation requires disruptions in the ways products and projects are designed. We need to create and develop these disruptions together.”*

**Pascal Berteaud**  
Director General,  
Cerema, France

*“There are two main challenges: making people aware, and convincing them to seek out the technical and human potential available to us. We still have a lot of inventing to do for the ecological transformation!”*

**Stéphane Caplier**,  
Commercial Director, Local  
Authorities Hauts-de-France,  
Waste Recycling and  
Recovery, Veolia, France



### OPEN INNOVATION CREATES GROWTH

To anticipate trends, and discover and maintain original solutions that enhance its own solutions and accelerate their rollout, Veolia is establishing programs and collaborations with external partners:

- **IMAGINE H2O (United States and Asia):** building solutions to water problems with the world's best entrepreneurs;
- **Greentown Labs (United States):** North America's largest climate tech startup incubator;
- **Industrial Liaison Program (United States):** multinational industry's most comprehensive portal to MIT resources;
- **Go Seeds (Spain):** a Veolia program providing startups with access to the Group's resources to trial their technology and benefit from mentoring and our network of in-house experts. The ultimate aim is for Veolia to validate their technical solutions and become one of their first customers;



- **U-Start (Germany):** a Veolia accelerator program for startups specializing in clean technologies, launched in 2016 to promote cooperation on the circular economy, climate action, and resource preservation;
- **Incubateur HEC Paris (France):** a program providing custom support to startups, enabling entrepreneurs to rapidly consolidate their business models and position their technologies on the market.

# ENVIRONMENTAL PERFORMANCE MORE SUSTAINABLE

Veolia is currently rolling out appropriate and effective solutions to four major ecological transformation challenges: climate change, biodiversity collapse, pollution, and resource depletion.

### Accelerating our carbon trajectory

In response to the climate emergency, Veolia has embarked on an ambitious trajectory targeting Net-Zero Carbon by 2050. In support of this, the Group has reaffirmed its commitment to invest €1.6 billion in phasing out coal in Europe by 2030, with more than €500 million already injected since 2019. This project to convert its coal-powered energy production assets to use lower-carbon and more local energies has already benefited district heating networks in Braunschweig (Germany), Pířerov (Czech Republic), and Poznań (Poland). Thanks to its unique position in the energy value chain, the Group's expertise provides the missing link in local decarbonization for all its municipal and industrial customers worldwide, in a market worth an estimated €500 billion. With an investment of €4 billion by 2030, Veolia hopes to harness more than 400 GWh of untapped local energy reserves: bioenergy, energy produced from the water cycle, residual heat and cold, larger and more efficient district heating networks, more energy-efficient buildings and industry, etc.



**€529 million** invested since 2019. Well ahead of its targets, the Group continues its ambitious project to convert its coal-powered energy production assets to lower-carbon energies, and more local energies in particular.

These are low-cost local resources that avoid using new reserves and could cover the consumption needs of a country of around 50 million people, or reduce the European Union's dependence on imported fossil energies (gas and coal) by 30%. Thanks to its range of solutions, Veolia avoided 15.5 million metric tons of CO<sub>2</sub> to boost its customers' carbon trajectories in 2023.

### Performance in water networks

With many regions facing severe droughts and growing investment needs in response to new regulations or health challenges, the climate emergency has prompted Veolia to move its model toward compensation based on value rather than volume.

For example, in 2023, the Group renewed its contract to supply water to the 66 communities that make up Lille Métropole (France) for a further ten years. What made this contract different was the requirement to reduce water

consumption. In a first for France, it stipulates that Veolia must reduce water consumption by 10% throughout the contract's duration. Also in France, the Group is involved in the launch of the "Éco d'Eau" scheme, the first collective action for preserving this precious resource. From elected officials to consumers and network operators, everyone is playing their part. Some 600 communities – representing more than 3 million people – have already joined "Éco d'Eau", as have nonprofits, NGOs, businesses, schools, and media organizations. ...

## ENVIRONMENTAL PERFORMANCE

■ 2020 results ▲ 2023 target ● 2023 results

### COMBATING CLIMATE CHANGE

- Reducing GHG emissions: progress of the investment plan to phase out coal in Europe by 2030
- Avoided emissions: annual contribution to avoided GHG emissions (assessed against – IEA EF 2013 reference scenarios)<sup>(2)(3)</sup>

### CIRCULAR ECONOMY: PLASTICS RECYCLING

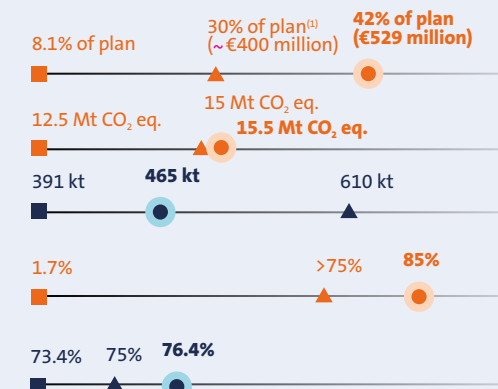
Volume of plastic recycled in Veolia's transformation plants<sup>(4)</sup>

### PROTECTION OF ENVIRONMENTS AND BIODIVERSITY

Progress rate of action plans aimed at improving the environment and biodiversity footprint in sensitive sites<sup>(5)</sup>

### SUSTAINABLE MANAGEMENT OF WATER RESOURCES

Drinking water network efficiency (volume of drinking water consumed/volume produced)<sup>(6)</sup>



(1) This indicator is calculated based on the initial budget for investment in new forms of energy aimed at eliminating coal in Europe by 2030, evaluated at €1.274 billion in 2019. It was revalued at €1.65 billion at the end of 2023. (2) Electricity emissions factors (IEA EF) used to set the Impact 2023 plan target. (3) The 2023 IEA EF updated in the Global Report reporting tool in 2023 show a value of 14.2 million metric tons of CO<sub>2</sub> eq. in 2023. (4) 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 the case of non-consolidated joint ventures, the indicator includes volumes of plastics recycled in proportion to Veolia's stake in these joint ventures. (5) 2019-2023 pro forma data. (6) For networks serving over 50,000 inhabitants. At constant scope.



## PUBLICATION

OF THE FIRST VEOLIA CLIMATE REPORT

Having signed up to the Science-Based Targets initiative (SBTi) Business Ambition for 1.5 °C campaign in 2021 and submitted its targets for validation in December 2023, the Group is committed to a trajectory of Net Zero by 2050.

The Group has also defined a key milestone for 2032, with the target of reducing its scope 1 and 2 emissions by 50% and its scope 3<sup>(1)</sup> emissions by 30% from 2021 levels. This ambitious but realistic climate strategy is set out in the first Veolia Climate Report.



For more information, access the climate report here.

(1) On 67% of all scope 3 emissions in line with the medium-term objective defined by the SBTi.

