

Q3 and 9M 2021 Results

4 November 2021





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This document contains "non-GAAP financial measures". These "non-GAAP financial measures" might be defined differently from similar financial measures made public by other groups and should not replace GAAP financial measures prepared pursuant to IFRS standards.

9M 2021 RESULTS AGENDA

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Veolia-Suez : update on the combination

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1- Update on the VEOLIA-SUEZ combination

Antoine Frérot, CEO



SUEZ TRANSACTION UPDATE

- ❑ **6th Oct. : Completion of the rights issue of €2.5bn**, as part of the financing of transaction
 - Very strong take-up rate of 175%
 - 110.4 million new shares issued
- ❑ **22 Oct: Official filing before the EU antitrust authorities**
 - Expected clearance by mid December
- ❑ **Tender Offer in December 2021 to be closed around year-end**
- ❑ **Preparation of the merger**
 - **Combined senior management**
 - ✓ In July, 4 new Executive Committee members appointed from Suez, effective at closing
 - ✓ Before year-end : Announcement of the new Management Committee (TOP 40), which will include people from Suez
 - ✓ At closing : appointment of country managers and support functions
 - **40 priority workstreams : 400 managers from Veolia and as many from Suez involved in the preparation of the merger**
 - ✓ October: “Town hall meetings” in HQ and in the BUs presenting Veolia executives to Suez staff : **very positive feed-back**
 - Common culture and aligned objectives
- ❑ **Next financial update: March 15, 2022 for a 2022 guidance on the combined Group**

Strong value creation : €500M synergies in 4 years and 40% EPS⁽¹⁾ accretion in 2024

2- Q3 and 9M 2021 key highlights

*Q3 and 9M delivery
significantly above 2020
and 2019*

*Antoine Frérot, CEO
Estelle Brachlianoff, COO*



9M 2021 KEY HIGHLIGHTS : ACCELERATION OF GROWTH IN Q3 (1/2) FUELED BY WASTE REBOUND, SUPPORTIVE PRICING AND EFFICIENCY GAINS

- Acceleration of both Revenue and EBITDA growth in Q3, after a very strong H1 rebound :

In €M	Q3 2019	Q3 2020	Q3 2021	Var. vs Q3 2020 ⁽¹⁾	Var vs Q3 2019 ⁽¹⁾	Var H1 2021 vs. H1 2019 ⁽¹⁾
Revenue	6 441	6 293	6 712	+5.9%	+5.0%	+4.6%
EBITDA	892	893	1 059	+17.5% +8.2 % excl.one off	+19.1% +9.8% excl.one off	+6.2%
Current EBIT ⁽²⁾	324	312	358	+12.5%	+9.6%	+7.8%

- Q3 EBITDA boost fueled by very supportive business trends

- **Volumes:** continued post Covid waste volumes rebound, strong growth of Hazardous waste, partially offset by lower water volumes due to rainy summer in France
- **Prices:** several price increases in waste during the year combined with continued rise in recycled materials prices
- **Efficiency gains of €95M in Q3 leading to €299M** for the 9 months, largely ahead of the annual objective of €350M
- **Positive one off of +€83M in Q3 EBITDA in French waste without impact on EBIT, to be offset in Q4**
 - ✓ **Exceptional OFA reimbursement of +€83M in French Waste in Q3** due to project completion in France, to be offset in Q4 by CO2 cash costs yearly settlement, and new IFRS treatment of IT spending
 - ✓ **Excluding one off, Q3 2021 EBITDA up +8.2% vs. Q3 2020 and +9.8% vs. Q3 2019**

9M 2021 KEY HIGHLIGHTS : ACCELERATION OF GROWTH IN Q3 (2/2) FUELED BY WASTE REBOUND, SUPPORTIVE PRICING AND KEY GROWTH BUSINESSES

- ...Leading to 9 month 2021 results above target and ahead of 2020 and of 2019

In €M	9M 2019	9M 2020	9M 2021	Var. vs 9M 2020 ⁽¹⁾	Var vs 9M 2019 ⁽¹⁾
Revenue	19 765	18 705	20 357	+9.4%	+4.7%
EBITDA	2 894	2 492	3 140	+26.4% +23.1% excl. one off	+10.2% +7.3% excl. one off
Current EBIT ⁽²⁾	1 172	748	1 258	+68.7%	+9.1%
Current Net Income ⁽²⁾	468	126	667	+428%	+44%

- **FY guidance was raised after H1 results above target and is fully confirmed** after outstanding Q3 delivery and excellent business momentum

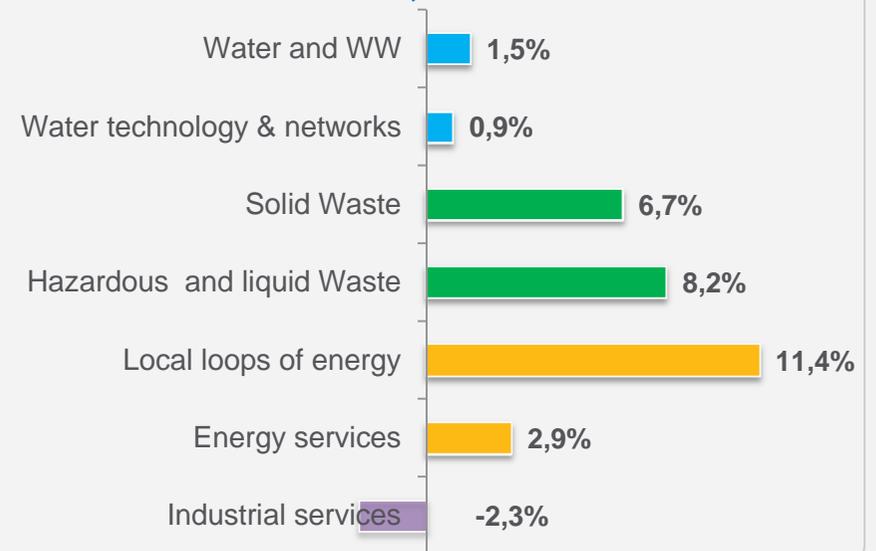
KEY OPERATIONAL 9M2021 HIGHLIGHTS

SIGNIFICANT OUTPERFORMANCE vs. 2019

PERFORMANCE BY BUSINESS vs. 2019

- ❑ **Municipal Water** : low Q3 volumes in France due to rainy summer . Normal levels outside France
- ❑ **Water Technologies and networks**: slightly lower activity in Q3 (delayed projects at VWT)
- ❑ **Solid Waste** : volumes nearly back to pre-Covid level in Q3, strong pricing and very high recycled material prices
- ❑ **Hazardous waste**: continued strong volumes and price increases
- ❑ **Energy**: favorable weather in H1 and energy price increases

Revenue variation at constant scope and FX vs. 9M, 2019



VEOLIA FAVORABLY IMPACTED BY INFLATIONARY PRICING ENVIRONMENTAND PROTECTED BY COST INDEXATION AND COMMODITY HEDGING

- ❑ **Positive impact of inflation combined with strong discipline on pricing strategy**
 - Indexation formulas on most contracts, reflecting inflation of cost of factors
 - Systematic implementation of price increases for non indexed contracts
- ❑ **Positive impact of recycled material prices on revenues and EBITDA**
 - Recycled materials revenue ~3% of the group's total revenue
 - Positive EBITDA impact thanks notably to margin sharing with clients
- ❑ **Strong discipline on our cost base in 2022**
 - Staff cost under control: some job vacancies only in the UK (drivers) and in the US (technicians)
 - Procurement: no significant impact of supply chain shortages - Enhanced discipline on procurement
- ❑ **Slightly positive impact of higher energy prices in 2022 thanks to hedging policy**
 - Veolia is a net producer of electricity
 - Electricity purchases and revenue are largely hedged
 - Diesel costs in waste collection are integrated in pricing, in some cases with a delay
 - CO2, coal and gas purchases are generally hedged and integrated in the heat and electricity prices
 - Price revisions generally take place with a delay, which can result in temporary benefits or price cost squeeze
- ❑ **High energy prices are also a business opportunity for Energy business**
 - Innovative energy efficiency offering, including alternative fuels, as a key differentiator for industrial and municipal clients

FULLY RECOVERED COMMERCIAL MOMENTUM AND PROJECT PIPELINE FULL (1/2)

