

VEOLIA'S PURPOSE IS TO CONTRIBUTE TO HUMAN PROGRESS BY FIRMLY COMMITTING TO THE SUSTAINABLE DEVELOPMENT GOALS SET BY THE UN TO ACHIEVE A BETTER AND MORE SUSTAINABLE FUTURE FOR ALL. IT IS WITH THIS AIM IN MIND THAT VEOLIA SETS ITSELF THE TASK OF "RESOURCING THE WORLD" THROUGH ITS ENVIRONMENTAL SERVICES BUSINESS. AT VEOLIA, WE ARE CONVINCED THAT CONTINUING HUMAN DEVELOPMENT IS ONLY POSSIBLE IF ECONOMIC, SOCIAL AND ENVIRONMENTAL ISSUES ARE ADDRESSED AS AN INDIVISIBLE WHOLE. THIS BELIEF IS EMBEDDED IN THE HISTORY OF THE COMPANY, WHICH AS SOON AS IT WAS CREATED IN 1853, SHOWED THE WAY BY MAKING ACCESS TO DRINKING WATER AN ESSENTIAL ELEMENT OF PUBLIC HEALTH AND QUALITY OF LIFE. IN THE CONDUCT OF OUR CURRENT BUSINESSES IN WATER, WASTE AND ENERGY, WE PROVIDE OUR PUBLIC AND PRIVATE CUSTOMERS WITH ACCESS TO ESSENTIAL SERVICES AND EFFICIENTLY CONSERVE, USE AND RECYCLE. THE WELL-BEING AND IMPROVEMENT OF OUR ENVIRONMENT AND THE QUALITY OF LIFE OF OUR CUSTOMERS IS CENTRAL TO OUR BUSINESS AND ITS ECONOMIC MODEL. WE ARE A COMPANY THAT IS BOTH LOCAL AND GLOBAL WITH A HIGH LEVEL OF TECHNICAL KNOW-HOW AND LABOR, AND WHICH COMMITS FOR LONG PERIODS OF TIME. WE GUARANTEE LONG-TERM RESULTS FOR OUR CUSTOMERS BY LEVERAGING OUR LONG EXPERIENCE, THE QUALITY OF OUR SERVICES AND OUR HIGH CAPACITY FOR INNOVATION. WE ARE A WORKING COMMUNITY WHERE, IN ADDITION TO AN INCOME AND RESPECT FOR THEIR HEALTH AND SAFETY, EVERYONE CAN FIND A SENSE OF PURPOSE IN WHAT THEY DO, COMMITMENT TO REWARDING COLLECTIVE ACTION AND PERSONAL FULFILLMENT. THROUGH TRAINING, VEOLIA ENSURES THAT ITS EMPLOYEES, THE VAST MAJORITY OF WHOM ARE MANUAL WORKERS AND TECHNICIANS, DEVELOP THEIR SKILLS. THE COMPANY RELIES ON THEIR RESPONSIBILITY AND AUTONOMY AT ALL LEVELS AND IN ALL COUNTRIES, AND PROMOTES PROFESSIONAL EQUALITY BETWEEN MEN AND WOMEN. VEOLIA ALSO PROMOTES, PARTICULARLY ON STAFF REPRESENTATIVE BODIES, SOCIAL DIALOGUE, WHICH ENCOURAGES EMPLOYEES TO ADOPT OUR COLLECTIVE PROJECT AS THEIR OWN. WHEREVER IT OPERATES, VEOLIA COMPLIES WITH APPLICABLE LAWS AND REGULATIONS. IT ALSO APPLIES WIDELY-DISTRIBUTED ETHICAL RULES CONSISTENT WITH ITS VALUES OF RESPONSIBILITY, COMMUNITY SPIRIT, RESPECT, INNOVATION AND CUSTOMER FOCUS. VEOLIA'S PROSPERITY IS FOUNDED UPON ITS USEFULNESS TO ALL ITS STAKEHOLDERS IN THE VARIOUS REGIONS WHERE IT OPERATES - WHETHER CUSTOMERS, SHAREHOLDERS, EMPLOYEES, SUPPLIERS, CURRENT POPULATIONS OR FUTURE GENERATIONS. ITS PERFORMANCE MUST THEREFORE BE ASSESSED IN VARIOUS DIMENSIONS CORRESPONDING TO THOSE DIFFERENT COMMUNITIES CONCERNED. THE COMPANY PAYS THE SAME DEGREE OF ATTENTION AND REQUIRES THE SAME HIGH STANDARDS IN EACH OF THESE DIMENSIONS. IN THIS WAY, VEOLIA PREPARES FOR THE FUTURE, PROTECTING THE ENVIRONMENT AND RESPONDING TO HUMANITY'S VITAL NEEDS. VEOLIA'S PURPOSE IS TO CONTRIBUTE TO HUMAN PROGRESS BY FIRMLY COMMITTING TO THE SUSTAINABLE DEVELOPMENT GOALS SET BY THE UN TO ACHIEVE A BETTER AND MORE SUSTAINABLE FUTURE FOR ALL. IT IS WITH THIS AIM IN MIND THAT VEOLIA SETS ITSELF THE TASK OF

