

Press release

Paris, 8th of August 2022

Veolia announces an agreement to sell Suez's¹ UK waste business to Macquarie for €2.4bn

- *The disposal of Suez's UK waste business addresses the main concerns of the UK competition authority.*
- *The sale proceeds of €2.4 billion represent an attractive valuation of 16.9 times 2021 normalized EBITDA.*
- *The reduction in leverage to well below 3x will provide Veolia with additional capacity to reinvest in its strategic projects.*
- *Less than a year following the closing of the Suez takeover bid, the antitrust divestment programme is close to full completion. It represents a cumulative value of approximately €3.4 billion and it has been carried out at valuation levels that allow for immediate and substantial value creation.*

Veolia announces the execution of a unilateral put agreement whereby Macquarie Asset Management irrevocably undertakes to acquire 100% of the share capital of Suez Recycling and Recovery UK Group, regrouping Suez waste activities in the UK. The sale proceeds will amount to approximately €2.4 billion.

The completion of this transaction allows to effectively address the main concerns of the UK Competition and Markets Authority (CMA). It remains subject to the CMA's approval and to the right of first refusal granted by Veolia to the new Suez at the time of the combination in 2021. Following completion of this antitrust remedy, Veolia will remain a major player in the UK waste management market with revenues of approximately €2 billion.

The valuation level of the sale, showing a multiple of 16.9x normalized EBITDA 2021, is significantly higher than the acquisition price resulting from the takeover bid. This price level immediately crystallizes the value of all the synergies then contemplated.

After the disposal of the remedies agreed with the European Commission and the signature of the agreement with Macquarie Asset Management, almost all of the antitrust divestitures will have been finalized less than a year after the acquisition of Suez and on the basis of an average multiple of 15x 2021 EBITDA, confirming the very high attractiveness of the assets acquired in connection with the combination with Suez.

All of these disposals, amounting €3.4 billion, and in particular this latest transaction, will bring the Group's debt leverage significantly below 3x. This will give Veolia additional investment capacity to finance growth in high value-added markets.

"We are very satisfied with this transaction, which is being carried out under excellent conditions that once again demonstrate the attractiveness of the environmental services business and the relevance of our proposal for remedies to the CMA. It will create significant value and strengthen our investment capacity in strategic markets. The valuation of these assets reflects both the initial price and the synergies expected from the combination, in line with all of the disposals carried out in the frame of the antitrust clearances, which are higher than the acquisition price of Suez," commented Estelle Brachlianoff, Chief Executive Officer of Veolia. "Following this transaction, Veolia will remain a major player in the waste

¹ Suez SA, the subject of Veolia Environnement's takeover bid, was renamed Vigie.

sector in the United Kingdom and, more broadly, in the environmental services market in the region, which remains strategic for the Group.”

About Veolia

Veolia Group aims to become the benchmark company for ecological transformation. With nearly 220,000 employees worldwide, the Group designs and deploys game-changing solutions that are both useful and practical for water, waste and energy management. Through its three complementary activities, Veolia helps to develop access to resources, preserve available resources and renew them. In 2021, Veolia supplied 79 million people with drinking water and 61 million people with wastewater services, produced nearly 48 million megawatt hours of energy and treated 48 million metric tons of waste. Veolia Environnement (Paris Euronext: Veolia Environnement (Paris Euronext: VIE) achieved consolidated revenue of 28.508 billion euros in 2021. www.veolia.com

About Macquarie Asset Management

Macquarie Asset Management is a global asset manager that aims to deliver positive impact for everyone. Trusted by institutions, pension funds, governments, and individuals to manage €523 billion in assets globally, we provide access to specialist investment expertise across a range of capabilities including infrastructure, green investments, real estate, agriculture & natural assets, asset finance, private credit, equities, fixed income and multi asset solutions.

Macquarie Asset Management is part of Macquarie Group, a diversified financial group providing clients with asset management, finance, banking, advisory and risk and capital solutions across debt, equity, and commodities. Founded in 1969, Macquarie Group employs more than 18,000 people in 33 markets and is listed on the Australian Securities Exchange.

All figures as at 31 March 2022. For more information, please visit Macquarie.com

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Important disclaimer

As the changes in the health crisis are difficult to estimate, we draw your attention to the “forward-looking statements” that may appear in this press release and relating to the consequences of this crisis which may affect the future performance of the Company. Veolia Environnement is a corporation listed on the Euronext Paris. This press release contains “forward-looking statements” within the meaning of the provisions of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking statements are not guarantees of future performance. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside our control, including but not limited to: the risk of suffering reduced profits or losses as a result of intense competition, the risk that changes in energy prices and taxes may reduce Veolia Environnement's profits, the risk that governmental authorities could terminate or modify some of Veolia Environnement's contracts, the risk that acquisitions may not provide the benefits that Veolia Environnement hopes to achieve, the risks related to customary provisions of divestiture transactions, the risk that Veolia Environnement's compliance with environmental laws may become more costly in the future, the risk that currency exchange rate fluctuations may negatively affect Veolia Environnement's financial results and the price of its shares, the risk that Veolia Environnement may incur environmental liability in connection with its past, present and future operations, as well as the other risks described in the documents Veolia Environnement has filed with the Autorité des Marchés Financiers (French securities regulator). Veolia Environnement does not undertake, nor does it have, any obligation to provide updates or to revise any forward looking statements. Investors and security holders may obtain from Veolia Environnement a free copy of documents it filed (www.veolia.com) with the Autorités des Marchés Financiers.