



Corporate Social Responsibility

Our commitments to sustainable development

OUR COMMITMENTS TO SUSTAINABLE DEVELOPMENT

The sustainable development of our planet is a necessity.
The sustainable development of the areas where we operate is our purpose.
The wellbeing of our collaborators determines our performance.
For all these reasons we have decided to build and present our commitments
along three lines:

Resourcing the planet (p. 3)

- 1 – Sustainably manage natural resources by supporting circular economy
- 2 – Contribute to combating climate change
- 3 – Conserve and restore biodiversity

Resourcing the regions (p. 9)

- 4 – Build new models for relations and value creation with our stakeholders
- 5 – Contribute to local development
- 6 – Supply and maintain services crucial to human health and development

The women and men we employ (p. 15)

- 7 – Guarantee a healthy and safe working environment
- 8 – Encourage the professional development and commitment of each employee
- 9 – Guarantee respect for diversity and human and fundamental social rights

The deployment of our nine commitments is carried out under specific governance within the framework of our management systems and improvement approaches.

We steer our actions and measure our results through performance indicators and objectives. These indicators are audited and published every year.

The time of taking natural resources for granted is over. Natural resources are being depleted while the need for them is increasing due to population growth, urban sprawl and rising standards of living. The world is facing a challenge both ecological and societal: ensuring everyone's right to access essential services in the context of scarce resources and climate change.

Veolia is determined to make today's and tomorrow's world more sustainable. Its vocation is to resource the world through the design and deployment of solutions to enable the development of access to resources, their preservation and their renewal.

Our responsibility is great and so is our capacity to act. We only need to reinforce trust and cooperation, find the best possible consensus around a value creation that is at the same time financial, social, societal and environmental.

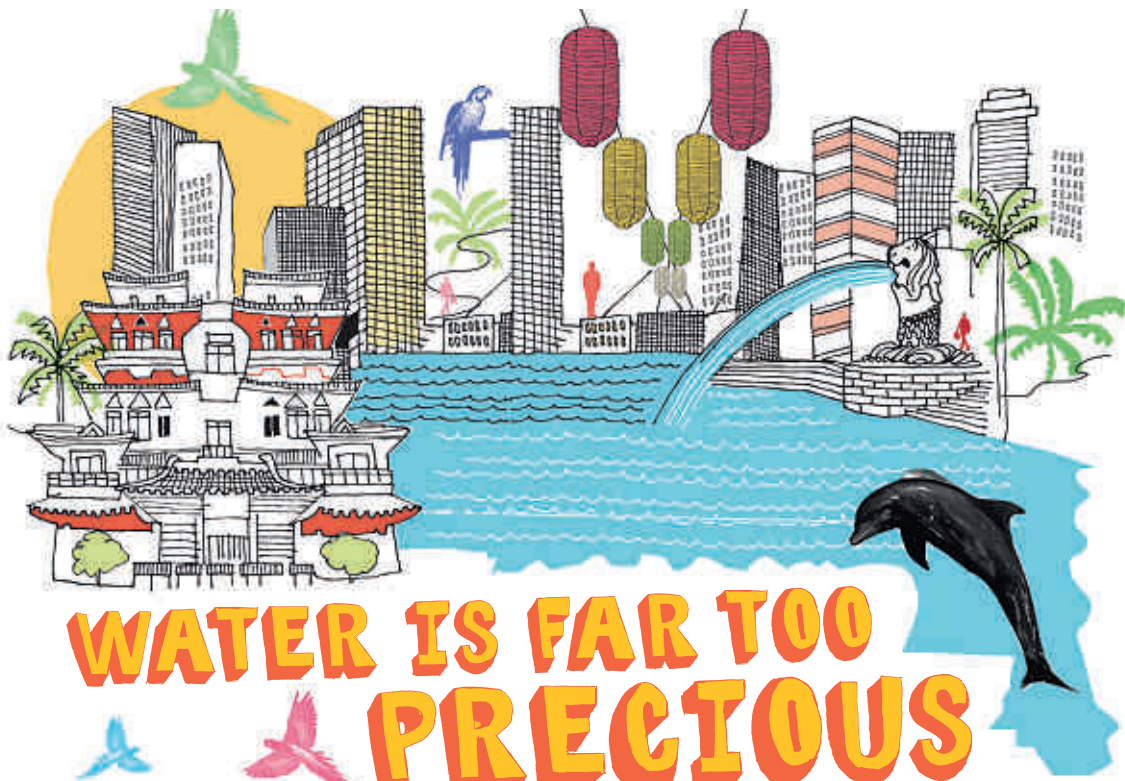
To meet this challenge, Veolia has undergone a transformation into a new organization, with a new ambition and a new brand that doubles as a commitment: "resourcing the world". The New Veolia is in working order to better show, through hard facts, our societal responsibility and our commitments to sustainability: these engagements aim to protect the environment and the human development of both our clients and ourselves.