□ Strong commercial momentum in municipal contracts

- **France Water:** Gain of Cholet potable water, of Colmar waste water contract and renewal of Lens/Liévin and Montauban : **total backlog of €306M** -No significant contract renewal before 2023
- **France Waste:** Renewal of Arianeo WTE in Nice 20 year contract - **Backlog €1.4bn**
- **Italy :** 3 new energy efficiency in Parma and Milano for **a total backlog of €345M**
- **Japan Water:** Gain of the 1st potable water concession in Miyagi : 1.9 million inhabitants - **backlog~€800M**(20 years) : start in April 2022
- **Uzbekistan** District Heating Network: 30 year concession contract for the O&M of the DHN of Tashkent, to supply heat and hot water to 1,2 million inhabitants. **Backlog €13.4bn**– Expected to start in 2022
- **Taiwan:** New WTE contract (LuTsao) 20 year- **Backlog €510M**

□ Numerous industrial contracts

- **UK W&I waste :** new Tesco waste management / recycling contract – **Backlog £39M** (3 years)
- **Industrial utility contracts**
 - ✓ **Korea:** 1st Energy utility performance contract for Dongkook Pharma
 - ✓ **Singapore:** New WWTP for Pfizer 15-years BOT- **Backlog of €19M**
 - ✓ **Finland:** BASF EV battery plant in Harjavalta: 20-year O&M - **Backlog ~€240M**
 - ✓ **Peru:** utility for PETROPERU refinery leveraging from our sulfuric acid regeneration in the US - **Backlog ~€96M**

FULLY RECOVERED COMMERCIAL MOMENTUM AND PROJECT PIPELINE FULL (2/2)

❑ Water technologies (VWT)

- 2 salt crystallizer contracts : petrochemical in Louisiana (**backlog €86M**) and Lithium battery production in Australia (**backlog €40M**)
- Brazil : WWTP for a Pulp and Paper client (Suzanno) **backlog €37M** for VWT share

❑ Sustainability leadership : launch of new businesses and innovative offerings

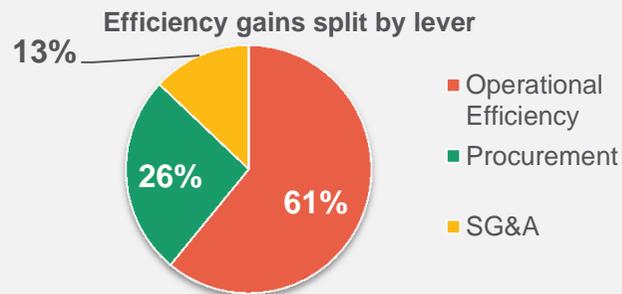
- **New renewable electricity production** through biogas valorization on 3 landfill sites in Brazil, **saving annually 1.26 million ton of CO2**
- Partnership with Renault and Solvay to **recycle lithium batteries**
- Partnership with Total Energies to **produce next generation biofuels**
- First industrial full scale waste **water re-use plant in 2021 in France** (Vendée)

❑ Tuck ins and asset rotation

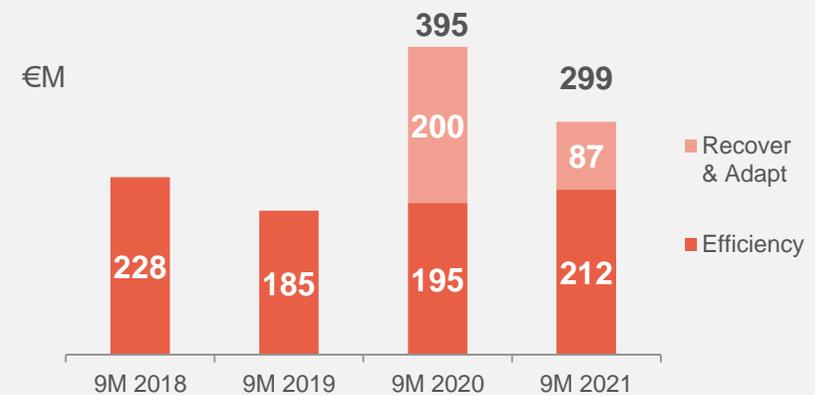
- **Liquid waste management and environmental maintenance : successful integration of Osis purchased from Suez since May 15th**
 - ✓ Very strong Q3, above expectations - Significant synergies with SARP, expected in 2022
- Divestiture of our JV in the **Shenzen Water concession** in China for **€403M**
- **Divestiture of our activities of industrial utility services in Sweden and Norway**

VERY STRONG EFFICIENCY GAINS, AHEAD OF OBJECTIVE

- ❑ **2021 annual objective of €350M**
 - €250M normal run-rate
 - €100M additional effort in 2021 to offset remaining Covid effects
- ❑ **299m€ achieved in the 9M, ahead of annual schedule**



Significant increase vs. pre-Covid



VERY STRONG CONFIDENCE IN 2021 GUIDANCE⁽¹⁾

2021 EBITDA OBJECTIVE FULLY CONFIRMED

FY guidance was raised after H1 results above target and is fully confirmed after outstanding Q3 delivery and excellent business momentum

- ❑ **Revenue above 2019 level**

- ❑ **2021 EBITDA above €4.1bn**
 - Fueled by very favorable pricing effects and strong volume rebound
 - More than €350M of cost cutting

- ❑ **Net debt after capital increase below €10bn**

- ❑ **Dividend policy : recover the pre-crisis dividend policy in 2021**



3- 2021 Financial & Operational Performance

*9M delivery
significantly above
2020 and 2019*

Claude Laruelle, CFO



9M KEY FIGURES

9M REVENUE UP +9.4% AND 9M EBITDA UP +26.4% AT CONSTANT FX

CURRENT NET INCOME OF €667M AND RECORD POSITIVE FCF GENERATION

In €M	9M, 2019 Restated ⁽¹⁾	9M, 2020 Restated ⁽¹⁾	9M, 2021	Var. Y-Y vs. 9M,2020	Var. at constant FX vs. 9M,2020	Var. at constant FX vs. 9M,2019
Revenue	19 765	18 705	20 357	+8.8%	+9.4%	+4.7%
EBITDA	2 894	2 492	3 140	+26.0%	+26.4%	+10.2%
<i>EBITDA margin</i>	14.6%	13.3%	15.4%			
Current EBIT ⁽¹⁾	1 172	748	1 258	+68.2%	+68.7%	+9.1%
Current net income Group share ⁽¹⁾	468	126	667	+427.9%	+428.2%	+44.4%
Current net income Group share excl. capital gains ⁽¹⁾	450	116	662	+468.5%	+468.5%	+48.9%
Net industrial CAPEX	1 455	1 334	1 355	+1.6%	+2.2%	-5.2%
Net Free Cash Flow after growth capex ⁽²⁾	-167	-377	+583			
Net Financial Debt	12 487	11 745	13 445			

FX impacts (vs. 9M 2020)	€M	%
Revenue	-111	-0.6%
EBITDA	-10	-0.4%
Current EBIT	-4	-0.5%
Current Net Income	-0.4	-0.3%
Net financial debt (vs.12/2020)	+203	+1.5%

(1) 2019 and 2020 figures represented (share based payments restated as current items) - See appendix 1

(2) Before Suez dividend

Q3 KEY HIGHLIGHTS : VERY SOLID GROWTH

	2019	2020				2021		
<i>Revenue growth at constant FX</i>	Year	Q1	Q2	Q3	Q4	Q1	Q2	Q3
France	+2.0%	-3.1%	-16.1%	+0.8%	+2.5%	+5.7%	+23.5%	+3.4%
Europe excl. France	+4.1%	+1.1%	-6.7%	+0.8%	+5.3%	+9.0%	+20.9%	+13.0%
Rest of the World	+8.7%	+2.1% ⁽¹⁾	-4.4% ⁽¹⁾	-3.0% ⁽¹⁾	-1.5% ⁽¹⁾	+0.6%	+7.7%	+7.5%
Global Businesses	+0.9%	-3.6%	-20.8%	+3.1%	+2.0% ⁽¹⁾	+1.7% ⁽¹⁾	+32.5%	-5.8%
TOTAL	+4.3%	-1.3%	-11.0%	-0.6%	+0.9%	+4.0%	+19.7%	+5.9%
EBITDA growth at constant FX	+4.5%	-5.3%	-33.9%	+1.7%	+4.2%	+13.6%	+58.8%	+17.5%

