



STRIVING TOWARDS SUSTAINABILITY

2019



CHAIRMAN & CEO'S MESSAGE

"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.

We must now devise a new business paradigm. Business that serves and engages with different stakeholders - shareholders, employees, customers, suppliers, territories and even future generations - who themselves engage in it, are involved and take risks. This business vision based on global performance should be devised and implemented."



Antoine FRÉROT

Chairman & CEO of Veolia

Our ambition to resource the world translates into 9 commitments with 12 key indicators and objectives for 2020.

Because global environmental preservation is essential, because sustainable development in the regions we serve is our purpose, and because the well-being of our employees determines our performance, we have chosen to build and present our commitments and our performance on the basis of these three aspects. This report highlights Veolia's approach to resourcing the world and some of Veolia's best 2018 Corporate Social Responsibility initiatives implemented in Asia 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 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

2018 Group Achievement

€4.796 billion

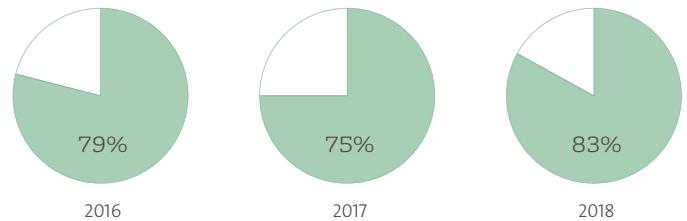
TOTAL VOLUME OF RECYCLED WATER IN ASIA (MILLIONS M³)

| | |
|------|-----|
| 2016 | 142 |
| 2017 | 141 |
| 2018 | 158 |

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

| | |
|------|-----------|
| 2016 | 1,856,126 |
| 2017 | 1,831,175 |
| 2018 | 2,384,329 |

RATE OF RECOVERY ON SORTING & RECYCLING SITES IN ASIA



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. ■■■

Greenhouses Powered by Biomass Waste Heat

Tsugaru (Hirakawa) Biomass Energy Project - Japan

Veolia is committed to seeking solutions that promote a circular economy, to extract the most value from resources possible while minimising waste and encouraging regeneration, for a healthier community and planet. In cool climates, greenhouses extend the growing season but at a cost, as they require additional heating. In Japan, Veolia and its partner Takeei harvest the waste heat from Tsugaru biomass plant and deliver it to the nearby tomato cropping greenhouses. A similar programme is being tested in Hanamaki for mushroom cropping.



Veolia Around Plastic

Veolia Group - Worldwide

China's 2018 ban on imported plastic waste for recycling forced other nations to seek innovative solutions for their own output. As a member of the Alliance to End Plastic Waste ("AEPW"),

a group seeking to minimise and manage waste and promote reuse, Veolia drew inspiration from existing European systems as it entered into discussions with Southeast Asian countries on this issue.

In Indonesia, we find an invaluable opportunity to build a fluid, dynamic system from the ground up, close to consumers, to promote active involvement and awareness of the value of the material and the circular economy.



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

2018 Group Achievement

51%
63.1 Mt (cumulated)
24.4 Mt (cumulated)

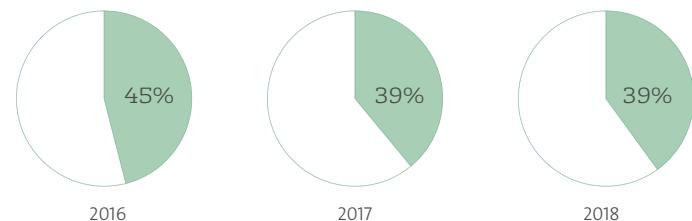
REDUCTION OF

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

| | |
|------|------|
| 2016 | 5.6 |
| 2017 | 8.1 |
| 2018 | 10.8 |

% 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. ■■■

AVOIDED

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

| | |
|------|-----|
| 2016 | 1.8 |
| 2017 | 2.7 |
| 2018 | 3.8 |

Energy Savings

Kumho Petrochemical Rubber Plant Project - South Korea

The Kumho Petrochemical Rubber plant in Ulsan (O&M) consumes electric power to pump raw water to be transferred to the clarifier. The flow was previously controlled with the pump discharged valve.

By installing a Variable Frequency Drive to control the pumped flow, Veolia is able to save electric power consumption and save time for valve control.



Upgraded Equipment and Energy Efficiency

Lanzhou Concession Project - China



The water supply placement for the Remote Water Supply Company (under Lanzhou City Water Supply (Group) Co., Ltd.) made its operation economically unfeasible. To address this situation, engineers analysed the company's network and drew up plans for an energy-efficient impeller and pump upgrade for three units in the Donggang, Jinya and Yongdianzi pumping stations.

