



Climate Report

VEOLIA'S NET ZERO STRATEGY IN ACTION



VEOLIA IS A WORLD LEADER
IN DECARBONIZING,
REGENERATING RESOURCES
AND DEPOLLUTING

Ecological transformation, that is our Purpose

Ecological transformation means acting to reconcile human progress and environmental protection.

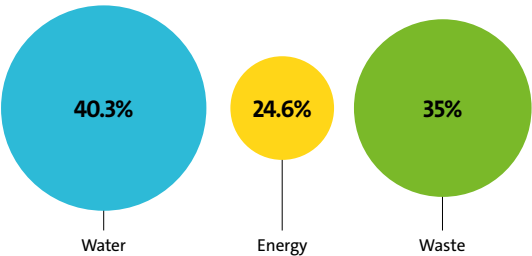
We develop and implement locally solutions to depollute our vital resources and preserve them from depletion, solutions to decarbonize our ways of living and producing and adapt them to the consequences of climate change.

All over the world, attuned to local cultures, we strive to improve the health and quality of life of communities.

At Veolia, we tackle economic, social and environmental issues as an inseparable whole to the benefit of the largest number of people.

Find the full version of our Purpose at [veolia.com](https://www.veolia.com)

Revenue share by business in 2024



215,041

employees in 2024

15.2 Mt CO₂ eq.

on scope 4 in 2024⁽¹⁾

€44.7 billion

in revenue in 2024. 37.7% of it eligible for green taxonomy criteria relating to climate change mitigation

56 countries

where Veolia has a permanent installation with employees and more than €5 million of capital employed

¹⁾ Scope 4, erased emissions, is a specific notion Veolia uses to recognize third-party GHG emission reductions made possible by its decarbonizing solutions. Veolia warrants that Scope 4 emissions are accounted for differently than emissions recognized under scopes 1, 2 and 3, and can in no circumstances be deducted from scopes 1, 2 and 3.

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EDITORIAL

Estelle Brachlianoff, Chief Executive Officer of Veolia

In its special report on the consequences of global warming of 1.5 °C, adopted in 2018, the IPCC⁽¹⁾ stated: “limiting warming to 1.5 °C is possible within the laws of chemistry and physics, but would require unprecedented transitions in all aspects of society.” This includes reducing our greenhouse gas emissions, protecting and restoring our at-risk natural carbon sinks, and capturing, storing and utilizing CO₂.

Veolia, as the global champion of ecological transformation, is committed to helping meet the climate challenge by acting to decarbonize our societies and help them adapt to the changes that are already taking place. This commitment is fully in line with the Group’s purpose: acting to reconcile human progress and environmental protection.

In July 2024, our near-term target (2032) and our Net Zero target were validated by the SBTi. Veolia’s transition plan also obtained a score of NZ-2 from Moody’s Net Zero Assessment (NZA). Veolia is the first business in the world to earn this twin recognition.

This Climate Report which accompanies our strategic program 2027 – is a tool we are making available to our stakeholders to explain our updated climate strategy. It meets the requirements of the TCFD⁽²⁾, covering the governance, risk management policy, and performance indicators we have in place. In fact, it goes further, detailing

the financial resources the Group has mobilized: over €1.6 billion in investment by 2030, including €650 million already invested between 2018 and 2024. It also details the operational levers and innovations we have dedicated to reducing the hard-to-eliminate emissions connected with the use of natural gas for our heat networks and the incineration of hazardous waste.

It also illustrates the uniqueness of our service activities. These are services essential for human life and economic activity with considerable benefits to public health, environmental protection and biodiversity. Services that also have the characteristic of erasing emissions for their beneficiaries: this is why we also present an ambitious trajectory for our scope 4⁽³⁾ emissions to illustrate the decarbonizing power of the solutions we provide to our customers.

In addition to decarbonization, this report outlines Veolia’s pioneering approach to adapting to the effects of climate change. Our unique expertise and know-how in water, the main vector by which the consequences of climate change make themselves felt, position us perfectly to help all stakeholders design and implement their adaptation strategies. By anticipating possible climate changes and their effects at the local level as accurately as possible, we equip the Group and its stakeholders to tackle this additional challenge.

With this Climate Report, I hope to be able to show all our stakeholders, in particular the economic players – companies and financial institutions alike –, that a realistic and ambitious climate strategy is possible. We offer a simple equation: 50% fewer scopes 1 and 2 emissions in 10 years, and 50% more “erased” emissions. This means applying our 170-year recipe for success, using the following ingredients: planning, operational efficiency, agility and innovation. In the climate context to come, each of these ingredients will play a key role.

(1) Intergovernmental Panel on Climate Change.
(2) Task Force on Climate-related Financial Disclosures.
(3) Scope 4, erased emissions, is a specific notion Veolia uses to recognize third-party GHG emission reductions made possible by its decarbonizing solutions. Veolia warrants that Scope 4 emissions are accounted for differently than emissions recognized under scopes 1, 2 and 3, and can in no circumstances be deducted from scopes 1, 2 and 3.



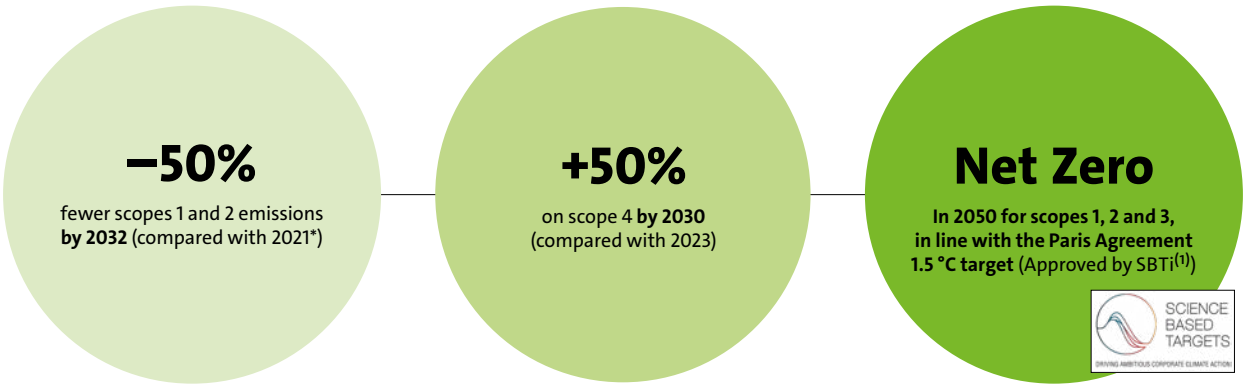
OUR CO₂ PICTURE

In this section, we offer a comprehensive examination of our carbon footprint. From the detailed analysis of our CO₂ profile to our ambitious efforts to reduce emissions, each aspect is testament to our determination to meet this major challenge of our time. We foreground our decarbonization strategy, emphasizing the importance of each initiative in the fight against climate change.

VEOLIA IS ACCELERATING ITS DECARBONIZATION

For almost 10 years, we have been making strong commitments on reducing our greenhouse gas (GHG) emissions. We are now intensifying our efforts by implementing a Net Zero strategy involving all our businesses and geographical zones in order to achieve carbon neutrality by 2050.

OUR DECARBONIZATION COMMITMENTS IN FIGURES:



We have committed to massive investment in decarbonizing our activities, with €650 million already invested between 2018 and 2024.

2015

Commitment to the UN's⁽²⁾ 2030 Sustainable Development Goals, including Climate Action

2017

Commitment to defining a firm GHG⁽³⁾ reduction target (scopes 1 and 2) for the medium term across the entire Group

2018

Launch of the plan to phase out coal and convert the plants powering the Group's heat networks

2019

Commitment SBTi: -22% reduction by 2034 compared with 2018 (trajectory to limit warming to 2 °C)

2024

NET ZERO 2050 STRATEGY
Rollout of Net Zero strategy in 2024. SBTi validation of the short-term emissions reduction target (by 2032) and recording of the commitment to achieve Net Zero by 2050. Recognition by the international rating agency Moody's of the quality of Veolia's transition plan, awarding the company an overall score of NZ-2 on a scale from NZ-1 to NZ-5

2032

50% REDUCTION IN GHGS (SCOPES 1 AND 2):
(vs. 2021 pro forma 2022)

2050

NET ZERO
-90% reduction in GHG emissions and neutralization of the residual emissions

*The 2021 pro forma emissions presented here are the sum of Veolia's emissions published in 2021 in addition to 2021 emissions from the Suez businesses acquired and still held on the date this document was published. Furthermore, 2021 emissions have been updated using the new emissions recognition method introduced in 2024 to better reflect Veolia's operational control of GHG emissions from its operated assets. Reductions in emissions for each lever are presented net of growth in the Group's business activities.
(1) Following changes to CO₂ emission allocation methodology in 2024 as part of the CSRD, Veolia is submitting its updated trajectory to SBTi for approval in 2025. Its 2032 targets for a 50% reduction in scopes 1 and 2 (compared with 2021) and 30% across 67% of Scope 3 remain unchanged.
(2) United Nations.
(3) Greenhouse Gas.

MOST OF VEOLIA’S EMISSIONS CONSIST OF 3 GREENHOUSE GASES...

In the main, our activities generate 3 different greenhouse gases, each with different effects on global warming. Their warming potential is expressed in “CO₂ equivalent” (CO₂ eq.).

Carbon dioxide (CO₂)

- 73% of our GHG emissions.
- Global warming potential: 1 CO₂ eq.
- Origin: mainly emitted from:
1 — Combustion of fossil fuels to generate energy to power our own and our customers’ installations.
2 — Treatment by incineration of waste from our municipal and industrial customers.

Methane (CH₄)

- 26% of our GHG emissions.
- Global warming potential: 28 CO₂ eq., i.e., 27 times greater than CO₂.
- Origin: emitted from the decomposition of wet organic waste in landfill sites and wastewater treatment facilities.

Nitrous oxide (N₂O)

- 1% of our GHG emissions.
- Global warming potential: 298 CO₂ eq., i.e., 298 times greater than CO₂.
- Origin: emitted from wastewater treatment.

... IN OPERATING SERVICES ESSENTIAL TO HUMAN ACTIVITY

and implementing numerous decarbonization solutions on behalf of our customers.