KEY Q3 HIGHLIGHTS : REVENUE +5.9%⁽²⁾ AND EBITDA +17.5%⁽²⁾

- France: continued strong waste growth in Q3 partially offset by lower Water revenue due to rainy summer weather
 - ✓ **Water** : lower volumes in Q3 due to very rainy summer : volumes down 1.9% YTD
 - ✓ **Waste** : Revenue +15.5% after +37.7% in Q2 : volumes nearly back to pre-Covid, continued price increases, and very high levels of paper prices : *average Q3 2021 Copacel 1.05 of 162€/T vs. 47€/T in Q3 2020*
- Rest of Europe: Revenue back up strongly (+13.0%⁽²⁾) in all activities** : i/ **Growth** in Central & Eastern Europe driven by new assets in Budapest and Prague. ii/ **Waste**: after Q2 rebound, volumes almost back to 2019 levels & strong recycling prices iii/ **Water**: normal summer volumes
- Rest of the World : +7.5%⁽²⁾: solid growth in all geographies.** *Latin America (+12.8%⁽²⁾)* solid growth in most countries (except Mexico). *Africa Middle East (+11.5%⁽²⁾)* : good volumes in Morocco; new BES contracts in Middle East - *North America (+6.1%⁽²⁾)* : full recovery of hazardous waste volumes partially offset by adverse weather (hurricane IDA). *Asia (+6.7%⁽²⁾)* solid growth in most countries and continued strong hazardous waste in China. *Pacific (+3.1%⁽²⁾)* : Australia still impacted by COVID.
- Global Businesses**: continued strong Hazardous Waste (revenue+30.3% vs. Q3 2020 and +30.2% vs. Q3 2019) offset by slightly lower technology and networks activity in Q3 due to high Q3 2020 comparison basis for Sade and VWT

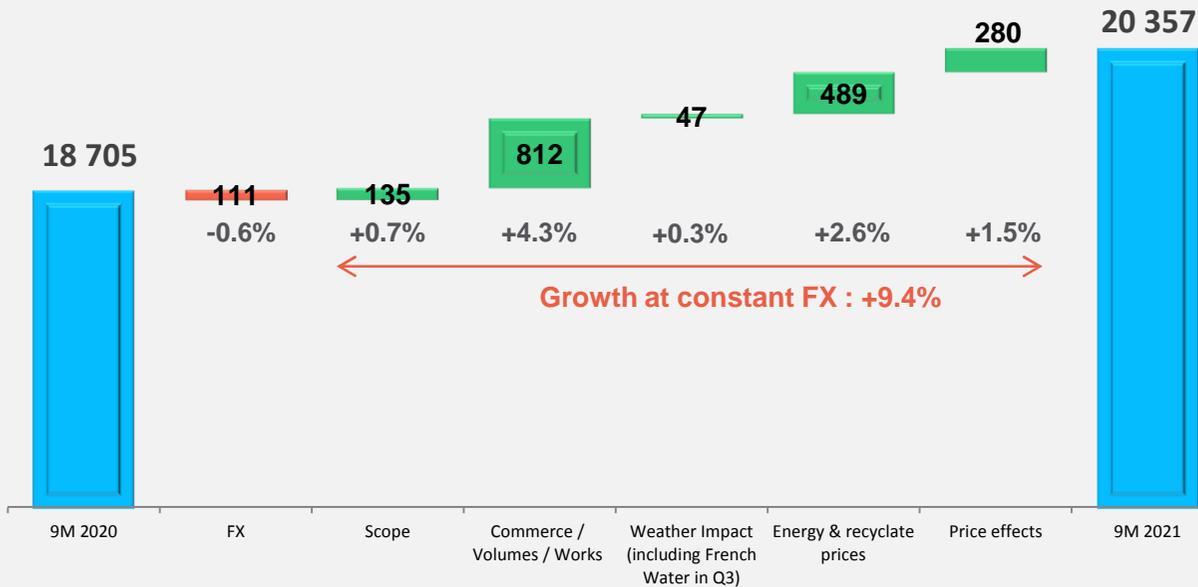
(1) At constant scope and FX

(2) at constant FX

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REVENUE INCREASE OF +9.4% AT CONSTANT FOREX DRIVEN BY VOLUME REBOUND AND STRONG PRICES

In €M



- **FX: -€111M**: Latin America (-€51M), North America (-72M), Central & Eastern Europe (-€21M), partially offset by the UK (+€42M) and Australia (+€41M)
- **SCOPE: +€135M**: acquisitions of energy assets in Central Europe (DHN in Prague, CHP in Budapest) and of Osis from Suez (liquid waste management) partially offset by asset divestiture of Sade Telecom
- **VOLUMES/COMMERCE/WORKS REBOUND: +€812M**
Waste volume rebound (impact +€386M), and solid commercial momentum
- **FAVORABLE WEATHER: +€47M**: favorable winter season in CEE (+€55M) and Germany (+€23M) partially offset by adverse weather in the US and rainy summer in French Water in Q3
- **HIGH ENERGY & RECYCLATE PRICES: +€489M** o/w
+€131M energy prices (higher heat and electricity prices) and **+€358M higher recycled price** notably papers for +€238M
- **PRICE INCREASES : +€280M**: price increases in WASTE (+2.8% impact) and in WATER (+1% impact)

WASTE REVENUE UP +17.4% in Q3 AND +15.5% IN 9M to € 181M VOLUME REBOUND, SOLID PRICING AND HIGH RECYCLING PRICES

	Q1, 2020	Q2, 2020	Q3, 2020	9M, 2020	Q1, 2021	Q2, 2021	Q3, 2021	9M, 2021
Recycled raw materials prices	-2.5%	-1.4%	-0.9%	-1.6%	+3.2%	+5.7%	+6.3%	+5.1%
Volumes / activity levels	-1.8%	-14.7%	-2.6%	-6.4%	-0.8%	+14.9%	+3.2%	+5.4%
Price increases	+2.4%	+1.9%	+1.6%	+2.0%	+1.7%	+3.7%	+3.1%	+2.8%
Other	+1.9%	-0.4%	-1.5%	-0.1%	-0.1%	+1.5%	+1.8%	+1.0%
Growth at constant scope & FX	+0.2%	-14.6%	-3.4%	-6.1%	+4.0%	+25.8%	+14.4%	+14.3%
Scope effect	+1.4%	+1.1%	+0.5%	+1.0%	-0.6%	+1.3%	+3.0%	+1.2%
Growth at constant exchange rates	+1.6%	-13.5%	-2.9%	-5.1%	+3.4%	+27.1%	17.4%	+15.5%
Currency effect	-1.0%	-1.3%	-1.4%	-1.2%	-1.6%	-0.2%	+1.4%	-0.1%

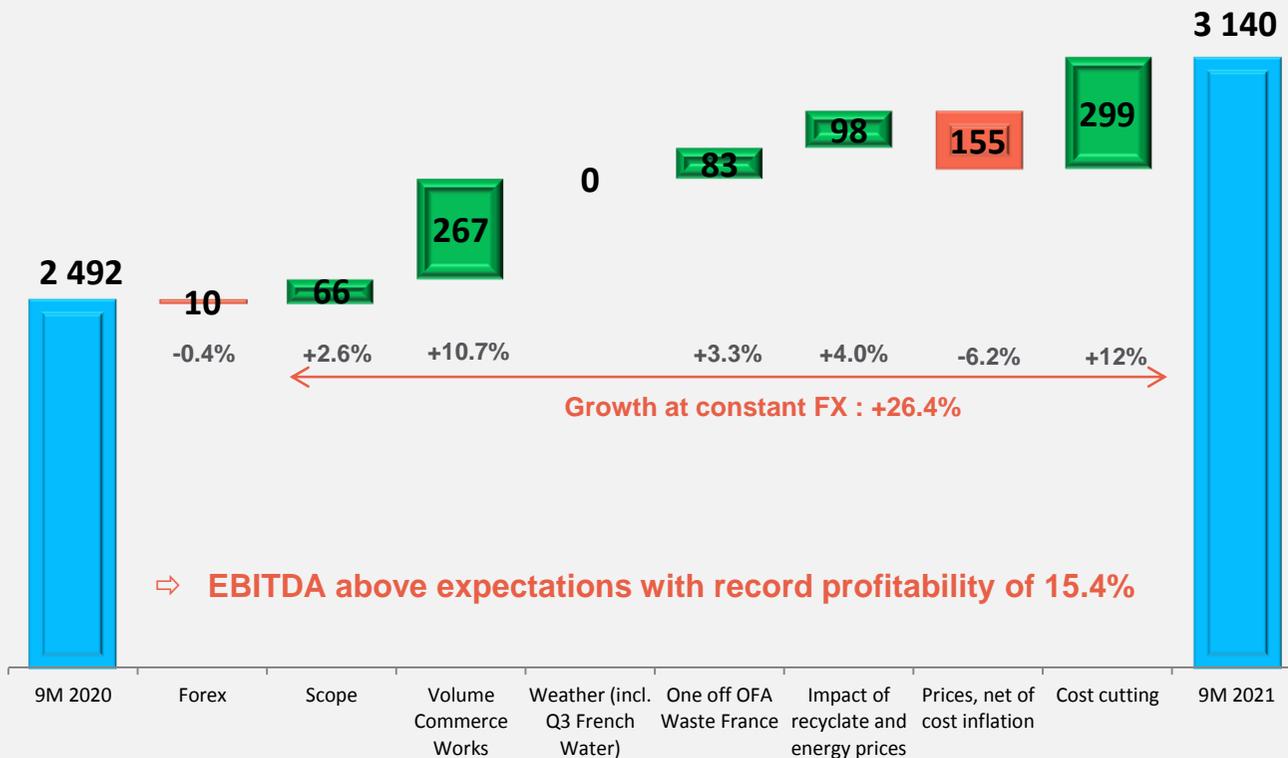
Waste : continued strong growth fueled by volume recovery, price increases and very high recycling prices