**76.4%**

**efficiency rate of drinking water networks in 2023. With this rate, Veolia has been far outperforming the Impact 2023 target since 2021, and is going further in reducing the pressure on conventional resources with the rollout of alternative solutions such as REUT.**

**Momentum in wastewater reuse**

While solutions for mitigating climate change make it necessary to prioritize action on energy, adapting to this change begins with water, the scarcity of which is one of the first visible consequences in some regions. In the same spirit as Net-Zero Carbon, Veolia is committed to Net-Zero Water, which means putting back as much water as we take for human activities. One of the effective responses, treated wastewater reuse (REUT – Reuse of Treated Wastewater), is one of the technologies in which Veolia is proficient and can offer to its customers. In keeping with environmental and public health needs, these processes produce water of appropriate quality for each use, helping to reduce consumption. This is a technology whose time has come, as regulatory obstacles begin to dissolve – the European regulation that came into force in June 2023 shows clear intent to promote REUT as an alternative to drinking water for agricultural irrigation in all member states, and, in France, four decrees to facilitate REUT for a wider range of uses have been published since mid-2023.

**On course for Net-Zero Water**

In response to the growing challenges of water availability and quality all over the world, Veolia will be investing \$1.5 billion a year in infrastructure and technology, as well as in research and innovation, in 52 countries, to improve access to water and sanitation, and reduce the water footprints of their cities

and industry. This commitment, undertaken at the United Nations Water Conference in March 2023, makes the Group a major contributor to achieving 13 of the UN's 17 Sustainable Development Goals (SDGs). This significant investment comes with four priorities. These include sustainable management of water resources and improved efficiency in the drinking water networks that Veolia operates to further increase total output; and wider rollout of REUT technology on a global scale in order to rapidly deploy this tried-and-tested solution where it can help address water shortages. The solutions already exist, but, to massively duplicate them

**WASTEWATER REUSE**

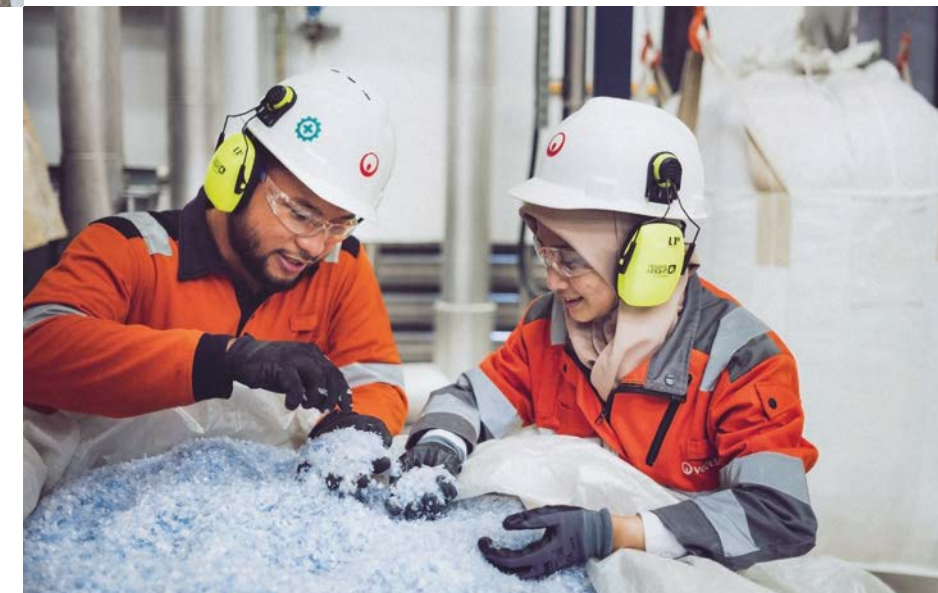
AT THE HEART OF THE JOURDAIN PROGRAM

In late 2023 in Sables-d'Olonne, as part of the Jourdain Program, the Vendée Eau association opened France's first wastewater reuse (REUT) unit for the indirect production of drinking water. Veolia attended the opening as the designer, builder, and operator of the facility at the heart of this pioneering program. Its ambition is to provide a complementary resource to produce drinking water in the Vendée and prepare the region for possible summer water shortages. This Veolia-designed refining plant is a concentration of innovation using Barrel™, the Group's patented low-pressure reverse-osmosis technology. Its process of disinfection using UV irradiation and chlorination ensures fresh water production in compliance with every applicable quality standard. During the demonstration phase (2024-2027), this facility will facilitate the reuse of up to 500,000 m<sup>3</sup> of water – equivalent to 15,000 people's consumption – with the aim of quadrupling this volume in the longer term.

across every region, it is essential that all key players – governments, local authorities, NGOs, and private enterprises – are united and act together.

**Accelerating plastics recycling**

Veolia is spearheading materials circularity, in part through its PlastiLoop solution, the first integrated platform for circular polymers, which is supported by a vast worldwide network of business experts and plastics recycling plants. Veolia further increased its capacity with its acquisition of the Spanish group La Red and now has 38 plants. Despite this, the Group did not meet its 2023 target ...





**85%**  
 progress rate of action plans for protecting and enhancing natural environments, far surpassing the target of 75%.

**“+1” – what the stakeholders said**

*“We are all aware of planetary issues. But we have a problem with understanding the diagnosis and with listening. The challenge is to create multifaceted perspectives to share a better vision and a better understanding of the problems that connect us all.”*

**Pierre-Emmanuel Reymund,**  
 Delegate Director of Regional Partnerships and Innovations, Toulouse Métropole

*“Faced with this crisis, we must work together and share our vision to foster collective thinking and find concrete solutions. We must not ignore the weak signals that are actually very clear warnings!”*

**Emma Haziza,**  
 Hydrologist, and founder and president of Mayane

of 610,000 metric tons a year of plastic waste recycled worldwide. This was primarily due to an unfavorable market environment. The price of recycled materials is indexed against that of virgin raw materials – including the currently extremely volatile price of oil. The drop in the price per barrel in 2023 caused the price of virgin oil-based PET to crash by a third to €600 per metric ton. The capacity is in place, but the markets are not there yet.

**Renewal of the Group’s biodiversity commitment**

The preservation of natural environments and biodiversity is one of Veolia’s multifaceted performance objectives. Since 2020, the Group has rolled out protection and enhancement plans on the 114 sites worldwide identified as the most sensitive in terms of environmental quality or the activities taking place. The Group has a range of tools and solutions in this area: biodiversity footprint measurement based on life-cycle analysis, an ecological site management guide,

a “zero-phyto” charter, e-learning courses to raise biodiversity awareness for all employees, and, of course, nature-based solutions (see box on La Marjal), including for managing the large water cycle. The progress rate for these action plans reached 85% by the end of 2023, easily outstripping the Group’s target of 75%. Veolia now aims to make this experience in biodiversity management available to its customers for their industrial sites.

Also in 2023, Veolia performed a systematic analysis of the impacts and dependencies on biodiversity of its activities and value chain, in line with its commitment to incorporate Taskforce on Nature-related Financial Disclosures (TNFD) recommendations in its publications from 2024 onward (2023 URD). ■

**LA MARJAL**

SPAIN’S FIRST FLOODABLE URBAN PARK

Created on the initiative of Aguas de Alicante – a joint venture between Veolia’s Spanish subsidiary and the local council in Alicante –, La Marjal meets a vital need: to protect the city from severe floods while also regenerating biodiversity and contributing to local people’s health and wellbeing. Designed to resemble natural Mediterranean wetlands, this park is home to four types of indigenous plants, with two ponds built around a retention basin. Two collectors in the flood-prone areas gather rainwater and channel it into the ponds. Responsibility for operating and maintaining the park are shared between the local council (gardening, irrigation systems, landscaping, cleaning, security, and social activities) and Aguas de Alicante (water quality, algae control, pumps, rainwater inlet control, and the management of ornithology centers).