We provide services essential to human activity

- By treating water to make it drinkable or depolluting it before returning it to the natural environment, Veolia provides a service that is essential to human activity while preserving biodiversity.
- Energy recovery of waste plays a key role environmentally by reducing the volume of waste in landfill and treating certain highly toxic pollutants. In many countries, more recent environmental regulations tend to prioritize incineration over landfill. Despite these environmental benefits, incineration does generate significant GHG emissions.
- Keeping waste in landfill sites avoids contamination of groundwater tables.

These installations have a vital positive impact in environmental, health and social terms. However, in some countries, the lack of sorting and of incinerators and composting streams means that considerable volumes of organic waste are consigned to landfill sites and consequently emit large quantities of methane.

We implement numerous decarbonizing solutions for our customers and users

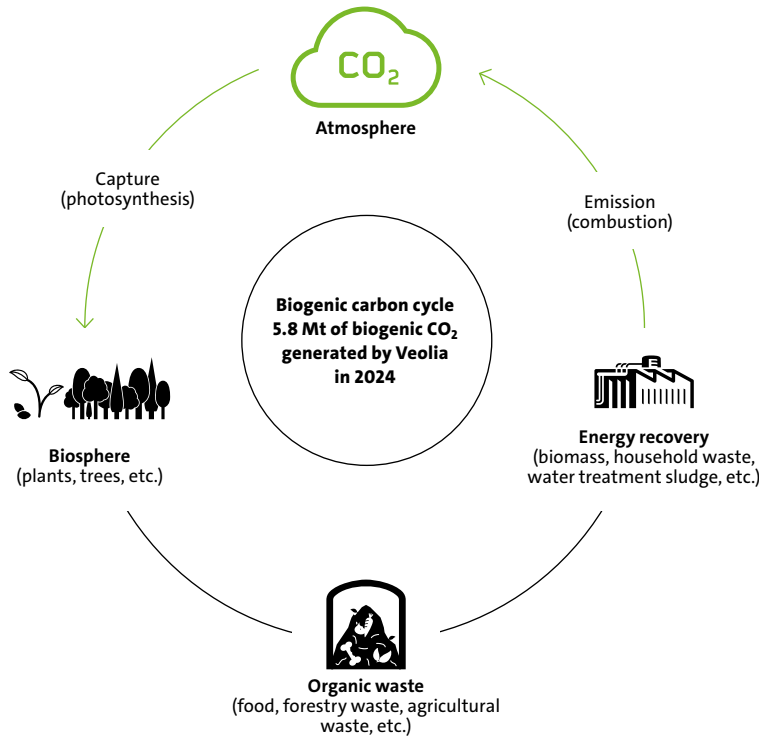
- Plastic recycling reduces the use of fossil materials to manufacture virgin plastic.
- Production/recovery of lower-carbon alternative fuels, such as biomass, biogas, solid recovered fuels (SRF) and heat recovered from waste incineration, are replacing more carbon-intensive fuels such as coal or fuel oil.

- Energy services for buildings or industrial facilities contribute to reducing our customers’ energy consumption and to the rollout of renewable or low-carbon energies, and, ultimately, reduce our partners’ emissions.
- Heat networks operated by the Group distribute heat to private users and industry more sustainably than individual systems in the long term. They make it possible to install more virtuous and generally more “decarbonizable” heating systems, since energy consumption is concentrated in fewer installations. By working to decarbonize and renovate these, Veolia also makes them greener in the short term.

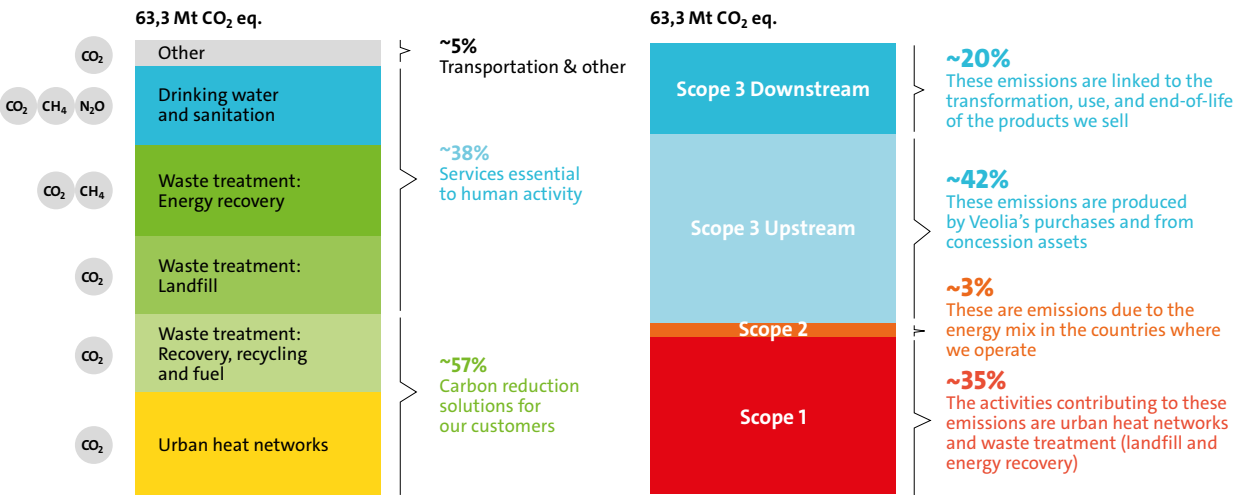
FOCUS

ON BIOGENIC CARBON

Only CO₂ from fossil sources is counted in our carbon balance (e.g. incinerated non-recyclable plastics), and not so-called “biogenic” CO₂ from organic sources (e.g. food waste), which is accounted for separately. Biogenic carbon emissions come from organic materials that had previously captured CO₂ present in the atmosphere, for example by photosynthesis. They are part of a short cycle (less than 100 years) that is considered carbon neutral. Conversely, biogenic methane is included due to its warming potential (28 times greater than that of CO₂).



Carbon balance: Breakdown of Veolia’s emissions by activity and by scope (1, 2 and 3) in 2021 pro forma⁽¹⁾



2021 is the baseline year for the Group’s emissions reduction trajectory. In 2021, 57% of the Group’s greenhouse gas emissions (scopes 1, 2 and 3) were produced from the recycling and recovery of waste and the operation of urban heat networks. By their nature, these activities have a carbon-reducing impact for our customers. The emissions inherent in these activities are also subject to reduction efforts. For the other services essential to human activity (38% of scopes 1, 2 and 3 emissions), the Group is also applying its expertise to reduce the associated emissions.

⁽¹⁾ The 2021 pro forma emissions presented here are the sum of Veolia’s emissions published in 2021 in addition to 2021 emissions from the Suez businesses acquired and still held on the date this document was published. Furthermore, 2021 emissions have been updated using the new emissions recognition method introduced in 2024 to better reflect Veolia’s operational control of GHG emissions from its operated assets.

SCOPES 1 AND 2: DIRECT EMISSIONS AND ENERGY CONSUMPTION

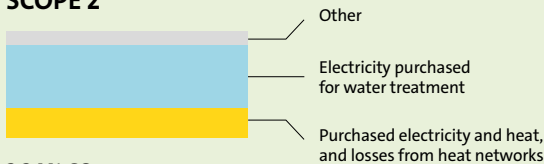
Emissions 2021 pro forma⁽¹⁾

SCOPE 1



22.2 Mt CO₂ eq.

SCOPE 2



2.2 Mt CO₂ eq.

Veolia's scope 1 represents emissions from our activities: 22.2 Mt CO₂ eq. Scope 2 depends on energy purchased by the Group and stands at 2.2 Mt CO₂ eq.

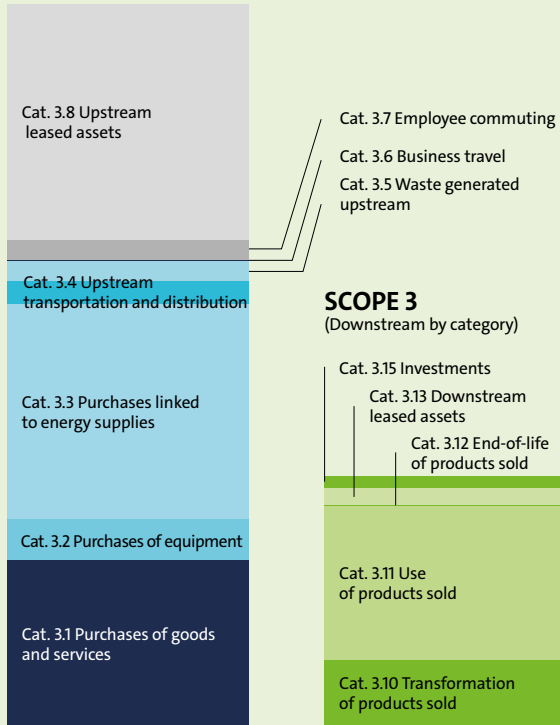
⁽¹⁾ The 2021 pro forma emissions presented here are the sum of Veolia's emissions published in 2021 in addition to 2021 emissions from the Suez businesses acquired and still held on the date this document was published. Furthermore, 2021 emissions have been updated using the new emissions recognition method introduced in 2024 to better reflect Veolia's operational control of GHG emissions from its assets.

SCOPE 3: INDIRECT EMISSIONS LINKED TO UPSTREAM AND DOWNSTREAM ACTIVITIES IN OUR VALUE CHAIN

Emissions 2021 pro forma⁽¹⁾

SCOPE 3

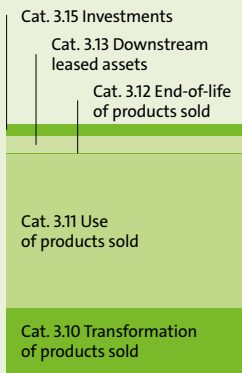
(Upstream by category)



26.3 Mt CO₂ eq.

SCOPE 3

(Downstream by category)



12.6 Mt CO₂ eq.

Scope 3 incorporates indirect emissions linked to activities upstream (26.2 Mt CO₂ eq.) and downstream (12.6 Mt CO₂ eq.) in the value chain.