- **France: Waste revenue of €2 142M, up 20.6% YTD (and +15.5% in Q3)** o/w volume effect +7.3%, price effect +3% and recyclate effect +8.2%
 - ✓ Volumes: Rebound of C&I collection (+8% vs. 9M2020); solid municipal collection (+1.2%), incineration (+1.5%) and landfills (+1.5%)
 - ✓ Very high level of recyclate prices, notably paper (market price more than tripled in Q3 2021 vs. Q3 2020)
- **UK: Waste revenue of €1 481M, up 7.9%⁽¹⁾ in 9M** : volume impact +2.7%, recyclate price impact +4.3%. C&I volumes nearly back to their pre-Covid level, very resilient PFI (93.7% availability rate)
- **Northern Europe: Waste revenue of €1 102M in 9M, up 16.8% at constant scope and FX**, driven by recyclate prices (14.6% impact) and volumes.
- **Rest of World: Waste revenue of €2 175M in 9M, up 9.3%⁽¹⁾**. *North America* Waste revenue up 9.5%⁽¹⁾ despite adverse weather impacts, thanks to recovery of hazardous waste volumes and price increases. *Latin America* revenue up 27.7%⁽¹⁾. *Asia*+5.4%⁽¹⁾ driven by hazardous waste mainly. *Pacific* +2.4%⁽¹⁾ : volumes still below pre-Covid level
- **Global business : Hazardous and Liquid waste (Europe) revenue of €1 122M in 9M, up 27.5%⁽¹⁾** : integration of Osis and volume rebound and price increases notably in incineration

(1) At constant FX

EBITDA INCREASE OF +26.4% AT CONSTANT FOREX vs. 2020

VERY SUPPORTIVE BUSINESS TRENDS AND HIGH LEVEL OF EFFICIENCY



⇒ EBITDA above expectations with record profitability of 15.4%

- **FOREX: -€10M.** Latam -€8M, USA -€8M, Central and Eastern Europe -€3M
- **SCOPE : +€66M :** mostly acquisitions in Central Europe and Osis partially offset by divestiture of Sade Telecom
- **COMMERCE/VOLUMES/WORKS +€267M :** rebound of waste volumes and works, and commercial momentum
- **WEATHER NEUTRAL:** cold winter in CEE and Germany, offset by the US and by Q3 French Water
- **OFA ONE-OFF : +€83M** (financial receivable reimbursement on a French WTE plant)
- **ENERGY AND RECYCLED MATERIALS PRICES : +€98M,** o/w recycled prices +€75M
- **PRICE NET OF COST INFLATION -€155M**
- **COST CUTTING: +€299M**

FRANCE – 9M OPERATIONAL REVIEW

CONTINUED STRONG WASTE OFFSET BY LOWER WATER REVENUE IN Q3

In €M	9M,2019	9M,2020	9M 2021	Δ vs. 9M 2020	Δ at constant FX vs. 9M, 2020	Δ at constant FX vs. 9M, 2019
Revenue, of which	4 175	3 918	4 320	+10.3%	+10.3%	+3.5%
Water	2 228	2 142	2 178	+1.7%	+1.7%	-2.2%
Waste	1 947	1 776	2 142	+20.6%	+20.6%	+10.0%

- **WATER : Revenue up 1.7% vs. 2020**

- Price indexation +0.7%. Volumes -1.9% YTD after low Q3
- Good commercial momentum and strong works activity
- Solid EBITDA delivery thanks notably to efficiency measures

- **WASTE : continued very strong growth in Q3 driven by volume rebound and recycled prices**

- **In the 9 months revenue growth of +20.6%** driven by volume effect +7.3%, price effect +3% and recycle effect +8.2%
- **New treatment assets** : Bordeaux and Troyes WTE - Renewal of Arianeo WTE in Nice 20 year contract
- **Volumes nearly back to pre-Covid levels** : rebound of C&I collection (+8% vs. 9M2020); solid municipal collection (+1.2%), incineration (+1.5%) and landfills (+1.5%)
- **Several price increases and continuation of recycling prices increase**, notably paper, driven by shortage of product and growth in demand (e commerce) : 9M average selling price of €165/T, more than doubled
- **One off items at EBITDA level of +€83M (neutral at EBIT level)** due to exceptional OFA reimbursement due a project completion

REST OF EUROPE – 9M OPERATIONAL REVIEW

CONTINUED STRONG GROWTH IN Q3, SAME PACE AS IN H1

<i>In €M</i>	9M,2019	9M,2020	9M 2021	Δ vs. 9M 2020	Δ At constant FX vs. 9M, 2020	Δ at constant FX vs. 9M, 2019
Revenue, of which	6 870	6 702	7 656	+14.2%	+13.8%	+12.1%
<i>Central & Eastern Europe</i>	2 330	2 330	2 853	+22.4%	+23.3%	+26.3%
<i>UK – Ireland</i>	1 707	1 631	1 772	+8.7%	+6.3%	+1.7%
<i>Northern Europe</i>	2 008	1 913	2 076	+8.5%	+8.0%	+2.9%
<i>Italy- Iberia</i>	825	828	956	+15.5%	+15.5%	+15.9%

- **Very strong growth in Central and Eastern Europe fueled by integration of new assets and high energy prices**
 - **ENERGY revenue of €1 940M up 35%⁽¹⁾** due to a) new assets in Prague and Budapest , b) heat and electricity price increases (notably Poland) and c) favorable weather (+€55M impact)
 - **WATER revenue of €833M, +1.5%⁽¹⁾** : volumes +0.2% (slightly down in Prague and Sofia offset by Armenia), tariff increases (Prague +8.9%, Sofia +6.1%, Bucharest +7%)
- **UK revenue above 2019 thanks to C&I volume recovery, and very high recycled materials prices**
 - **Activity rebound:** very good performance of C&I collection (nearly back to pre-Covid) and of treatment : higher landfill gate fees and strong PFI (availability rate of 93.7%)
 - ✓ Job vacancies (drivers) under control with ad hoc measures (sign in bonuses, training...)
 - **Beneficial impact of commodity prices**, papers notably with a more than doubled average selling price per ton (110€/T YTD)
- **Northern Europe: C&I Waste volume recovery confirmed & sharp increase of recyclate prices**
 - **Germany** : acceleration of C&I volume recovery since Q2 (still below 2019) combined with very high paper and plastic prices and cold weather in energy
 - ✓ In Energy business (Braunschweig concession) impact of higher prices softened by hedging policy : 2022 gas purchases and electricity sales already hedged
 - **Netherlands and Nordics:** strong recovery driven by plastic recycling business and industrial contract performance – *Asset arbitrage in Sweden*
- **Southern Europe** : strong commercial momentum – High gas prices integrated in tariffs.

(1) At constant FX

REST OF THE WORLD – 9M OPERATIONAL REVIEW

RECOVERY CONFIRMED

In €M	9M,2019	9M,2020	9M 2021	Δ vs. 9M 2020	Δ At constant FX vs. 9M, 2020	Δ at constant FX vs. 9M, 2019
Revenue, of which	5 288	4 921	5 059	+2.8%	+5.2%	+2.5%(2)
Asia	1 457	1 471	1 491	+1.3%	+3.5%	+4.8%
Latin America (Latam)	621	571	606	+6.2%	+15.1%	+23.2%
North America	1 608	1 317	1 291	-2.0%	+3.5%	-0.2%(2)
Pacific	814	777	812	+4.5%	-0.9%	-2.1%
Africa Middle East (AME)	788	785	859	+9.5%	+10.0%	+10.2%

▪ Asia : Slower growth due to timing of new projects

○ China/ Hong-Kong revenue up 6.5%(1)

- ✓ Water activity back to normal: concession volumes up 6.9% vs. 9M,2020
- ✓ Waste continued growth **notably in hazardous** waste where revenue grew by +34% vs. 9M 2020 and by +70% vs. 9M 2019
- ✓ Energy : good activity YTD, partially offset at EBITDA level by adverse impact of coal price increase

○ Strong activity and commercial successes in Taiwan (waste to energy, soil remediation), Korea (industrial water, energy efficiency) and in Japan (win of Miyagi concession, plastic recycling, industrial water)

▪ Latin America : solid growth in most countries : increased volumes (e.g. medical waste in Chile), commercial successes (e.g. 4-year extension of Buenos Aires contract) and price increases

▪ North America : confirmed recovery in Q3 : increased hazardous waste volumes and favorable price impacts partially offset by adverse weather impact (in Q1 and in Q3 with hurricane IDA) - Strong municipal water

▪ Pacific : progressively recovering from lockdown, waste volumes still below 2019 – Impact of an industrial asset divestiture in Energy- Expected improvement in Q4

▪ Africa Middle East : Increased volumes in Morocco and cash collection back to pre-Covid level. New building energy services contracts in the Middle East.