The increased efficiency of the new hardware will save more than RMB 1.4 million in electricity costs per year, while also cutting carbon emissions for the company.



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

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.

Asia Biodiversity Strategy Plan: Capacity Building

Veolia Asia - Asia

Key to Veolia's commitment to sustainable development is the protection of biodiversity, with China identified as a priority business unit for deploying actions of preservation.

Raising awareness in the company and the country is the first step towards this goal. A workshop was organised at the Green Valley Landfill in Hong Kong for employees, with presentations, case studies and a site visit, while an e-learning tool, "Acting for Biodiversity", was launched in English, Chinese and Japanese for Asian employees in other regions. These initiatives conveyed the company's position on this issue to employees, clients and partners, promoting the integration of the issue in our business dealings.



When Digital Serves Nature

Tangshan Project - China

A former cornfield at a Veolia site was scheduled for landscaping to promote biodiversity, with several different species of trees. However, employees seemed unaware of the importance of biodiversity, and did not recognise the many different plantings at the site.

Using the trees to raise awareness of the broader issue of biodiversity, the company created a series of QR code tags to attach to the plantings, through which employees could look up species and planting date information, with the goal of turning it into a training activity in the future.



RESCOURCING THE REGIONS

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.



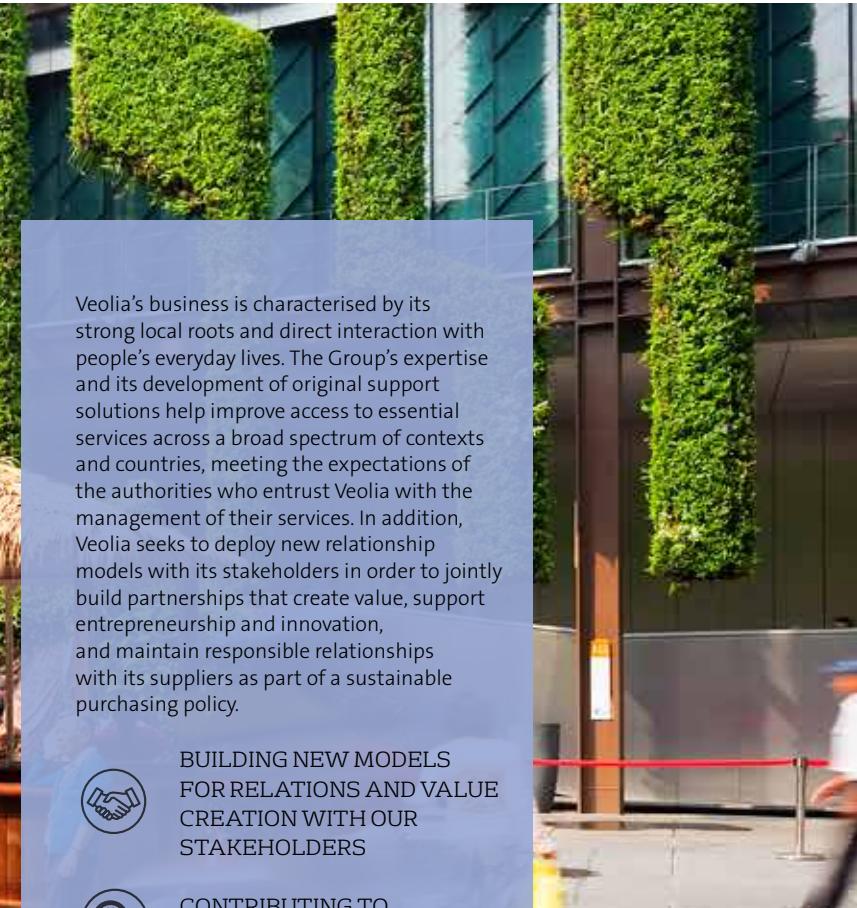
BUILDING NEW MODELS
FOR RELATIONS AND VALUE
CREATION WITH OUR
STAKEHOLDERS



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

2018 Group Achievement

100%

MAJOR PARTNERSHIP SIGNED

| | |
|--------------|---|
| VEOLIA GROUP | Danone IBM EPM Huawei SwissRe Nestle |
|--------------|---|

| | |
|-------------|--------|
| VEOLIA ASIA | Takeei |
|-------------|--------|

The partnership between Veolia and Japan's comprehensive environment management enterprise, Takeei, is focused on driving circular and local uses of natural resources. Fueled the two plants will generate 100 GWh of electricity per year for the cities of Hirakawa and Hanamaki - equivalent to the consumption of 22,000 homes.