⁽¹⁾ The 2021 pro forma emissions presented here are the sum of Veolia's emissions published in 2021 in addition to 2021 emissions from the Suez businesses acquired and still held on the date this document was published. Furthermore, 2021 emissions have been updated using the new emissions accounting method introduced in 2024 to better reflect Veolia's operational control of GHG emissions from its operated assets.

Scope 3 represents 61% of the Group's baseline pro forma emissions⁽¹⁾. It is divided into 2 parts:

- Veolia's **Scope 3 Upstream** covers emissions linked to purchasing, such as chemicals purchased for water treatment (cat. 3.1) and fuel (cat. 3.3), as well as emissions from concession assets not under the Group's operational control (cat. 3.8).
- Veolia's **Scope 3 Downstream** primarily covers emissions linked to the transformation (cat. 3.10) and use (cat. 3.11) of products sold by the Group: sorted or recycled secondary materials, and distributed gas. Category 3.11 also includes emissions linked to operation and maintenance contracts (O&M). Category 3.15, Investments (equity), covers emissions related to joint ventures where Veolia holds equity.

For most (85%) components of Scope 3 Upstream, calculations are made by applying physical emissions factors to business data (internal or supplier). The remainder (17%), calculated by applying monetary emissions factors to spending data, is forecast to fall thanks to Veolia's supplier engagement program, which includes refining how their emissions are calculated.

OUR ACTIVITIES

To contribute to the fight against climate change, we are rolling out numerous carbon reduction solutions. Here, we take a closer look at our activities: heat networks, landfill sites, energy recovery plants, and hazardous waste treatment.

FOCUS

ON HEAT NETWORKS

Essential infrastructure more virtuous than individual systems and able to incorporate renewable energies

The transition of our heat networks to low-carbon energy began in 2018 and continues apace. We are committed to the decarbonization of our heat networks with short- and long-term strategies that range from improving energy efficiency to eventually adopting low-carbon energy sources.

How does this work?

These systems for distributing centrally produced heat provide heating and hot water to groups of buildings or entire districts. They include one or more heat

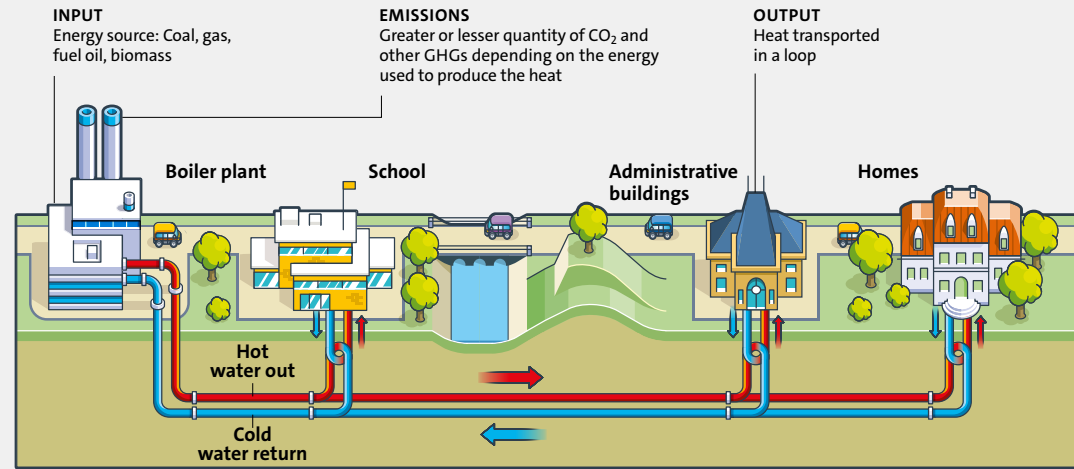
production units and a distribution network to transport the heat to people's homes.

The environmental impact positive or negative?

- + Recovery of residual or waste heat from local sources (energy recovery plant, wastewater treatment plant, etc.) for more considered energy use.
- + Reduced GHG emissions compared to coal when running on gas or renewable energies.
- Potentially heavy emitters for their size depending on maintenance levels and the fuel used:
 - Coal: 0.4 t CO₂ eq./MWh
 - Natural gas: 0.2 t CO₂ eq./MWh
 - Biomass (the CO₂ is biogenic and not counted in scopes 1 and 2).

Reducing the carbon impact of heat networks

- We decarbonize heat networks:
- In the short term: through improvements to networks, energy efficiency, and phasing out coal (in favor of natural gas, biomass, heat pumps, etc.).
 - Over the long term: by rolling out 4th- and 5th-generation heat networks that replace natural gas with a low-carbon energy mix (electrification, geothermal, biogas, etc.) and CO₂ capture solutions for any residual emissions.



FOCUS

ON OUR LANDFILL SITES FOR NON-RECYCLABLE WASTE

These installations emit large quantities of methane, but we are finding ways to decarbonize them

As an essential alternative to uncontrolled dumping of non-recyclable waste our landfill sites play a crucial role in protecting the environment and public health, despite the challenges presented by methane emissions. These installations represent a fundamental step toward more sustainable waste management, and the door is open to innovations that will reduce their carbon impact.

How does this work?

Landfill sites contain multiple cells – holes excavated in the soil and lined with a thick geomembrane to isolate them from the surrounding land.

This infrastructure is the first vital stage in creating an effective waste management stream, taking the place of unregulated dumping, which can cause pollution and serious health problems. And effective waste management streams still also use landfill sites for final waste. However, landfill sites can emit large quantities of methane, depending on the quantity of organic waste deposited in them. These facilities therefore represent an initial phase in environmental management, but must be supplemented by incineration and sorting/reclamation streams for organic waste – core business areas for Veolia.

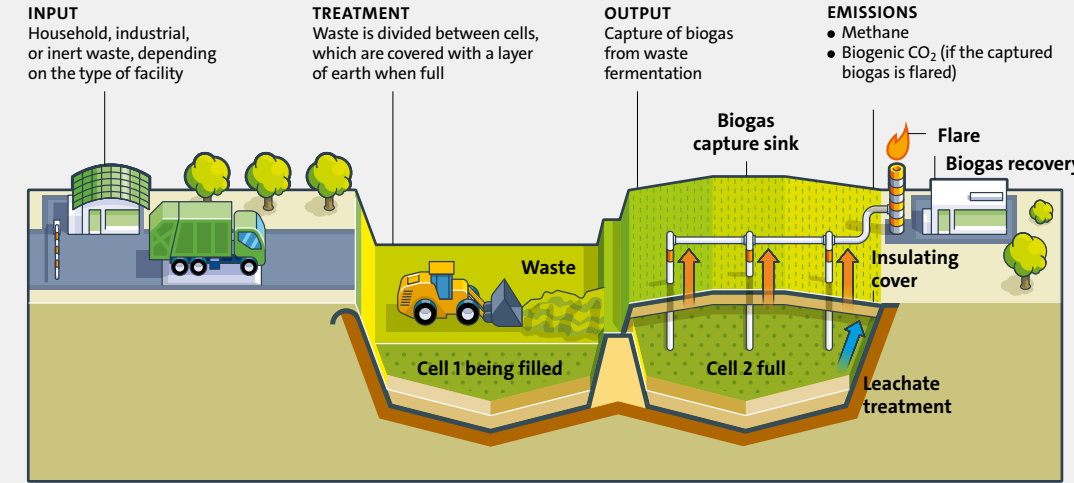
The environmental impact positive or negative?

- + Better than unregulated dumping.

- + Protect soil, watercourses, and groundwater tables.
- + Positive social and health impact for nearby communities.
- Greenhouse effect: methane emissions if not captured at source.
- Between 0.2 and 0.8 t CO₂ eq. per ton of waste buried in the short term, but long-term, this indicator reduces in line with the shrinking quantity of decomposing waste.

Reducing the carbon impact of landfill sites

- To decarbonize these sites, we plan to:
- Capture methane and produce biogas.
 - Reuse these sites for solar panel installations.



ON OUR ENERGY RECOVERY UNITS FOR NON-RECYCLABLE WASTE

Installations that offer important environmental benefits for non-recyclable waste management.

Energy recovery from waste plays a key role in our waste management strategy. It transforms non-recyclable waste into energy in full compliance with strict legislation on treating emissions from combustion. This approach considerably reduces the volume of waste sent to landfill and contributes to energy production, although the GHG emissions produced from the residual unsorted plastics in household waste remain an issue.

How does this work?

European legislation has set a target for 2035 of just 10% of waste sent to landfill. Along with recycling, therefore, incineration is an essential part of the waste treatment stream.

It consists in incinerating the non-recyclable part of municipal waste at temperatures ranging from 800 to 1,000 °C. Incinerators are equipped with sophisticated flue gas treatment systems to ensure compliance with the strict legislation on polluting emissions, such as dioxins. Most current incinerators are able to produce energy by recovering the heat emitted when waste is burned.

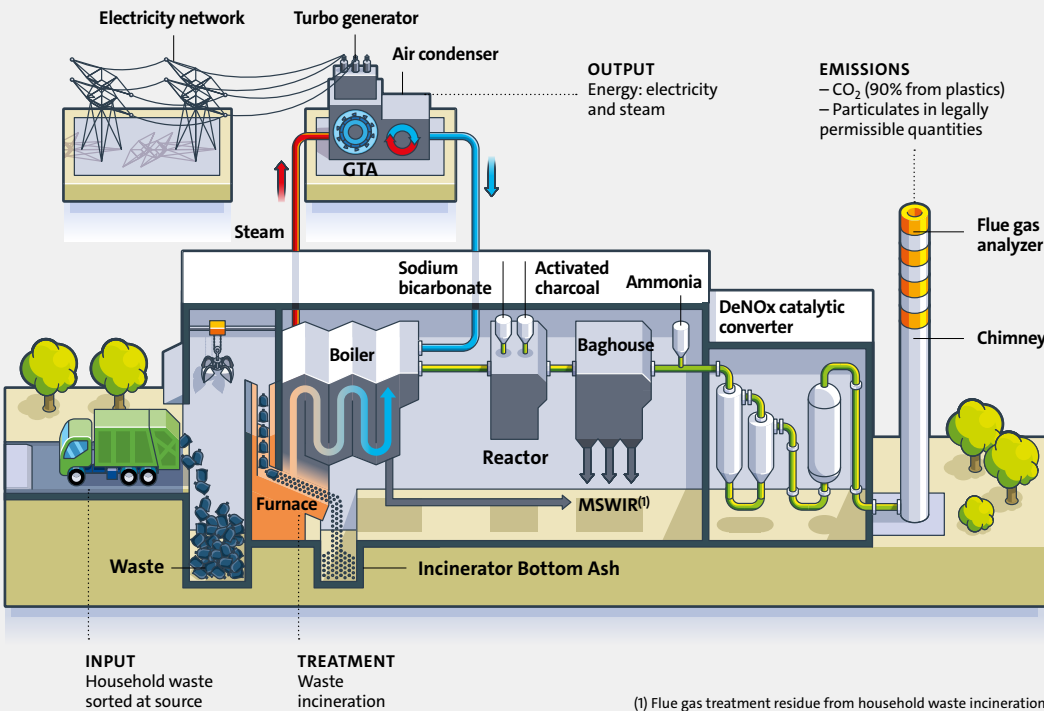
The environmental impact positive or negative?