GLOBAL BUSINESS – 9M OPERATIONAL REVIEW

A VERY STRONG REBOUND

In €M	9M,2019	9M,2020	9M, 2021	Δ vs. 9M, 2020	Δ At constant FX vs. 9M, 2020	Δ at constant FX vs. 9M, 2019
Revenue, of which	3 427	3 160	3 319	+5.0%	+5.7%/+9.0% ⁽¹⁾	-2.1%
Construction	2 016	1 936	1 801	-7.0%	+6.1% ⁽¹⁾	+1.1% ⁽¹⁾
Hazardous & liquid waste Europe	966	883	1 122	+27.1%	+27.5%	+16.5%
Industrial and energy services	445	341	396	+16.1%	+16.3%	-11.1%

▪ **Construction: confirmed rebound of activity : +6.1%⁽¹⁾ vs. 2020 and 1.1%⁽¹⁾ above 2019**

✓ **VWT : Revenue of €1 073M, +4.8% at constant forex**

- 9M revenue growth driven by techno distribution & services, and French municipal market
- Service and Technologies oriented bookings (total bookings of €1 045M end Sept. 2021 vs. €929M end Sept.2020) - *Backlog of € 1.3bn*

✓ **SADE : Revenue of €727M up 7.3% at constant scope and FX** (divestment of Sade Telecom in Q4, 2020 : impact of -€234M).

- Strong EBITDA performance in Q3 and in the 9 months for the Construction activities driven by efficiency and profitable techno driven services

▪ **Hazardous and liquid waste Europe : strong growth fueled by volumes and price increases and integration of Osis**

- ✓ **Hazardous waste volumes and prices very well oriented** : e.g. : French hazardous waste incineration revenue up 17% vs. Sept. 2019
- ✓ **Liquid waste** : very successful integration of Osis business with Sarp (scope impact of +€116M, since May 2021) . Expected significant synergies in 2022 (trucks, rentals, cross selling)

CURRENT EBIT UP 68.7% TO €1 258M

In €M	9M, 2019 Restated ⁽¹⁾	9M, 2020 Restated ⁽¹⁾	9M, 2021	Var. vs. 2020 at constant FX	Var. vs. 2019 at constant FX
EBITDA	2 894	2 492	3 140	+26.4%	+10.2%
Renewal expenses	-209	-225	-220		
Depreciation & Amortization (including principal payments on OFAs)	-1 597	-1 555	-1 648		
OFA repayment one off			-83		
Provisions, fair value adjustment & other ⁽²⁾	+5	-14	+29		
Share based payments ⁽¹⁾	-18	-23	-29		
Share of current net income of joint ventures and associates ⁽³⁾	97	73	69		
Current EBIT⁽³⁾	1 172	748	1 258	+68.7%	+9.1%

- **D&A (excluding OFA) of € 1 528M**, stable at constant scope and forex vs. 9M, 2020
- **Provisions, FVA and other of +€29M include** few industrial capital gains (asset divestitures in Scandinavia) and lower insurance provisions
- **Share of net income from JVs and associates** decrease due to Chinese concession divestments (Shenzhen notably)

RECORD CURRENT NET INCOME OF €667M

In €M	9M, 2019 ⁽¹⁾	9M, 2020 ⁽¹⁾	9M, 2021	Var. vs. 2020 at constant FX	Var. vs. 2019 at constant FX
Current EBIT	1 172	748	1 258	+68.7%	+9.1%
Cost of net financial debt	-333	-315	-242		
Other financial income and expense	-132	-127	-125		
Suez dividend	-	-	+122		
Net financial capital gains ⁽²⁾	+14	+9	+7		
Income tax expense	-151	-98	-241		
Non-controlling interests	-102	-92	-112		
Current net income – Group share	468	126	667	+428.2%	+44.4%
Current net income – Group share Excluding net financial capital gains	450	116	662	+468.5%	+48.9%

(1) 2019 and 2020 figures represented (IFRS2 share based payments restated as current items)

(2) Including related taxes and minorities

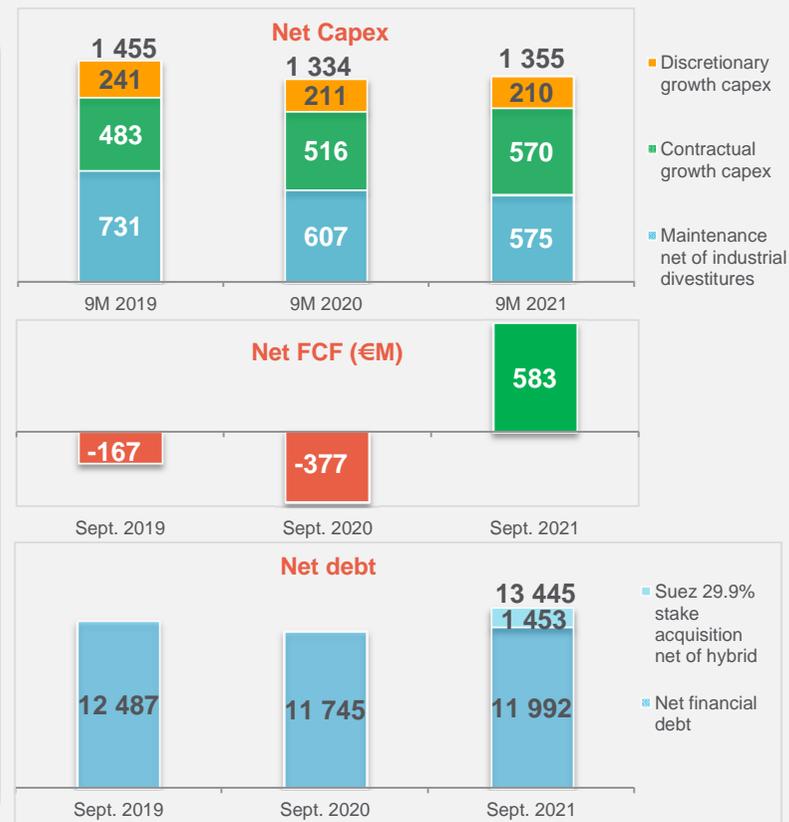
- **Cost of net financial debt down by €73M to €242M due to favorable Euro debt refinancing, combined with non euro-denominated debt savings and a higher cash remuneration** (increased commercial paper program). In addition, unwinding of a portfolio of interest rate derivatives has generated an income about 20 M€
 - ✓ Euro bond borrowing rate of 1.94% and total net cost of financing at all time low, at 2.67% at 30/09/2021 vs. 4.24% at 30/09/2020
- **Other financial income and expense of -€125M** include stable interest on IFRIC 12 concession liabilities of -€57M, IFRS16 lease financial charges of -€21M (vs. -€24M) and non cash charges related to the unwinding of the discount of provisions of -€11M (vs. -€16M)

OUTSTANDING IMPROVEMENT IN FCF OF €960M DUE TO EBITDA GROWTH, CONTROLLED CAPEX AND VERY STRICT CASH DISCIPLINE

- **Controlled net industrial Capex : €1 355M vs. €1 334M**
 - Optimization of maintenance
 - Growth contractual capex stable
 - **Discretionary growth capex of €210M**, of which **1/3 green capex** (decarbonization) and **1/3 hazardous waste** projects

- **9M Net Free Cash Flow⁽¹⁾ generation increased by €960M to €583M**
 - **Net FCF excludes the €122M dividend received from Suez**
 - **Net FCF of €583M** vs. -€377M in 9M, 2020 and -€167M in 9M, 2019 due to EBITDA growth, controlled capex and very significant improvement of WCR
 - ✓ WCR seasonal variation reduced by €291M, from -€651M to -€360M, thanks to cash collection improvement

