



YOU & SUSTAINABILITY

A SUMMARY

Protect and prosper: Our journey is your resource advantage

RESPONSIBLE BUSINESS IS GOOD FOR BUSINESS

This latest progress report¹ shows our commitment to resource efficiency and shows how we are turning the circular economy into a reality

Working in collaboration with our partners and customers, our innovative solutions, services and economic models are delivering benefits straight to the bottom line, helping people in their work, the communities we live in and the planet at large.

Responsible business is good for business. As we show throughout this report, doing the right thing by people and the planet comes with significant economic benefits.

OUR STRATEGY

Working in collaboration with partners, we deliver value for our customers in waste, water and energy, while also creating value for:



Society and People

- **364** apprenticeships
- For every **£1** spent with the public sector, up to **£4** of social value created
- Safety concerns and near-miss reporting increased by **15%**
- **22%** of operatives recruited in-line with our social inclusion target (exceeding our target of 10%)



Environment

- Up to **100%** of customer waste diverted from landfill
- **200,000 tonnes** of compost produced at 10 sites
- We are carbon positive



Economy

- **63%** procurement spend to small/medium enterprises
- **14,100** jobs created
- Over **80,000** customers across public, commercial and industrial sectors
- More than **100** hospitals and **31,000** homes heated with low-carbon or renewable energy



Veolia

- **23%** of revenue from the circular economy
- **£2 million** revenue generated via Innovation Den which began in 2013, including the launch of **seven green businesses**



BITC
Responsible
Business
of the Year
2016/2017



BITC
Environmental
Leadership
Award
2016/2017



Queen's
Award for
Enterprise in
Sustainable
Development



OUTstanding 2016
Leading 50 LGBT
Ally Executive List
(Estelle Brachlianoff,
Senior Executive
Vice-President, UK
and Ireland and
Richard Kirkman,
Technical Director)



Armed Forces
Covenant
Bronze Employer
Recognition
Scheme



CREATING LASTING VALUE FOR OUR BUSINESS, THE PEOPLE WE WORK WITH AND THOSE WE SERVE

Being a truly responsible business means looking after the health and wellbeing of everybody that we touch as a business – from our own workforce and those working for our customers, to our suppliers and the individuals in the diverse communities where we operate.

By working with our partners in charities, NGOs, governments and expert think tanks, we continue to lead in bringing about lasting social value. This includes creating jobs and apprenticeships for the young, supporting diversity and ensuring our suppliers are being treated fairly.

We also continue to widen our network in support of often-forgotten groups, such as NEETs (not in education, employment or training), ex-offenders and former military.

- **72%** favourable response to the question: “Veolia recognises and respects the value of human difference in the workplace”¹.
- Exceeding our social inclusion target with **22%** of operatives recruited from groups such as NEETs (not in education, employment or training), ex-offenders and former military (**12%** above the **10%** target for 2016).
- A third of the Veolia board is female – that’s **7%** more than the FTSE100 average².
- **364** individuals on an apprenticeship programme currently.

HEALTH & SAFETY: FUNDAMENTAL TO HOW WE OPERATE

This year we introduced new indicators to our corporate objectives as we continue to develop a proactive health and safety culture across our entire business. These focus on visible leadership, feedback on near misses to encourage reporting and continuing our work-safe training programme.

We have launched a number of campaigns to ensure in depth learning from accidents and sharing of the root cause, as well as tailored training.

- Our near miss/safety concerns reporting increased by **15%**, demonstrating a more proactive culture.



WORKING WITH RESPONSIBLE BUSINESSES TO PROTECT PEOPLE AND THE PLANET

We spend nearly £1 billion every year with our suppliers, so our responsibility to doing the right thing by society and the planet extends far beyond our own operations. Wherever possible, we do business with small, local suppliers, working closely with them to develop action plans to improve their environmental, social and business performance.

