



**Information relating to the items of compensation of the Chairman and Chief Executive Officer
published pursuant to the recommendations contained in the
AFEP-MEDEF Corporate Governance Code**

Allocation of performance shares by the Board of Directors on November 2, 2016

Paris, November 3, 2016

In the context of the Group's compensation policy and of the authorization given by the Extraordinary Shareholders' Meeting of Veolia Environnement on April 21, 2016, the Board of Directors decided, on November 2, 2016, on a proposal from its Compensation Committee, to allocate 1,681,600 performance shares (or about 0.298% of the share capital, under an authorization from the Shareholders' Meeting up to 0.3% of the capital) to about 570 of the Group's management executives and employees with high potential.

In this context, 100,000 performance shares have been granted to the Chairman and Chief Executive Officer, Mr. Antoine Frérot (or about 0.018% of the share capital, under an authorization from the Shareholders' Meeting up to 0.03% of the share capital).

These shares will be definitively vested subject to the beneficiary satisfying a condition of continued employment on the date of definitive vesting, namely November 2, 2019, save in the event of the beneficiary's death, invalidity or retirement, or in exceptional circumstances.

The number of shares definitively vested will depend on the average growth of the Group share of current net income, (at current exchange rates, excluding net capital gains or losses on financial divestitures) with effect from 2015, over the reference period relating to the financial years 2016, 2017 and 2018, in accordance with the following terms and conditions:

- if this average growth reaches or exceeds 10% per year during the reference period, the entire allocation of performance shares will be vested;
- if this average growth is equal to or less than 5% per year during the reference period, no shares will be vested;
- between those two thresholds, the number of shares vested will be determined by the application of a proportionality rule.

Pursuant to Article L. 225-197-1 of the Commercial Code, Mr. Antoine Frérot will also be required to hold 50% of the shares vested in registered form, until his portfolio of shares reaches an amount equal to 2 years of his fixed compensation.

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