

CREATING A
SUSTAINABLE
FUTURE | Executive Summary 2022

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CREATING A SUSTAINABLE FUTURE

In December 2023, Veolia will celebrate 170 years of delivering sustainable solutions to communities across the world. In that time we have positively affected billions of lives in many different ways: from providing the means for clean, safe water, to recycling waste and, more recently, generating much needed renewable energy.

I am immensely proud to play a part in that legacy. But while I feel it is important to draw on past experiences, our focus must be on the future. Specifically, on delivering an **ecological transformation** that will improve many more lives for generations to come.

This means taking an holistic approach to life, for our people and the planet. We recognise the direct link between our natural and social environments; and how biodiversity loss or pollution, for example, impacts the communities and cultures we live in.

When we say that we put ecology at the heart of our business, we are referring to how we consider all the impacts that our decisions make. We do this with our multifaceted performance (MFP) framework, which helps us make commitments to our five key stakeholders: our planet, clients, employees, society and shareholders.

None of these stakeholders exists exclusively – much like our natural and social environments. So by committing to combating climate change, building a circular economy, and protecting biodiversity for our

planet, we are also actively listening to the concerns of **society**; meeting the needs of the communities in which we work.

Our **employees** work in an environment where they can grow and develop, be true to who they are, and be fairly treated. This makes for a more innovative, engaged and motivated workforce; one that better helps the business and its **clients** to meet their sustainability goals and environmental ambitions.

Our **shareholders** – the majority of whom are now Veolia employees – are best served when our contribution to the world is useful. Our financial health allows us to reinvest in our business; which in-turn closes the loop on all of our stakeholders and edges us closer to truly changing the world.

This report is a snapshot into the essential work carried out by Veolia, showcasing how we are addressing environmental issues. We know the scale of the challenges before us; but we remain optimistic and determined to turn the tide, together.



Gavin Graveson

Senior Executive
Vice-President,
Veolia Northern
Europe Zone

OUR MULTIFACETED PERFORMANCE

More than ever before, Veolia can assert its leadership in addressing the major ecological transformation challenges facing companies, public authorities and citizens. We are committed to a multifaceted performance with the same level of consideration and expectations regarding financial, commercial, employee, social, and environmental performance.

This report follows each area of the multifaceted performance (MFP) model, focusing on the ways in which we work in collaboration with each stakeholder to deliver solutions that decarbonise, depollute and regenerate resources, with our results assessed against comprehensive targets. Our progress against these targets is highlighted throughout this report.

All data and case studies included in this report relate to Veolia UK, unless otherwise specified.



ECOLOGICAL TRANSFORMATION, THAT IS OUR PURPOSE

Ecological transformation means acting to reconcile human progress and environmental protection.

We develop and implement solutions to depollute our vital resources, preserve them from depletion and to decarbonise our ways of living and adapt them to the effects of climate change.

At Veolia, we tackle economic, social and environmental issues as an inseparable whole, for the benefit of society as a whole.

The four pillars of ecological transformation

The four pillars of ecological transformation form a foundation upon which we can achieve our purpose. We cannot delay any longer or hope to change our methods gradually. It is time for transformative action.

1 Improving Biodiversity



Biodiversity, the variety of natural life and habitats on earth, is essential to our survival and wellbeing. To achieve ecological transformation, we must transform our consumption patterns and place ecology at the centre of our processes and solutions.

Many solutions exist to better understand how we can work with biodiversity, not against it. By adopting and developing these solutions, we can alleviate the strain on ecosystems, enabling biodiversity to adapt, recover and flourish once again.

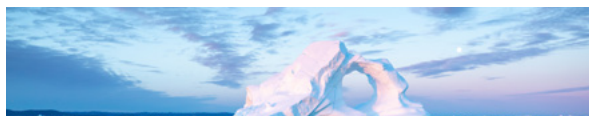
2 Decreasing Pollution



Our natural environment is under threat from human activities. Transportation, heat and electricity production and agriculture all contribute to the pollution of our air, water and soils.

