



STRIVING TOWARDS SUSTAINABILITY

2020

CHAIRMAN & CEO'S MESSAGE

"Our new Impact 2023 strategic plan has a high ambition: to make Veolia the benchmark company for ecological transformation."

"A business is prosperous because it is useful and not the other way around."



Antoine FRÉROT

Chairman & CEO of Veolia

At every step, Veolia's mission to resource the world has shaped our Corporate Social Responsibility program of resourcing the Planet, the Regions and the People with 9 commitments, 12 key indicators and objectives set for 2020.

In 2019, Veolia reflected on its usefulness and gave itself a Purpose. What animates Veolia is to contribute to human progress in line with the sustainable development goals set by the United Nations. Further to labeling its DNA, Veolia has decided to evolve this year by extending its CSR program to an integrated approach of shared progress with 5 key stakeholders while managing business activities with 18 tangible key performance indicators.

This report highlights Veolia's approach and results thus far, offering some of Veolia's best sustainability initiatives implemented in Asia in 2019 as an example of our ambition across waste, water, and energy related contracts.

4-11

RESOURCING THE PLANET



Sustainably managing
natural resources by supporting
a circular economy



Developing strategies
to combat climate change



Conserving and restoring
biodiversity

12-19

RESOURCING THE REGIONS



Building new models for
relations and value creation
with our stakeholders



Contributing to
local development



Supplying and maintaining
services crucial to human
health and development

20-27

RESOURCING THE PEOPLE



Guaranteeing a healthy
and safe working environment



Encouraging the professional
development of each employee



Upholding respect for diversity
as well as human and
fundamental social rights



RESOURCING THE PLANET

To carry out its mission of “resourcing the world”, Veolia aims at managing in an exemplary manner the sites it operates in and providing an array of the most efficient and innovative solutions to its customers that promote the transition towards



SUSTAINABLY MANAGING
NATURAL RESOURCES BY
SUPPORTING A CIRCULAR
ECONOMY



DEVELOPING STRATEGIES
TO COMBAT CLIMATE
CHANGE



CONSERVING AND
RESTORING BIODIVERSITY

SUSTAINABLY MANAGING NATURAL RESOURCES BY SUPPORTING A CIRCULAR ECONOMY

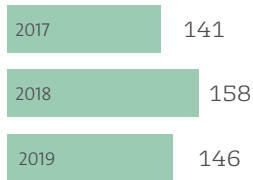
Veolia Group Objective by 2020

Generate a turnover of over €3.8 billion related to the circular economy

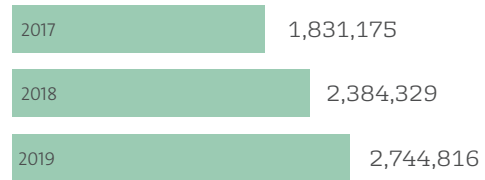
2019 Group Achievement

€5.2 billion

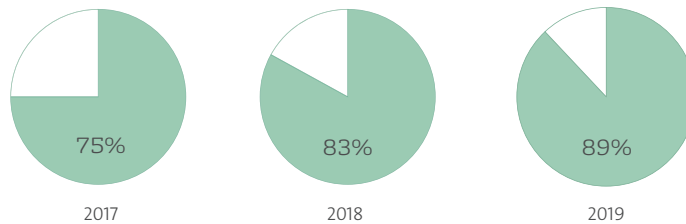
TOTAL VOLUME OF RECYCLED WATER IN ASIA (MILLIONS M³)



RENEWABLE OR ALTERNATIVE ENERGY PRODUCTION (MWh) FOR ALL ACTIVITIES IN ASIA



RATE OF RECOVERY ON SORTING & RECYCLING SITES IN ASIA



2019 ASIA ACHIEVEMENT

€0.529 billion

VEOLIA'S PURPOSE

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. ■■■



Hyundai Transys: Zero Liquid Discharge

Hyundai Transys Project - South Korea

The concept of the circular economy aims to minimise waste, including pollution and carbon emissions, by creating a closed-loop system that maximises the use and productivity of resources through ongoing repair, reuse and recycling.