OUR PURPOSE...

and its implementation in
the Impact 2023 strategic program



"A BUSINESS IS SUCCESSFUL
BECAUSE IT IS USEFUL AND
NOT THE OTHER WAY
AROUND."

ANTOINE FRÉROT
VEOLIA CHAIRMAN AND CEO

At the heart of our approach

Convinced about the role and usefulness of businesses in meeting society's expectations, under the impetus of its Chairman and CEO the Veolia Group is one of the first French companies to have defined its purpose. Having made a major contribution to the academic and public debate on these issues and supported the Notat-Senard report which introduced the concept of "purpose", he became convinced that "a company is a mosaic of stakeholders whose expectations must be fairly taken into account when sharing the value created".

Veolia's purpose was developed through a long process of work and unprecedented collaboration involving the company's management bodies, employees, the Critical Friends Committee (external experts), customers, people' panels, and so on.

Veolia's purpose was adopted by its Board of Directors and presented at the Annual Shareholders' Meeting on 18 April 2019.

There are four major issues around which this approach revolves:

- in what way is Veolia useful to society?
 - what is its mission?
 - how is Veolia different from other companies?
 - for whom and how is the wealth created distributed?
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"VEOLIA'S PURPOSE IS NOT JUST A SLOGAN, IT IS EXPRESSED IN A COMPLETE TEXT."

Veolia's purpose is to contribute to human progress by firmly committing to the Sustainable Development Goals set by the UN to achieve a better and more sustainable future for all. It is with this aim in mind that Veolia sets itself the task of "Resourcing the world" through its environmental services business.

At Veolia, we are convinced that continuing human development is only possible if economic, social and environmental issues are addressed as an indivisible whole. This belief is embedded in the history of the company, which as soon as it was created in 1853, showed the way by making access to drinking water an essential element of public health and quality of life.

In the conduct of our current businesses in water, waste and energy, we provide our public and private customers worldwide with solutions that facilitate access to essential services and natural resources, and that efficiently conserve, use and recycle those natural resources. Improvement of our environmental footprint and that of our customers is central to our business and its economic model.

We are a company that is both local and global with a high level of technical know-how and labor, and which commits for long periods of time. We guarantee long-term results for our customers by leveraging our long experience, the quality of our services and our high capacity for innovation.

We are a working community where, in addition to an income and respect for their health and safety, everyone can find a sense of purpose in what they do, commitment to rewarding collective action and personal fulfillment.

Through training, Veolia ensures that its employees, the vast majority of whom are manual workers and technicians, develop their skills. The company relies on their responsibility and autonomy at all levels and in all countries, and promotes professional equality between men and women.

Veolia also promotes, particularly on staff representative bodies, social dialogue, which encourages employees to adopt our collective project as their own.

Wherever it operates, Veolia complies with applicable laws and regulations. It also applies widely-distributed ethical rules consistent with its values of responsibility, community spirit, respect, innovation and customer focus.

Veolia's prosperity is founded upon its usefulness to all its stakeholders in the various regions where it operates – whether customers, shareholders, employees, suppliers, current populations or future generations. Its performance must therefore be assessed in various dimensions corresponding to those different communities concerned. The company pays the same degree of attention and requires the same high standards in each of these dimensions.

In this way, Veolia prepares for the future, protecting the environment and responding to humanity's vital needs.