By recognising the impacts of harmful pollutants, we can develop and implement innovative technologies that will radically transform our behaviours, production methods and waste management practices.

3 Fighting Climate Change



Climate change is the greatest challenge of our lifetimes. The effects of climate change are being seen today, and if we don't take radical action now the planet will be 5.5°C degrees hotter by 2100, with catastrophic consequences.

Across Veolia, our teams are helping to mitigate the climate emergency by reducing our own greenhouse gas (GHG) emissions, developing the circular economy and helping our customers achieve carbon savings. Concrete action is being taken, but we will never stand still on the future of our planet, with ongoing innovation and investment driving us forward.

4 Optimising Resource



As a society we are living unsustainably. Pressure on our natural resources is leading to their depletion with detrimental consequences for human health and welfare. We need to act now in working towards replenishing our resources, building more sustainable solutions to resourcing our planet.

At Veolia, we continuously explore innovative methods to repurpose waste materials, and have created a multitude of solutions that power our own facilities, generate new sustainable products and support our customers across water, waste and energy.





PROGRESS AGAINST OUR GOALS - AT A GLANCE

We have made strong progress against many of our goals, and continue to prioritise meeting and achieving our targets. Please refer to the relevant sections in this report for further detail, case studies and future plans.

	Indicator	SDG	2022 target	2022 performance	2023 target
Planet	Combating climate change Avoided emissions - annual contribution to avoided emissions		1,597 KT CO ₂ e	1,617 KT CO₂e	1,616 KT CO ₂ e
	Circular economy: plastic recycling Volume of recycled plastic in Veolia transformation plants	 	14,375 tonnes	16,679 tonnes	16,679 tonnes
	Protection of environments and biodiversity Progress rate of action plans improving the footprint of environments and biodiversity footprint on sensitive sites	  	75%	80%	100%
Customer	Hazardous waste and treatment recovery Revenue generated by the hazardous and liquid waste treatment and recovery activities	 	€77.1m	€91.7m	€91.7m
	Customer and consumer satisfaction Customer satisfaction rate calculated using the Net Promoter Score methodology		35, with 50% coverage rate	55, with >75% coverage rate	50, with 75% coverage rate
Employees	Safety at work Lost Time Injury Frequency Rate	 	5.7	4.73	5.0
	Diversity Proportion of women appointed within Veolia's top 500 senior executives from 2020 to 2023		50%	33.3%	50%
	Employee commitment Rate of engagement of employees, measured through an independent survey		>80%	88%	>80%
	Employee training and employability Average number of training hours per employee per year		21 hours	22.8 hours	23 hours

PROGRESS AGAINST OUR GOALS - AT A GLANCE

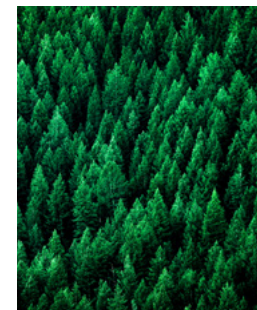
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	Indicator	SDG	2022 target	2022 performance	2023 target
Society	Job and wealth creation in the territories Socio-economic footprint of Veolia's activities, with regard to direct and indirect jobs supported and wealth created	 	45,099 jobs created, €3.8b wealth generated	53,170 jobs created, €4.48b wealth generated	Maintain
	Ethics and compliance Rate of positive answers to the question of the engagement survey "Veolia behaves ethically and respects compliance rules in its activities"		≥80%	86%	≥80%
Shareholders	Revenue growth Annual growth in published revenue		-	€42.9 billion	Maintain
	Profitability Current net income - Group share		-	€1 million	€1 billion
	Return on capital employed ROCE after tax		-	7.6%	Maintain
	Investment capacity Free Cash Flow (before discretionary investments)	 	-	€1.462 million	Maintain

*Veolia Group figures used for Shareholders



PLANET



Climate change, pollution and accelerating biodiversity loss are three interconnected challenges which Veolia is tackling head on through our range of industry-leading solutions to manage waste, water and energy. Our planet commitments focus on combating climate change, building a circular economy and protecting biodiversity and the environment.