**ACT4NATURE**

STRENGTHENING THE GROUP’S BIODIVERSITY STRATEGY

In January 2024, Veolia renewed its commitment to the Act4nature International initiative for the period 2024-2027. It has set itself objectives in line with previous commitments, with targets that are more ambitious or more closely align to the Group’s biodiversity strategy with the international frameworks created at COP15 or the requirements of the CSRD.

The Group has introduced a number of other new initiatives, including a goal of zero deforestation by 2027, the inclusion of an on-site biodiversity management solution in its commercial offerings, greater incorporation of biodiversity in its purchasing criteria, the definition of a replanting target covering all its “sensitive” landfill sites, and a target of 1.5 billion cubic meters of fresh water a year saved (through wastewater reuse, desalination, and leak reduction) by 2027.

# HUMAN RESOURCES PERFORMANCE

## MORE UNITED

Committed ambassadors... At the conclusion of the exemplary merger that took place in 2022, all Veolia's human assets came together to cement a shared cultural identity within the Group. And they now need to assimilate the skills needed for ecological transformation and the consolidation of Veolia's health and safety culture.

### A collective more committed than ever

Now fully operational, the Group's teams are all strongly engaged and aligned with its ecological transformation ambitions, and there are two clear proofs of this. The first is the 2023 results of the annual Voice of Resourcers survey, where new Veolia employees showed an excellent overall engagement rate of 89%, equivalent to the 2022 level. The participation rate reached a record high level of 79%, 7 points higher than in 2022. This significant increase in the number of respondents (almost 122,000, compared with 114,000 in 2022) backed up the engagement rate, which remained at the above-mentioned extremely high level of 89%. Similarly, confidence in the Group's capacity to achieve its goal remains solid at 82%. The other marker of employee commitment was the success of the Sequoia 2023 employee shareholder scheme. The scheme was available to 190,000 employees in 49 countries, and almost 79,000 – close to 42% – of them subscribed. As every year since 2018, Sequoia confirms Veolia's ambition to closely involve its employees with the development of their company and its value creation.

### Universal social benefits

Convinced that collective strength, solidarity, and inclusivity are essential to meeting the challenges of ecological transformation, in 2023, the Group launched the Veolia Cares program. Implemented across every geographical region, this program has been hugely successful both internally and in



### 2023 VOICE OF RESOURCERS SURVEY

**79%**  
Overall participation rate.

**89%**  
Engagement rate, 9 points above the target set in the Impact 2023 program.

**82%**  
of employees confident in the Group's capacity to achieve its goal of becoming the champion for ecological transformation.

terms of public opinion (in the media and across social networks). Having since been added to the HR Essentials, Veolia Cares provides the Group's 218,288 employees with a social protection framework in every country where it operates – each with its own distinct legal and cultural background, including where there is no legal requirement for such provision. Unprecedented in its scope, this is a powerful expression of the Group's

commitment to multifaceted performance. The program also drives engagement, which is already extremely high among Veolia employees. This is amply illustrated by the increasing impact of the Resourcers for Communities citizen engagement program, launched in 2022 (see page 50). ...

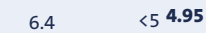
### HUMAN RESOURCES PERFORMANCE

■ 2020 results ▲ 2023 target ● 2023 results

**EMPLOYEE ENGAGEMENT**  
Employee engagement rate, measured by an independent survey



**SAFETY AT WORK**  
Lost time injury frequency rate



**EMPLOYEE TRAINING AND EMPLOYABILITY**  
Average number of training hours per employee per year



**DIVERSITY**  
Proportion of women appointed among Executive Resourcers<sup>(1)</sup> between 2020 and 2023

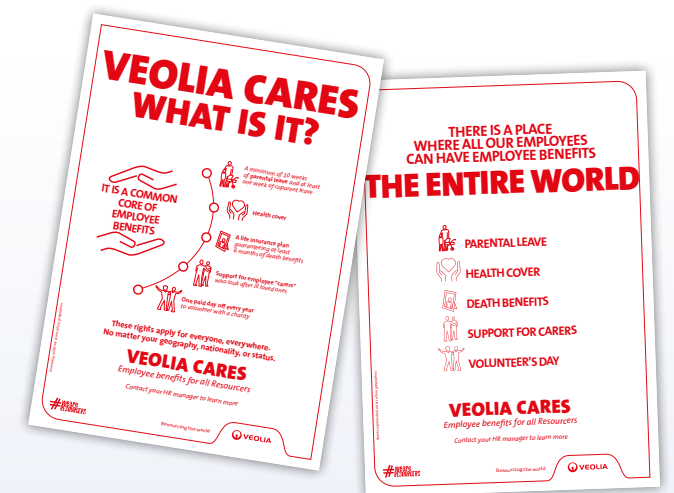


(1) Formerly called the Group's "Top 500 Executive Managers".

### VEOLIA CARES

SOCIAL PROTECTION FOR ALL

In response to geographical disparities in social protection in the environmental services businesses, Veolia rolled out the Veolia Cares program globally on September 1, 2023. Some of its strongest measures include: ten weeks of maternity leave and one week of coparenting leave, which apply to every couple regardless of their sexual orientation, support for employees caring for loved ones, and health and bereavement cover.





## THE “ZERO ACCIDENT TARGET” — A CHOICE”

The International Health and Safety Week again attracted huge employee involvement in 2023, with a new element: the involvement of external stakeholders (subcontractors, temporary staff, customers, etc.), to continue building a solid partnership in this area and make progress along the Group’s trajectory toward “zero accident”. Since 2019, Veolia has emphasized the need to change behavior to make workplaces safer and healthier. This year’s theme of “Safe Reflex” ties in with this approach, with the aim of raising awareness of the unconscious errors that can arise from dangerous habits and cause accidents, in order to better handle and counteract them.

### 4.95

Lost time injury frequency rate. Veolia improved its frequency rate in 2023, passing under the target threshold of 5.0 set by the Impact 2023 program.



## RAISING AWARENESS OF OUR BUSINESSES’ CARBON FOOTPRINT

Launched in 2022, the Ecological Transformation Fresco went from strength to strength in 2023. More than 5,000 Veolia employees attended this workshop, with 250 subsequently asking for training to run it themselves. The “2 tonnes” workshop is a collaborative serious game in which participants must activate the correct levers to build their low-carbon transition scenario for 2050. This fun and educational workshop helps participants understand the individual and collective actions that can significantly reduce our carbon footprint. It was offered to all Group entities, and, in 2023, 45 facilitators ran 95 sessions, with a total of 940 people taking part. Rollout of the workshop continues to gather pace, particularly in the United States.



### A constantly evolving safety culture

Protecting the health and safety of every single employee, while also protecting customers, sub-contractors and communities, remains Veolia’s absolute priority (see box opposite). This safety culture continues to evolve across the Group and, in 2023, enabled it to achieve its target of a lost time injury frequency rate below 5 (at 4.95).