The ongoing dialogue with our stakeholders strengthens our commitments; we endeavor to continuously improve our economic models and our bids, whether they are targeted at public or industrial clients. We continue to deploy them within the framework of our Ethics Guide to guarantee that human rights are respected through an exemplary business conduct at every level of the company.

Day after day, with all its partners, our Group is building an economy that has a lower environmental impact and a higher societal impact; an economy not only at the service of the people but also of the environment.

Antoine FRÉROT

CEO and Chairman, Veolia



**WATER IS FAR TOO
PRECIOUS
NOT TO BE RECYCLED**



OUR COMMITMENTS

TO RESOURCING THE PLANET

- 1 - Sustainably manage natural resources by supporting **circular economy**
- 2 - Contribute to combating **climate change**
- 3 - Conserve and restore **biodiversity**

Our ambition is to daily “resource the world” in order to face the major environmental challenges.

Those challenges are **the preservation of natural resources, the fight against climate change and the conservation of biodiversity**. Every day we aim to fulfill this ambition by **managing in an exemplary manner our sites and by proposing the best innovative solutions to our clients**.

To this end, our internal environmental management system (EMS) – under the Executive Committee’s responsibility – is complemented by certifications of our sites and activities worldwide (ISO 9001, ISO 14001 environment, ISO 50001 energy...).

2020
TARGET

100%

the global EMS covers 100% of our operational activities

Sustainably manage natural resources by supporting **circular economy**

When we recycle products and materials, we are reusing products, materials and energy for other production processes, thus creating a virtuous and eco-responsible cycle. As a key player of circular economy implementation, we propose solutions to recover resources and optimize their productivity by encouraging their responsible use in a closed loop system. We also develop solutions to treat and eliminate the pollution degrading them.

OBJECTIVES

- > Develop innovative contractual models with the players in the regions based on eco-design and functional service models (“lease not buy”).
- > Increase our capacity to supply quality-recycled materials and resources in line with industrial and manufacturing needs.
- > Decrease water, energy and material consumptions, and reduce discharges and residual waste from facilities.

DEVICES AND TOOLS

- > Water Impact Index, True Cost of Water, Smart Monitoring, optical sorting.
- > Strategic partnership and dedicated innovation programmes.

2020
TARGET

€ 3.8 billion

Achieve 3.8 billion euros revenue linked to circular economy

Contribute to combating climate change

To contain global warming within +2 °C, greenhouse gas emissions (GHGs) worldwide must decrease by 70% by the year 2050⁽¹⁾. Veolia is actively encouraging a robust and stable carbon price that would boost low-carbon solutions. In our activities, we are mobilized to reduce greenhouse gas emissions and to invent solutions that prevent them.

(1) According to the latest IPCC report 2014.

OBJECTIVES

- > Increase the energy efficiency of our facilities.
- > Increase the production and the use of renewable or alternative energies.
- > Improve recycling and reuse.
- > Develop adaptation solutions (prevention of extreme weather events such as floods or water stress...).

DEVICES AND TOOLS

- > Innovation programs (biomass, biofuels, methanization...).
- > Tools for measurement, capturing and valorization of GHGs.

2020 TARGETS

-100 M
-50 M

Achieve 100 million metric tons of CO₂ equivalent of reduced emissions and achieve 50 million metric tons of CO₂ equivalent of avoided emissions for the period spanning from 2015 to 2020.

60%

Capture over 60% of methane⁽²⁾ from the landfills we operate

(2) Methane, a greenhouse gas present in landfills, has a great impact on global warming.

Conserve and restore biodiversity

Veolia's contribution to limit global biodiversity loss is twofold. We strive not only to reduce the footprint of our activities and that of our clients' on the environment, but also to foster favorable conditions for the preservation and the restoration of species and their habitat.

OBJECTIVES

- > Better take into account biodiversity issues locally and contribute to the design of innovative solutions inspired by nature.
- > Deploy initiatives for the ecological management of our clients' sites and our own.
- > Raise awareness, involve more people both internally and externally and promote initiatives put in place in collaboration with local players.

DEVICES AND TOOLS

- > Geographical Information Systems, biodiversity diagnosis tools, preservation plans, technical guides...