- In 2016, small and medium-sized enterprises (SMEs) received more than **63% (£605 million)** of our procurement spend.
- **99%** of our preferred vendors state that their organisation uses fair and objective means of selecting companies for their supply.
- **59%** of our framework agreements have had the sustainable development clauses signed by the suppliers.
- **82%** of our preferred vendors state that they acknowledge the existence of the Modern Slavery Act 2015 and comply.



¹2016 Internal Employee Engagement Survey

²FTSE 100 had 26% average female board members in 2016 (<https://www.gov.uk/government/news/rallying-call-for-female-boost-in-business-and-the-boardroom>)

OUR JOURNEY WITH INDUSTRIAL CUSTOMERS

Keeping the lights on and costs down for UK industry

Amidst the uncertainty surrounding post-Brexit Britain, industry is awaiting some certainty – and the challenge of a steady and reliable supply of energy, water and resources continues. Making resources go further, generating power closer to home, reusing and recycling water and continuously improving efficiency are key to reducing risks and costs across the UK's industrial sector.

Chemical and pharmaceutical companies can guarantee business continuity via a secure, quality supply of utilities. They can also identify and recover additional resources to divert more waste from landfill, as we continue to help them improve waste, water and energy management.



- By 2050, global water demand will increase by **55%** compared to 2000, with a **400%** increased demand from manufacturing and 140% from electricity generation³.
- **85%** of non-hazardous solid waste recovered for one client.
- **97%** recycling rate, with the remaining waste sent for energy recovery, for one client.

AstraZeneca

The Macclesfield facility of one of the world's leading pharmaceutical companies houses 15 production units that manufacture medicines. In order to maintain consistent production levels, the units require a stable supply of steam and electricity. So, we installed a new 23MW cogeneration plant equipped with a gas turbine and steam turbine which generates more electricity than its previous incarnation, while reducing the site's carbon footprint.

Together we...

- Are generating more electricity while reducing CO₂ emissions by **39,000** metric tonnes a year.
- Are **exporting surplus electricity** to other AstraZeneca sites via the National Grid.
- Significantly **lowered energy costs**.

Procter & Gamble (P&G)

In the last few years, P&G has changed the way it views waste and actively pursued a global zero manufacturing waste initiative. By reviewing all waste streams at its Reading-based Gillette aerosol manufacturing facility, we were able to help P&G reprocess every component in its aerosol cans. This included extracting the gases, recycling the metal can itself and processing the organic liquid for Secondary Liquid Fuel, commonly used for kilns in the cement industry.

- **Achieved zero waste to landfill** for the entire manufacturing facility.
- Developed an innovative service that considered all waste streams and investigated many environmentally friendly alternatives, resulting in a material reuse rate of **100%**.



OUR JOURNEY WITH THE PUBLIC SECTOR

Taking the pressure off finances, while boosting recycling

Since 2010, local authority spending has been reduced by 20%. Clearly, with austerity measures in place, it is crucial that public sector organisations reduce costs, deliver value for money and continue to provide the wide range of services and facilities people have come to expect, while improving recycling rates and reducing their carbon footprint.

Our partner **local authorities** are able to deliver safe and reliable services to residents, while saving precious resources and improving street cleanliness. Our tailored recycling and waste collection solutions ensure an efficient service to over 40 local authorities across the UK, serving more than 8 million residents.

- We unlock the value of municipal waste by increasing recycling and recovery by up to **70%**.
- Our customers typically save **20%** in both costs and carbon emissions with our innovations, such as district heating and energy from waste.
- A total of **2.2m tonnes** of waste converted into **160,000 MWh** of heat and over **1m MWh** of electricity – enough to annually power **320,000 homes** with electricity and **12,800 homes** with heat.

Southwark, London

Southwark is home to our Southwark Integrated Waste Management Facility, one of Europe's most advanced recycling facilities, comprising of many sustainable features including using recycled water, solar panels and a green roof. We have worked in partnership with Southwark Council since February 2008, providing recycling and waste services for residents in the Borough.

Together we...

- Achieved **95%** of waste being diverted from landfill.
- Sort up to **120,000 metric tonnes** of pre-segregated recyclables a year at the materials recovery facility (MRF) at the Southwark Integrated Waste Management Facility.
- Use mechanical biological treatment for up to **87,500 tonnes** of waste a year.
- Turned the remaining residual waste into a solid recovered fuel to generate energy.



