

MODERN SLAVERY

STATEMENT 2023



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Modern Slavery Statement
2023
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I. INTRODUCTION

The Veolia group spans dozens of countries on six continents. Our collective purpose is to deliver an ecological transformation for the benefit of everyone on our planet.

With nearly 220,000 employees worldwide working across water, waste, energy and other sectors, the Veolia group designs and provides innovative environmental solutions. Our expertise helps to decarbonise industry and depollute our ecosystems, while also preserving and generating valuable resources.

In the UK, we recognise that modern slavery is a growing global and local issue, and that we have an important role in helping to eradicate it. Identifying and preventing modern slavery and human trafficking are core parts of our responsible business strategy, which we continue to build upon.

This statement sets out the steps that our business is taking to identify modern slavery in our operations and supply chains. It also outlines our plans to continually improve the way in which we work to identify risk and advance initiatives to raise awareness.



Gavin Graveson
Senior Executive Vice-President
Veolia Northern Europe



This statement is made pursuant to section 54(1) Modern Slavery Act 2015 and constitutes Veolia's Modern Slavery and Human Trafficking statement covering our **financial year ending 31st December 2022**.

I. INTRODUCTION

Veolia UK's financial year ends on 31 December in each calendar year. In accordance with Home Office guidance, this statement sets out the measures that Veolia has in place in the UK, and the actions we have taken, during the twelve month period to 31 December 2022.

For the purposes of this statement **Veolia and Veolia UK** refer to **Veolia ES Holdings (UK) Limited, Veolia Water UK Limited and Veolia Energy UK PLC** together with their respective subsidiaries in the UK.

This includes, but is not limited to, those subsidiaries with a turnover in excess of £36,000,000 in 2022, as identified below:

- Veolia Energy and Utility Services UK PLC
- Veolia Water Outsourcing Limited
- Veolia ES (UK) Limited
- Veolia Environmental Services Group (UK) Limited (formerly Veolia Environmental Services (UK) PLC)
- Veolia ES Staffordshire Limited
- Veolia ES South Downs Limited
- Veolia ES Shropshire Limited
- Veolia ES Sheffield Limited
- Veolia ES Landfill Limited
- Veolia ES Hampshire Limited
- Veolia ES Birmingham Limited
- Veolia ES Nottinghamshire Limited
- Veolia ES Southwark Limited
- Veolia ES Merseyside and Halton Limited
- Hampshire Waste Services Limited
- South Downs Waste Services Limited

Common standards, policies and procedures are adopted and implemented across Veolia, and all key support functions, including supply chain and human resources, are shared by all Veolia entities.

II. OUR STRUCTURE, BUSINESS AND SUPPLY CHAINS

2.1 Structure and business

Veolia UK, as part of the Veolia group, designs and delivers environmental solutions that contribute to our purpose of ecological transformation.

Veolia works to radically change patterns of production and consumption by placing ecology at the heart of every process and every assessment. Our aim is to provide meaningful solutions to major problems, with and for our stakeholders.

We provide work for approximately 14,000 people (directly and indirectly) in the United Kingdom, across more than 400 operational and corporate shared services sites.

2.2 Governance

Our Executive Committee is a decision-making body which is responsible for considering, discussing, consulting and implementing Veolia UK's strategic direction.

The Executive Committee meets every month and is assisted by a number of specialised committees and working groups focussing on specific issues of importance. This includes the UK **Modern Slavery Working Group**.

Our Modern Slavery Working Group operates to assess risk, implement improvements and monitor progress in our modern slavery risk management and awareness program. Our Working Group comprises a cross section of representatives from HR, Supply Chain, Operations, Legal, Compliance, and Corporate Social Responsibility. It is led by the Chief Compliance Officer who also acts as our UK modern slavery lead.

The working group met on seven occasions with individual members meeting more frequently to drive specific projects and initiatives.