2020 TARGET

100%

Carry out a diagnosis and deploy an action plan in 100% of sites with significant biodiversity issues



MAKING FERTILISER FROM WASTE WATER? THAT'S AN IDEA THAT WILL GROW



OUR COMMITMENTS

TO RESOURCING THE REGIONS

- 4 - Build new models for **relations and value creation** with our stakeholders
- 5 - Contribute to **local development**
- 6 - Supply and maintain **services crucial** to human health and development

Veolia is deeply rooted and involved locally. Together with all the local players, we strive **to improve access to all essential services, health and living conditions, employment and training, inclusion, economic development** as well as **the relationship between the industrial sector and the local authorities**. Our solutions contribute to the development, vitality and competitiveness of the local areas and businesses.

Build new models for **relations and value creation** with our stakeholders

We propose solutions that cut across regulatory, social and environmental issues to improve our clients' performance. To do so, we interact with all the players to innovate and build together new initiatives creating shared value. Our solutions are based on circular economy and shared performance principles.

OBJECTIVES

- > Assist our partners and clients in the implementation of their sustainability policy, in particular through the development of new contractual models that include economic, societal and environmental performances.
- > Support entrepreneurship and innovation by developing partnerships and community networks that encourage the co-construction of better solutions.
- > Establish responsible relationships with our suppliers.

DEVICES AND TOOLS

- > Critical Friends Committee, internal guide "Local stakeholder engagement", "PME" policy, "Veolia Innovation Accelerator" program to identify and assist innovative start-ups, Sustainable Purchasing policy.

2020 TARGET

Have entered into a major partnership based on value creation in each zone and each growth segment⁽¹⁾

(1) P.14 of the 2014 corporate brochure.

Contribute to **local development**

Thanks to its strong roots in local management, with in-depth knowledge of the areas where it operates, Veolia daily contributes to the dynamics of local development. Our solutions deal with every aspect of tomorrow's sustainable regions: "smart" living areas, resilient and socially integrated with a high quality of life.

2020 TARGET

80%

Maintain above 80% the percentage of Veolia's spending reinvested locally

OBJECTIVES

- > Develop or co-develop "smart"⁽¹⁾ accessible and non-intrusive solutions to improve citizens' comfort and access to information and to optimize resource management as well as the performance of our services.
(1) Using digital technologies.
- > Contribute to the resilience of cities and local areas.
- > Contribute to the creation of "green jobs", fight against exclusion and encourage reinsertion by offering employment and skills development opportunities to those marginalized or excluded from the job market.
- > Show the positive impact of our activities on local development: social, societal, environmental and economic impacts.

DEVICES AND TOOLS

- > Employability policies and partnerships with the Veolia Campuses and the Foundation, tools to assess the social, societal and economic footprint of our activities, Veolia INNOVE⁽²⁾.
(2) Incubator for Veolia's new bids.

Supply and maintain **services crucial** to human health and development

Together with its delegating authorities or partners and its industrial clients, Veolia commits to ensuring sustained access to essential services: water, waste management or energy. We are mobilized to ensure everyone has access to high quality services and to develop solutions adapted to the local environment. We are more specifically encouraging policies targeting underprivileged populations and/or areas.

OBJECTIVES

- > Put in place systems for information, mediation and solidarity.
- > Assess and integrate feedback on innovative solutions for better access.
- > Innovate in the treatment of pollution affecting human health.
- > Take action in situations of development aid and humanitarian emergencies to maintain access to essential services.

DEVICES AND TOOLS

- > "ACCES" methodology, "MMIP" (Multiservice Mediation Information Points) approaches, local solidarity devices, means of access and payment adapted to underprivileged populations, Veoliaforce (a network of voluntary collaborators) within the framework of the Foundation, Finances and skills sponsorships from the Foundation, etc.

2020 TARGET

Contribute to the United Nations General Assembly sustainable development goals which will be defined in september 2015, just as we contributed to the Millennium goals



OUR COMMITMENTS

TO THE WOMEN AND MEN WE EMPLOY

7 - Guarantee a **healthy**
and **safe working environment**

8 - Encourage the **professional**
development and commitment
of each employee

9 - Guarantee respect for diversity and
human and fundamental
social rights

Veolia is first and foremost responsible for the wellbeing and personal development of its 179,000⁽¹⁾ employees.

The new Veolia is more integrated and, more than ever, determined to fully take on board its corporate responsibility as an employer of choice for all its employees everywhere.

We demonstrate the reality of our commitments **by prioritizing our employees' health and safety, by giving our close attention to our employees' personal development; this is further illustrated through our managers' commitment to social responsibility and through the respect and the promotion of internal stakeholder engagement.** Five values guide our actions: responsibility, solidarity, respect, innovation and customer focus.

(1) At the end of 2014.