COMBATING CLIMATE CHANGE



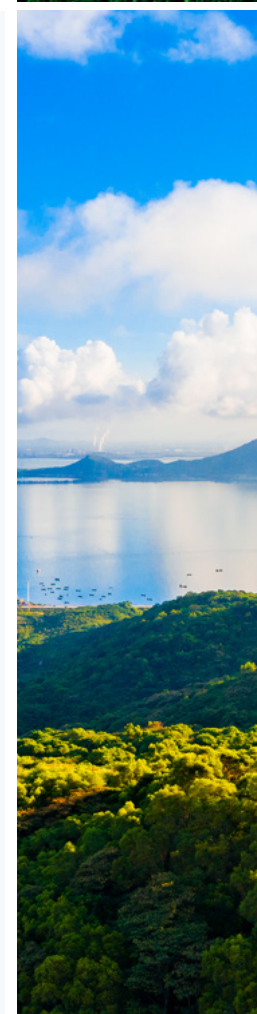
Veolia, we provide waste, water and energy services that are essential to everyday life. This places an even greater responsibility on us to decarbonise our business operations, and play our part in tackling the urgent climate emergency.

We are committed to achieving net zero by 2050. Our **Net Zero Roadmap** acts as a guide towards that target, with six core commitments providing the framework to radically decarbonise over the next three decades.

The full 2022 Sustainability Report includes our progress against each commitment – from on-site energy efficiency measures to

decarbonising our fleet, and introducing algae-based carbon capture technology.





We are proud to say that, between 2020 and 2022, our carbon intensity (measured in tonnes CO₂e per £m gross revenue) fell by 16%. This is evidence that our initiatives are working to improve overall energy efficiency and control our emissions.



PROTECTING BIODIVERSITY AND THE ENVIRONMENT

Biodiversity is essential to our survival and wellbeing, but as a society we are putting it under pressure. By placing the protection of nature and biodiversity at the heart of every action, we are playing our part in combating this trend, and working to build stronger ecosystems.

On site, we are focused on achieving four core biodiversity objectives, including:

- 1  Implementation of biodiversity action plans for high priority sites
- 2  Zero use of phytosanitary products
- 3  Raising environmental awareness
- 4  Implementation of ecological management plans

To enhance biodiversity, the Veolia Environmental Trust provides grant funding for environmental and community projects through the Landfill Communities Fund, supported by the tax Veolia pays for current and restored landfills.



In 2022,
the Trust awarded

£4.5m
in funding to over 80
projects led by not-for-
profit organisations.



BUILDING A CIRCULAR ECONOMY

At Veolia, we're committed to a future where end-of-life resources are transformed into products that enrich our lives and power our homes and businesses. Everything we buy, use or consume should be reused, repaired, recycled or converted into energy, and we work closely with our customers to make this happen.

The UK resources and waste sector is currently undergoing major reform in order to boost recycling, reduce waste and drive a circular economy. And we are working to help shape these regulations directly via government and through our membership of the Environmental Services Association (ESA) and other industry bodies, ensuring that they deliver the best outcomes for our customers, society and the planet










CUSTOMERS

Our customers are on a journey to improve their sustainability and we're committed to ensuring their success. We are driven by innovation and listening to the needs of our customers while simultaneously developing tailored solutions to decarbonise, depollute and regenerate resources.