During 2022, the Working Group successfully **launched face to face training** to our site-visible teams, and **operational briefings** to our site managers for direct delivery to our frontline teams.

Every three years, the Working Group produces the **Veolia UK modern slavery and human trafficking strategy paper** which is shared internally, and used as the reference point for our **performance assessment**, and in the preparation of our **three-year rolling action plan**.

The strategy paper remains permanently accessible to all Veolia staff via our **dedicated ethics and compliance intranet page**. It is scheduled to be updated in 2023.

The Working Group reports to the **UK Modern Slavery Executive Subcommittee**. The subcommittee comprises the Chief HR Officer, the Chief Legal Officer and the Chief Operating Officer for UK Treatment Operations.

The Working Group meets with the Executive Subcommittee twice yearly. Furthermore, regular updates are provided by the Chief Compliance Officer to the **Audit Committee** which is attended by the Senior Executive Vice President for Veolia Northern Europe.

II. OUR STRUCTURE, BUSINESS AND SUPPLY CHAINS

2.3 Supply chains

Veolia operates primarily in the waste recycling, green power generation, industrial cleaning, water and wastewater treatment sectors. We spend around **£1 billion** annually in the UK across all suppliers, the majority of which are based in the UK (2022 spend with suppliers based in the UK was over 97%).

We recognise that our volume and complexity of suppliers can present a higher risk of undetected modern slavery. In order to spot potential risks in our supply chain, we perform an annual modern slavery risk assessment using reputable indices available in the market. Where risk is identified, we perform internal and external audits to drive the identification and rectification of potential issues.

The Veolia group's **anonymous online alert tool** is available to all our suppliers and subcontractors via a link located on our Veolia UK website, on our **Supplier information page**. If a breach is identified, it can be directly and confidentially referred to the Group Ethics Committee via Whispli.

Supplier expenditure is grouped into categories. Our National Category Managers in the Supply Chain function are responsible for each category. These categories are shown in **Table 1**.

Table 1

Category	Category name	Typical products/services in the category
1	Operating supplies, material and equipment	Valves, tools, pipes and fittings, pumps, engines, electrical, safety, laboratory, building materials
2	Industrial, technical and service subcontracting	Waste and treatment subcontracting, transport and logistics providers, civil engineering, facilities management, lab services
3	Mobile equipment and motorised equipment	New vehicles and spare parts, on-board equipment, bins and containers
4	Fuel, energy and chemicals	Electricity, gas, acids, alkalis, polymers, diesel, fuel additives
5	Intellectual services	Insurance, technical and general management consultants, legal providers, recruitment consultants, marketing agencies
6	General purchasing	Temporary labour, travel, office supplies and furniture, postage and archiving
7	IT and telecommunications	IT hardware and software, mobile phone and airtime

III. SUPPLIER DUE DILIGENCE PROCESSES IN RELATION TO MODERN SLAVERY AND HUMAN TRAFFICKING

Veolia is committed to the prevention and detection of slavery and human trafficking in its supply chains. The following practices are in place to drive our commitment:

3.1 Supplier assessment

Prior to onboarding, all new goods and service providers (including subcontracted works providers) are required to answer a series of questions in order to evaluate their compliance standards across health and safety, environmental impact, human rights (including modern slavery), and business ethics.

Where standards are deemed to be insufficient, supplier applications are subject to further review, in consultation with the appropriate Veolia subject matter experts. Suppliers are also required to sign Veolia's Supplier Charter (as displayed on our Veolia UK website, on the supplier information page) in order to demonstrate their commitment to operating according to Veolia's vision and values.

A supplier that does not meet the requirements of the UK Modern Slavery Act, or who does not sign up to our Supplier Charter, will not be allowed to trade with Veolia until they satisfy, or actively work with us to satisfy, these requirements.

To assess labour and human rights standards across key suppliers who already work for Veolia, we use the EcoVadis platform. Veolia works with those who do not meet Veolia's minimum requirements, to collaboratively agree actions and implement improvement plans.