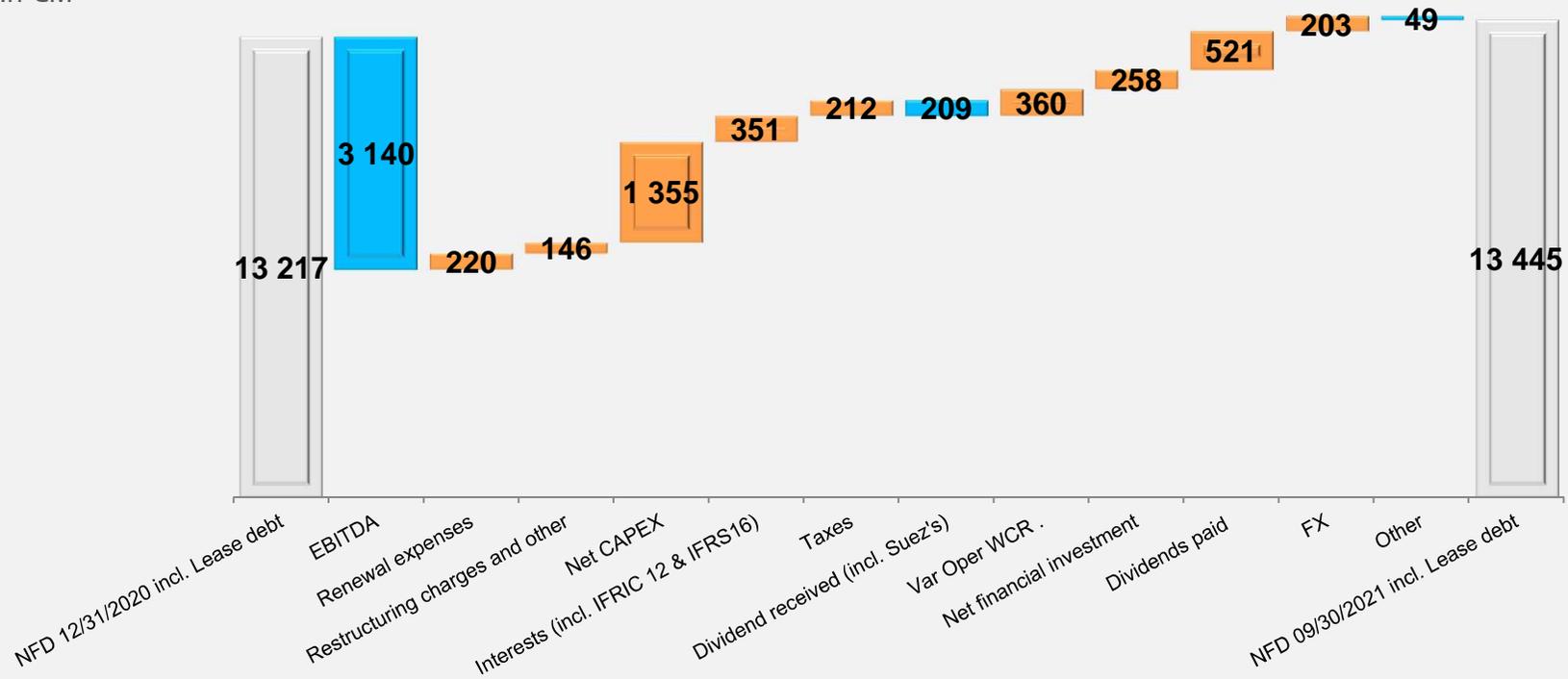
- **Net financial debt of €13 445M, vs. €13 217M in December 2020:** seasonal increase of -€228M including -€203M of negative foex :
 - **Net FCF generation of €583M plus €122M of dividends received from Suez**
 - **Net financial investments of -€258M** mainly Osis acquisition
 - Dividend payment of -€521M (of which hybrid coupon €24M)



⁽¹⁾ Net free cash flow corresponds to the free cash flow of continuing operations, i.e. the sum of EBITDA, dividends received, operating cash flow from financing activities, and the variation of operating working capital, less all net industrial investments, net interest expense, tax expense, restructuring charges, other non current expenses and renewal expenses

EVOLUTION OF NET FINANCIAL DEBT

In €M



VERY STRONG CONFIDENCE IN 2021 GUIDANCE⁽¹⁾

2021 EBITDA OBJECTIVE FULLY CONFIRMED

FY guidance was raised after H1 results above target and is fully confirmed after outstanding Q3 delivery and excellent business momentum

- ❑ **Revenue above 2019 level**
- ❑ **2021 EBITDA above €4.1bn**
 - Fueled by very favorable pricing effects and strong volume rebound
 - More than €350M of cost cutting
- ❑ **Net debt after capital increase below €10bn**
- ❑ **Dividend policy : recover the pre-crisis dividend policy in 2021**



9M, 2021 Key Figures

| *Appendices*



APPENDIX 1: MAIN REPRESENTED FIGURES FOR THE NINE MONTHS-ENDED SEPTEMBER 30, 2019 & SEPTEMBER 30, 2020

Impact of personnel costs share-based payments (IFRS2) reclassification as a current item

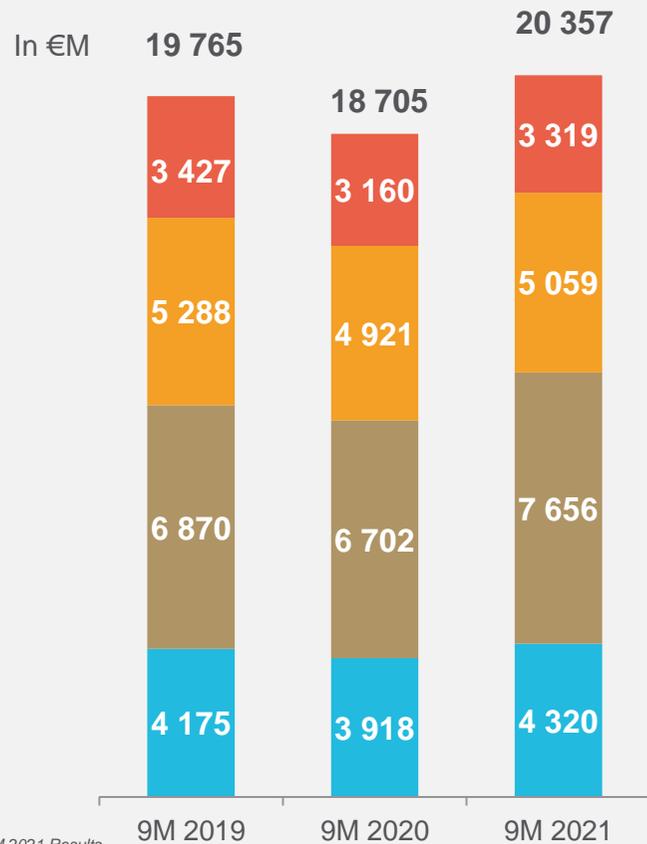
<i>(in € millions)</i>	<i>Sept 2019 excl IFRS 2</i>	<i>Impact IFRS 2</i>	<i>Sept 2019 incl IFRS 2</i>	<i>Sept 2020 excl IFRS 2</i>	<i>Impact IFRS 2</i>	<i>Sept 2020 incl IFRS 2</i>
EBITDA	2 894		2 894	2 492		2 492
Personnel cost- share based payments		-18	-18		-23	-23
Current EBIT	1 190	-18	1 172	771	-23	748
Net current income Group share	486	-18	468	149	-23	126

➤ This restatement is neutral at the net income level group share, as it is a reclassification between non current and current items

APPENDIX 2: CURRENCY MOVEMENTS

For 1€	9M, 2020	9M, 2021	Δ 9M, 2021 vs. 9M, 2020
US dollar			
Average rate	1.124	1.196	-6.4%
Closing rate	1.171	1.158	+1.1%
UK pound sterling			
Average rate	0.884	0.864	+2.3%
Closing rate	0.912	0.861	+5.7%
Australian dollar			
Average rate	1.663	1.577	+5.2%
Closing rate	1.644	1.610	+2.1%
Chinese renminbi yuan			
Average rate	7.869	7.741	+1.6%
Closing rate	7.949	7.485	+5.8%
Czech crown			
Average rate	26.380	25.740	+2.4%
Closing rate	27.233	25.495	+6.4%
Argentinian peso			
Average rate	76.007	111.516	-46.7%
Closing rate	89.344	114.404	-28.0%

APPENDIX 3: REVENUE OF €20 357M, +9.4% AT CONSTANT FX ANALYSIS BY SEGMENT



Variations vs. 9M, 2020	Variation	Δ At constant FX	Δ At constant scope and FX
Global business	+5.0%	+5.7%	+9.0%
Rest of the World	+2.8%	+5.2%	+4.8%
Europe excl. France	+14.2%	+13.8%	+10.5%
France	+10.3%	+10.3%	+10.3%
Total	+8.8%	+9.4%	+8.7%