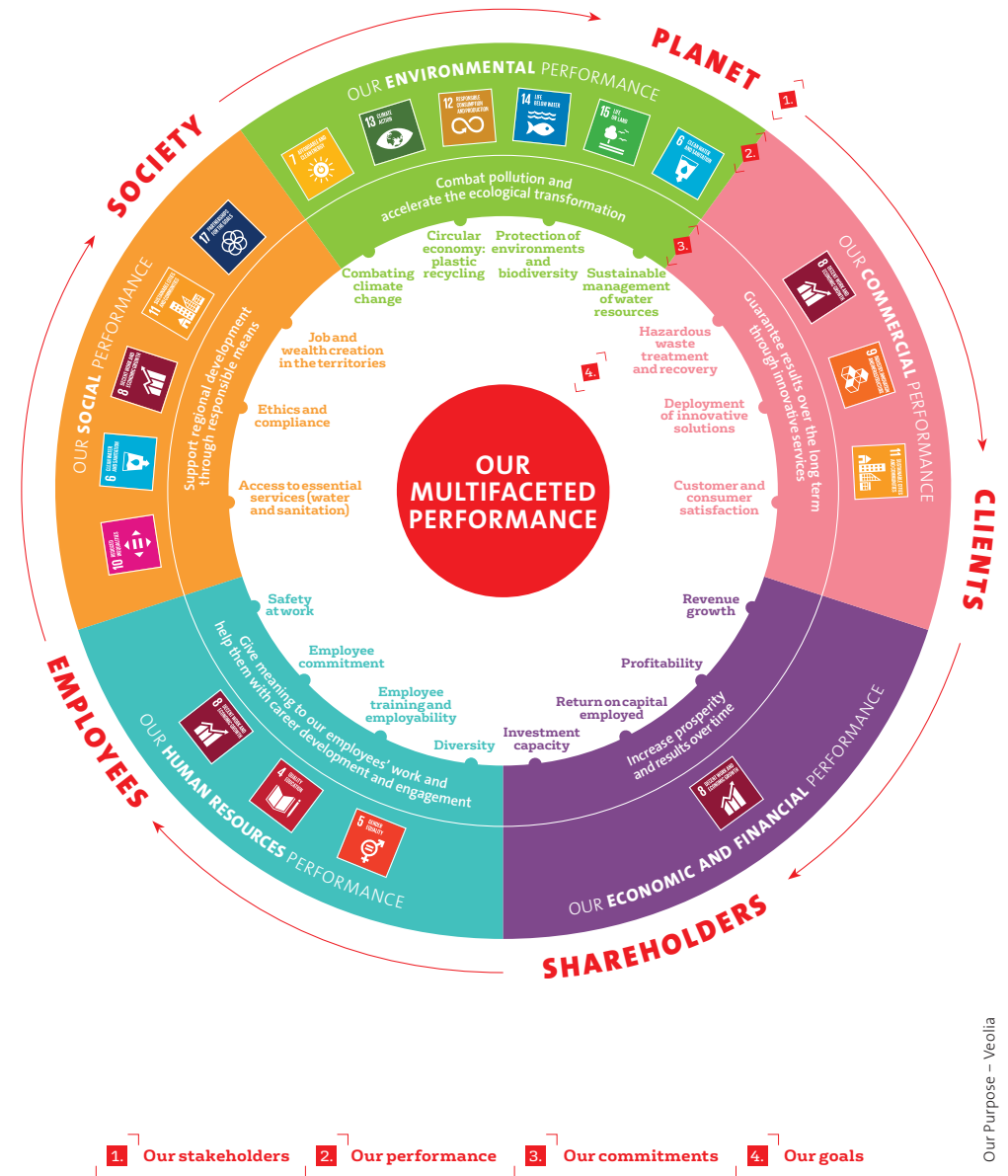
AN APPROACH OF SHARED PROGRESS

Fundamental and designed for the **long term**, Veolia's purpose is much more than mere words. It is a **compass** that helps us set and keep our course in the long-term. It is a shared progress approach that concerns all Veolia employees and benefits all stakeholders. It is being implemented through our Impact 2023 strategic program, which will be guided by a vision of multifaceted performance, making Veolia a **model company** in the ecological transformation.

UN Sustainable Development Goals (SDGs)

Veolia plays a part in all 17 SDGs at different levels and has a direct impact in **13** of them.

	No poverty		Clean water and sanitation		Sustainable cities and communities		Peace, justice and strong institutions
	Zero hunger		Affordable and clean energy		Responsible consumption and production		Partnerships for the goals
	Good health and well-being		Decent work and economic growth		Climate action		
	Quality education		Industry, innovation and infrastructure		Life below water		
	Gender equality		Reduced inequalities		Life on land		



IMPACT 2023, VEOLIA IS COMMITTED TO DELIVERING A MULTIFACETED PERFORMANCE

Veolia is committed to delivering a multifaceted performance with the same level of attention and demands on its economic, financial, commercial, social, societal and environmental performance. Its 18 indicators are associated with targets for progress by 2023, which will be regularly audited and measured by independent bodies. They will be used to calculate the variable compensation of Veolia's senior executives.

