

Resourcing the world



SUSTATINABILITY REPORT 2019

United Kingdom

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THTRODUCTION

THIS IS A PIVOTAL MOMENT FOR OUR PLANET AND SOCIETY

We have never been more aware of the huge social and environmental challenges the world faces.

As society and business emerge from the global COVID-19 pandemic – there is a real focus on building back greener.

The climate emergency will affect all of us – but especially the most vulnerable in society.

Both the mission we set ourselves to resource the world, and our purpose to be useful to society, reflect the expectations and needs of all our stakeholders.

They also reinforce our unwavering commitment to creating a positive impact on people, communities and the planet – values that our business has held for more than 160 years.

As we demonstrate throughout our latest Sustainability Report, looking at our achievements from 2019, we're already helping society and business rise to these emerging challenges. Businesses with a strong social purpose deliver better and more sustainable outcomes for all stakeholders over the long term.

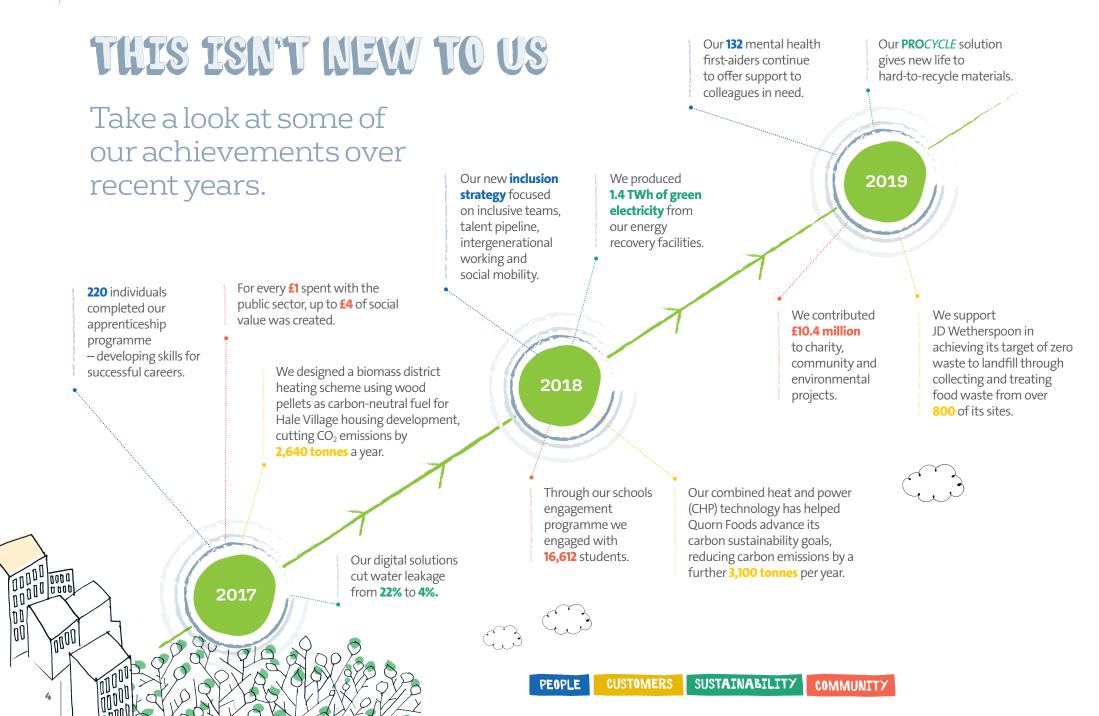
But we must continue to work together to develop tangible solutions that will make a difference. To do that, we need the most talented and engaged minds to drive innovation and performance.

We're incredibly proud of the progress we have made in sustainability, and we're excited that our stakeholders support the approach we are taking towards people, customers and sustainability as part of our Impact 2023 strategy.



Executive Vice-President, UK & Ireland





PUTTING PEOPLE FIRST

We support our people to perform and develop every day.

Veolia's mission is to resource the world.
But it takes more than just ambition. It takes the daily efforts of a community of thousands of people across the UK to bring it to life.

Mental health receives the attention it deserves

Building on our proactive safety culture, we have developed an equally positive attitude towards the mental wellbeing of our employees.

We now have 132 active mental health first-aiders trained to spot signs of mental difficulties and offer help and support to someone in need. Together, they recorded 515 interactions during the year — all to aid the health and happiness of our workforce.