- 90% reduction in the volume of waste sent to landfill.
- Destruction of organic waste, which, if not incinerated, would emit methane as it decomposed.
- Capture of harmful pollutants in the incineration ash.
- Cogeneration of heat and electricity to replace fossil-fuel generation.

- Significant emissions of GHGs and other atmospheric pollutants.
- 0.4 t CO₂ eq. per ton of waste incinerated, due to the plastic content in household waste (plastic is the source of 90% of the emissions from incinerating household waste).

Reducing the carbon impact of energy recovery units

- We are using incineration to decarbonize:
- In the short term: by improving plastics sorting and recycling to remove them from the incineration stream.
 - Over the long term: with CO₂ capture to transform incinerators into carbon sinks using Carbon Capture & Storage (CCS) or by reclaiming carbon through Carbon Capture & Utilization (CCU) to avoid resorting to the extraction of fossil energy for fuel production.



ON THE TREATMENT OF HAZARDOUS WASTE

Solutions governed by regulations and essential for protecting human health and the environment.

How does this work?

Some waste can be toxic or harmful to human health or the environment. Strict legislation and traceability standards apply to this type of waste. For hazardous waste that cannot be consigned to landfill or physico-chemically or biologically treated, incineration is a reliable and effective solution for destroying pollutants. The waste is oxidized by being incinerated at temperatures ranging from 850 to 1,100 °C. These installations are designed, equipped and operated to ensure compliance with the strict

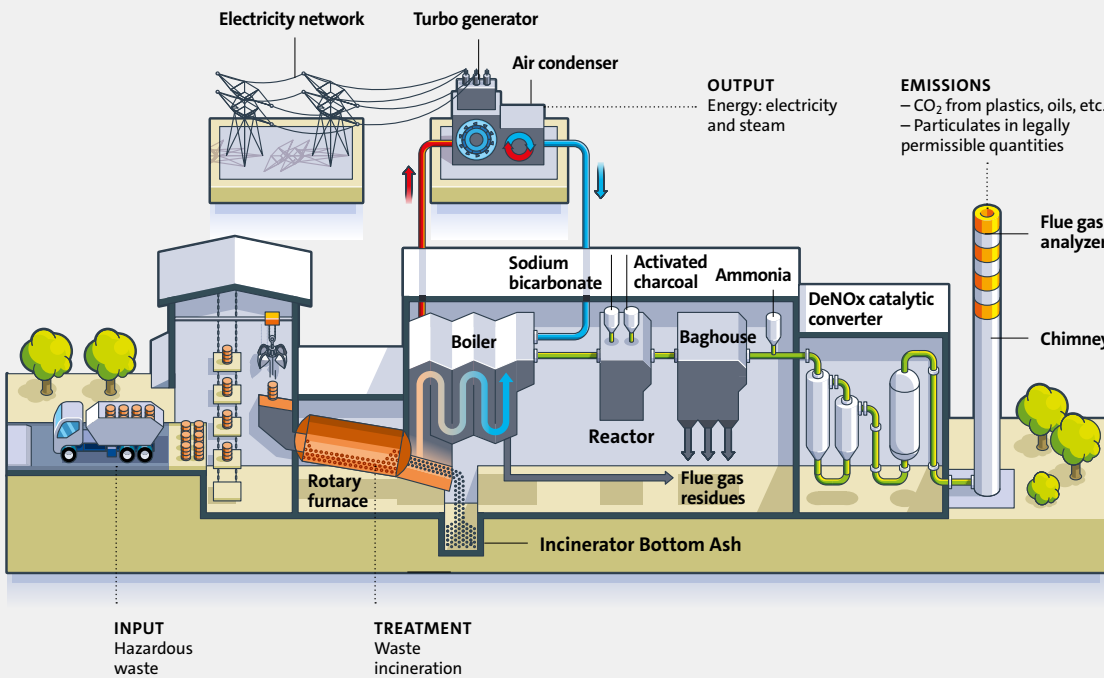
legislations on polluting emissions. Increasingly, installations can also recover the energy produced.

The environmental impact positive or negative?

- Safe and secure treatment of hazardous waste for which there are no alternatives.
- Better than unregulated dumping.
- Protects soil, watercourses, and groundwater tables.
- Positive social and health impact for nearby communities.
- Cogeneration of heat and electricity to replace fossil-fuel generation.
- Significant emissions of GHGs and other atmospheric pollutants.
- 0.78 t CO₂ eq. on average per ton of waste incinerated, produced from the waste's fossil carbon content.

Reducing the carbon impact of hazardous waste incineration

- In the short term: through thermal optimization of furnaces by injecting preheated air.
- In the short/medium term: by removing plastic hazardous waste containers and some liquid waste with high lower heating values (LHVs).
- Over the long term: through CO₂ capture and utilization to transform incinerators into carbon sinks using CCS, or carbon utilization through CCU to reduce the need to extract fossil energy to make fuel.



A CARBON FOOTPRINT IMPACTED BY OUR CUSTOMERS' EMISSIONS

Veolia operates its own assets as well as facilities belonging to its customers, and includes the emissions produced by those facilities in the Group's carbon footprint. In 2024, as part of the process of implementing the CSRD, Veolia updated the emission classification methodology applicable to all sites operated on behalf of customers.

_____ In the past, Veolia's GHG emission reporting classified all emissions from sites owned or operated by the group in scopes 1 and 2 as specified in the GHG Protocol. However, there was no clear distinction between the types of sites under its operational control owing to the lack of precise criteria in the relevant texts concerning the notion of operational control.

As part of the process of implementing the CSRD in 2024, Veolia undertook a detailed analysis of its CO₂-emitting installations in order to provide a clear allocation, as required by paragraph 46 of ESRS E1, of all greenhouse gas emissions according to the type of operational control it exercises.

This analysis drew on the reference regulatory framework set out in the GHG Protocol, as well as specific guidance such as additional directives on operational control in the Australian National Greenhouse and Energy Reporting Act (NGER Act, 2007) and the methodological guidelines for the assessment of greenhouse gas emissions from household waste management and similar services, published by the Ademe in France (2024).

The process produced an operational control assessment table, applicable to the Group's business models, that sets out the elements used to analyze operational control and conforms to existing regulations.

For each type of major carbon-emitting asset, the application of this assessment table resulted in the conclusion that emissions from:

- assets categorized as Merchant Plant (recognized as tangible fixed assets as per IAS 16) should be classed in scopes 1 and 2, because Veolia has full discretion in policy choices for how the asset is operated;
- assets or contracts categorized as Concessions (recognized as intangible fixed assets or financial assets as per IFRIC 12) should be classed in scope 3.8 (upstream leased assets), because ultimate decisions concerning operational and environmental policies lie with the concession grantor;

- pure Operation and Maintenance contracts (recognized as services contracts) should be classed in scope 3.11 (use of sold products), because Veolia is responding to demand for a waste treatment service, water service, etc., on the basis of a series of obligations defined and overseen by a public or private sector customer;
- entities outside the consolidated scope should be classed in scope 3.15 (investments), insofar as Veolia does not make ultimate decisions concerning operational and environmental policies.

As a result, Veolia has reclassified into scope 3 all scopes 1 and 2 emissions from assets not under its operational control, representing 11.9 Mt of emissions (scopes 1 and 2) in 2023, 35% of all the Group's scopes 1 and 2 emissions. Furthermore, Veolia has updated the 2021 baseline as a result of this changed methodology, leading to a reallocation into scope 3 of 10.9 Mt of emissions (scopes 1 and 2).

_____ Illustrations of types of contract where Veolia does not have operational control or command of the mechanisms for decarbonization



Example 1
A landfill site operated (O&M) by Veolia on behalf of a customer

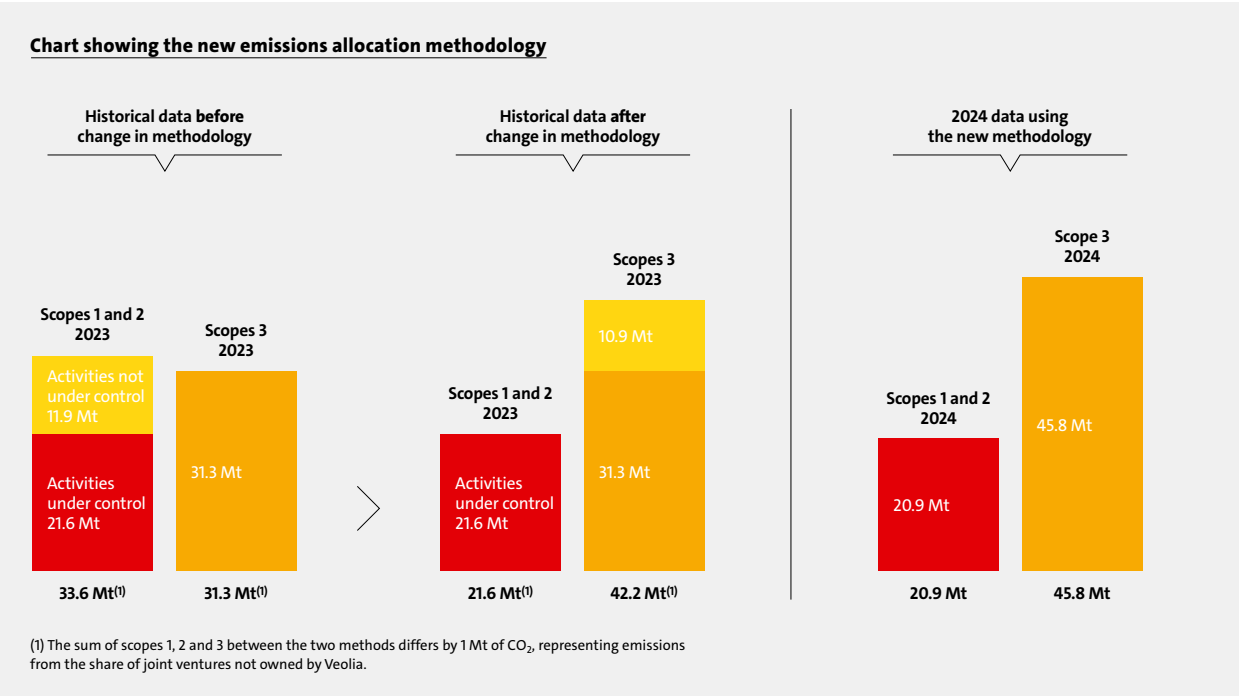
The customer retains operational control and classifies emissions in scope 1, with Veolia classifying them in scope 3 because:

- all waste remains the property of the customer, and the operator is required to process the waste at the customer's site and cannot opt for an alternative without the customer's approval;
- assets are provided by the customer, and the operator's sole obligation concerns maintaining these assets. The assets are also handed back to the customer at the end of the contract. All assets belong to the customer.

Example 2
A waste-to-energy plant operated as a delegated public service in France

The local authority retains operational control and classifies emissions in scope 1, with Veolia classifying them in scope 3 because:

- as part of the contract with the operator, the local authority defines the nature and source of waste for incineration, in line with the authorization from the local prefecture. The operator does not have full control over the waste treated at the site, whose composition directly influences the quantity of greenhouse gas;
- the local authority makes all decisions regarding major modifications to the facility, including measures for reducing greenhouse gas emissions such as waste-sorting or CO₂ capture installations.



DECARBONIZING

OUR CUSTOMERS' TRAJECTORIES

In line with our climate targets, decarbonizing our customers' businesses is a central component of our approach. For more than 10 years, we have been implementing innovative and sustainable solutions designed to shrink our carbon footprint.



CONSOLIDATING DECARBONIZATION EFFORTS: ACKNOWLEDGING SCOPE 4⁽¹⁾

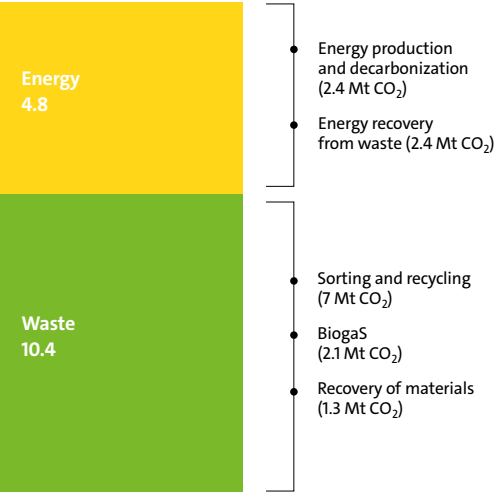
Scope 4 is an appropriate way to account for decarbonization efforts, corresponding to the reductions in emissions brought about by an organization’s activities, products or services when these reductions occur outside the scope of its own business.

SCOPE 4: AN IMPERATIVE FOR ACCELERATING THE DECARBONIZATION OF BUSINESSES

_____ The more customers the Group has, the higher its emissions. When Veolia operates in factories owned by its customers, their carbon emissions are included in Veolia’s carbon footprint. Paradoxically, companies working to decarbonize polluting activities, such as Veolia, are caught at a disadvantage. Their emissions reduction pathways lag behind those of other businesses – particularly companies that sell their

highest-emitting activities without even trying to transform them. Veolia calls for the recognition of Scope 4, covering emissions erased beyond the scope of its own operations, which would result in fair consideration of efforts made to help its customers and end users to decarbonize. This would also encourage the actors best placed to lead the ecological transformation to play their part. It is about urging companies to reduce the most difficult emissions. Given this context, Scope 4 is a relevant concept that highlights the positive impact of our decarbonization actions and acts as an accurate indicator of the ecological transformation.

SCOPE 4



2024 – 15.2 Mt CO₂

(1) Scope 4, erased emissions, is a specific notion Veolia uses to recognize third-party GHG emission reductions made possible by its decarbonizing solutions. Veolia warrants that Scope 4 emissions are accounted for differently than emissions recognized under scopes 1, 2 and 3, and can in no circumstances be deducted from scopes 1, 2 and 3.

SCOPE 4: CALCULATION METHOD

Veolia’s Scope 4 quantifies CO₂ that would have been released into the atmosphere in the absence of the decarbonization solutions it has implemented. The method used since 2023 is guided by current reference methodology and this indicator is reviewed by an external expert. For the calculations, a physical measure (tonnage, MWh, etc.) is multiplied by an avoidance factor. The latter is calculated using a baseline scenario for each country.

EXAMPLES

Energy
Veolia supplies heat and electricity produced using renewable or low-carbon energies. For example, the Group offers biogas solutions and energy recovery from waste in countries with a carbon-intensive energy mix. Veolia is thereby facilitating the avoidance of emissions that would have been generated from the fossil fuels used to produce the same quantity of electricity or heat.

Waste
Sorting and recycling plastics is another activity that avoids GHG emissions by our customers. Every ton of plastic recycled avoids 1.1 tons of CO₂ by reducing the need for virgin plastic produced from extracted oil.

HELPING OUR CUSTOMERS REDUCE THEIR EMISSIONS

_____ We are developing standout solutions in the energy, water and waste sectors to help our customers reduce their greenhouse gas emissions.



Replacing coal with waste energy recovery

In Lille and Roubaix, France, we operate a “heat super highway.” The heat network has been extended by 20 km to reach the energy recovery plant. Waste is now transformed into heat and electricity.

- 35,000 homes supplied with heat, and 20,000 homes with electricity.
- Veolia’s carbon balance: 123 kt CO₂ eq. annual increase (scope 3).
- Veolia’s commitment to decarbonization: 50 kt CO₂ eq. annual reduction (scope 4).



Replacing coal with solid recovered fuel made from non-recyclable waste to cogenerate heat and electricity

At the Solvay chemical plant in Dombasle, France, we are to produce heat and electricity from treated non-recyclable waste, known as solid recovered fuel (SRF). This solution is a substitute for coal and can be replicated at other chemical plants that use coal.

- Guaranteed supply, performance, and compliance of fuel.
- 100% of fuel supplied by our Waste Recycling & Recovery division (350,000 metric tons a year).
- Combustion waste treatment for 10 years.
- Veolia’s carbon balance: 250 kt CO₂ eq. annual increase for Veolia (scope 3).
- Veolia’s commitment to decarbonization: 250 kt CO₂ eq. annual reduction, i.e., 25% of Solvay’s annual CO₂ reduction target (scope 4).

Heating pools with energy from the sanitation network

At the “Cercle des nageurs” swim club in Marseille, France, Veolia transfers heat from the sanitation network to the water in the pools using a heat exchanger and heat pumps.

- 50% energy saving.
- Veolia’s carbon balance: 3,000 t CO₂ eq. annual increase (scope 3).
- Veolia’s commitment to decarbonization: 230 t CO₂ eq. annual reduction (scope 4).



FOCUS

SUPPORTING AUSTRALIA’S ENVIRONMENTAL TRANSITION

_____ In Australia, we are accelerating support for our customers in their environmental transition by rolling out custom decarbonization solutions.

Australia has undertaken a major environmental transition during the past 3 years, which seems irreversible. The nation wants to valorise its waste rather than landfill it, thus transforming

its highly carbonated energy mix, which is still based on significant local resources of coal and gas.

Despite the positive impact on Australia’s overall carbon balance, our internal carbon balance will take on more scope 1 from assets to decarbonise other sectors (our customers) but which themselves incur a carbon cost. Indeed, energy from waste involves inherent

emissions (630 kt CO₂ eq./year), but saves more elsewhere in the economy. The net balance of this development is highly attractive however current carbon accountability requires amendment to reflect the global reality. This example among others clearly indicates that taking into account downstream benefits within a scope 4 is essential to make sure we spend our capital well to manage climate change.

LANDFILL



Methane capture

- Target: 75% of methane captured by 2032 (currently 65%).
- Decarbonization: 200 kt CO₂ eq. reduction in emissions (scope 1).

ENERGY RECOVERY & RECYCLING



Energy recovery

- Target: a less carbon-intensive local mix and investment in recycling.
- CO₂ impact of energy recovery from non-recyclable waste:
 - Scope 1: 630 kt CO₂ eq. a year
 - Scope 4: 340 kt CO₂ eq. a year

RENEWABLE ENERGIES



Solar and wind installations

- Target: 450 MW to completely eliminate scope 2 and sell green electricity to industry.
- Decarbonization: 800 kt CO₂ a year reduction including 650 kt CO₂ eq. a year for scope 4.