OUR JOURNEY WITH COMMERCIAL CUSTOMERS

Improving resilience while reducing environmental impacts

Our commercial customers continue to better manage their resources, reduce their environmental impacts and make significant cost savings thanks to our partnership approach. Whether it's avoiding landfill costs, developing water efficiency solutions or improving energy efficiency, our teams have the expertise to help businesses big and small exceed their environmental targets while continuously improving their bottom line.

We partner with retail customers to unlock value within waste and guarantee a secure, quality supply of utilities. Our retail customers typically reduce costs and carbon emissions by around 30%, while diverting 98% of their waste away from landfill thanks to our waste, water and energy efficiency solutions.

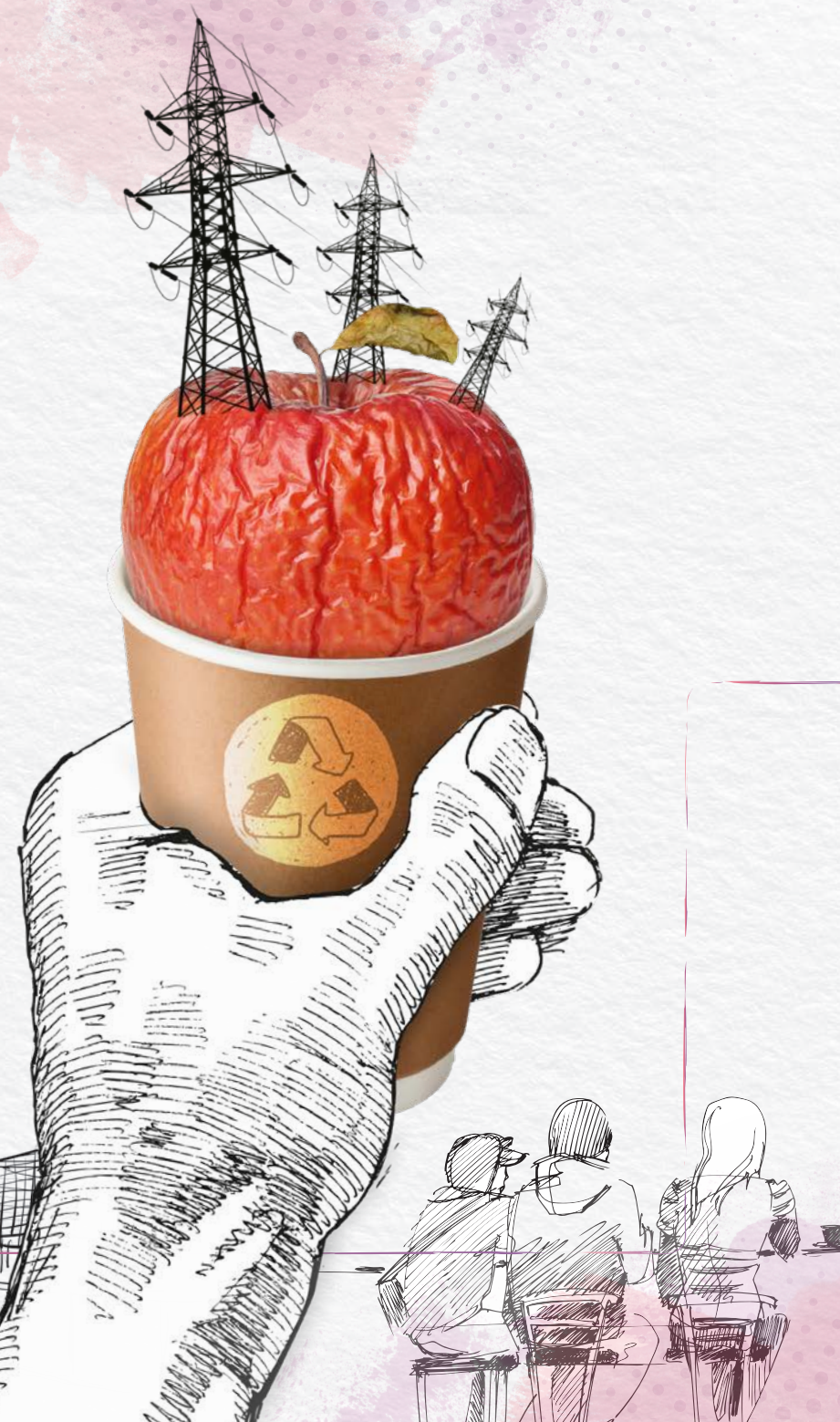
- Retailers can increase energy efficiency by **25%** on average.
- Our customers achieve up to **30%** cost and carbon savings.
- **34,000 tonnes** of food waste used to generate bioenergy or products.
- **6,438 tonnes** of CO₂ saved in total from recycling cardboard.