### Ecological transformation requires the right skills

Veolia’s training offer is evolving to support its employees with the skills they need for ecological transformation. Throughout 2023, the Veolia Academy organized workshops with zones and BUs to help them identify training levers for meeting skill-set development needs. These include new online resources exclusive to Veolia, covering topics such as data, cybersecurity and generative AI, innovation, hazardous waste, local energies, GreenPath Zero Carbon, introduction to planetary boundaries, etc. Not forgetting the environmental awareness courses in partnership with LinkedIn Learning and Climate School. And, because a solid knowledge base is crucial to grasping the urgency of environmental issues and incorporating ecological transformation into our day-to-day work, two in-person workshops – the Ecological Transformation Fresco and the “2 tonnes” serious game workshop – are being organized in numerous entities internationally (see box).

### 27.2%

Diversity rate among Executive Resources, a group that includes around 500 employees at grade 16 or above, up two basis points in 2023 (compared to the end of 2022).

## “+1” – what the stakeholders said

*“Veolia’s purpose is now understood and shared by all its employees in Asia. So much so that I never have to explain what CSR or sustainable development mean. Everyone understands that they are a source of values essential to our business.”*

**Aurore Yang,**  
Purpose Officer,  
Asia-Pacific Zone, Veolia

*“Veolia does extremely interesting work consulting its employees and stakeholders about how they can contribute to ecological transformation and what they can bring to the table based on their knowledge, skills and experience.”*

**Luis Fredy Sosa Quintero,**  
Quality Management  
Department Director,  
University of Boyacá,  
Colombia

### Diversity and inclusion, a rising index

Diversity, gender identity, disability, and social and ethnic origin are the four pillars of Veolia’s Diversity & Inclusion (D&I) action plan, which is supported by a network of representatives of all the Group’s geographical zones, who, in 2023, gathered for their first international congress. This was an opportunity to discuss the role of the Group’s D&I policy in its multifaceted performance and to explore the action levers to be implemented for each of the four pillars. Several initiatives to promote diversity took place in 2023, including another Yes WEDO Week event on March 8, on the theme “For an inclusive digital world: innovation and technologies for gender equality.” In all, more than 200 initiatives were identified thanks to the 50 entities that took part. To mark International Day of Persons with Disabilities and also one year since Veolia signed the ILO Global Business and Disability Network Charter, around a thousand employees joined an online webinar on the theme of neurodiversity in the workplace. To reflect Veolia’s support for the United Nations’ five LGBTI standards of conduct, the Group organized a webinar to raise awareness of LGBTI+ people’s experiences in the workplace and made three dedicated e-learning modules available to Group entities. ■

# SOCIAL PERFORMANCE MORE USEFUL

As a simultaneously global and local Group, Veolia has deep roots in the regions where it operates and offers responsible local support. Whether providing essential services or contributing to public health and improving living conditions for local populations, the Group innovates and forms alliances with all stakeholders to cobuild useful, high-impact initiatives – innovative models for relationships and value creation.

### Improved access to essential services

To ensure sustainable access to essential services for the most vulnerable populations and develop solutions to meet local challenges, Veolia engages with local authorities, its partners, and its customers. The inclusive support mechanisms available to the Group can be financial, relating to the price of water (social pricing), help with paying bills (payment plans, debt forgiveness, water voucher schemes, etc.), or alternative supply solutions. Since 2020, Veolia has worked to better understand decentralized water access systems, which can supplement the network in many areas, including in suburban zones. One such project was implemented in some rural areas of Cambodia not connected to the drinking water network, alongside several partners: the startups Tergys and GreenCitizen, the NGO 1001fontaines, and the Veolia Foundation. The project's objectives were to improve access to high-quality water and decarbonize its production through the development of a new "kiosk" model. This combines UV ultrafiltration, solar energy, and digital tools to improve access to drinking water for 100,000 people. The project launched in November 2023 and will be completed in the first half of 2024. This pilot will open up the exploration of other decentralized access projects in other geographical areas.



are non-negotiable elements of the Group's commitment to its stakeholders. Trust, ethics and compliance contribute directly to its attractiveness and performance. In 2023, as in previous years, Veolia continued its background work to maintain high levels of vigilance in every role: training managers in the prevention of corruption and anti-competitive practices; promoting the Group's values; enhancing the ethics alerting system; etc. This continued effort has borne fruit: according to the 2023 Voice of Resources internal survey, 88% of the 122,000 respondents feel that, within their

### Ethics and compliance: no performance without trust

Ethics and compliance are a natural and perfect fit with Veolia's focus on responsibility and usefulness. More than that, they

BU/entity, Veolia behaves ethically and in compliance with regulations (up 3 points from 2022), and 80% would be comfortable with raising an alert over any fraud or corruption suspicions (up 2 points from 2022).

### Regional activity with a multiplier effect

The Utopies study of the 2022 business year carried out in 2023 was able to quantify the

effects of Veolia's activity beyond its direct impacts (employment and value added by the Group). Indirect impacts in connection with the supplier chain, and those caused by household consumption (Veolia employees and suppliers) and by public expenditure are also measured. Cash flows in 58 countries where Veolia operates were analyzed, representing over 98% of its revenue. ...

## SOCIAL PERFORMANCE

■ 2020 results ▲ 2023 target ● 2023 results

**REGIONAL JOB AND WEALTH CREATION**  
Socioeconomic footprint of Veolia's activities in the countries where the Group operates, in terms of jobs supported and wealth created

1,105,388 jobs  
€51 billion added  
GDP in 51 countries

Impact assessments  
in at least 45 countries

1,561,629 jobs  
€77 billion added GDP  
in 58 countries

**ETHICS AND COMPLIANCE**  
Rate of positive answers to the engagement survey question "Are Veolia's values and ethics applied in my entity?"

83% >80% ● 88%

**ACCESS TO ESSENTIAL SERVICES (WATER AND SANITATION)**  
Number of inhabitants benefiting from inclusive measures for access to water and sanitation within Veolia contracts

6.12 million  
(+7% vs. 2019)

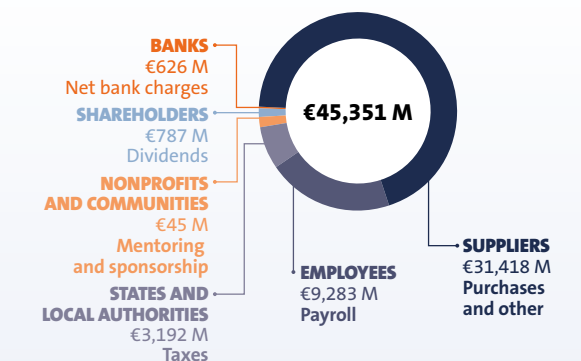
+12% vs. 2019

7.27 million  
(+27.4% vs. 2019)

## 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 and all stakeholders.

## REVENUE



**VEOLIA'S SOCIOECONOMIC FOOTPRINT IN 2023**

ZONE	JOBS SUPPORTED <sup>(1)</sup>	WEALTH CREATED
Africa and Middle East	164,298	€3,186 million
North America	74,688	€9,702 million
Latin America	104,628	€2,910 million
Asia	371,770	€7,236 million
Central and Eastern Europe	320,108	€11,128 million
Northern Europe	124,796	€13,064 million
Southern Europe	94,578	€6,386 million
France	225,098	€15,036 million
Australia and New Zealand	20,521	€2,462 million
United Kingdom and Ireland	61,142	€6,346 million
<b>TOTAL</b>	<b>1,561,629</b>	<b>€77,460 million</b>

(1) Value rounded up to the nearest whole number.