Our Employee Assistance Programme also offers a free, confidential counselling and specialist information service to our people. It provides 24/7 emotional and practical support for their concerns, such as tenancy issues, grief, legal queries and work-life balance.

Award-winning learning and development

During the year, our people undertook a total of



HOURS OF FACE-TO-FACE AND E-LEARNING TRAINING

Our commitment to training and development was recognised by receiving the Princess Royal Training Award for our Respect at Work training.

More than **3,500** of our people have completed this training, with **97%** saying they had learned a new skill as a result. This programme is now being rolled out to all operational employees.





PUTTING PEOPLE FIRST

Safety Week highlights

2019's Safety Week saw our teams run several key events and initiatives.

- Behavioural Commitment boards replaced Lost Time Incidents boards to be more proactive in managing health and safety. Team leaders completed briefings with their teams on our six behavioural commitments, with the boards signed by all team members publically adopting and taking ownership of the behaviours to keep themselves and their colleagues safe.
- We used Virtual Reality (VR) training, bringing our operations to life with a fully immersive experience using head-mounted displays and 360-degree video. Our Safety Bus took a mobile VR system to ten locations throughout Safety Week, and many more since. This training encouraged our colleagues to observe operations from a different perspective, asking: 'Is there a safer way?'





KEEPING PEOPLE SAFE

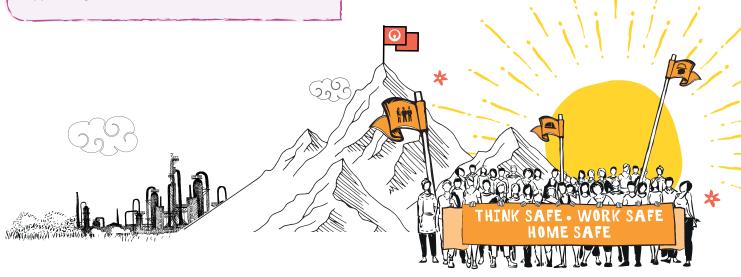
Homeless people often seek refuge in large waste containers and risk being injured as a result. We educate our customers on this risk and recommend five easy-to-action steps to minimise the risk occurring in one of their containers.

Meanwhile, working in partnership with Westminster City Council and London homelessness charity The Connection, our Road to Work programme provided **100** homeless people with a chance to join our workforce. Candidates are given modified hours to assist with making the transition into working life, as well as full support to ensure they have every opportunity to succeed.

Health and safety is at the heart of our culture

THINK SAFE, WORK SAFE, HOME SAFE is our safety mentality. We need everyone to think safe and work safe, so that they can go home safe.

This is a fundamental part of our aspiration of achieving zero accidents. And our overall goal is to build a safety culture focused on accident prevention. This demonstrates a more proactive approach to reporting concerns as advocated through our Safety Empowerment Cards, which empower employees to speak up if they feel an activity or process is unsafe.



THINKSAFE WORKSAFE HOMESAFE







Our people stay for many years

We're proud that so many of our employees reached long-service milestones in 2019.

70
EMPLOYEES HAVE
GIVEN MORE THAN
40 YEARS TO
VEOLIA

HAVE BEEN
WITH US MORE
THAN 35 YEARS

Making progress on diversity and inclusion

Our 2018–2020 inclusion strategy focuses on:



Building inclusive teams with the right skills for success



Increasing STEM & intergenerational working



Developing the talent pipeline

Our partners, including Business In The Community, Remploy and Stonewall, review and improve our culture, practices and policies, to make sure that they are inclusive.

In 2019 we:

- Attended careers fairs to network with Armed Forces service leavers and veterans. Almost 200 service leavers registered their interest in our roles, and 16 now work for Veolia.
- Were awarded the Gold standard in the Defence Employer Recognition Scheme for our commitment to our Armed Forces Covenant pledges.
- Launched our Through the Gate programme, which gives prison residents the opportunity to gain a WAMITAB qualification and seek meaningful employment with Veolia, or our partners, upon release.
- Piloted our first Work Placement Programme in West Berkshire. Designed to support the long-term unemployed back into work, the programme includes classroom training in health and safety, as well as work experience on one of our sites. 90% of participants on the programme secured employment with Veolia.
- Achieved Disability Confident Employer status.
- Had **364** apprentices in the business (43% of these are on STEM-related programmes) and 14 people taking part in our graduate programme, recognising the importance of future talent.