ENVIRONMENTAL PERFORMANCE

Combating climate change

- **Indicators:**
 - **Reducing GHG emissions:** progress of the investment plan to phase out coal in Europe by 2030.
 - **Target 2023: 30% of investments planned by 2030, i.e. € 400 m by 2033**
 - **Avoided emissions:** annual contribution to avoided GHG emissions (assessed with regard to a reference scenario).
 - **Target 2023: 15 Mt CO₂ eq.**

Circular economy: plastic recycling

- **Indicator:** volumes of plastics recycled in Veolia's transformation plants.
- **Baseline 2019: 350 kt**
- **Target 2023: 610 kt**

Protection of environments & biodiversity

- **Indicator:** progress rate of action plans aimed at improving the environments & biodiversity footprint in sensitive sites.
- **Baseline 2019: non applicable**
- **Target 2023: 75 %**

Sustainable management of water resources

- **Indicator:** efficiency rate of drinking water networks.
- **Baseline 2019: 72.5 %**
- **Target 2023: > 75 %**

HUMAN RESOURCES PERFORMANCE

Diversity

- **Indicator:** proportion of women appointed within Veolia's top 500 senior executives from 2020 to 2023.
- **Baseline 2019: non applicable**
- **Target 2023: 50% from 2020 to 2023**

Employee training & employability

- **Indicator:** average number of training hours per employee.
- **Baseline 2019: 18 h**
- **Target 2023: 23 h**

Employee commitment

- **Indicator:** rate of engagement of employees, measured through an independent survey.
- **Baseline 2019: 84 %**
- **Target 2023: ≥ 80 %**

Safety at work

- **Indicator:** frequency rate.
- **Baseline 2019: 8.1**
- **Target 2023: 5**

COMMERCIAL PERFORMANCE

Hazardous waste treatment & recovery

- **Indicator:** revenue generated by the hazardous & liquid waste treatment & recovery activities.
- **Baseline 2019: € 2.5 bn**
- **Target 2023: > € 4 bn**

Deployment of innovative solutions

- **Indicator:** number of innovations included in at least 10 contracts signed by the Group.
- **Target 2023: under determination⁽¹⁾**

Customer and consumer satisfaction

- **Indicator:** customer satisfaction rate calculated using the Net Promoter Score methodology.
- **Target 2023: under determination⁽¹⁾**

ECONOMIC & FINANCIAL PERFORMANCE

Revenue growth

- **Indicator:** annual growth in published revenue.
- **Baseline 2019: € 27.2 bn**
- **Target 2023: annual target**

Profitability

- **Indicator:** current net income - Group share.
- **Baseline 2019: € 760 m**
- **Target 2023: € 1 bn**

Return on capital employed

- **Indicator:** ROCE after tax.
- **Baseline 2019: 8.4% (after IFRS 16)**
- **Target 2023: annual target**

Investment capacity

- **Indicator:** free cash flow (before discretionary investments).
- **Baseline 2019: € 1230 m**
- **Target 2023: annual target**

SOCIAL PERFORMANCE

Access to essential services (water and sanitation)

- **Indicator:** number of inhabitants benefiting from inclusive measures for access to water and sanitation within contracts with Veolia.
- **Baseline 2019: 4.17 Mhab**
- **Target 2023: +12% (vs. 2019 at constant scope)**

Job and wealth creation in the territories

- **Indicator:** socio-economic footprint of Veolia's activities in the countries where the Group operates, with regard to direct and indirect jobs supported and wealth created.
- **Baseline 2019: non applicable**
- **Target 2023: annual assessment of impacts globally and by geography in at least 45 countries**

Ethics and compliance

- **Indicator:** rate of positive answers to this question of the engagement survey: "Veolia's values and ethics are put into practice within my entity".
- **Baseline 2019: 92 % for the Top 5000 employees**
- **Target 2023: will be determined in 2020 on a broader audience**

(1) Baseline not available or under review, the target for 2023 will be defined during the course of 2020.

SHARED GOVERNANCE

AND STEERING

From its creation to its introduction, Veolia's purpose has been supported and steered at the highest level of the company. It serves as an inspiration and will be used to steer the Impact 2023 strategic program. It is widely publicized and shared throughout the Group.

The Board of Directors

which has validated the text and the indicators, monitors its proper application.

The Executive Committee and the Management Committee

are directly responsible for its oversight.

The Committee of Critical Friends,

independent experts, is regularly asked for its opinion with the aim of "challenging" the company and helping it stay on course.

A new "Strategy and Innovation" department

has been created to steer Veolia's strategy with a view to achieving a multifaceted performance in line with the company's purpose.

Together with **employee representative bodies,**

Veolia has set up a purpose monitoring committee to encourage all employees to own the purpose and be involved.

Lastly, managers actively mobilize **their employees,** both through internal networks and at dedicated events, with the goal of making them key players in their company's purpose.

Resourcing the world

Veolia

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