Veolia's 10-year contract with the Hyundai Motor Group includes managing a zero liquid discharge (ZLD) plant for its primary parts manufacturer. Every day, the plant treats 3,000 m³ of wastewater, runs it through reverse osmosis and then returns it to Hyundai Transys and Hyundai Partecs for use in the manufacturing process. The treatment salvages 94% of the water for reuse, with the remaining brine treated with an evaporation system to eliminate liquid waste entirely.



Cleaning Roads with the Artificial Water Wetland of Hebaoyu

LuTsao Incineration Plant - Taiwan

Every day at the LuTsao incineration plant in Taiwan, Veolia's sprinkler trucks load about 16 tons of water for use in hosing down the facility's roads, a process that must be done three times a day.

In August 2019, the company approached the Environmental Protection Bureau with a suggestion: use water from the drainage ditch that supplies Hebaoyu's artificial wetland. The wetland is fed by purified water from a large drainage ditch. This novel solution not only conserves water by reducing the facility's use of tap water by 3,200 tons annually, it avoids damage in runoff to the wetlands, since the water has already been treated.

DEVELOPING STRATEGIES TO COMBAT CLIMATE CHANGE

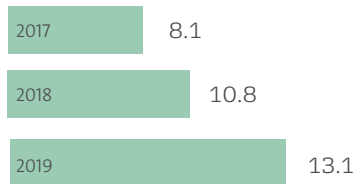
Veolia Group Objective by 2020

Capture over 60% of methane from the landfills we operate
Achieve 100 million metric tons of CO₂ equivalent of reduced emissions
Achieve 50 million metric tons of CO₂ equivalent of avoided emissions

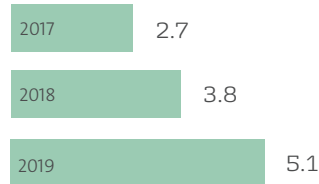
2019 Group Achievement

54%
78.2 Mt (cumulated)
33.2 Mt (cumulated)

REDUCTION OF CO₂ (MT EQ. CO₂) CUMULATED OVER THE PERIOD 2016-2020 IN ASIA

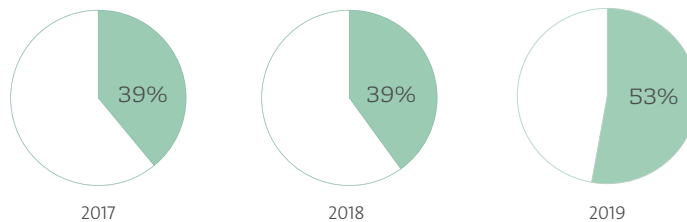


AVOIDED CO₂ (MT EQ. CO₂) CUMULATED OVER THE PERIOD 2016-2020 IN ASIA



% OF

METHANE CAPTURED IN ASIA



VEOLIA'S PURPOSE

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. ■■■



Engaging Air Quality

Shanghai Energy Technology Project - Mainland China

Veolia Energy Technology (Shanghai) Co. Ltd. has developed a pilot project to improve indoor air quality through a platform that uses carefully placed sensors to monitor five key indicators: temperature, humidity, and concentrations of carbon dioxide, fine particulate matter (PM2.5) and volatile organic compounds (VOC).

Electricity use was also integrated, to identify ways to reduce it.

The team has also taken other proactive steps, such as retrofitting the air handling unit to monitor PM2.5 and VOC levels, and installing smart mobile air filters that automatically adjust as needed.

This ambitious team's next target is the scanning and remediation of air pollution.



CONSERVING AND RESTORING BIODIVERSITY

Veolia Group Objective by 2020

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

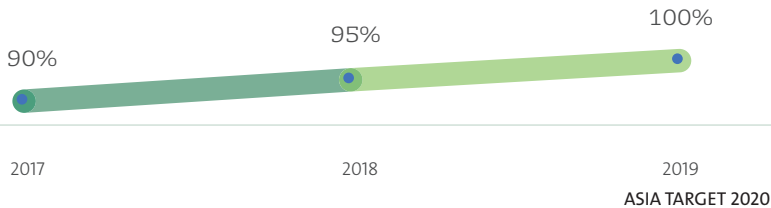
2019 Group Achievement

71%

CARRY OUT A DIAGNOSIS & DEPLOY AN ACTION PLAN

ON **ASIAN SITES**

WITH SIGNIFICANT **BIODIVERSITY ISSUES**



VEOLIA'S PURPOSE

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. ■■■



Big hit for Veolia Asia in achieving 100% of its targeted biodiversity commitment!