2022 Customer highlights

-  **7,686** new commercial waste customers in 2022
-  Customer satisfaction - Trustpilot score: **4 stars**
-  **2 million tonnes** of waste collected
-  **5** recently won public sector decarbonisation schemes
-  **2 million customers** served for water and wastewater

DECARBONISATION

The built environment accounts for around 25% of the UK's total carbon footprint¹. That's why we're committed to driving carbon and cost savings for our customers in our energy contracts and delivering innovative solutions that will drive down energy bills and emissions.

In the full [2022 Sustainability Report](#), we detail how we're putting this to the test. For example, at three large NHS hospitals we're deploying a range of solutions to reduce the on-site energy demand and transition to low-carbon heating and renewable energy generation. Our district heat networks are also on display, with Sheffield City Council's innovative pipe re-lining cutting the carbon footprint of maintenance operations by up to 80%.



¹UK Green Business Council

REGENERATING RESOURCES

Reducing our reliance on virgin materials plays a key role in limiting environmental impact worldwide. At Veolia, we must think creatively about the materials we use to understand where we can introduce circularity.

Our 2022 highlights include:



Partnering with the Football Association and Wembley Stadium to turn **47,600** plastic bottles into the first ever recycled pitch banner.



Recycling radioactive cables with Sellafield, **recovering the copper cores** in a technically challenging process.



Processing **100,000 tonnes** of green and garden waste into compost, saving **9,000 tonnes** CO₂e in avoided emissions from peat-based compost.



Healing Seafield wastewater treatment works hit the major milestone of becoming a **net exporter of renewable energy**.

MOVING THE BAR ON CUSTOMER EXPERIENCE

Veolia's purpose of ecological transformation is only possible with the commitment and partnership of our customers, so we're constantly finding new ways to make it easier for our them to maximise the value they get from working with us. This results in more material recycled, more waste kept out of landfill, and more carbon saved and avoided – all of which takes us further towards our goal.



In 2022, our **net promoter score was 55**, considered 'excellent'.



We also went from **1.3 to 4 stars** on Trustpilot – further evidence of the trust and confidence our customers have in us.





EMPLOYEES







At the core of our mission and ambitions lies our workforce, standing at the forefront of everything we do.

It is our employees who will enable us to achieve our purpose of ecological transformation, and we are committed to ensuring they are in an environment in which they can succeed.

That's why we emphasise the importance of health and safety, diversity and inclusion and sustainable employment with development opportunities.



2022 Employee Highlights

-  Launched new induction programme for **2,500** new starters
-  Winner of **Best National Employer Brand** at the RAD Awards
-  Winner of **Best Integrated Campaign** for HGV Drivers at the RAD Awards
-  Glassdoor rating increased from **3.1 to 4 stars**



HEALTH, SAFETY AND WELLBEING

Veolia's true wealth comes from the health of our employees. We recognise the importance of creating a positive work environment that supports the physical, mental, social and finance wellbeing of our workforce. From our safety champions to our training and communication campaigns, we have a proactive safety culture, aspiring to zero incidents.

Our initiatives include:

Safety Week

Safety Week which serves as a significant occasion for our people to reaffirm their dedication to fostering a culture of risk prevention, and emphasises the active involvement of managers in continuing to place health and safety at the centre of what we do day to day.

StreetKind

StreetKind focuses on fostering a safe workplace environment through a training programme that equips our front line colleagues with the skills to manage challenging interactions with members of the public.

Wellbeing Series

Wellbeing Series which in 2022 included employee learning sessions on everything from managing loneliness to preventing burnout and saving financially at Christmas time.

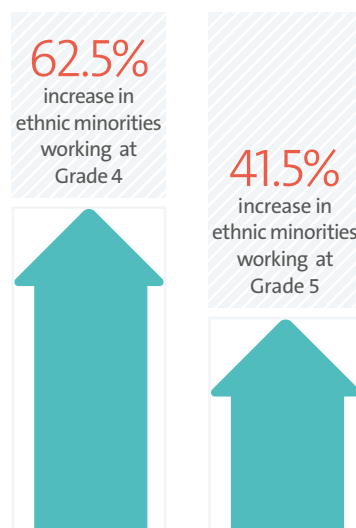
EQUALITY, DIVERSITY AND INCLUSION (ED&I)



Veolia has worked hard to promote and enhance inclusion across our business and within our supply chain – efforts that are helping to attract and retain the very best talent.