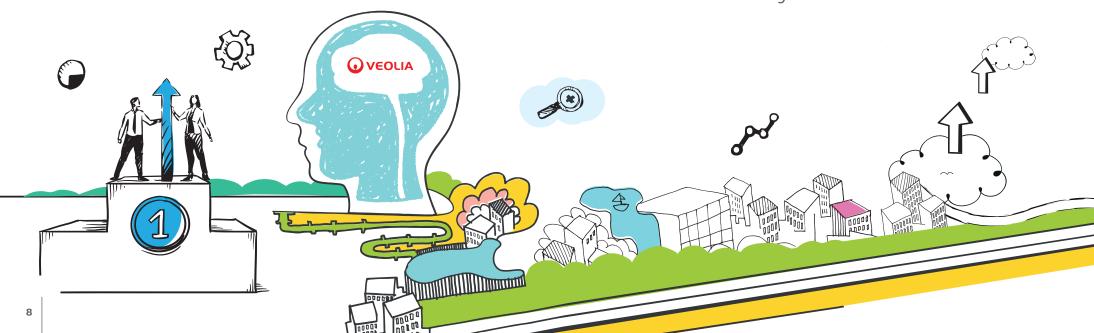
PUTTING PEOPLE FIRST

Creating an EQUAL community

EQUAL is Veolia's inclusion network. It is open to everybody in the business to join in conversations about inclusion.

In 2019, we also appointed an EQUAL Advisory Group, which includes eight employees that meet three times a year. This group is the 'employee voice' that can give feedback and share ideas on how the inclusion strategy should be delivered.

In light of recent events, the group has also been specifically tasked by our Executive Committee to open up an honest conversation and actively listen to the experience of our people to steer the development of the next chapter of our inclusion strategy. Our people are our business. Our range of programmes – from mental-health first-aid training, to our ongoing commitment to health and safety best practice – help to attract and retain the very best people. This is crucial if we are to drive innovation and performance to create more sustainable outcomes for our business, our customers and society.





OUR CUSTOMERS

Our customers are at the heart of everything we do.

Veolia's customers are at the centre of our innovations to increase efficiencies and cost savings in waste, energy and water. Our solutions help our customers to significantly reduce carbon impacts by preserving resources.

Electrifying our fleet

This year saw Veolia make real progress in zero-emission refuse collection.

Our teams are using smart new software to schedule charging times for our refuse collection vehicles (RCVs), sweepers and forklifts, to make sure our electricity is used efficiently.

In Sheffield, an exemplary circular economy project is underway to charge two of the city council's RCVs using electricity coming directly from Veolia's Energy Recovery Facility in the city.





As reported in *The Telegraph*, we teamed up with self-serve coffee retailer, Selecta UK to set up new recycling points across southern England — to divert millions of coffee cups from landfill.

Following a successful trial, we installed coffee-cup recycling points across 17 sites, including workplaces. We already have plans to add more at railway stations, schools and hospitals. We also plan to expand it further into Selecta's 10,000 sites across the UK.

During 2019 alone, our commercial business recycled more than **65 million** coffee cups — that's over **590 tonnes** of materials that would normally not be recycled. We currently collect and process cups across over **850 sites** from numerous high-street chains, including Starbucks, Caffè Nero, Costa and McDonald's.

Dealing with food waste



Created by **IGD** and **WRAP**, the Food Waste Reduction Roadmap aims to get companies to reduce food waste by **50%** by 2030. We became the first resources business to sign up as an enabling partner to the roadmap.



The promotion of kerbside food waste recycling in one of our London borough contracts, **Lambeth**, saw an increase in the tonnage of food being recycled at home by **35%** across **7,200** homes during the year.

wetherspoon

We support JD Wetherspoon in achieving its target of zero waste to landfill through collecting and treating food waste from over 800 of its sites. The food waste is turned into a valuable resource using anaerobic digestion to create green energy.





It's generally considered that food products look their best in black packaging. But unfortunately, recycling facilities cannot handle black items as the optical sorters are unable to detect them.

So we've been working with New England Seafood International to make its packaging recyclable. The result: a striking, dark-blue plastic tray, which has been tested successfully on our sorting machinery.