Veolia Asia

With respect to the corporate target set for Asia, over 20 sites conducted a biodiversity diagnosis with the support of external experts. These have led to action plans to regenerate the local fauna and flora. As an illustration, the Lugouqiao facility has implemented a variety of biodiversity measures over the past few years which not only improved the environment around the building but also contributed every day to the health and happiness of the staff. The property hosts 12 growing spaces with aquatic flora and fauna, bird habitats, a reserve for insects and animals, and even a rare plant protection area.

The facility has continued in its efforts to promote biodiversity by reusing packaging for planters, adding fruit trees to green spaces, installing office roof greenery, and encouraging staff to take part in the planting process.



Time Quiz

Reed parrotbill loves to live in (), and it's also named as the "woodpecker in the ()"



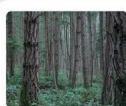
tussock grasses



bushes



reeds



forest

When Biodiversity is Enhanced by Digital

Beijing Yanshan Sinopec Project - Mainland China

With an average of 1500 visitors a day, and over 3500 on peak days, the Niu Kou Yu wetland is not only a popular destination, but also a unique opportunity to raise awareness about environmental protection.

As visitors enter the park and open the innovative mobile app, they begin an interactive journey, personalised and digitalised through iBeacon, Bluetooth and real-time GPS technologies. Information on the flora they encounter is made available in audio or article formats, together with an interactive map of their route and a shareable quiz that invites them to engage their friends in their discoveries.



Veolia's business is characterised by its strong local roots and direct interaction with people's everyday lives. The Group's expertise and its development of original support solutions help improve access to essential services across a broad spectrum of contexts and countries, meeting the expectations of the authorities who entrust Veolia with the management of their services. In addition, Veolia seeks to deploy new relationship models with its stakeholders in order to jointly build partnerships that create value, support entrepreneurship and innovation, and maintain responsible relationships with its suppliers as part of a sustainable purchasing policy.



BUILDING NEW MODELS
FOR RELATIONS AND VALUE
CREATION WITH OUR
STAKEHOLDERS



CONTRIBUTING TO
LOCAL DEVELOPMENT



SUPPLYING AND
MAINTAINING
SERVICES CRUCIAL TO
HUMAN HEALTH AND
DEVELOPMENT

BUILDING NEW MODELS FOR RELATIONS AND VALUE CREATION WITH OUR STAKEHOLDERS

Veolia Group Objective by 2020

Enter into 11 major partnerships based on creating shared value in every zone and every growth segment

2019 Group Achievement

86%

MAJOR

PARTNERSHIP SIGNED

VEOLIA GROUP	Danone IBM EPM Huawei SwissRe Nestle Alliance to End Plastic Waste Reckitt Benckiser Graphitech
VEOLIA ASIA	Takeei, Ennovent, Borealis

The partnership between Veolia and Borealis is focused on advanced waste management and stopping plastic leaks to the oceans in Southeast Asia. The STOP (Stop Ocean Plastics) project works with governments and cities to create effective waste management systems that collect waste from every household and every business to eliminate plastic leaks into the ocean. It also aims to create circular systems in which the majority of waste that is difficult to recycle is recycled into new products. The resulting economic value reduces the financial burden of the city's waste management system.

In addition, the STOP team supports cities through the transfer of technical expertise and skills, funding and continuous support for implementation. Views and approaches are shared globally, which amplifies their impact.

Launched in the spring of 2017 by the co-founders Borealis and Systemiq, the STOP project was launched publicly in October 2017 at the Our Oceans conference in Malta. Since then, Veolia has joined the program. The first city partnership started in April 2018 in Muncar, an inshore fishing community located in Banyuwangi, East Java, Indonesia.



Embedding Sustainability in the Core Business with External Critical Friends

Veolia Japan & China

The Critical Friends committee was established in France in 2013 to connect top management with outside perspectives on issues that impact the group's social and environmental responsibilities and facilitate its continuous improvement. With members drawn from non-profit organisations, institutions, academia and other key company's stakeholders, the committee convenes once or twice a year on strategic issues raised by management or members, and serves as challengers for the company's management.

In 2015, Veolia Asia set up a similar Critical Friends committee in China to discuss issues specific to Veolia's business activities in the region. Another Critical Friends committee was created in Japan in 2019 to support the business and its local impact.