In 2022, for the first time we made a voluntary request for employees to share their diversity data, aiming to gain a better understanding of diversity across our organisation. This data has been used to improve our understanding of the diversity of our workforce, and is being integrated into a new inclusion strategy for 2023-2025.

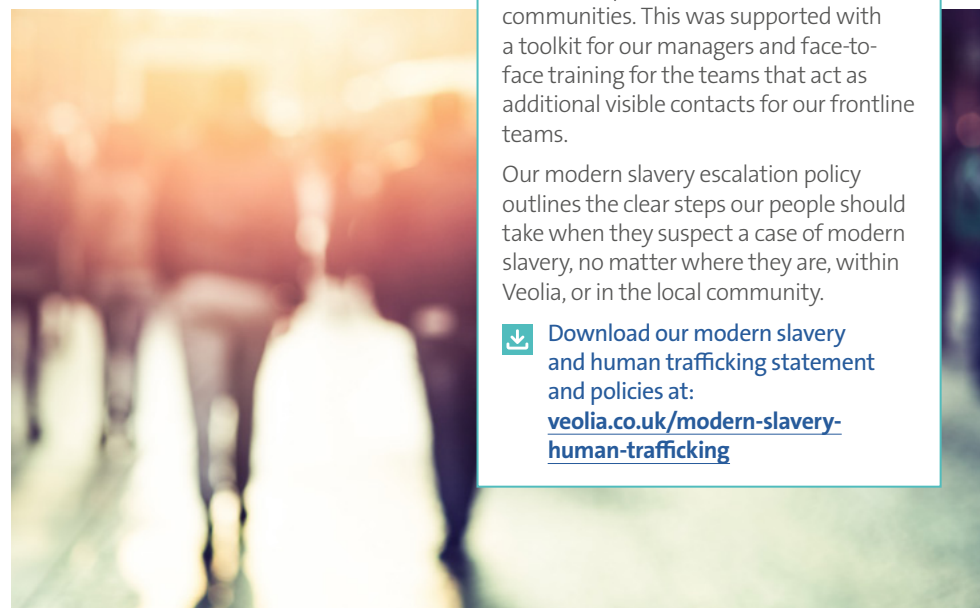
Our data reflects an increase in ethnic minorities working across all pay grades since we introduced our first inclusion strategy in 2021, including;



Recruitment

We are prioritising inclusive practices that will attract and support a diverse and inclusive workforce.

A list of inclusion and diversity questions has been established that agency suppliers must answer before they are able to work with us. Following a review of the responses, we are confident our recruitment agencies have robust diversity and inclusion (D&I) policies in place. We have also reviewed our recruitment channels and job adverts so that we can reach a wider range of candidates.



Modern slavery

At Veolia, we recognise that we all bear a collective responsibility to be vigilant and attentive when it comes to potential victims of modern slavery.

In 2022, we launched a new 'talking head' video to engage and inform our frontline teams on how to stay alert to any suspicions or instances of exploitation in the workplace and within local communities. This was supported with a toolkit for our managers and face-to-face training for the teams that act as additional visible contacts for our frontline teams.

Our modern slavery escalation policy outlines the clear steps our people should take when they suspect a case of modern slavery, no matter where they are, within Veolia, or in the local community.

Download our modern slavery and human trafficking statement and policies at: veolia.co.uk/modern-slavery-human-trafficking



SOCIETY

At Veolia, we strive to make a positive and lasting impact on society while contributing to a more sustainable future. We actively engage with local communities to foster strong partners and community development in the areas in which we operate.