By finding new solutions like this, we can keep more material in the loop and turn it into new plastic products.



During the year, we carried out **478 million** collections across our local-authority contracts.

2.3 million tonnes of waste was collected, including general, dry mixed recycling, food and green waste. Our best performing contract for recycling was St Albans, with an impressive **62%** recycling rate.

We serve around **3.2 million** residential properties, and we forecast a **1.6%** property growth during 2020. This means an additional **50,000** properties will be serviced this time in 2020 across our contracts.

478
MILLION
COLLECTIONS
CARRIED OUT

COLLECTED

COLLECTED

TONNES OF WASTE
COLLECTED

RESIDENTIAL
PROPERTIES
SERVED

MAKING RECYCLED PAINT GO FURTHER

We sort, filter and refine waste paint at our hazardous waste transfer stations.
From here, it is dispatched to Dulux's manufacturing plant where it is re-engineered with new paint.

The result is Evolve matt emulsion. Made from 35% recycled materials, and with a carbon footprint that is 10% lower than standard matt paint, it gives trade decorators a more sustainable option.

Businesses are in need of a steady and sustainable supply of energy, water and resources and our customers expect us to help preserve and protect the environment – and that's exactly what we continue to do.





Our business is about preserving the environment for future generations.

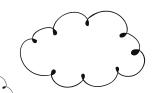
Veolia's business comprises waste, water and energy activities – all of which are focused on reducing the impact we collectively have on the natural world and protecting and preserving the environment.

- We employ 15,000 people working across 400 sites.
- By collecting, treating and recycling waste from households and businesses, our teams drive the circular economy.
- Through producing clean water and treating wastewater, we prevent the spread of infection and pollution.
- In producing renewable energy, reducing greenhouse gases, and carrying out industrial and facility services management, our teams optimise efficiency.

Giving landfill sites back to nature

We continue to find new uses for our landfill sites once they are no longer used for landfill.

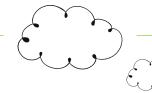
Our Pitsea landfill site, which came to the end of its life in 2018, is now a wonderful green space. 92% of the site has been restored and replanted to create a woodland area, grassland, grazing for animals and walkways for local residents. It even featured on the BBC's Springwatch programme.











PORTIK

Installed at the Southwark sorting plant, Portik uses artificial intelligence to calculate the changes in the purity of aluminium scrap using images captured by camera to improve the sorting plant's operational performance.

Portik is the first part of the 'Sorting Center 4.0' project, which is more highly automated and has additional functionalities compared with current technologies.

PEAT-FREE COMPOST

Using composted biodegradable material collected from homes and businesses, we currently produce **225,000 tonnes** of Pro-Grow compost every year. Available in 30-litre bags or 1-tonne bulky bags, our compost is sold in more than **300** garden centres across the UK, as well as B&O and Screwfix.

Peat is important to our planet. It acts as a carbon store, provides a home for wildlife, and provides a great store for water, holding up to **20** times its own weight in water. But the UK's peat is being depleted and damaged, whether through extraction, drainage or over-grazing.

Our peat-free **Pro-Grow** saves the equivalent of



by avoiding the extraction of peat, and a further



by diverting garden waste from landfill.

That's the equivalent to taking



vehicles off the road each year





















Managing energy for hospitals

Veolia currently provides energy and facilities management services at **108** UK hospitals. We have **75MWe** of combined heat and power (CHP) plant capacity installed in more than **80** hospitals.

These CHP plants supply electricity, heating and, in some cases, cooling for **44,500** hospital beds, intensive care units and medical theatres — that's **44%** of the UK hospital CHP capacity.

Delivering power to 70,000 residents

We manage the energy plant for over **70** district heating schemes, delivering power to more than **70,000** residents, many of whom are elderly and vulnerable. Through the district heating schemes they are better able to manage their heat costs, avoiding fuel poverty.

These district heating schemes use various low-carbon and renewable technologies, including CHP, biomass and non-recyclable waste-to-energy systems to bring heat and electricity to homes, businesses and public buildings.

Feeding electricity to the grid

Through our ten energy-from-waste (EFW) plants, three biomass facilities and over **400** CHP systems, Veolia generates enough electricity to power **1.2 million** homes.

This reduces the reliance on landfill – preserving landfill capacity for materials that cannot otherwise be disposed of.