3.2 Terms and conditions

Veolia uses several sets of standard terms and conditions to trade with suppliers. Our conditions oblige the supplier to comply with the Modern Slavery Act, and give Veolia the power to require evidence as to how they take steps to mitigate the risk of modern slavery.

While our aim is always to support and work with suppliers to address any modern slavery issues, we retain the ultimate sanction of contract termination where necessary.

3.3 Temporary labour and agency workers

Veolia partners with two **contingent labour service providers** (CLSPs) to provide our agency and temporary worker requirements. Our CLSPs are contractually required to ensure both they and their suppliers comply with the Modern Slavery Act.

We work with our CLSPs to enhance processes to increase our ability to prevent and detect potential cases of modern slavery. Contingent labour plays an important role in ensuring flexibility and agility to meet resource needs.

While market forces play a huge part in our contingent labour usage, our goal is always to minimise our utilisation of contingent labour, in favour of direct employment, which is supported by ongoing workforce planning.

IV. POLICY AND PROCESS

Common standards, policies and practices are adopted and implemented throughout Veolia.

Veolia's commitment to the prevention and detection of modern slavery is outlined in our **Modern Slavery and Human Trafficking Policy** and our **Supplier Charter**.

Our **Whistleblowing Policy and Procedure** is available to all employees. We offer a confidential whistleblowing telephone line to all employees, along with a confidential online whistleblowing solution which is available to all employees and third parties for reporting concerns or suspicions of wrongdoing. The confidential reporting mechanisms are both independently operated by a third party with a clearly defined reporting and investigation process, and Veolia designated officers.

Our **Employee Assistance Programme** also provides a confidential telephone support service where advice and information can be sought by employees across a wide range of topics.

During 2022, we launched our **Modern Slavery Escalation Policy and Procedure** outlining the process that our employees should follow if modern slavery is suspected.

To support the awareness of the procedure, a briefing document was issued to operational managers in December 2022, along with a **video and posters to support briefings to our operational employees**. The rollout of the operational briefings was complete on 31 March 2023. Face to face training was delivered in November 2022 to site-visible staff who will act as support for the process.



V. SPECIFIC BUSINESS RISK AND MEASURES TAKEN

As stated in 2.3, Veolia purchased goods from 26 countries during 2022, with over 97% of purchases being made within the UK. Prior to trading with each country, a risk assessment for modern slavery and human trafficking is completed using reputable sources.

Our business employs a large and diverse operational workforce, and also employs temporary labour and agency labour which carries inherent risk. We continue to work with our CLSPs to enhance processes to increase our ability to detect potential cases of modern slavery as outlined at 3.3.

Acquisitions may present risk where the mass onboarding of new suppliers is necessary to maintain the continued performance and contractual obligations of the acquired business. Veolia added 47 suppliers to the supplier database during 2022 through business acquisitions.

For acquired business, all new suppliers are in scope for rationalisation, as referenced in 3.1. Direct employee checks in respect of TUPE staff, follow the steps outlined in 6.1 below. Temporary and agency labour requirements are transferred to our CLSPs.



VI. EMPLOYEES AND OTHER INDIVIDUALS WITH WHOM WE DEAL

6.1 Direct labour and TUPE employees

In terms of direct use of labour within the UK, Veolia employs approximately 14,000 individuals on direct contracts of employment, all of which are compliant with UK legislation.

Wages are paid electronically directly to the employee's bank account. Veolia will not onboard a new employee until the individual has provided the correct Right to Work evidence, in line with Home Office guidance. This evidence is collected as part of the 'new hire' process through an electronic form on the HR and Payroll system. Where employees transfer to Veolia under TUPE arrangements, the Employee Relations team requests the Right to Work evidence within 21 days in accordance with Home Office guidance.

Veolia works in partnership with five Trade Unions to determine specific terms of employment for our employees covered by collective bargaining agreements. This may include pay, hours, leave, and health and safety policies. Veolia is fully compliant with the legislative requirements of both the National Minimum Wage and the National Living Wage.