Veolia and Takeei will therefore help to increase the production of renewable energy on the island of Honshu, and prevent the emission of 40,000 metric tons of CO₂ per year.



Purchase with Eco Label

Litzer Incineration Plant Project - Taiwan

The best tool to reduce waste is green procurement—purchasing materials created from recycled materials or that offer an energy-saving design, in order to minimise impact on and harm to the environment and human health.

In our purchases, priority is always given to items bearing the government's Eco Label, signifying that they have been certified by the Environmental Protection Agency as in using recycled materials, recyclable, low-pollution or energy-saving, and issued with supporting documents. Purchase of these products also encourages the further production and purchase of these resource-saving items, and green consumerism by example.



Upcycling Waste from Sites with a Local NGO

Nilothi Wastewater Treatment Project - India

Veolia assessed the waste being produced at its two water and wastewater sites near Delhi, much of which was discarded by the suppliers.

As part of our commitment to environmental issues, and to engage our workers in taking an active role in reusing materials, we wanted to give these items a second life.

In coordination with the launch of #WeAreResourcers, Veolia India partnered Swechna, a local NGO known for its environmental focus, to promote the innovative approach of upcycling scrap material from our sites. Useful materials were identified and used to create beautiful new items such as sofas, planters and stylish wallets.



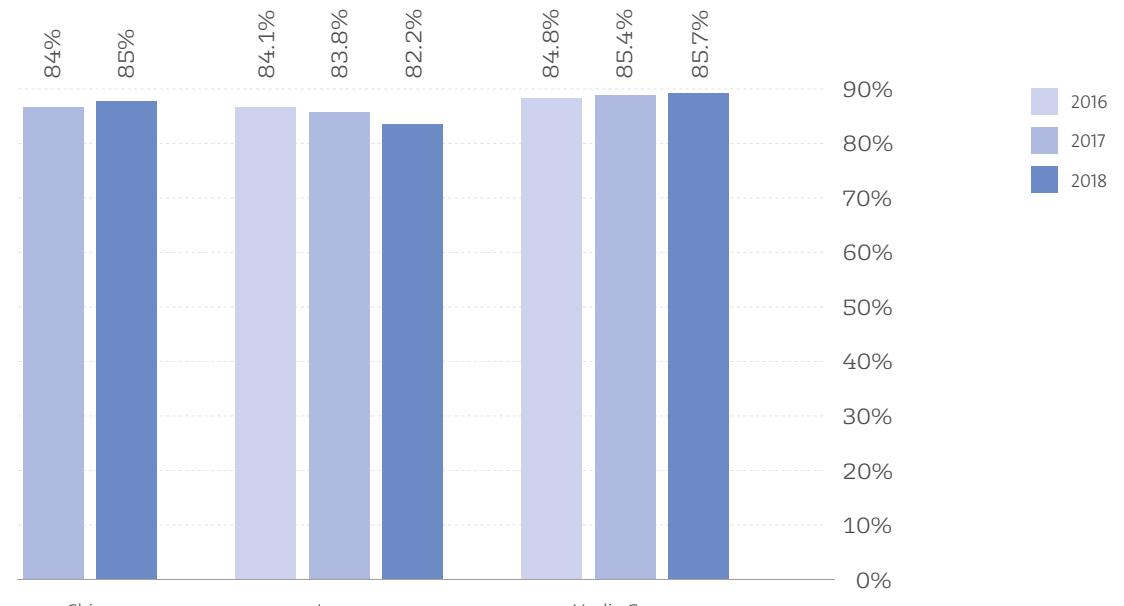
CONTRIBUTING TO LOCAL DEVELOPMENT

Veolia Group Objective by 2020

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

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. ■■■

2018 Group Achievement

85.7%

Campus Open Day Event “Acting as Resourcers”

Harbin Urban Heating Network Project - China

While in the past Veolia (Harbin) has held campus events during recruitment season, we felt it was now necessary to promote Veolia's concept of sustainable development to a younger generation. 82 students and 2 teachers from the Harbin University of Science and Technology were invited to participate in the our first-ever campus open day event, which covered biodiversity, resource regeneration, gender balance, and similar concepts.

The event was successful at communicating Veolia's values to the individuals involved, while offering an education on ecological and social issues.