Our operational maintenance contract at Leeming Biogas facility transforms **80,000** tonnes of foodwaste into renewable energy.

Cleaning the UK's water

Veolia operates and maintains 17 wastewater facilities that treat more than 880,000m³ of wastewater every day, cleaning sewage and discharging clean water back into the environment.

Our municipal wastewater contracts serve **1.8 million** people.





Tackling the plastics challenge

We invested over **£1million** in our plastic recycling facility in Dagenham, Essex. This money was spent on a new granulator, new processing kit and upgrades to our washing process.

This means we can now produce over **12,000 tonnes** of food-grade pellets from recycled plastic – a 20% increase over the past year. This is particularly helpful to those of our manufacturing customers who have signed up to the UK Plastics Pact.

Our Dagenham facility is also giving a second, third and fourth life to used high-density polyethylene (HDPE) milk bottles. Every year, **300 million** bottles are being returned to their original form thanks to a process that reduces the annual carbon emissions associated with HDPE products by **9,121 tonnes** of CO_2e , equivalent to taking **4,121** cars off the road.

New technology is being trialled at our Southwark Materials Recovery Facility (MRF), using infrared cameras, X-ray and artificial intelligence to analyse better the plastic waste we process. This data can then be shared with customers, partners and consumers to explain what could be recycled, and if it couldn't, why.



We invested over



TRIALLING REVERSE VENDING

We trialled our first reverse vending machines at King's Cross, London and at our Kingswood office, in Cannock, Staffordshire.

Users can feed the machines with drinks containers and receive vouchers in return. Reverse vending machines could divert plastic bottles, as well as aluminium cans and coffee cups, from waste to recycling.

If the UK national deposit return scheme is approved, we will be well-positioned to serve current and new customers with this solution.





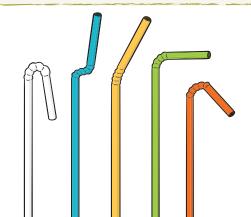




RECYCLING HARDER-TO-TREAT MATERIALS

This year saw the launch of our **PROCYCLE** solution, a flexible new service for dealing with materials – from sweet wrappers and plastic toys to straws and clothes – that have traditionally been hard to recycle.

Customers order a **PROCYCLE** box for their chosen waste stream, it's delivered to their door, filled with the recyclable material and posted back to our network of waste reprocessors in the UK and Europe to be turned into new products such as garden furniture, plant pots or even a replacement for virgin plastic.



Improving our biodiversity

We assessed **100%** of our sites deemed significant* throughout the UK using a Lloyd's Register Quality Assurance (LRQA)-assured biodiversity toolkit.

An independent ecologist then assures the assessment and draws up action plans, where necessary, to ensure we continue to preserve and protect biodiversity at each of our sites.

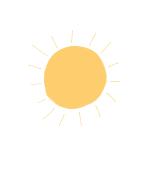
*Significance is determined based on three factors: the size of the site; whether the site extracts potable water; and the site's proximity to sensitive receptors.

Our environmental compliance

Our OPRA compliance score average was

Over the past decade, we have received no prosecutions or summons related to our environmental compliance.

Operational Risk Appraisals (OPRA) scores categorise the environmental risk of industrial process installation and waste operations. In 2019, our OPRA compliance score average was **0.68**, comfortably below the <1 level, ensuring we remain within Band A or B.





A new way to report carbon

2019 saw the introduction of GreenPath – our carbon reporting platform. Designed to help companies determine their real carbon footprint and full lifecycle analysis giving a true picture of achievement down to site level.

Our carbon emissions totalled:

	2018	2019
	Carbon emissions (tonnes CO ₂ eq.)	Carbon emissions (tonnes CO ₂ eq.)
Direct	1,659,709	1,729,366
Indirect	67,023	44,197
Avoided	1,776,078	1,757,883

Our innovative approach to doing the right thing—whether that's greening our fleet, boosting biodiversity or tackling the plastics challenge—is key to creating a more positive impact on our local environment and the wider planet.



SUPPORTING LOCAL COMMUNITIES

Our operations are embedded in communities across the UK.

For many years, Veolia has operated as an integral partner for the waste, water and energy services of communities across the country.

And we're committed to helping these communities through education and outreach, supporting local community projects and encouraging employability.