We actively listen to the concerns and needs of our stakeholders and local communities, incorporating their feedback into decision-making processes and strive to deliver diverse, inclusive, and equal opportunities.

2022 Society Highlights

- 
- Veolia's activity in 2022 supported **53,170 jobs** (in full-time equivalent) in the UK and Ireland
 - Veolia's activity in 2022 helped to generate **€4,480 million** of GDP in the UK and Ireland
 - **8.4%** of the contribution to GDP generated by the Group's activity in 2022 occurred in the UK and Ireland
 - In 2022, **87%** of expenses incurred by Veolia's entities located in the UK and Ireland were reinvested locally

VEOLIA ORCHARD



In 2022, Veolia was proud to launch the Veolia Orchard programme, designed to bring fruit trees to schools in predominantly urban areas. In the first year, we supported 100 primary and secondary schools with 500 trees in total, building a network of orchards across the country.

The initiative brings a multitude of environmental benefits to the local area, including promoting biodiversity, and the role of trees in acting as carbon sinks to mitigate the effects of climate change.



SUSTAINABILITY FUND



The Veolia Sustainability Fund supports grassroots community projects across the UK, providing grants of up to £1,000 to help local projects that protect or preserve the environment or promote sustainable waste behaviours.

In 2022, £82,000 worth of funding supported 96 projects across the country. These include:

**Wildlife not wasteland**

A community project in Southend-on-Sea where local residents are clearing a disused alleyway to turn it into a safe, cared-for area.

**Recycled robots**

Works with the children of Kingston to transform waste into moving robots, encouraging creativity in the environmentalists of the future.

**Brundall community river watch**

Led by the Brundall Men's Shed in Broadland, is a project to keep the River Yare clean through regular litter picks.

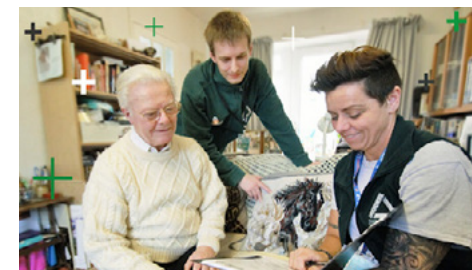
GROUNDWORK

We first partnered with Groundwork in 2021, a charity passionate about creating a future where every neighbourhood is vibrant and green, every community is strong and able to shape its own destiny, and no one is held back by their background or circumstances.

In 2021 and 2022, Veolia staff fundraised more than £10,000 to support the charity. We have also partnered with Groundwork on a number of ongoing projects, using our resources, time and connections to improve quality of life in communities. These include:

Green doctors

A scheme in which vulnerable householders are visited and offered energy efficiency advice to help keep their homes safe and warm.

**Westminster wheels**

A bike shop that serves the local community, and trains previously unemployed residents in bicycle repair. We have also worked with the charity to get bikes to low-income Veolia employees so they can cycle to work.



SHAREHOLDERS



With a global team of nearly 179,000 employees, Veolia partners with organisations of all sizes to drive significant value by increasing operational efficiencies, reducing costs and reducing carbon impact and water footprint while raising environmental standards and preventing pollution.

Our prosperity is founded upon our usefulness to all of our stakeholders – whether customers, shareholders, employees, suppliers, current populations or future generations. The company believes that doing the right thing for people and the planet is good for business.

Veolia's three complementary business activities – water, waste, and energy – are designed to develop access to resources, preserve available resources and replenish resources, creating a resource revolution where responsibility and opportunity go hand-in-hand. And our focus has produced significant results.





In the last 12 months alone, Veolia has generated six times as much energy as it has used.

Manufactured **185,888** tonnes of compost.

Recycled **68,919** tonnes of plastic.

Created **80,000** tonnes of insulation material from the **1.9 million** tonnes of waste collected from cities and industries.

Produced over **31 billion** litres of drinking water while treating more than **247 billion** litres of wastewater.