Scheduled checks are made to identify duplicate bank details, address, next of kin and contact telephone numbers across employee records, as a way to identify a risk of non-legitimate arrangements where payroll funds may be being diverted to a third-party. Legitimate cases, such as cohabiting partners working for Veolia, will be checked and validated.

6.2 Indirect labour (temporary and agency workers)

As referenced in 3.3, Veolia uses CLSPs for our temporary labour requirements. The CLSPs engage staff through national agreements held with an approved list of panel agencies, providing contingent labour for predominantly frontline operational roles.

In 2022 they supplied over 6191 workers to Veolia. The CLSPs have a Service Level Agreement with the agencies they use which obliges them to comply with all regulations and laws applicable to the terms of the agreement, including the Modern Slavery Act.

The compliance safeguards within the supplier's payroll system mean that a worker cannot be supplied to Veolia unless they have the correct Right to Work paperwork. Furthermore, ad-hoc documentation audits are performed by Veolia for indirect workers.



VII. MEASURING OUR EFFECTIVENESS

Veolia's globally applied **multi-faceted performance framework** focuses on 18 audited indicators that are derived from the UN sustainable development goals and linked to Veolia's strategic objectives. These indicators include measuring the impact of our contribution to society and ethics standards. All indicators are directly linked to Veolia's purpose, mission and values.

Veolia's Modern Slavery and Human Trafficking working group is responsible for assessing, enhancing and monitoring steps taken by Veolia, and its suppliers, to meet compliance standards, and to identify and manage risk.

Key performance indicators are implemented to drive and track training delivery and completion, drive awareness campaigns, and record supplier audits and resulting actions. These are shared with the Executive Subcommittee.

Representatives of the group actively engage and participate in external groups, including the **Waste and Recycling Modern Slavery Working Group**, hosted by **Slave Free Alliance**, and the **Modern Slavery Leaders Group** at the **Supply Chain Sustainability School**.



VIII. TRAINING AND AWARENESS

8.1 Management

The dedicated Modern Slavery Executive Subcommittee meets twice yearly with the Working Group representatives to review priorities and action plans.

Modern slavery is discussed as a recurring agenda item during the Audit Committee which is held every four months, and attended by members of the Executive Committee, including the Senior Executive Vice-President for Northern Europe.

8.2 Office based staff

Modern Slavery eLearning was initially launched to all staff in 2019. The eLearning module provides an overview of modern slavery risks, statistics, and guidance on how to spot the signs and report concerns safely. The training module contains a scored test in order to support the level of understanding following completion.

The training module is part of the induction process for all new staff joining Veolia, and is actively promoted to all staff annually as part of the annual anti-slavery awareness campaign in October.

8.3 Operational staff

Two types of posters are displayed across our operational sites. The first poster (spot the signs) is displayed in communal areas at sites. The second poster (how to seek support for victims) is displayed in private areas. Both posters signpost our employees on how to raise concerns and to seek help.

In December 2022, our new operational briefing was launched to operational managers for delivery to frontline teams across all UK operations. The briefing is supported by a video, which includes a victim's story, and is further supported by the presence of our posters. The briefing provides clear signposting to our new Escalation Policy and Procedure.

8.4 Specific teams

Face to face training for our Human Resources and Risk and Assurance teams was delivered in November 2022. The training supported the new **briefing for operational employees**, and to facilitate the launch of the new Escalation Policy.