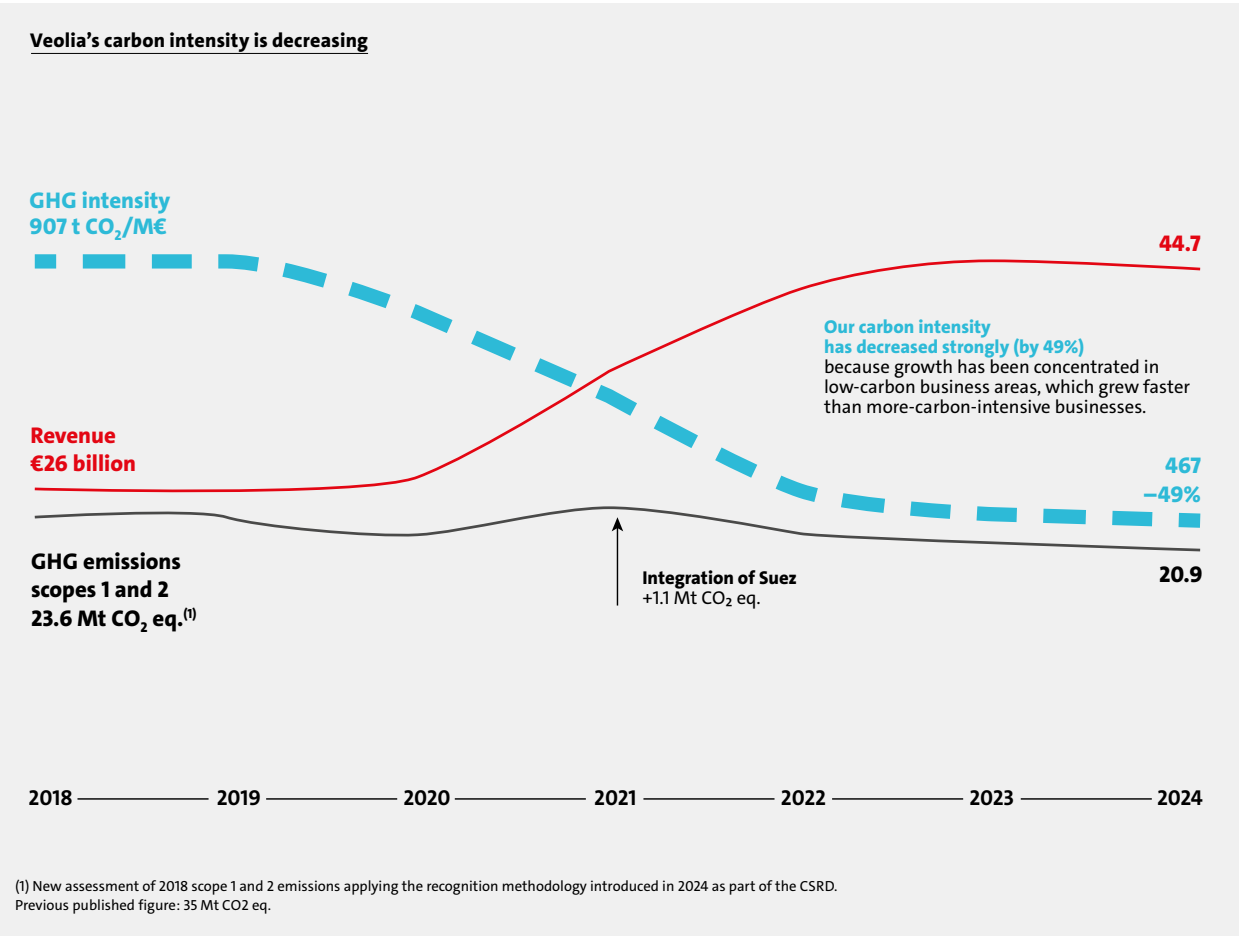
In Australia, Veolia is transforming waste management to move from landfill to incineration and the production of renewable energy.

REDUCING OUR CARBON INTENSITY

Since 2018, thanks to our decarbonization efforts, we have successfully reduced the carbon intensity of our business by 49% for scopes 1 and 2 by taking action in every business area.

Our carbon intensity has continuously fallen since 2018, including after the integration of Suez businesses (which added 1.1 Mt CO₂ eq. in 2021).

This reduction is the result of strategic choices for growth and decarbonization action, including the plan to phase out coal in eastern Europe.



DECARBONIZATION SOLUTIONS TAILORED TO LOCAL REALITIES

Our approach is embodied in all the projects launched with the aim of reducing our own carbon balance in every part of the world.

UNITED STATES

- Key Veolia actions:**
- Energy efficiency, long-term renewable energy contracts (PPAs), operational optimization, etc.
 - E.g. replacement of a coal-powered furnace by highly efficient gas-powered cogeneration at the DuPont plant in Virginia.

EUROPE

- Key Veolia actions:**
- Eastern Europe: phasing out coal by 2030 (emissions reduced by 3.5 Mt CO₂ eq.; €1.6 billion in investment).
 - Waste: optimized methane capture; photovoltaic solar.

ASIA

- Key Veolia actions:**
- Waste: methane capture plan – targeted annual reduction of approx. 450 kt CO₂, even without Veolia having operational control, as a result of involving the customer (the Hong Kong government) in the process.



LATIN AMERICA

- Key Veolia actions:**
- Landfill sites methane capture plan: target of 70% by 2027, for a 1.5 Mt CO₂ eq. reduction.

AFRICA & MIDDLE EAST

- Key Veolia actions:**
- Construction of desalination plants powered by renewable energy – projects won: Oman Sur (30% renewables; 300 kt CO₂ avoided).

AUSTRALIA

- Key Veolia actions:**
- Methane capture plan with an average target capture rate of 75% for landfills.

PHASING OUT COAL IN EUROPE BY 2030

Some years ago, in line with our decarbonization strategy, we launched a massive program to modify our urban heat installations in Europe to eliminate the use of coal as fuel.

€1.6 billion: the amount Veolia will have invested between 2018 and 2030 to phase out coal in eastern Europe. These investments affect 9 factories, 5 of which will have completed their transitions by 2026. This will allow a 3.5 Mt CO₂ eq. reduction in the Group's carbon balance by replacing the coal with a lower-carbon mix using gas, biomass, and heat pumps.



The 9 sites involved in the coal phase-out plan (investments by 2027)

POLAND

POZNAŃ

- Total invested: €240 million
- Coal phase-out (stage 1): 2024

ŁÓDŹ

- Total invested: €254 million
- Coal phase-out (stage 1): 2027/28

GERMANY

BRAUNSCHWEIG

- Total invested: €292 million
- Coal phase-out: 2023

CZECH REP.

KOLÍN

- Total invested: €6 million
- Coal phase-out: 2023

PŘEROV

- Total invested: €69 million
- Coal phase-out: 2023

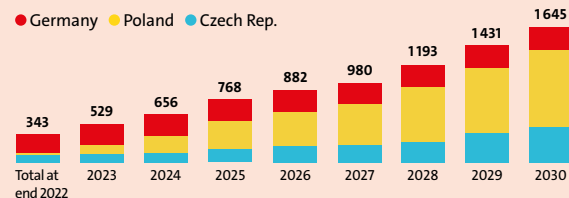
FRÝDEK-MÍSTEK I.

- Total invested: €39 million
- Coal phase-out: 2025

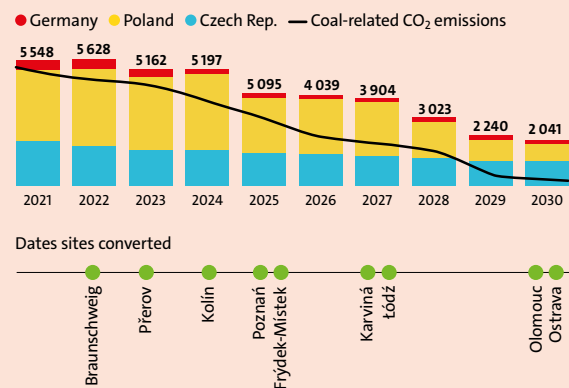
KARVINÁ I.

- Total invested: €185 million
- Coal phase-out: 2027

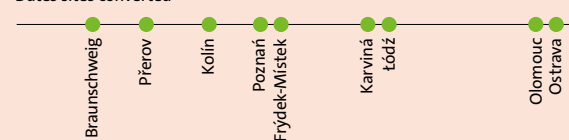
Total net investment by 2030 (millions of euros)



CO₂ emissions trajectory (thousands of metric tons)



Dates sites converted



To support its downward trajectory in CO₂ emissions, Veolia plans to invest €1.645 billion in converting its installations to lower-carbon energies by 2030.

Phasing out coal in Europe

Progress in our plan to phase out coal Over €656 million has been invested as of 2024. The expected reductions in emissions are as follows:

- 200 kt CO₂ in Germany
- 880 kt CO₂ in the Czech Republic
- 2,435 kt CO₂ in Poland

Projects in Braunschweig (Germany), and Přerov and Kolín (Czech Rep.) are completed. Poznań (Poland) is the next site due for conversion, with work scheduled to begin in 2025.

These projects have an IRR (internal rate of return) of over 10%.



REDUCING EMISSIONS FROM HEAT NETWORKS IN CHINA

Heat networks provide an essential service, especially to populations in regions of intense winter cold, such as North China. Decarbonizing these heat networks is a real challenge due to China's reliance on coal, and Veolia is engaged in discussions with the

Chinese authorities to find solutions. Without waiting for this obstacle to be overcome, Veolia is actively working on setting in motion all available decarbonization tools, backed by optimization and performance action plans. The Group has already obtained significant results for its main heat network in Harbin, with a 30% reduction in carbon intensity between 2012 and 2024. It has rolled out a program

aiming for a 25% reduction in GHG emissions by 2032. The Group is using several levers: partial fuel substitution, alternative heat sources (cogeneration), and in-situ heat recovery solutions.

METHANE CAPTURE

_____ To reduce our emissions in the waste sector, we are rolling out an ambitious methane capture plan in every region in which we operate.

On a 100-year scale, methane is a greenhouse gas with a warming potential 27 times greater than that of CO₂. Capturing it is therefore an effective lever for rapidly and massively reducing emissions from Veolia-operated landfill sites. In Latin America, the Group made it a priority to implement a dedicated methane capture plan. This zone contains 18 high-emitter landfill sites

(responsible for 57% of the total carbon emissions from Group landfill facilities in 2021). As part of GreenUp – our strategic program 2027, the whole Group is embracing methane capture. Each geographical zone is targeting capture rates at the highest possible performance levels, which vary according to local climate conditions (heat and humidity) and the moisture content of the waste received. The aim is to achieve an overall methane capture rate of 80% (59.8% in 2024) by 2032, a reduction of around 5 Mt CO₂ eq. compared with 2021. In practical terms, methane emissions are measured using

on-site sensors, satellite data, and calculations based on the waste tonnage entering each site. The methane capture itself involves placing a covering of membrane, clay, and earth over filled cells. Areas currently in operation are gradually fitted with capture pipework as the cells are filled. The captured gas is then converted into energy (it is the main component in natural gas) or flared off, if it cannot be converted locally (with a significantly reduced impact compared with venting – the release of methane into the open air, which is absolutely to be avoided).