Connecting Plastic Waste Buyers and Suppliers: Waste Data Hackathon Competition

Veolia Indonesia

From collection and sorting to quality control and traceability, plastic waste management is a complex process with its own unique challenges.

To inspire innovative solutions and raise awareness of this issue, Veolia Indonesia presented a challenge of its own in the Waste Data Hackathon. Over two days, IT students, scholars and professionals worked on an online platform to improve the management process, increase transparency and better connect buyers to suppliers. While the platform was not finished during the event, it opened a door for future cooperation between Veolia and the team, as well as participating NGOs and universities.

CONTRIBUTING TO LOCAL DEVELOPMENT

Veolia Group Objective by 2020

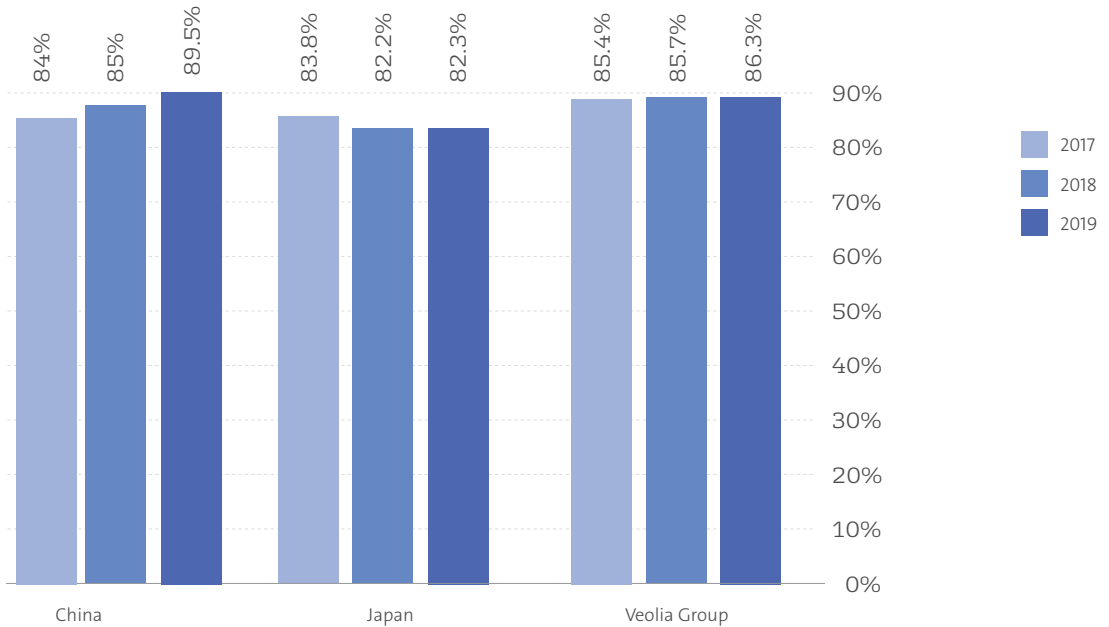
Dedicate above 80% of Veolia's spending for local reinvestment

2019 Group Achievement

86.3%

SPENDING REINVESTED LOCALLY RATE

(KPI CSR)



VEOLIA'S PURPOSE

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. ■■■

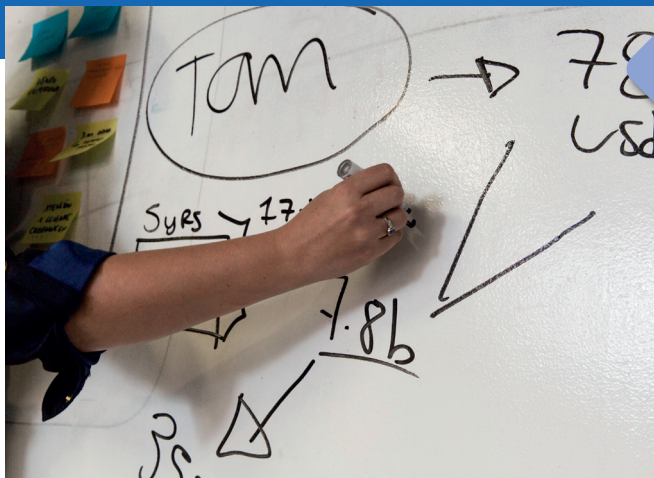


Creating a Collection Drive for Those in Need

Veolia India

In India, 269 million people, including families with young children, live below the poverty line. With an income of less than \$1.90 a day, they are often unable to meet their most basic needs, and face inhumane conditions with no social safety nets.