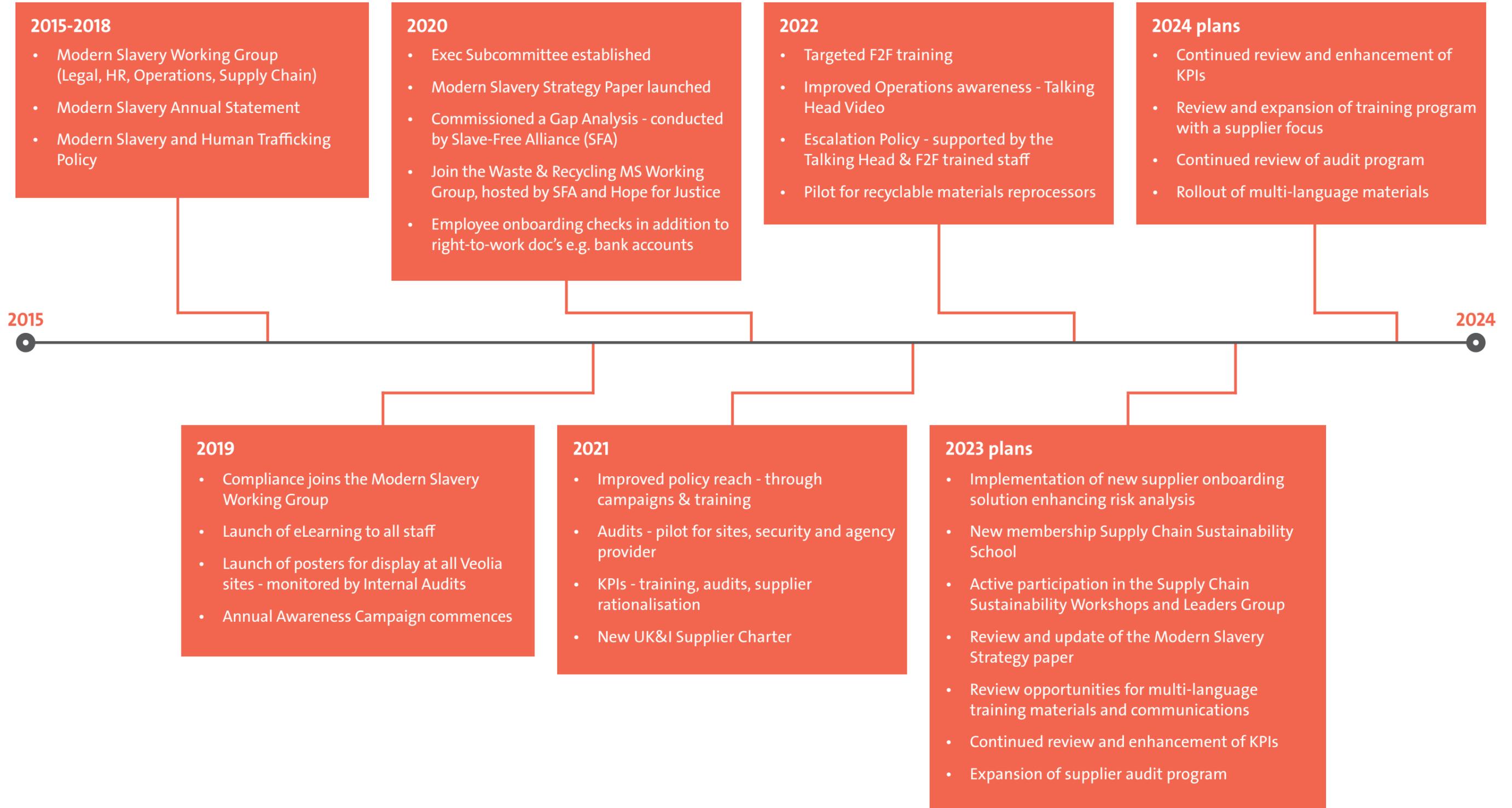
The training was delivered by **Hope for Justice**, and received positive feedback from our attendees.

8.5 Suppliers

As a Supply Chain Sustainability School partner, Veolia is now collaborating with the school to conduct a Modern Slavery workshop for our key suppliers in 2023. This workshop will provide guidance on how to identify the signs and risks of slavery within the supply chain.



IX. OUR JOURNEY AND FUTURE PLANS



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