Distribution by geographical zone of emissions from Group-operated landfill sites, with emissions reduction targets for 2032

United Kingdom

Emissions reduction target: ~200 kt CO₂ eq.

France

Emissions reduction target: ~1,000 kt CO₂ eq.

Latin America

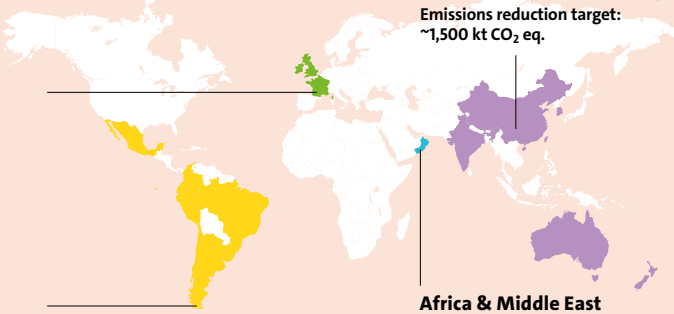
Emissions reduction target: ~2,000 kt CO₂ eq.

Asia-Pacific (incl. Australia)

Emissions reduction target: ~1,500 kt CO₂ eq.

Africa & Middle East

Emissions reduction target: ~300 kt CO₂ eq.



Biogas capture at landfill sites

Recovered biogas is transformed into electricity (12 MW – equivalent to the energy needs of a town with ~42,000 inhabitants) and into biomethane (3 sites since 2021), enabling the customer to decarbonize their business with 1.5 MT CO₂ avoided. Biogas emitted from landfill (Brazil)



Energy recovery

Waste treated to produce solid recovered fuel and biomethane (22,000 MWh) used in a cogeneration plant and injected into the public gas network. Rostock (Germany)



OPTIMIZING TREATMENT PLANTS

_____ We are committed to reducing our emissions linked to water treatment and are making use of every available lever: energy efficiency, solar energy, biomethane capture from wastewater, implementation of carbon-neutral desalination solutions, etc.



Main emissions reduction projects for Veolia water businesses

United States

- Nassau waste water treatment plant: reduction and optimization of energy consumption

Latin America

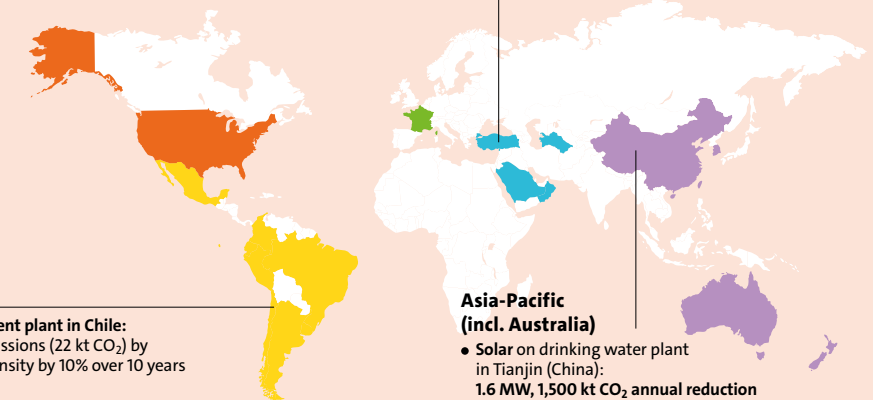
- Waste water treatment plant in Chile: 16% reduction in emissions (22 kt CO₂) by reducing energy intensity by 10% over 10 years

Africa & Middle East

- Desalination using solar energy: Sur (Oman, 300 kt CO₂ annual reduction)

Asia-Pacific (incl. Australia)

- Solar on drinking water plant in Tianjin (China): 1.6 MW, 1,500 kt CO₂ annual reduction



Solar-powered desalination in Oman

This solar project is the first of its type in the Middle East. It will produce more than 30 GWh (gigawatt hours) of green electricity a year, more than a third of the desalination plant's day-to-day requirements. Sur (Oman)



Transforming waste and wastewater into biomethane

Construction of France's largest facility for producing and injecting methane sourced from purification. The challenge is to purify the methane in order to reinject it into the public network. 9,000 t CO₂ eq. annual reduction. Valenton (France)



ACCELERATING

OUR DECARBONIZATION TRAJECTORY

We are accelerating our decarbonization trajectory in order to reach Net Zero by 2050.



OUR TRAJECTORY AND COMMITMENTS

We are committed to a trajectory of reducing our emissions. This trajectory is heading toward Net Zero (1.5 °C) with an accelerated deployment of decarbonization levers until 2032.

–50%

fewer scopes 1 and 2 emissions by 2032* (compared with 2021⁽¹⁾)

OUR SBTi COMMITMENTS

By 2032, the Group is committed to a 50% reduction in its scope 1 and 2 emissions and a 30% reduction across 67% of scope 3 compared with 2021.⁽²⁾

In September 2021, Veolia signed the Science Based Targets initiative's Business Ambition for 1.5 °C. In December 2023, following a long period of working with all our business units, the Group submitted its application to be

listed for SBTi 1.5 °C and Net Zero. In July 2024, the SBTi validated Veolia's short-term emissions reduction target (-50% by 2032) and recorded the Group's commitment to reduce its long-term emissions to achieve net zero emissions by 2050.

To achieve the 50% reduction in scope 1 and 2 emissions by 2032, we are acting on several decarbonization levers:

- Phasing out coal in our Energy business (€1.6 billion invested between 2018 and 2030).

- Increasing methane capture rates at our landfill sites for non-recyclable waste.
- Sorting and removing more plastic from incinerator inputs for the Waste business.
- Improving energy efficiency across all business areas.
- Decarbonizing the energy mix in Veolia-operated heat networks.
- The Group also plans to use vehicles with lower greenhouse gas emissions (electric and hybrid engines, and lower-carbon fuels).

We are using specific levers suited to our businesses and economic sectors to ensure the success of our

decarbonization strategy. This targeted approach is essential to achieving our climate objectives.

Emissions reduction levers by Group business area (scopes 1 and 2) (Mt CO₂)

WATER

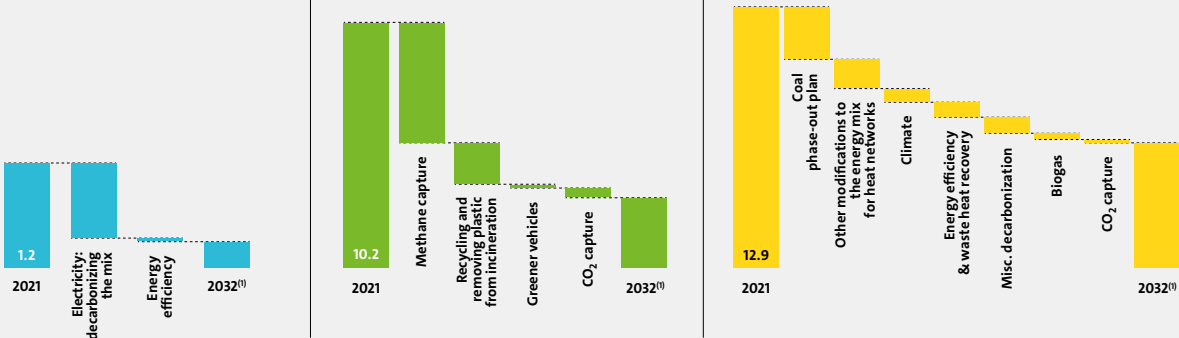
- **Using electricity from renewable sources:** recovering energy from wastewater treatment sludge; self-consumption; purchasing renewable electricity.
- **Energy efficiency.**

WASTE

- **Methane capture at landfill sites:** €250 million Capex invested between 2020 and 2032.
- **Less plastic** incinerated.
- **Decarbonizing** vehicles.
- **Trialing CO₂ capture** at source.

ENERGY

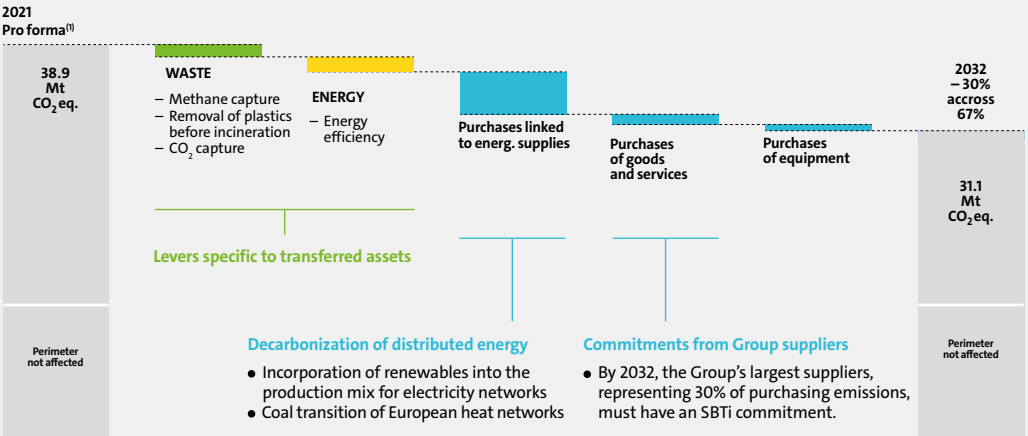
- **Coal phase-out plan** through less-emitting fuels (biomass, gas, and solid recovered fuel – SRF): €1.6 billion in investment spending (Capex) between 2018 and 2030.
- **Improved energy mix** in networks (heat pumps, biogas).
- **Energy efficiency** in networks.



(1) Based on 2021 perimeter. GHG scopes 1 and 2, 2021 pro forma. Source: IEA Net Zero scenario, Veolia analysis.

Veolia is committed to reducing emissions by 30% across 67% of its scope 3 by 2032.