POPop India

Veolia India - India

Veolia India launched POPup India to work with social start-ups on innovative solutions to local business challenges, providing them with the opportunity to create positive social, economic and environmental impact at the local level while integrating with Veolia's value chain.

The company collaborated with local incubator Ennovent in exploring solid waste management solutions and promoting the access to essential services. Together, they, for example, identified the social enterprise HasiruDala with whom they co-created a training module to raise awareness on the health and safety risks for informal waste sector. The module will be distributed to Veolia's prospective partners for plastic collection with the potential of being used by NGOs, government and private sector.



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.

2018 Veolia Group Achievement

95
million
people accessing
**DRINKING
WATER**

63
million
people being connected to
**WASTEWATER
SERVICES**

43
million
people being supplied with
**WASTE COLLECTION
SERVICES**

7
million
people having access to
**HEATING
SERVICES**

2018 Asia Achievement

37
million
people are connected to
**DRINKING
WATER**

14
million
people have access to
**WASTEWATER
NETWORKS**

0.8
million
people being supplied with
**WASTE COLLECTION
SERVICES**

1.5
million
people have access to
**HEATING
SERVICES**

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. ■■■

First Long-Term Concession in Sewage Water in Japan

Hamamatsu Wastewater Concession Project - Japan

As part of Veolia's commitment to ensuring access to essential services, we have taken charge of wastewater and sewage management in the city of Hamamatsu. This marks the first long-term concession contract for municipal sewage management in Japan, and the first of a new type of public-private partnerships promoted by the Japanese government.

The company is also in charge of optimising the overall operations and maintenance scheme, as well as costs, together with the integration of IT systems that will improve monitoring and remote plant management.



Facilitating access
to safe drinking water
through community
awareness

Veolia India - India

Following a competitive selection through the Pop UP India innovation program, FORCE, a Delhi based NGO, has entered into a partnership with Veolia and its Drinking Water contract Nangloji Water Services, near Delhi to build additional capacity within the existing Social Welfare Team and create a sustainable local model to facilitate and increase the number of safe water connections in the Nangloji command area.

This is being done through various community awareness initiatives, campaigns and programs for promotion of new legal water connection to ensure safe water supply for all. The program will reach out to 300 households per week over the next 6 months. All the planned activities are to draw interest and awareness around safe water and move communities towards adoption of the legal water connection.



RESCOURCING THE PEOPLE

Veolia's prime responsibility is to ensure the well-being and fulfillment of its 171,495 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

2018 Group Achievement

8.47

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

ASIA INJURY FREQUENCY RATE

2016 2.2

2017 2.8

2018 2.9

ASIA TARGET 2020 6.5

Achieve an injury frequency rate lower than 6.5

ASIA SEVERITY RATE

2016 0.12

2017 0.14

2018 0.15

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. ■■■

Work-Life Balance Courses

Lutsao Incineration Plant Project - Taiwan

Veolia is committed to doing more to support our employees' welfare – to going above and beyond to promote physical and mental well-being by encouraging employees to embrace a healthy work-life balance.

We enlisted experts to assist us in crafting two courses—“The Code of Happiness” and “Release of Physical Stress”—to impart an understanding of the importance of a positive outlook, paying attention to one’s body and posture, and related messages. These courses appealed to employees to be present and aware of their own needs, and to value their health and peace of mind.



Construction H&S Toolbox Talks and Pocketbook

Veolia China - China

To provide our construction staff and subcontractors with consistent training and the self-assessment tools, training and reference materials necessary to meet our standard of excellence, Veolia's Occupational Health & Safety Department in China developed two convenient resources, as well as a contractor induction training video and questionnaire..

For construction and maintenance managers and supervisors, the A6-sized Pocketbook covers key concerns such as high risk management and safety standards. For construction workers, including subcontractors, the A4-sized Toolbox Talks books include assorted training materials to keep them up to date and ready for the job at hand.



ENCOURAGING THE PROFESSIONAL DEVELOPMENT OF EACH EMPLOYEE

Veolia Group Objective by 2020

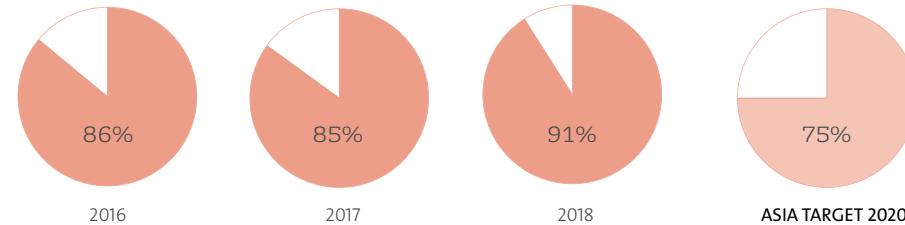
Provide at least one training session per year to over 75% of employees annually
Maintain the rate of commitment for managers at over 80%