Costa Coffee

Costa Coffee wanted to divert more waste from landfill. At the 800 Costa stores and over 370 franchises serviced by Veolia there was little room for recycling bins and in-store segregation had to be as simple as possible. The key goals were to reduce costs through rate reduction, innovation and optimisation. Veolia has combined Costa sales data into their management reports so that spend and tonnage are managed on a site by site basis according to the site's revenue. This means sites only pay for the services they need which provided £120,000 savings in the last financial year.

Together we...

- Diverted 99.2% of waste collections from landfill
- Streamed solutions to save 14% in costs



OUR JOURNEY WITH WATER COMPANIES

Ensuring water goes further, and protecting profits, in an ever-changing world

There will be 10 million more people living in the UK in 20 years' time, putting real pressure on water supplies. As the UK's fourth most energy-intensive industry, using around 3% of UK-generated electricity for pumping, water treatment and waste management, there is huge potential to optimise efficiency, driving down costs and reducing the environmental impact of the sector.

To achieve their carbon reduction targets, all elements of water infrastructure need to be managed and optimised for greater efficiency.

- New technologies have the potential to drive down mains water leaks and unauthorised use from **22%** to as low as **5%**.
- Water demand is set to exceed supply by as much as **10%** in London by 2025, with a potential **414 million** litres per day deficit by 2040.
- If all UK sewage was converted into biogas, we could generate **1,133 gigawatt** hours of electricity.
- We optimise treatment and generate renewable energy for more than **30** water and wastewater sites in the UK.

Dwr Cymru Welsh Water

The sixth largest of the ten regulated water and sewerage companies in England and Wales, the company is responsible for providing more than three million people with drinking water and for treating their wastewater. We have worked in partnership with Welsh Water to optimise energy, chemical and water losses across their site, making cost savings throughout.

Together we...

- Made savings of **£217,750** through optimisation over **5 years**.
- Saved **£23,000** a year by improving Granular Activated Carbon.
- Saved **£3,360** a year on orthophosphoric acid consumption.
- Saved **£11,460** a year on aluminium sulphate.
- Found a further **£79,000** of potential savings over **5 years**.



OUR JOURNEY IS YOUR RESOURCE ADVANTAGE

“Our industry faces numerous challenges – from uncertainty in a post-Brexit Britain, ever fluctuating resource costs and changing demands from customers under pressure to both cut costs and protect the environment. But these challenges also present a number of opportunities for business, while creating value for everybody.

As this year’s sustainability update shows, we are making strong progress. We continue to deliver impressive results saving waste, water and energy resources within our own operations. We are also helping our customers by developing innovative solutions that enable significant cost savings and reduced risk across a range of sectors.

With effective solutions already available, it is time to act now to create a more secure and circular future for our businesses so that they survive and thrive together in the 21st century.”

Estelle Brachlianoff,
Senior Executive Vice-President,
UK and Ireland



Read more about how we are helping our customers and resourcing the world in our full sustainability report:

www.veolia.co.uk/sustainability

Do you have a challenge that could benefit from resource efficiency and circular thinking? Please get in touch at:

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