

Press release

Paris, 16th June 2022

Veolia proposes the sale of Suez's UK waste business and continues building the global champion of ecological transformation

Announced at the end of the summer of 2020, the project to build the global champion of ecological transformation by bringing together Veolia and most of Suez's international activities, came to life at the beginning of 2022, with the successful integration of 40,000 employees worldwide.

16 months after the officialization of the project, the Competition & Markets Authority (CMA) remains the only competition authority that hasn't performed a definitive assessment of the effects of the merger on its domestic market .

In order to terminate this long period of waiting, but above all to be able to fully focus on the creation of the world champion, in the United Kingdom as elsewhere in the world, Veolia has informed the CMA on Monday of its intention to sell all of Suez's waste activities in the country.

This drastic decision is an effective response to the intransigence of the CMA. Veolia strongly disagrees with their analysis of the concerned markets and deplores the lack of shared understanding of the issues related to our sectors of activity.

Indeed, at a time when ecological transformation is ardently demanded by populations and placed at the heart of the agenda of public authorities as well as economic players throughout the world, the constitution of a major global champion able to provide a global solution for the environment on the five continents has never seemed so necessary.

In the United Kingdom, as elsewhere in the world, Veolia is convinced that the addition and complementarity of the teams, their know-how and expertise are the best way to respond effectively and rapidly to the needs of its clients, territories and industries, to tackle major challenges of climate change, energy security, loss of biodiversity and shortages of materials.

The first positive results of this merger, in terms of people, operations and finances, confirm the relevance of the project led by Veolia.

The merger already proves itself useful with the addition of new skills, new technologies and new geographies. It will further accelerate the implementation of the Impact 2023 strategic program, strengthening Veolia's international footprint and increasing its capacity for innovation.

With 220,000 employees in more than 50 countries and revenues of around €38 billion, up more than 30% thanks to the contribution of Suez's activities, Veolia is now more than ever the world's leading player active in the water, waste and energy sectors.

We regret that the CMA's analysis will not allow the Group to deploy the full potential of the ecological transformation in the United Kingdom, but it does not reduce our commitment to this region. It does not affect the overall scope of Veolia's project, whose capacity to create value remains intact.

On the other hand, these disposals will free up significant cash flow to finance new developments, particularly in the energy sector, which will enable the company to return to a portfolio of activities

balanced between water, energy and waste. At a time when energy sovereignty and the development of alternative energy sources are both strategic and ecological imperatives, Veolia intends to pursue its development in this sector in synergy with the Group's other activities.

This divestment will also allow to accelerate the company's debt reduction, making Veolia more agile than ever as it approaches the end of Impact 2023. It will provide additional financial flexibility while Veolia embarks on a new strategic program placing innovation at the heart of its growth model.

About Veolia

Veolia Group aims to become the benchmark company for ecological transformation. Present on five continents with nearly 220,000 employees, the Group designs and deploys useful, practical solutions for the management of water, waste and energy that are contributing to a radical turnaround of the current situation. Through its three complementary activities, Veolia helps to develop access to resources, to preserve available resources and to renew them. In 2021, the Veolia group provided 79 million inhabitants with drinking water and 61 million with sanitation, produced nearly 48 million megawatt hours and recovered 48 million tonnes of waste. Veolia Environnement (Paris Euronext: VIE) achieved consolidated revenue of 28,508 billion euros in 2021. www.veolia.com

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