Thanks to Veolia's activities, **14 million** tonnes of CO₂e were eliminated in 2022 for our clients, and **320 million m³** of water was saved per year vs. 2019, the equivalent of the annual consumption of a six-million inhabitant city.



From the largest cities to the local corner shop, Veolia helps its customers operate efficiently, sustainably, and in balance with the environment. Veolia's services cater to every market sector in the UK and can help organisations of all sizes become more efficient, control costs and improve their environmental footprint.



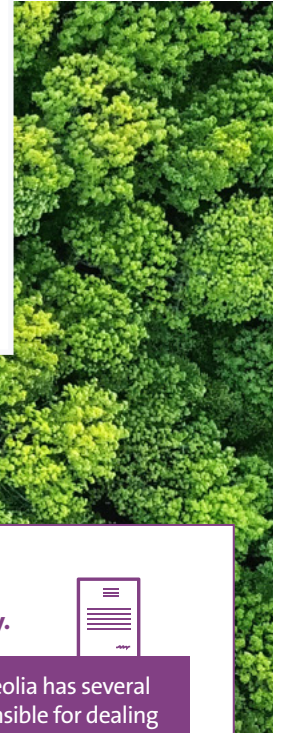
EMPLOYEE SHAREHOLDER SCHEME

In Autumn 2022, more than **179,000** Veolia employees in **45** countries had the opportunity to invest in the company via Sequoia 2022, the employee shareholding operation which ended with an unprecedented record result.

Over **75,000** employees chose to subscribe.

Veolia employees now represent **6.5%** of the company's capital and are together its largest shareholder.

This illustrates employees' confidence in the company, with **€243 million** invested globally.



GOVERNANCE & COMPLIANCE

Veolia complies with all laws and regulations governing our industry.



Our compliance policies help us to identify, assess, prevent and remedy risks in areas including:

- Corporate due diligence
- Human rights violations
- Personal data protection
- Fraud
- Conflicts of interest
- Money laundering and financing terrorism.

At a Group level, Veolia has several committees responsible for dealing with compliance-related issues, including the Ethics and Compliance Committee and the Human Rights and Vigilance Committee.



NOTABLE ACCREDITATIONS & RECOGNITION



Achilles

Veolia is Achilles UVDB Silver Tier 4 accredited. Achilles is a global supply chain risk management assessment.



Alcumus

Veolia is an Alcumus SafeContractor. This is a leading UK SSIP Scheme.



BSIA

Veolia is a British Security Industry Association (BSIA) Principal Member in information destruction. BSIA Membership is the symbol of quality and professionalism in the security industry.



Business in the Community (BITC)

Veolia has been a member of BITC for many years. BITC is a business-led membership organisation that focuses on helping the planet and communities to thrive.



CDP

Veolia an A for CDP's Climate Change and Water Security questionnaires in 2022, evidencing our ambition and progress in these areas.



CHAS

Veolia is CHAS accredited. This is awarded to companies showing excellence in their health and safety processes.



Ecovadis

In 2022 we received a Bronze certificate for Ecovadis. Ecovadis is a business sustainability rating platform.



ISO

Veolia is certified to: ISO9001 Quality Management System, ISO14001 Environmental Management System, ISO45001 Occupational H&S Management Systems, ISO5001 Energy Management, ISO22301 Business Continuity, ISO27001 Information Systems & Technology, and ISO 27701.



RoSPA

Veolia is a certified member of RoSPA, a leading voice in health and safety that works to reduce accidents at home, on the road and at work.



Sedex

Veolia report our supply chain sustainability practices via Sedex. Sedex allows us to report on our ethical and responsible practices.



Supply Chain Sustainability School

Veolia is a Supply Chain Sustainability School partner member. The school is a collaboration between clients, contractors and first tier suppliers to build the skills of their supply chain.



Trustpilot

Veolia has an average 4 star review on Trustpilot. This is testament to the hard work of our employees in working with customers.

Resourcing the world

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