2018 Group Achievement

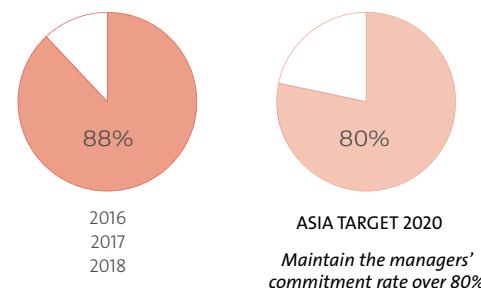
At least one training session per year was provided to over 75% of employees
Managers' commitment rate maintained: 89%

SHARE OF ASIA EMPLOYEES

WHO HAVE ATTENDED AT LEAST ONE TRAINING PROGRAM



ASIA MANAGER'S COMMITMENT RATE (%)



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. ■■■

EmpowHER Female Leadership Programme in Asia

Veolia Asia - Asia

Various bias and barriers often impact women's success at work which refrains them from reaching their full potential in their roles. The Learning & Development department from Veolia China has, therefore, come up with a new initiative called EmpowHER to empower female employees to take on positions of leadership. The programme aims at building confidence, identify unique qualities and talents overcome female self-limiting patterns and cultivate network and sponsorship. Participants also benefit from a mentoring network that has been put together whereby each one of them is being assigned an adviser who will regularly provide them with career guidance.

Since its launch in 2017, 3 EmpowHer sessions have been completed: 2 in English and 1 in Chinese and over 50 female managers in Asia have attended the programme.



Nursery Room to Facilitate Work-Life Balance

OnyxTa-Ho Waste Clearance Project, YongKang Incineration Plant Project - Taiwan

Working parents face significant challenges, especially the mothers of young children. By creating a safe, separate and cosily furnished nursing room, where mothers can find everything they need to pump breast-milk for a nursing baby at home, we help make it easier to juggle the roles of parent and employee, leading to less stress about home, improved productivity at work and greater retention of outstanding talents that might otherwise leave the job market.

This contribution to creating a more female-friendly working environment also demonstrates our commitment to gender equality and workplace diversity, sending a clear message that we value our employees.



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

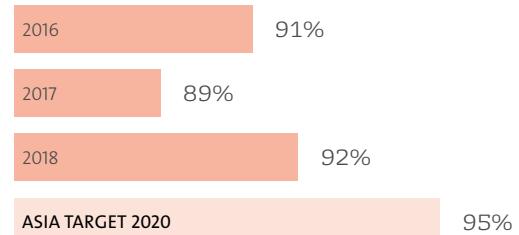
Veolia Group Objective by 2020

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

SHARE OF EMPLOYEES

COVERED SOCIAL DIALOGUE ORGANISATION

IN ASIA



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

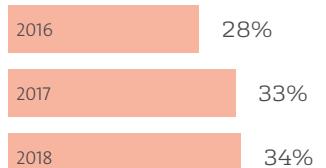
VEOLIA'S PURPOSE

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 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.

2018 Group Achievement

88.9%

FEMINISATION RATE IN ASIA



Green Workshop in Veolia Hong Kong's Facilities

Veolia Hong Kong - Hong Kong

As introduction to a newly launched comprehensive zero-plastic policy, Plastic Free Veolia, at Veolia's Hong Kong operation, a series of four Lunch & Learn Green Workshops was organised for staff. These sessions raised awareness of the global crisis of plastic waste, reusable energy issues, and the impact of climate change. They also focused on our responsibility, as individual citizens and as members of the Hong Kong business community, to lead the way in making changes that make a difference—such as the reusable silverware gifted to participants during these sessions instead of disposable cutlery.



We Are Resourcers Team-Building: Play, Bond and Learn

Veolia Singapore - Singapore

This year saw the launch of an innovative campaign to promote positivity and collaboration at Veolia, entitled "We Are Resourcers". As part of the campaign, executives and office staff came together in a team-building exercise to bond through games specifically designed to instill three messages: "We Are Optimistic", "We Move Forward Together", and "We Never Give Up".



Where previous team-building activities fortified departments, teams for this event drew from various departments and divisions, fostering interdepartmental friendships and a greater sense of community and connection.

Resourcing the world

Veolia Asia

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