APPENDIX 4: QUARTERLY REVENUE BY SEGMENT

	1 st quarter 2020				2 nd quarter 2020				3 rd quarter 2020			
In €M	2019	2020	Δ at cst FX	Δ at cst scop & FX	2019	2020	Δ at cst FX	Δ at cst sco & FX	2019	2020	Δ at cst FX	Δ at cst sc & FX
France	1 347	1 305	-3.1%	-3.1%	1 412	1 185	-16.1%	-16.1%	1 416	1 428	+0.8%	+0.8%
Europe excl. France	2 572	2 590	+1.1%	+0.5%	2 217	2 033	-6.7%	-6.6%	2 080	2 078	+0.8%	+0.5%
Rest of the World	1 764	1 716	-1.8%	+2.2%	1 732	1 593	-5.7%	-4.4%	1 792	1 613	-6.0%	-3.0%
Global Businesses	1 102	1 064	-3.6%	-4.1%	1 174	925	-20.8%	-21.5%	1 152	1 172	+3.1%	+2.3%
Other	0	0	-	-	3	1	-	-	1	3	-	-
Group	6 785	6 675	-1.3%	-0.5%	6 539	5 737	-11.0%	-10.8%	6 441	6 293	-0.6%	-0.1%

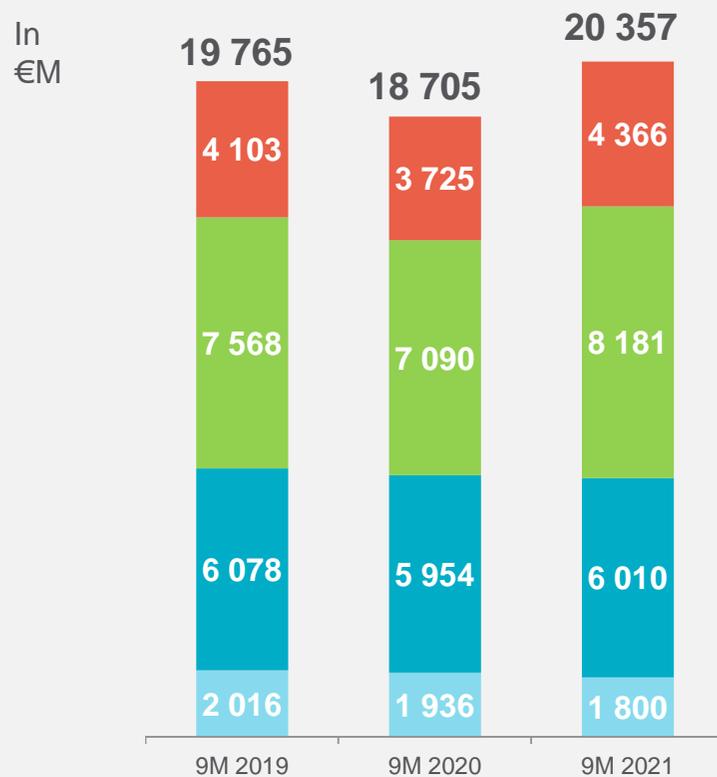
	1 st quarter 2021				2 nd quarter 2021				3 rd quarter 2021			
In €M	2019	2020	Δ at cst FX	Δ at cst scop & FX	2020	2021	Δ at cst FX	Δ at cst scope FX	2020	2021	Δ at cst FX	Δ at cst scopeFX
France	1 305	1 379	+5.7%	+5.7%	1 185	1 464	+23.5%	+23.5%	1 428	1 476	+3.4%	+3.4%
Europe excl. France	2 590	2 785	+9.0%	+4.2%	2 033	2 493	+20.9%	+17.2%	2 078	2 378	+13.0%	+12.1%
Rest of the World	1 716	1 648	+0.6%	+0.0%	1 593	1 662	+7.7%	+7.8%	1 613	1 749	+7.5%	+7.0%
Global Businesses	1 064	995	-5.0%	+1.7%	925	1 216	+32.5%	+35.7%	1 172	1 108	-5.8%	-5.4%
Other	0	0	-	-	1	2	-	-	3	1	-	-
Group	6 675	6 807	+4.0%	+3.0%	5 737	6 838	+19.7%	+18.9%	6 293	6 712	+5.9%	+5.5%

APPENDIX 5: QUARTERLY REVENUE BY BUSINESS

	1 st quarter 2020				2 nd quarter 2020				3 rd quarter 2020			
In €M	2019	2020	Δ at cst FX	Δ at cst scope & FX	2019	2020	Δ at cst FX	Δ at cst scope & FX	2019	2020	Δ at cst FX	Δ at cst scope & FX
Water	2 637	2 645	+0.0%	-0.4%	2 705	2 451	-8.8%	-9.5%	2 752	2 794	+3.4%	+2.6%
Waste	2 455	2 470	+1.6%	+0.2%	2 582	2 198	-13.6%	-14.6%	2 531	2 422	-2.9%	-3.4%
Energy	1 693	1 560	-7.3%	-1.8%	1 252	1 088	-10.6%	-5.6%	1 158	1 077	-5.3%	+0.8%
Group	6 785	6 675	-1.3%	-0.5%	6 539	5 737	-11.0%	-10.8%	6 441	6 293	-0.6%	-0.1%

	1 st quarter 2021				2 nd quarter 2021				3 rd quarter 2021			
In €M	2020	2021	Δ at cst FX	Δ at cst scope FX	2020	2021	Δ at cst FX	Δ at cst scope FX	2020	2021	Δ at cst FX	Δ at cst scope FX
Water	2 645	2 503	-3.4%	-0.1%	2 451	2 712	+11.7%	+15.4%	2 794	2 595	-7.6%	-3.1%
Waste	2 470	2 515	+3.4%	+3.4%	2 198	2 789	+27.1%	+25.3%	2 422	2 877	+17.4%	+14.4%
Energy	1 560	1 789	+17.4%	+7.7%	1 088	1 337	+22.5%	+13.9%	1 077	1 240	+15.2%	+11.4%
Group	6 675	6 807	+4.0%	+3.0%	5 737	6 838	+19.7%	+18.9%	6 293	6 712	+5.9%	+5.5%

APPENDIX 6 : REVENUE OF €20 357M, +9.4% AT CONSTANT FX vs. 9M 2020 ANALYSIS BY BUSINESS (1/2)



Variations vs. 9M, 2020		Variation	Δ At constant FX	Δ At constant scope and FX
	Energy	+17.2%	+18.2%	+10.6%
	Waste	+15.4%	+15.5%	+14.3%
	Water	+0.9%	+1.7%	+1.7%
	Technology & Construction	-7.0%	-6.1%	+6.1%
Total		+8.8%	+9.4%	+8.7%

APPENDIX 6 : REVENUE OF €20 357M, +9.4% AT CONSTANT FX vs. 9M 2020 ANALYSIS BY BUSINESS (2/2)

- **WATER : Revenue +1.7% at constant scope and FX to €6 010M**
 - ✓ **France** : Revenue of €2 178M, up 1.7% . Volumes -1.9%. Tariff increases: +0.7%. Good commercial momentum and works recovery
 - ✓ **Central Europe** : Revenue of €833M, +1.5%⁽¹⁾ : water volumes +0.2% (slightly down in Prague and Sofia offset by Armenia), tariff increases (Prague +8.9%, Sofia +6.1%, Bucharest +7%)

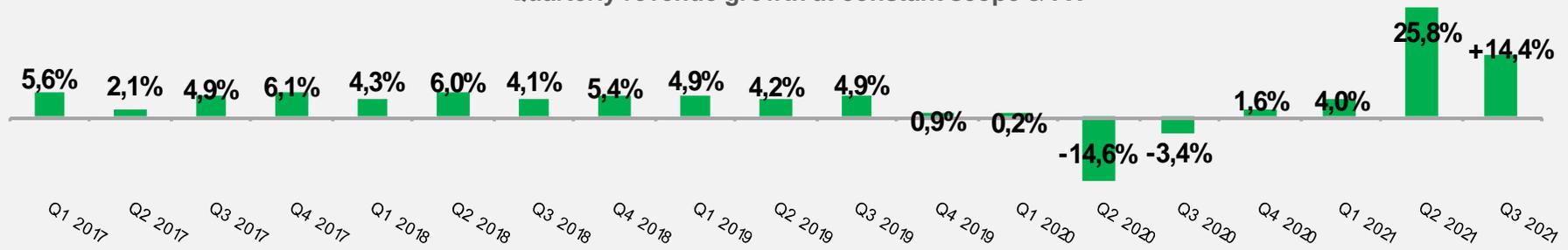
- **TECHNOLOGY AND CONSTRUCTION : Revenue +6.1% at constant scope and FX to €1 800M**
 - ✓ **VWT : Revenue of €1 073M, +4.8%⁽¹⁾**
 - 9M revenue growth driven by techno distribution & services, and French municipal market
 - Bookings : good start in technologies and services – Backlog of €1.3bn at Sept-end.
 - ✓ **SADE : Revenue of €727M up 7.3% at constant scope and FX**(divestment of Sade Telecom in Q4, 2020).