Guarantee a healthy and safe working environment

Prevention in terms of health and safety is a constant priority for Veolia in all its activities. Worldwide, we commit to guaranteeing our employees' physical and psychological integrity. Since July 1, 2013, our Group is signatory to the Seoul Declaration at the International Labor Organization headquarters, recognizing the fundamental human right to a safe and sound work environment. Reinforcement of accident prevention, accident analysis and social dialogue about health and safety are all part of the agreement relating to the working conditions signed within the company.

OBJECTIVES

- > Reinforce every employee's safety in the work place.
- > Guarantee a safe and healthy environment conducive to health preservation.

DEVICES AND TOOLS

- > Health and safety excellence centers gathering 15 worldwide specialists and over 130 local correspondents.
- > Lost-time injuries frequency Rate objectives integrated in managers' incentive targets.

2020 TARGET

6.5

Achieve an injuries frequency rate lower than 6.5

Encourage the professional development and commitment of each employee

Veolia's ability to attract and gain loyalty is a major feature of its performance. Our employees' motivation and commitment are our wealth and our strength. That is why we have prioritized skills and career development, acknowledgement of our employees' performance and respect of diversity. We have therefore equipped ourselves with a comprehensive training and HR policy. A dedicated scheme has been put in place to more closely associate our managers to the implementation of this strategy.

OBJECTIVES

- > Identify and develop personal skills to facilitate mobility and assist professional evolution.
- > Assist our managers in their functions by giving them a common framework of values and by associating them in the decision-making process.

DEVICES AND TOOLS

- > Campus network and 20 training centers in 11 countries⁽¹⁾.
- > Definition of a Veolia leadership model.
- > Survey on commitment with 5,000 key managers worldwide, followed by action plans in the countries.

(1) At the end of 2014.

2020 TARGETS

75%

Provide at least one training session during the year to over 75% of employees

80%

Maintain the managers' commitment rate over 80%

Guarantee respect for diversity and human and fundamental social rights within the company

We highly value social cohesion and stability, in particular during the period of transformation our organization is going through, and we are very attentive to the quality of social dialogue with the employees' representatives, as well as to due regard to diversity, equal opportunities and the fight against discrimination.

OBJECTIVES

- > Develop the social dialogue in each country where we operate and define processes to promote human and fundamental social rights in compliance with local and international laws.
- > Define a responsible employment policy.
- > Involve the social partners in CSR policy monitoring.
- > Promote diversity, equal opportunities and fight against discrimination.

DEVICES AND TOOLS

- > CSR working group within the European Group Committee to define the key indicators of the CSR policy monitoring.
- > "Diversity" engagement

2020 TARGET

95%

Achieve over 95% of employees having access to social dialogue devices

Governance, steering and transparency

Our nine sustainable development commitments apply to all our activities, in every country and to all our employees. They entail steering and monitoring at the various levels of management in the company.

An internal sustainable development steering committee, gathering all the stakeholders for the implementation of the commitments, is in charge of the coordination and the launching of initiatives. Its president is the General Secretary; the committee is coordinated by the Sustainable Development Department.

The Executive Committee carries out an annual review of the commitments progress and more specifically ensures that the targets and action plans of the 12 key indicators are on track.

The innovation, research and development committee, one of the four committees of the Board of Directors, ensures the monitoring of the company's social and environmental performance.

The monitoring of the key indicators is audited by an external firm, and our performance is communicated to our external stakeholders.

Ethics and human rights

Our Ethics Guide sets out the values and the rules of behavior that Veolia upholds and that every employees is expected to comply with. They include the strict observance of the laws, regulations and recommendations of international organizations, the fight against corruption and the prevention of conflicts of interests and data privacy⁽¹⁾. For many years, we have been committed to respecting human rights, not only for our employees in all our activities, but also for all the individuals and the communities in the areas where we operate. A specific committee deals with these matters. It formulates the policy and action plans related to the management and evaluation of the processes and practices for a continuous improvement approach.

(1) Our Ethics committee looks at any question related to the Ethics Guide.

VOLUNTARY MEMBERSHIPS

- > Veolia joined the United Nations Global Compact in June 2003 to confirm its commitments to promoting the 10 principles addressing human rights, labor law, the environment and the fight against corruption.
- > Veolia signed the Seoul Declaration at the International Labor Organization in July 2013, recognizing the fundamental human right to a safe and healthy workplace.

The principles of our actions are in line with the framework of international reference texts

- > The Universal Declaration of Human Rights and additional pacts.
- > ILO Declaration on Fundamental Principles and Rights at Work.
- > The OECD Convention against Corruption.
- > The OECD principles of Corporate Governance.
- > Corporate governance code of listed corporations Afep-Medef.
- > The Objectives of the National Biodiversity Strategy.

Resourcing the world

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