Veolia India started a collection drive focused on simple essentials that can improve their lives and uplift their spirits – items such as well-maintained clothing, footwear, toys, and dry food. Aided in distributing these goods by Goonj, an organisation dedicated to helping the poor while protecting their dignity, employees of Veolia India were able to show their community spirit and pride by lending a hand to their neighbours in need.



POPup Japan

Veolia Japan

Veolia Japan launched POPup Japan to activate social start-ups in search of innovative business solutions, by providing them with the opportunity to create and/or boost positive social, economic and environmental impact at the community level.

To kick things off, the company partnered with Kyushu University's branch of the Grameen Creative Lab to promote collaborative initiatives that work around the concept of social business. Alongside this journey was the launch of a partnership with Impact Hub to create a "circular economy bootcamp". This program aims to bring together entrepreneurs from different fields during a 6-month period to investigate the concept of a circular economy and strengthen the start-ups' business impact.

SUPPLYING AND MAINTAINING SERVICES CRUCIAL TO HUMAN HEALTH & DEVELOPMENT

Veolia Group Objective by 2020

Contribute to the sustainable development objectives as defined by the United Nations General Assembly in September 2015, in the same way Veolia contributed to the Millennium Development Goals.

2019 Veolia Group Achievement

98

million
people are
connected to
**DRINKING
WATER**

67

million
people being connected to
**WASTEWATER
SERVICES**

50

million
tonnes of
WASTE TREATED

42

million
MWh of
ENERGY PRODUCED

2019 Asia Achievement

38

million
people are
connected to
**DRINKING
WATER**

15

million
people being connected to
**WASTEWATER
SERVICES**

8

million
tonnes of
WASTE TREATED

6

million
MWh of
ENERGY PRODUCED

VEOLIA'S PURPOSE

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. ■■■



On Track with Crucial Services Despite the Coronavirus

Veolia Asia

As a provider of essential services, including municipal drinking water, wastewater treatment, waste management, energy and industrial services, Veolia China's primary focus has been on keeping these services up and stable despite the coronavirus. In order to do this, emergency response plans tailored to each of our sites were activated to ensure that operations continue normally while also reducing the number of staff on site, with some advised to work from home through online systems that allow for close monitoring of each project. Operational and technical standards have been maintained relative to the development of the outbreak.

Veolia China has also reached out to offer comprehensive technical support to wastewater, medical and hazardous waste treatment projects in order to minimise the risk of contamination. Sites operated by Veolia and its partners responded quickly to the call of local authorities to offer support in treating medical waste generated during the coronavirus outbreak, and some Veolia facilities have also donated masks and protective suits to local hospitals.

Cofounded by Tianjin Hejia Veolia, the State Environmental Protection Hazardous Waste Disposal Engineering Technology Center has contributed to the content and publication of technical guidelines and reports concerning emergency treatment of municipal and medical waste related to the novel coronavirus. These guidelines and reports have been distributed to relevant authorities and treatment facilities throughout China.

Under solidarity initiatives, Veolia Korea donated 2,000 masks to Daegu City through the French Korean Business Community (FKCCI). Daegu was one of the main coronavirus clusters in the country, and was in urgent need of masks, medical staff and hospital rooms. In total, FKCCI collected 4,500 masks from the French business community in South Korea.

Veolia India provided continuous support during the COVID-19 outbreak with numerous initiatives. In particular, the company contributed 5900 euros to the Chief Minister's Relief Fund, as well as donating money, food and PPE to the industrial waste treatment unit in Dahej, Gujarat. The company also distributed 644 units of soap for hand-washing to the nearby Suva village and food packets to Vadia and Dahej villages, along with surgical masks and a monetary donation of 300€ (25000 INR) to each village council.





RESOURCING THE PEOPLE

Veolia's prime responsibility is to ensure the well-being and fulfillment of its 178,780 employees. More than ever, in the context of a new, more integrated Veolia, the Group intends to fully assume its corporate social responsibility as an employer of choice for its employees and for the regions. Our commitment is reflected in the priority given to health and safety, through the attention paid to our employees' professional development, through the action and commitment of our managers to social responsibility and through respect for and dialogue with our internal stakeholders.