According to the Utopies 2023 study, Veolia's activities supported **1,561,629 full-time equivalent (FTE) jobs**, that is a multiplier coefficient of 8: for every direct job with Veolia, 7 jobs are supported in the economy. Veolia activities created €77.4 billion in added value, that is a multiplier coefficient of 3.4: for every €1 of added value that Veolia creates, an additional €2.40 is generated in the economy.

(Study conducted based on 2022 figures.)

**Terra Academia, a coalition of stakeholders**

Backed by Veolia and its economic, academic, public, and nonprofit partners, this school for ecological transformation is organized in a regional network of campuses, the first two of which opened at the beginning of 2024 in Arras and Paris, France. Terra Academia provides short-form training courses and modular study aimed at young people, particularly those with qualification-based training in green professions; at professionals active in, or retraining with the skills for, the ecological transformation and shortage occupations; at entrepreneurs, executives and managers; and at elected officials and local public service directors. An initial course to introduce young people to ecological transformation professions has been available since January 2024 with the employment services in Arras, and the first iteration of the training program to help entrepreneurs incorporate environmental issues into their business models will run in Paris and Arras in spring 2024.

**Promoting dialogue with the public**

To inform, analyze, decipher, spark debate, encourage dialogue – Veolia has created a social media ecosystem to help the greatest number of people understand and take on board the crucial issues in relation to ecological transformation. Following the Culture

**“+1” – what the stakeholders said**

*“The achievement of our environmental objectives is mostly based on our ability to identify our common interests and team up – with businesses, institutions, customers, etc. – to have a more meaningful impact on society.”*

**Luca Bazzanella,**  
President of the Sustainable Economy Association, Italy

*“We will only head in the right direction by collaborating, not just internally but also beyond Veolia, with our customers, who occupy an important place, and our communities. We have to know what they think and how they think.”*

**Phil Carbins,**  
General Manager Business Development, Veolia Australia & New Zealand

Green program of weekly quizzes on the ecological transformation and its solutions, which launched in 2021 to inform and entertain (web app, quiz game, etc.), and Up to Us, an Instagram account created in 2022 to bring together English speakers aged 18 to 40 (40% of the target in the United States), in 2023, the Group started its own YouTube channel, Verso by Veolia, aimed at people aged 18 to 34 (see box).

These flows rose sharply in 2023 (see graphic and box), largely as the result of a particular macroeconomic context – namely, the effect of incorporating Suez businesses in many countries and BUs in 2022, which contributes in large part to the 40% payroll increase between 2021 and 2022. The study shows that the Group's spending is massively reinvested in the countries where it operates: 86% of purchases are made locally. It should be noted that, in France, this dynamic primarily benefits SMEs, which represent 74% of Veolia's suppliers.



several pilot entities in France and Morocco, it is now being rolled out across France, including at the headquarters in Aubervilliers. This program creates a framework for all those volunteers keen to take on social and public-interest missions based on the themes of environment and inclusion, and helps turn ideas into action via a dedicated platform that publicizes the needs of local nonprofit organizations. Separately from this initiative, mobilization is now possible in every Group BU through the Veolia Cares policy (see page 45). In 2023, this amounted to 3,500 FTE employees mobilized and 1,400 actions carried out with more than 700 partners worldwide.

**Developing employee engagement with local charities**

With the local services that it delivers, but also through its local installations and employees, Veolia is a major contributor to regional dynamism and plays a full part in local ecosystems in connection with the various stakeholders. It is precisely to facilitate its employees' direct engagement with local nonprofits that the Group developed its citizen mobilization program, Resourcers for Communities. Tried in

**VERSO BY VEOLIA, MAKING SENSE OF TRANSFORMATION LIKE NEVER BEFORE**

An easily accessible environment for scientific exploration, the Group's new YouTube channel answers questions, from the simplest to the strangest, on every “green” topic. Aboard a 100% electric Veolia truck, three influencers and popular scientists take to the road to meet the Veolia experts, customers, and partners working every day for a more sustainable world. With its three types of content – “Scientifacts”, “Wait – let me explain” and “Under way”, the channel is particularly popular with schools and the media.



Visit the new Verso by Veolia YouTube channel.



## ECONOMIC AND FINANCIAL PERFORMANCE

# MORE ROBUST

The historic results recorded in 2023 outperformed the economic and financial performance targets Veolia had set with Impact 2023. This healthy position helps assure the Group’s long-term future and its capacity to invest and continue to act for the benefit of all its stakeholders.

### 2023 another record year

For the seventh consecutive year, Veolia is posting results that illustrate strong, above-target growth: €45,351 million in revenue (up 9%), EBITDA up 7.8%, and current net income up 14.9% to €1,335 million, double the 2018 value.

This uninterrupted growth reflects not only the Group’s resilience and ability to adapt, but also its sound positioning in the booming ecological transformation market. Demand for Veolia’s services has never been so high, with a full and still-growing order book worldwide for Water Technologies alone – up 12.1% to €4,700 million – showing that water scarcity and quality have become key issues for towns and cities as well as for industry. The Group has also been relentless in its pursuit of efficiency, with €389 million of savings made, along with benefits from the acquisition of Suez in the form of €168 million of cost synergies, well above target for the year.



### 57.9% of Veolia’s revenue eligible for the European taxonomy

The green taxonomy confirms Veolia as a highly significant contributor to ecological transformation, with 57.9% of its 2023 revenue corresponding to activities that contribute strongly to the European Union’s environmental objectives. Of these so-called “eligible” green taxonomy activities, those considered sustainable represent 40.2% of the Group’s total revenue, or, in other words, more than two-thirds of its eligible activities. The operating conditions for these satisfy the

### +14.9%

Strong growth in Veolia’s current net income (Group share) to €1,335 million, clearly surpassing the 2023 performance target.

demanding multiple criteria defined by Brussels. Focused on climate in 2021 and 2022, from 2023, the taxonomy also covers water resources, the circular economy, pollution prevention, and biodiversity. This allows a more complete illustration of all the Group’s environmental contributions, for example through hazardous waste treatment, water reuse, and the quality of the

water output from its wastewater treatment plants. Scrutiny of Veolia’s activity in 2023 shows that investment rates that are eligible and aligned with the taxonomy are respectively 75% and 44.5%. This is well above the rates corresponding to the current revenue and reflects the priority accorded to ecological transformation in the investment choices being made. ...