Veolia's Trusts

During the year, Veolia's Trusts granted



The Veolia Environmental Trust granted £5.3 million for ¶2 projects, while the Veolia Maintenance Trust awarded £5 million to support projects. These grants support community and environmental projects – ranging from community gardens, nature reserves and public footpaths to cycle paths and playgrounds.

This isn't new to us. These projects add to the list of more than 2,580 projects funded by the Trust.

PROVIDING A HOME FOR BEAVERS

The Veolia Environmental Trust funded just under £25,000 to Wildwood Wildlife Park's project to reintroduce the Knapdale beaver population which had reached a genetic bottleneck, stunting the potential for growth.

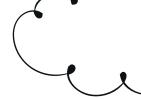
The park used the money to create a quarantined pond for newly acquired beavers. Their reintroduction will not only help to sustain beaver populations, but will also benefit wetland ecosystems.

London's Recycling Fund for Communities

Our annual fund invites community projects to apply to receive a cash boost, in-kind resources, or staff volunteers, to bring ideas to life.

107 applications were received, **37 projects** were supported, and a total of **£39,741** in donations was made.





SUPPORTING LOCAL COMMUNITIES

We support our charity partners

Veolia is a community of individuals. Each and every one of us has a cause we're passionate about. Our employees, along with a network of charity champions, raise money all year round through fun runs, egg banjos, samosa parties, quizzes and sponsored haircuts.

We support charities big and small, including Alzheimer's Research UK and Combat Stress.



We build strong community connections



Our annual Wonder Days offer people the chance to step inside our facilities and learn about our operations.

At Southwark's Wonder Day, a record number of **1,069** visitors were hosted, and **650** tours were made of our material recovery facility and mechanical biological treatment plant.

Our staff love to volunteer



Our Supply Chain team took the opportunity to spend **136** hours volunteering at the Cannock and District Food Bank. The team collectively labelled and packed seven tonnes of food for redistribution.





We support the unemployed and disadvantaged

We continue to support Business in the Community's (BITC) Careers Conversations.

Careers Conversations is a programme that supports unemployed and underemployed people by giving them language and employability skills via business-led coaching.

We completed two six-week programmes in Haringey, London, with seven participants. Of these, two participants were taken on for work-experience placements, and another two employed.

Veolia also supports BITC and The Big Trust's Ready for Work scheme, which helps some of society's most disadvantaged people into employment.

Eight work placements were created, helping six people into employment through the scheme in Liverpool.

We created eight work placements



Award-winning schools engagement

Our teams made connecting with to discuss everything from the circular economy to how to recycle at home.

In Scotland, we picked up the **Developing the Young Workforce West Lothian Regional Employer Award** for our

work teaching 11-year-olds how to run a business in the 'Circular Economy Challenge'.

Organised by our Community and Engagement Coordinator at our Seafield wastewater treatment plant, the initiative saw more than 300 school children working together to create businesses that solve real-world problems. This not only gave them important business skills but also taught them to see waste as a resource.

By supporting many local charities and projects, engaging with schools and helping the most vulnerable in society find work, we're proud to build strong connections and create a positive social impact within the communities we serve.



We're proud that so many of our employees reached long-service milestones in 2019.

Thank you to the 70 employees that have given more than **40 years** of hard work and dedication to Veolia*.

Derek Coombs Robert Hewitt Christopher Fox James Sharratt Winston Kelly William Linehan Stephen Whitelock Julie Holloway Shaun Pearson Steven Taylor Malcolm StubbingsCarl Emery Nick Broomfield Gary Westerman Peter Jones Winston Facey Craig Taylor Graham Futter Paul Haynes John Walston Richard Millis John Earthrowl Gerald Launt John Johnston Leo McAlinden David O'Gara Paul Probert David Booth Anthony Pout Paul Denn Stanley Umney Raymond

McCallum Andy Davis Peter Chubb Wayne Henson Robert Hughes Kevin Knibbs Stephen Walden Christopher Bassett Neil McKenzie Michael Hardy Charles Dickinson Derek Coombs Robert Hewitt Christopher Fox James Sharratt Winston Kelly William Linehan Stephen

Whitelock Julie Holloway Shaun Pearson Steven Taylor Malcolm Stubbings Carl Derek Coombs Robert Hewitt Christopher Fox James Sharratt Winston Kelly William Linehan Stephen Whitelock Julie Holloway Shaun Pearson Steven Taylor Malcolm Stubbings Carl Emery

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