GUARANTEEING A HEALTHY
AND SAFE WORKING
ENVIRONMENT



ENCOURAGING
THE PROFESSIONAL
DEVELOPMENT
OF EACH EMPLOYEE



UPHOLDING RESPECT
FOR DIVERSITY
AS WELL AS HUMAN
AND FUNDAMENTAL
SOCIAL RIGHTS



GUARANTEEING A HEALTHY AND SAFE WORKING ENVIRONMENT

Veolia Group Objective by 2020

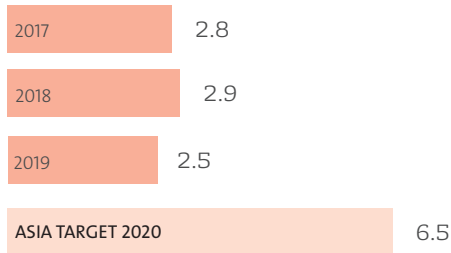
Achieve an occupational accident frequency rate of less than or equal to 6.5

2019 Group Achievement

8.1

The accident frequency rate is the number of accidents per million hours worked and is the Group's preferred indicator.

ASIA INJURY FREQUENCY RATE



Achieve an injury frequency rate lower than 6.5

ASIA SEVERITY RATE



VEOLIA'S PURPOSE

The company relies on its 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. ■■■



Put Together a Multi-function Repair Vehicle

Jiamusi Urban Heating Network Project - Mainland China

Before our teams can begin repairs on the network, they need to transport equipment to the site, including any necessary tools and safety equipment to ensure their well-being. This can be an arduous and time-consuming task, and there is always the risk of items being forgotten and left behind, which can add delays to the timeframe or even increase the likelihood of injuries.

Rather than ask teams to gather and transport items on a case-by-case basis, we took a proactive approach. By customising a multi-function repair vehicle for both storage and transport, pre-equipped with the requisite tools and safety gear for most jobs and ready to go at a moment's notice, we made it easier for teams to respond quickly and conveniently, anytime and anywhere, without worrying about equipment.



HKSTF Staff Yearly Health Program

Hong Kong Sludge Treatment Facilities (T-PARK) Project

At Hong Kong Sludge Treatment Facilities (HKSTF), health and safety is always top priority. In 2019, the facility launched an annual health promotion plan to help improve staff well-being.

Along with a comprehensive annual medical check-up for front-line staff, the facility organised regular seminars by doctors on common health concerns, weekly staff talks, and casual one-on-one chats with Health & Safety Department representatives. In response to the hot working environment,

staff received portable fans, personal water bottles and isotonic drink supplements to help with the heat, and began doing weekly morning stretches, with encouragement to make it a part of their daily routine.

As a result of this effort, sick day usage fell by 10% from 2018 to 2019.

ENCOURAGING THE PROFESSIONAL DEVELOPMENT OF EACH EMPLOYEE

Veolia Group Objective by 2020

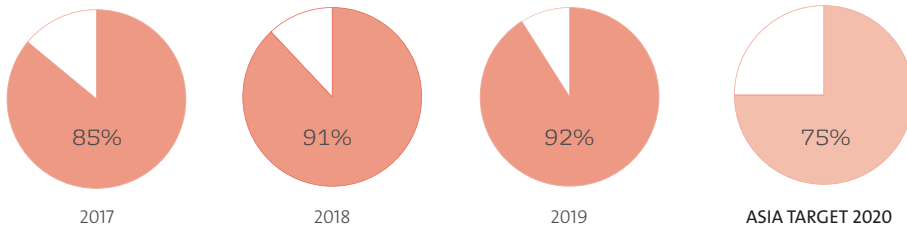
Provide at least one training session per year
to over 75% of employees annually
Maintain the rate of commitment for managers at over 80%