### ECONOMIC AND FINANCIAL PERFORMANCE

■ 2020 results ▲ 2023 target ● 2023 results

#### ANNUAL REVENUE GROWTH

€26,010 million Annual €45,351 million

#### CURRENT NET INCOME GROUP SHARE

€415 million €1,000 million €1,335 million

#### POST-TAX ROCE

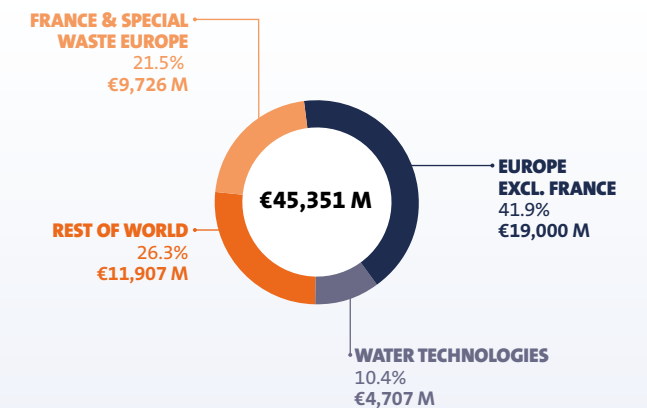
6.4% Annual 8.3%

#### FREE CASH FLOW (before discretionary investment)

€942 million Annual €1,683 million

### 2023 REVENUE SHARE BY OPERATIONAL SEGMENT

Veolia’s 2023 revenue increased by 9.0% compared with 2022, at constant scope and exchange rates. It is growing strongly in segments outside France and steadily in France and Special Waste Europe.



### The taxonomy in proactive mode

Veolia is encouraging the European Commission to go beyond the sustainable activities added in 2023 and continue work to extend the taxonomy to new activities, to provide even more comprehensive coverage of all levers for accelerating ecological transformation.

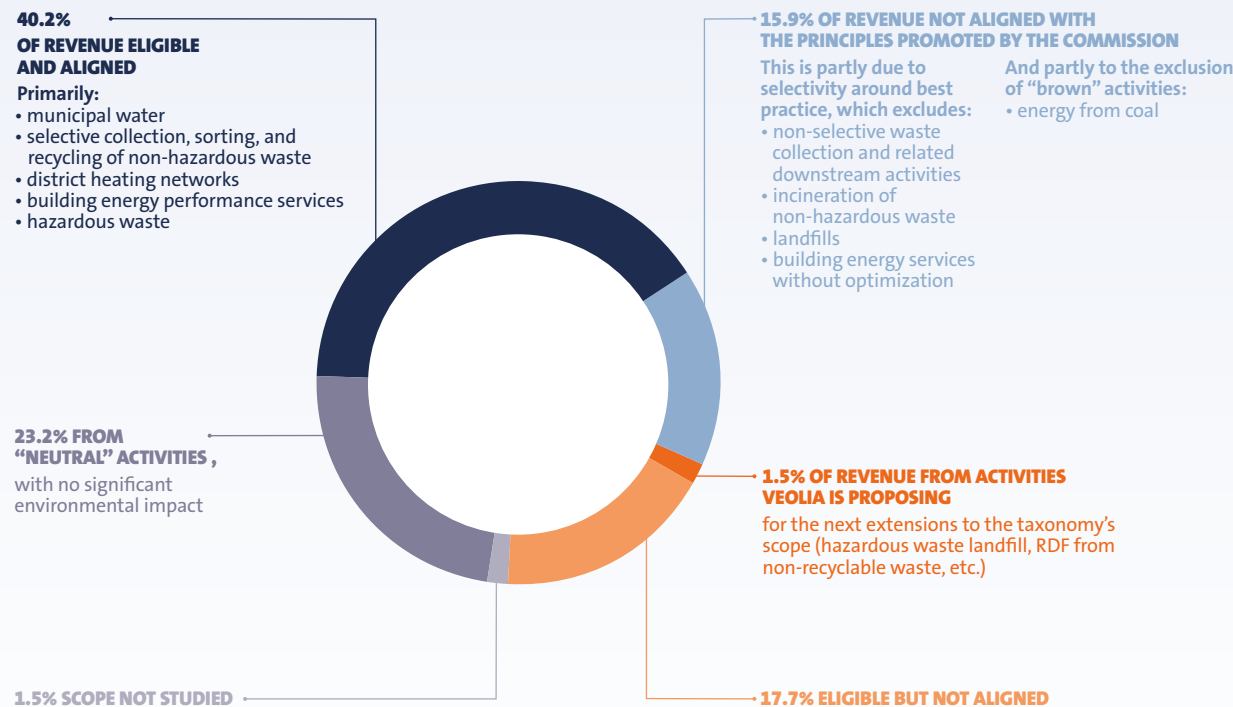
The Group strongly advocates the inclusion of refuse-derived fuel (RDF) produced from non-recyclable waste, a low-carbon alternative to coal, and of landfill facilities

for some hazardous waste, which are crucial to managing pollution risks all around the world. ■■■

**40.2%** of revenue (€18,213 million) is sustainable according to the taxonomy's climate requirements.

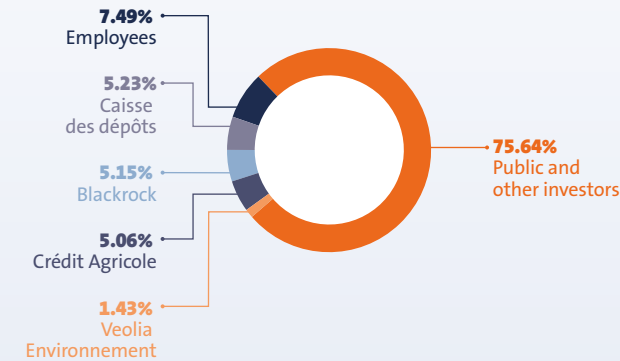
### ANALYSIS OF 2023 REVENUE ACCORDING TO GREEN TAXONOMY ELIGIBILITY CRITERIA

Veolia is now able to analyze financial flows according to ESG criteria, at the level of its 20,000+ local operations. The €45,351 million in revenue from 2023 was therefore scrutinized using a digital application called Green Grideo, which places this complex system within the reach of operational teams at business-unit level. The result: 40.2% of 2023 revenue is sustainable according to the taxonomy's climate requirements, i.e. more than two-thirds of eligible climate activities.



### VEOLIA SHARE CAPITAL BREAKDOWN BY NUMBER OF SHARES

(as at December 31, 2023)



### A GROUP SUPPORTED BY A SOLID BASE OF EMPLOYEE SHAREHOLDERS

Available to 190,000 employees in 49 countries, the Sequoia 2023 employee share ownership scheme, launched in September of that year, attracted 79,000 subscribers, an uptake rate of almost 42%. The total of around €22 million invested (lever included) led to an issue of 10,027,792 new shares, equivalent to 1.4% of total stock, increasing the stake held by employees to 7.5%. Offered annually since 2018, the Sequoia employee shareholding operations illustrate Veolia's ambition to closely involve its employees with the development of their company and its value creation.

### CSRD

#### ENHANCING THE TAXONOMY

Following the introduction of the green taxonomy, the European Union is scaling up extra-financial reporting for businesses. Applicable from the 2024 fiscal year onward, the Corporate Sustainability Reporting Directive (CSRD) represents a significant step forward in making environmental, social, and governance (ESG) information a new pillar of corporate economic performance. With the aim of standardizing extra-financial information and preventing greenwashing, it introduces a new requirement to report and verify standardized sustainability information. It also creates a strong connection between financial and extra-financial status. This change, which further enhances the taxonomy, resonates with Veolia, which has been working for many years to align its activities with its purpose and multifaceted performance, and, from 2024, with its new GreenUp strategic program. The CSRD therefore presents the Group with a remarkable opportunity to construct an educational framework around its added value and to plan its medium-term strategy.