- **WASTE : Revenue +14.3% at constant scope and FX to €8 181M.**
 - ✓ Volumes/commerce impact of +5.4% ytd following strong rebound of +14.9% in Q2
 - ✓ Price effects : +2.8%
 - ✓ Recycled prices impact: +5.1%

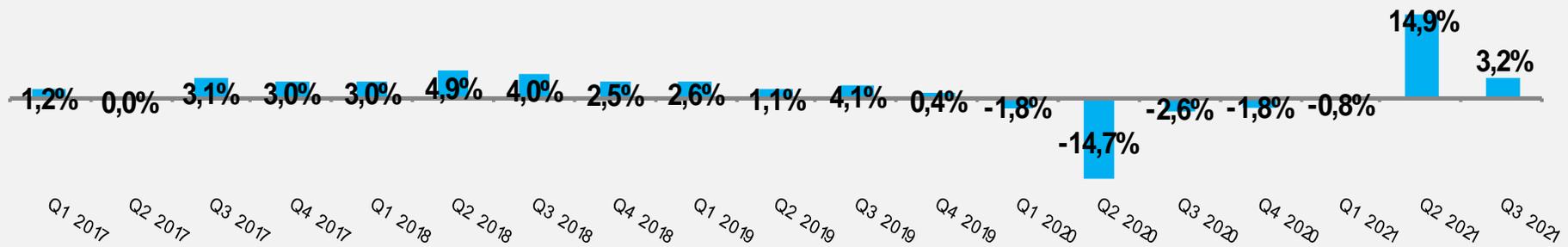
- **ENERGY : Revenue +18.2% at constant FX and +10.6% at constant scope and FX to €4 366M**
 - ✓ Scope impact of +€284M mostly acquisitions in Czech Republic and Hungary
 - ✓ Weather effect : +€60M (impact +1.6%) mostly in Central Europe
 - ✓ Energy price effects : +3.4% : higher heat and electricity prices in Central Europe mainly

APPENDIX 7: QUARTERLY WASTE REVENUE AND VOLUMES

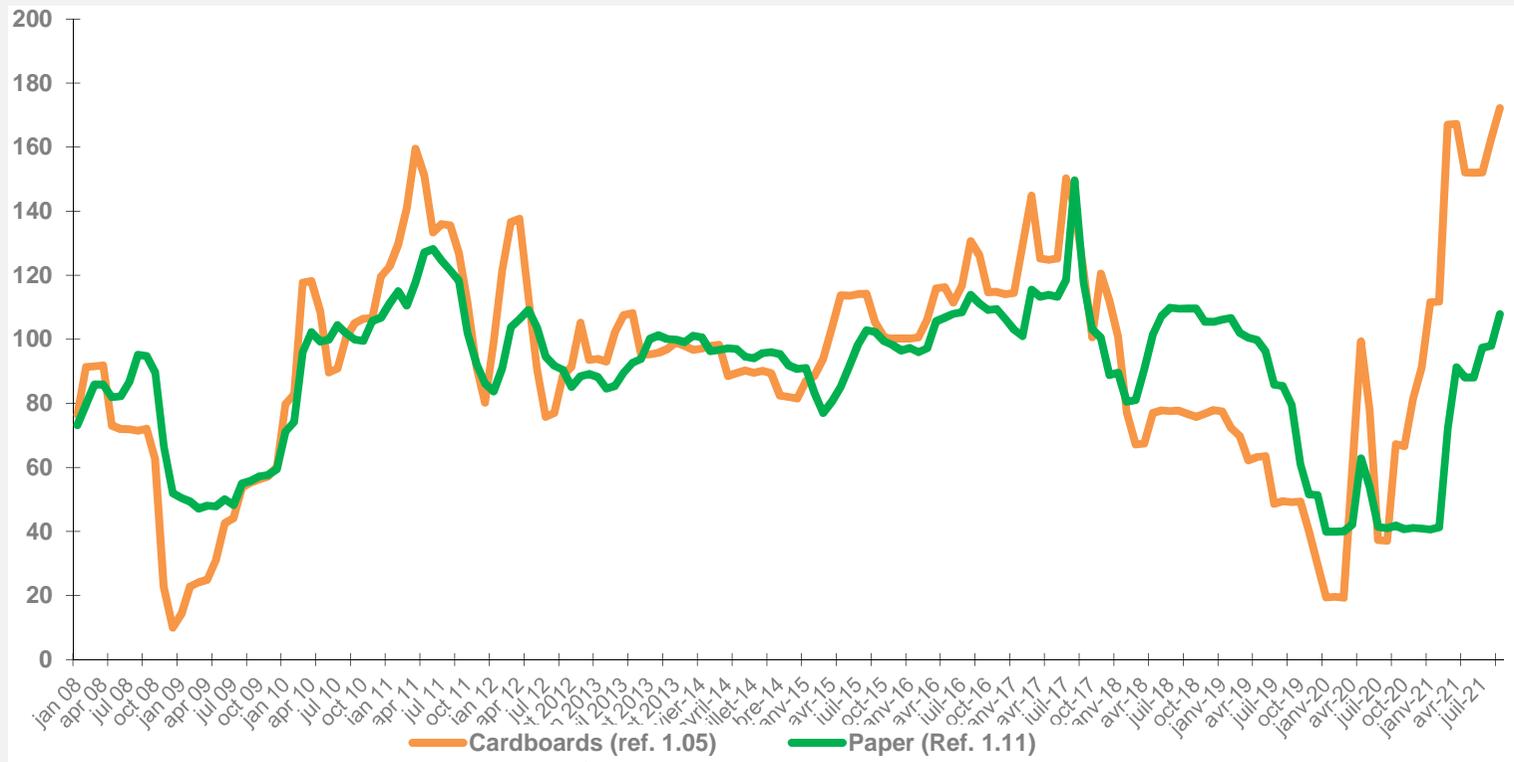
Quarterly revenue growth at constant scope & FX



Y-Y Quarterly volume trends

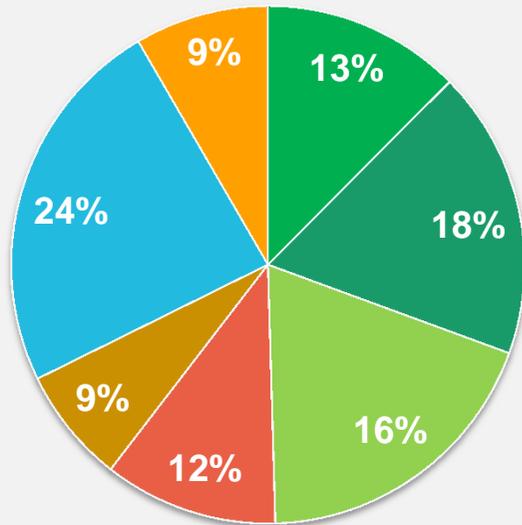


APPENDIX 8: WASTE – EVOLUTION OF RAW MATERIALS PRICES (PAPER & CARDBOARD)

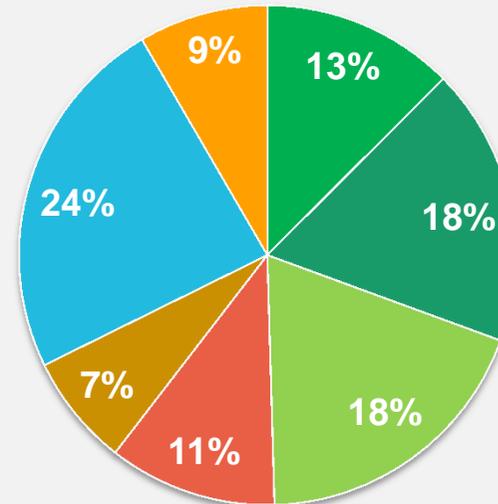


APPENDIX 9 : WASTE – BREAKDOWN OF REVENUE BY ACTIVITY

2020 9M Revenue : €7 090M



2021 9M Revenue : €8 181M



- Municipal collection & Street cleaning
- Commercial & Industrial collection
- Sorting & Recycling & MBT
- Energy recovery (incineration)
- Landfill
- Hazardous and Liquid Waste
- Industrial Services / Waste

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