2019 Group Achievement

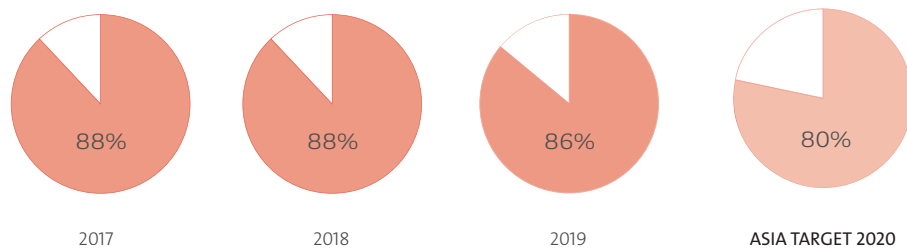
At least one training session per year was provided
to over 79.5% of employees
Managers' commitment rate maintained: 92%

SHARE OF ASIA EMPLOYEES

WHO HAVE ATTENDED AT LEAST ONE TRAINING PROGRAM



ASIA MANAGER'S COMMITMENT RATE (%)



*Maintain the managers'
commitment rate over 80%*

VEOLIA'S PURPOSE

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. ■■■



Mutual Internal Training and Experience Exchange

Urumqi Hedong Water Project - Mainland China

Every month between March and December 2019, employees set up training sessions in their departments in order to help each other improve their skills and grow. By talking and sharing their experience with their peers, they created room for a comprehensive improvement in competence.

All arrangements, including materials, were undertaken by the employees themselves based on their personal strengths. This allowed them to tailor training to the actual needs of their departments and their daily work, which proved especially efficient for new employees, and allowed established employees to refresh their knowledge.

The overall experience not only improved efficiency but created a sense of camaraderie in the workplace.



Sustainable Initiatives Towards Creating a Green Workplace

Veolia India

Our former head office in Delhi didn't reflect Veolia's commitment to sustainability. After much deliberation, a decision was made to move the office to the LEED Platinum-certified Max Towers in Noida in October 2019.

The new open-plan office gives employees a healthy space that encourages collaboration and communication, with workstations that make use of natural light. Alongside sustainable materials used in construction and internal branding materials, a series of eco-friendly initiatives aim to reduce our environmental footprint by reducing paper usage and waste generation, improving energy efficiency (including a 69% drop in electricity usage), and discouraging the use of plastics.

UPHOLDING RESPECT FOR DIVERSITY AS WELL AS HUMAN & FUNDAMENTAL SOCIAL RIGHTS

Veolia Group Objective by 2020

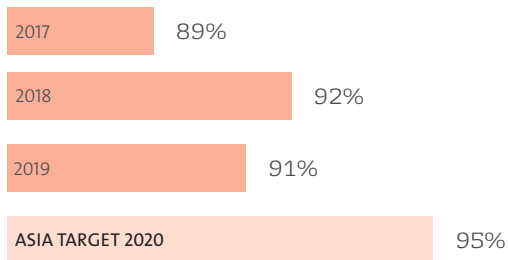
Ensure 95% as the rate of staff protection via employer-employee dialogue arrangements

2019 Group Achievement

87.6%

SHARE OF EMPLOYEES

COVERED SOCIAL DIALOGUE ORGANISATION IN ASIA



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

FEMINISATION RATE IN ASIA



VEOLIA'S PURPOSE

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 the concerns of those different communities. 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. ■



International Women's Day 2019: #BalanceForBetter

Veolia Singapore

In celebration of International Women's Day on 8 March, our Singapore office organised an activity to bring together men and women alike to promote awareness of gender equality and how we build a better world, stronger communities and more resilient economies when we work together.

The resulting contest asked participants to take a photo of themselves or colleagues striking a #BalanceForBetter pose and submit it, along with two sentences with their thoughts about gender equality. Each entrant received a pair of movie tickets to share with a woman in their life. This fun activity also affirmed to employees their peers' commitment to equality and a better future.



Ethnic Day Activities

Hangzhou WEEE Recycling Project - Mainland China

At Veolia Recycling (Hangzhou) Co., Ltd., nearly 20% of the company's workforce comes from an ethnic minority.

To demonstrate our respect for diversity and give these employees a sense of belonging as well as to create camaraderie among staff overall, we decided to hold an event on the third day of the lunar calendar (18 April 2018), an important traditional festival day for many of China's ethnic minorities.



Along with decorations and special foods, we organised activities that encouraged all employees to learn more about these cultures, and invited minority employees in particular to share elements of their culture, such as traditional dress. This successful event improved morale and reduced the turnover rate by nearly half.

Resourcing the world

Veolia Asia

Corporate Social Responsibility Department
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