### "+1" – what the stakeholders said

*"The Veolia Group's role is particularly interesting in that it sits at the interface between manufacturers, citizens, and public authorities. It has the ability to be a transformative player by combining what everyone achieves in terms of effort and the transformation of production and consumption models."*

**Laurène Chenevat**, Sustainable Finance Policy and Regulation Leader, Nataxis, France

*"I think it's essential that international companies like Veolia hold consultations, to listen, involve people in their strategy, and help their different stakeholders."*

**Adrienne Esposito**, Executive Director, Citizens Campaign for the Environment, United States





... like our strategic program to guide us through to 2027. With GreenUp, Veolia aims to be the most decarbonizing, depolluting and regenerating company in the world. The benchmark company for ecological transformation. The champion of an ecology that transforms.

# GREENUP STRATEGIC PROGRAM

# GreenUp

**IT MEANS ‘GREENING’ INDUSTRIES, cities, and regions. IT’S ABOUT CREATING AN ECOLOGY THAT TRANSFORMS, decarbonizes, depollutes, and regenerates. IT’S ABOUT AN ECOLOGY THAT PROTECTS** health, wellbeing, and purchasing power, that contributes to the strategic autonomy and attractiveness of regions, and the competitiveness of industry.”

**ESTELLE BRACHLIANOFF**  
Chief Executive Officer of Veolia

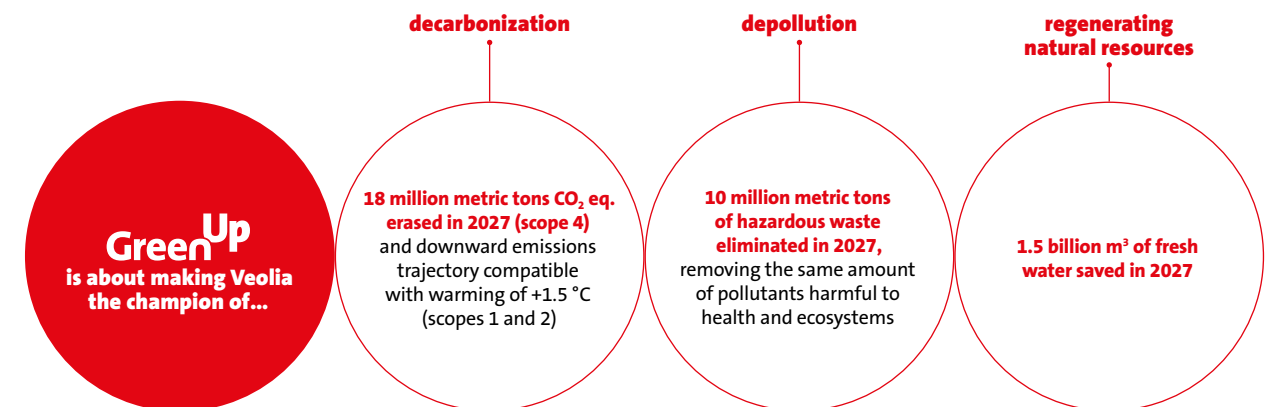
## VEOLIA, THE MISSING LINK IN ECOLOGICAL TRANSFORMATION

**The demand for ecological transformation has never been so strong.** In a world committed to achieving carbon neutrality and gradually reducing its reliance on fossil fuels, industries and regions need a high-impact set of proven, affordable, and replicable solutions. Solutions that enable them to reduce their carbon footprints but also help them adapt to the already visible consequences of climate change – especially in regard to water resources – protect public health, and harness new local resources to boost sovereignty and autonomy.

**With the launch of its new strategic program, GreenUp,** Veolia is making a commitment to accelerate, transform, and provide tangible, affordable, replicable decarbonization, depollution, and resource regeneration solutions that will help protect human health and the

environment. Building on the great success of Impact 2023 and the transformative acquisition of the Suez group, which makes Veolia one of the top three companies in the countries where it operates, the Group has never been so well placed to meet its customers’ ecological transformation needs. With the solutions it already has available or is in the process of inventing, Veolia is already supporting them with local, low-carbon energy; with recovered, treated, and reused water; and with collected, recycled and reclaimed waste.

**With GreenUp, Veolia aims to move up another gear by focusing its efforts where they are most anticipated,** most necessary, and most transformative, namely where greenhouse gas emissions are the highest, where pollution is the most serious, and where natural resources are the scarcest. —





# ACCELERATING THE GREEN REVOLUTION

**With GreenUp, Veolia will focus on its three strong foundations – in city water, solid waste, and heat networks – to roll out three boosters with clear objectives:**

- **local energy, through bioenergies**, flexibility, and energy efficiency for buildings and industries. The targets are 8 GW of bio-energy produced locally by Veolia and a 3 GW flexible installed base by 2030, i.e., at least 50% growth;
- **water technologies and new solutions** for recycling water and treating new forms of pollution. The ambition for 2030 is strong revenue growth of over 50% with both manufacturers and cities;
- **treatment of hazardous waste** and pollutants in order to safeguard human health

and ecosystems. The target is more than 12 million metric tons treated and 50% more revenue by 2030.

More than 50% (€2 billion) of this strategic program's investment for growth will be devoted to these boosters, which currently represent 30% of the Group's revenue. This is equivalent to the amount invested across all business areas over the 4 years of the Impact 2023 program.

As for Veolia's areas of strength, solid and resilient bases for services essential to people and industry in which Veolia is the European or world leader, the Group will focus its efforts on maintaining operational excellence and consolidating its leadership position. —



## Expanding local bioenergy production

Local-origin bioenergy production is at the nexus of Veolia's water, waste, and energy businesses. The Group is a major force in low-carbon local energy in France, producing 73 GWh of biomethane (which is injected into the gas network) at its industrial ecology hub in Claye-Souilly and 163 GWh at the wastewater treatment plant it operates in Valenton. It aims to unlock the vast reproduction potential in other regions such as Australia, Asia, and also Latin America, where it produces 35 GWh of biogas for industry at its non-hazardous waste landfill site in São Paulo, Brazil.



## Building the public water service of the future

Renewed for another 12 years in January 2024, the flagship public water service management contract for the Paris region (2025-2036) is unique in many respects since it reflects the future of water services. Veolia's proposal to the Syndicat des eaux d'Île-de-France (Sedif), which serves 4 million people in 132 towns and villages, contained many "world first" innovations, including a two-stage modular membrane filtration process combining nanofiltration and low-pressure reverse osmosis that can treat micropollutants and endocrine disruptors. With this, Veolia has raised the bar for sustainable and safe regional water management.



## Accelerating in the treatment of hazardous waste

In the Middle East, since 2018, Veolia has been developing massive treatment capacities for hazardous waste in world-class petrochemical hubs: industrial services, incineration, physico-chemical treatments, landfill, etc. With these efforts, the Group is contributing to the introduction of stricter environmental legislation and helping the Emirati, Saudi and Kuwaiti authorities roll out compliant services. Once its Saudi installation is fully operational, the Group will be the region's largest private operator and leading solutions provider, supplying essential services to its industrial customers.



# INNOVATING AND UNITING FOR A SUSTAINABLE AND DESIRABLE FUTURE

To ensure the best chance of achieving its ambition of successful ecological transformation, Veolia must optimize its existing solutions to their maximum advantage even as it creates new ones, and strengthen its cooperation with stakeholders.

### Accelerating innovation to create the solutions of tomorrow

This requires an increased injection of resources, with over €200 million more to be invested in research, industrial pilots, and the acquisition of new technologies to add to the Group's 4,800 existing patents. This will also be achieved by leveraging Veolia's size, through its network of 14 research and innovation centers and 8 thematic hubs around the world, to closely address each region's needs. For example, Veolia supports research into the treatment of new pollutants such as endocrine disruptors, pesticide residues, and PFASs.

### Continuing to make the difference for our customers

Veolia will emphasize the combination of its expertise in water, waste, and energy, as well as how these overlap, and also consolidate its strong presence in each country and its ability to replicate solutions from one country to another. To achieve this, the Group will make use of digital solutions with integrated AI and generative AI. It already uses conventional AI and machine learning in various operational applications such as leak detection and energy production optimization, and now it has recently launched testing of a range of new applications made possible by generative AI.



### Mobilizing the energy of all stakeholders

To achieve successful ecological transformation, Veolia needs cooperation from every quarter: public opinion as a stimulus, government bodies as instigators, industry and the regions as partners and cobuilders, banks and public funding bodies as investors, and so on.

### Pursuing internationalization at a faster pace

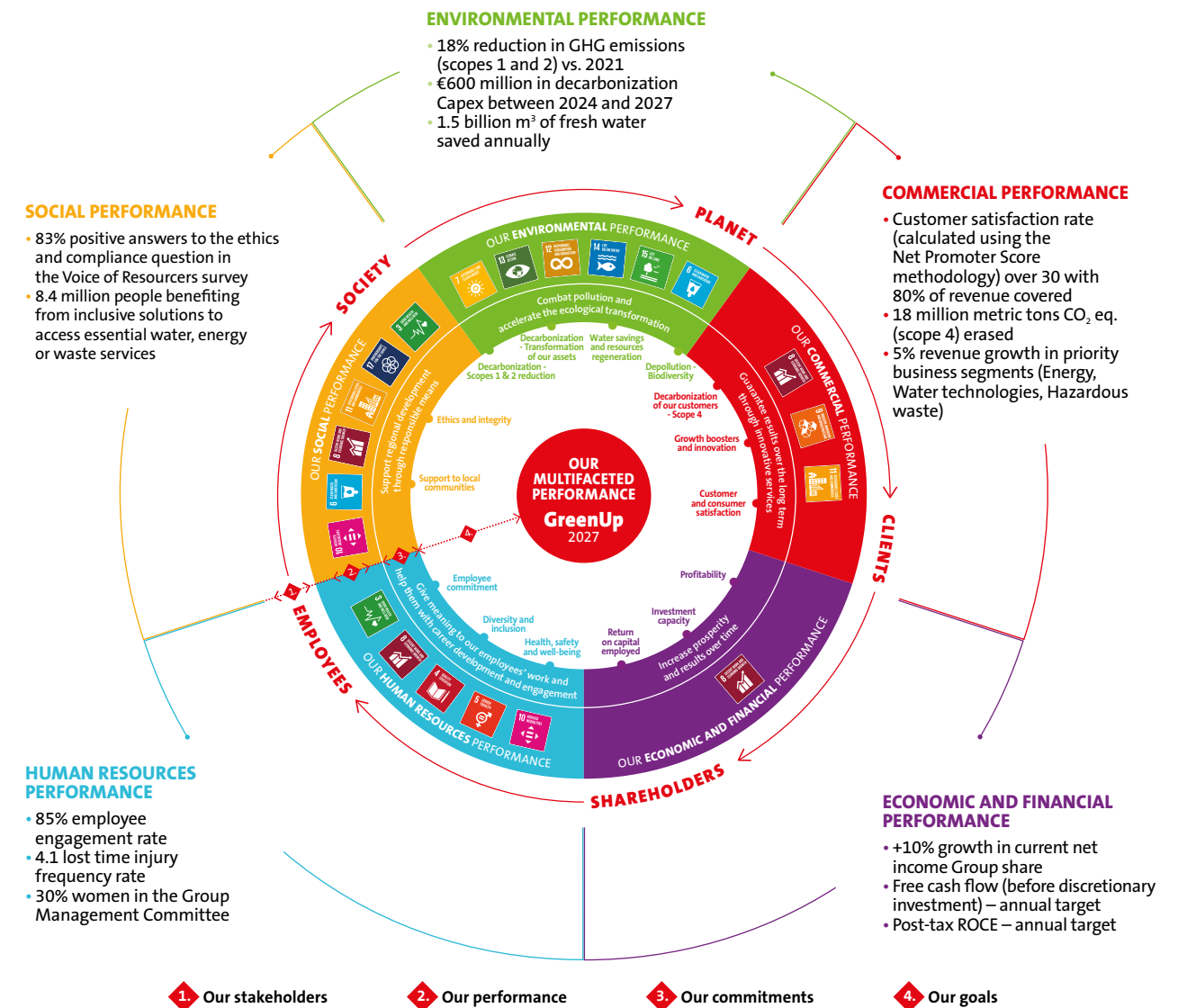
Veolia's ongoing objective is to generate 50% of its revenue outside Europe, primarily in three geographical zones: the United States, the Middle East and Australia. Veolia's geographical footprint is already largely international, with 20% of its revenue generated in France, 40% elsewhere in Europe, and 40% outside Europe. The idea is not to reduce activity in Europe but to capitalize on more rapid growth outside Europe. The objective is to be in the top three for each business area in every country where the Group is present.

## Multifaceted performance aligned with the challenges of GreenUp

In its GreenUp strategic program, Veolia commits to 15 multifaceted performance objectives. For each of these, it has defined an indicator and a target for 2027. These 15 indicators reflect the operational implementation of Veolia's purpose at Group level and will be audited annually.

Decision-making in BUs and at headquarters – on budgets, major projects and transactions, variable compensation for management teams, etc. – will be evaluated in terms of the 5 multifaceted performance dimensions and the 15 priority objectives for the entire duration of the GreenUp program.

### MULTIFACETED PERFORMANCE INDICATOR TARGETS 2027



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This document was prepared by Veolia's Communications and Sustainable Development Departments.

- **Sponsor:** Group General Counsel
- **Co-oversight:** Communications Department and Sustainable Development Department
- **Integrated discussion committee and contributors:**
  - Strategy and Innovation Department;
  - Business Support and Performance Department;
  - Human Resources Department;
  - Legal Department;
  - Finance Department;
  - Risk, Insurance and Coordination of Internal Control Department.

**Chief Communications Officer:** Laurent Obadia.

**Editing and coordination:** Armelle Perrin-Guinot, Arthur Thoux, Christophe Valès.

**Photos and graphics:** Laure Duquesne.

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**Illustration (Live Magazine):** Elsie Herberstein.

**Design and production:** HAVAS Paris.

# Resourcing the world

**Veolia**

30, rue Madeleine-Vionnet – 93300 Aubervilliers – France

Tel.: +33 (0)1 85 57 70 00

[www.veolia.com](http://www.veolia.com)