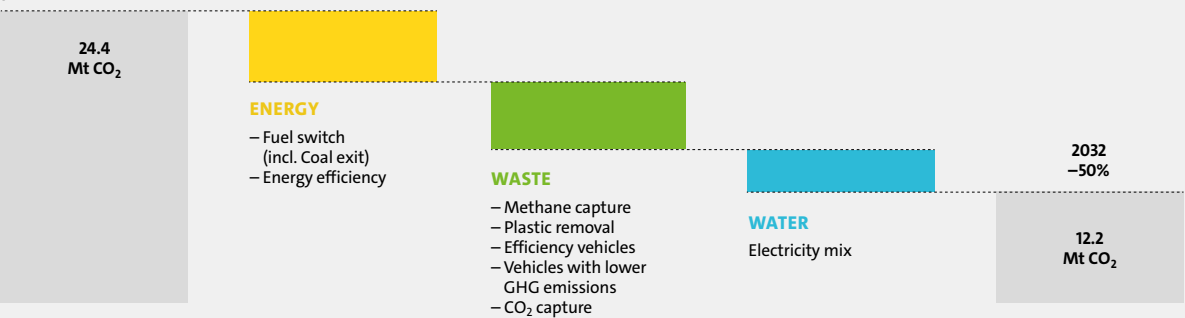
Veolia's scope 3 reduction levers



(1) The 2021 pro forma emissions presented here are the sum of Veolia's emissions published in 2021 in addition to 2021 emissions from the Suez businesses acquired and still held on the date this document was published. The baseline and 2032 target shown here do not take account of future re-baselining linked to variations in scope inherent to the Group's development.

Reduction levers to be implemented to halve the Group's scopes 1 and 2 emissions by 2032 (compared with 2021)

Scopes 1 and 2 pro forma 2021⁽¹⁾



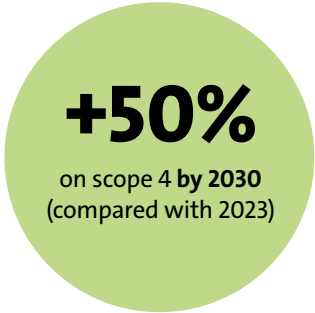
(1) The pro forma 2021 emissions presented here are the sum of Veolia's published emissions for 2021 and the 2021 emissions from the Suez businesses acquired and still held at the publication date of this document. Furthermore, 2021 emissions have been updated using the new emissions recognition method introduced in 2024 to better reflect Veolia's operational control of GHG emissions from its operated assets. Reductions in emissions for each lever are presented net of growth in the Group's business activities.

(1) The 2021 pro forma emissions presented here are the sum of Veolia's emissions published in 2021 in addition to 2021 emissions from the Suez businesses acquired and still held on the date this document was published. Furthermore, 2021 emissions have been updated using the new emissions recognition method introduced in 2024 to better reflect Veolia's operational control of GHG emissions from its operated assets. Reductions in emissions for each lever are presented net of growth in the Group's business activities.

(2) Following changes to CO₂ emission recognition methodology in 2024 as part of the CSRD, Veolia is submitting its updated trajectory to SBTi for approval in 2025. Its 2032 targets for a 50% reduction in scopes 1 and 2 (compared with 2021) and 30% across 67% of Scope 3 remain unchanged.

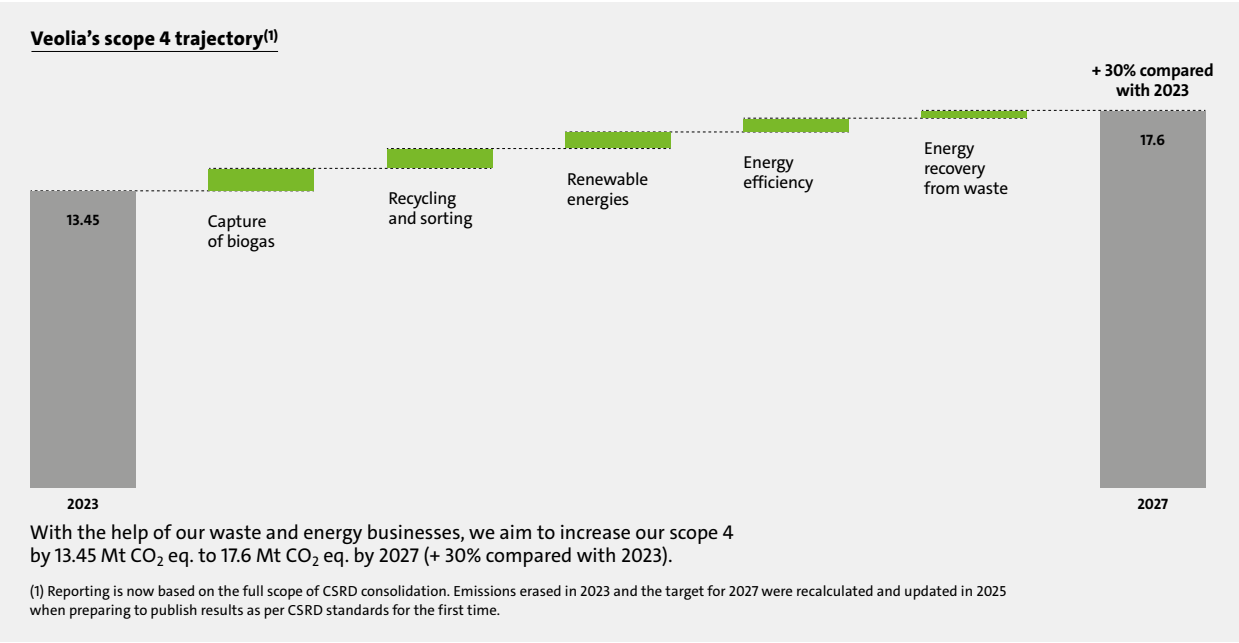
DECARBONIZING FURTHER THROUGH SCOPE 4

We are working to decarbonize our customers’ activities (scope 4).
We have set the ambitious target of increasing
our scope 4 by 50% by 2030 (compared with 2023).



As stated in the second part of this Climate Report, Veolia advocates the use of a “scope 4” in ESG scoring criteria. Adding this scope to the carbon balance would make it possible to assess a company’s full impact on the climate. This indicator would better measure the ecological and economic benefits created. We hope to see strong growth in our

scope 4 due to our activities by 2027, in line with the “decarbonization” pillar of our strategic program. The flagship action points in this program are: biogas capture and utilization, waste recycling, use of renewable energies, energy efficiency, and energy recovery from waste.



NET ZERO BY 2050 (–90% SCOPES 1, 2 AND 3)

Net Zero

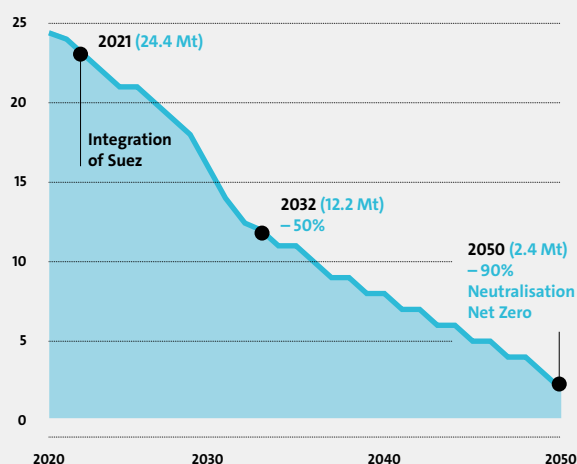
In 2050 for scopes 1, 2 and 3,
in line with the Paris
Agreement 1.5 °C target
(Validated by the SBTi⁽¹⁾)



Veolia has set itself a target of Net Zero GHG emissions by 2050.

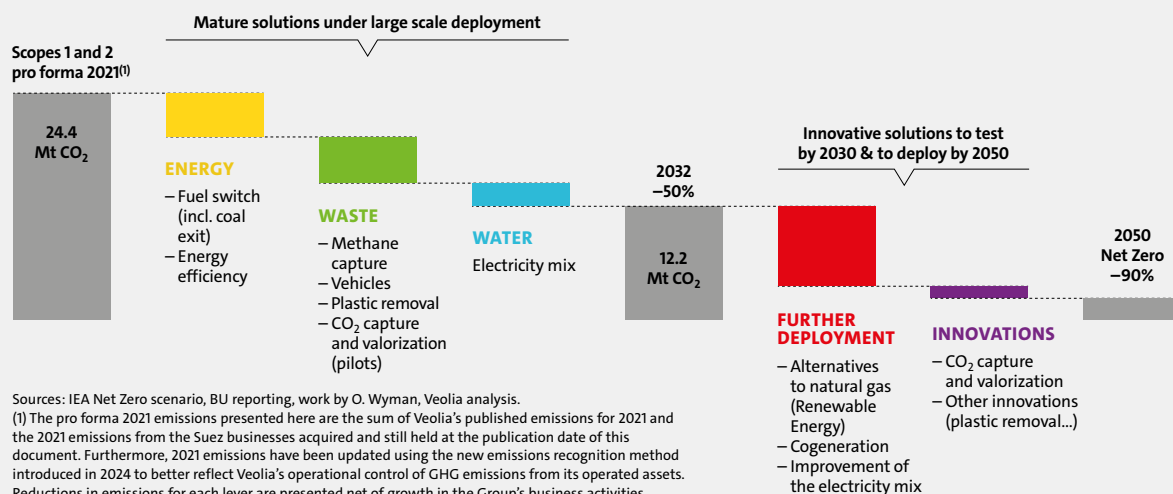
To achieve this objective, the Group will continue to invest in energy transition for its businesses, enabling them to use alternatives to natural gas, such as renewable electricity and CO₂ captured in its incinerators. However, it will remain impossible to reduce a fraction of our emissions (emissions from biological and chemical processes, for example). Sequestration solutions, under extremely strict conditions, will therefore be implemented to neutralize these residual emissions.

Veolia emissions target trajectory to 2050⁽¹⁾



Veolia's Net Zero trajectory aims to reduce GHG emissions by 90% by 2050 and to neutralize residual emissions.

Focus on Veolia's emissions reduction levers to 2050



In the period to 2050, the Group's growth and integration of new customer assets will see specific levers for these assets added to existing Scope 3 levers.
(1) Following changes to CO₂ emission recongition methodology in 2024 as part of the CSRD, Veolia is submitting its updated trajectory to SBTi for approval in 2025. Its 2032 targets for a 50% reduction in scopes 1 and 2 (compared with 2021) and 30% across 67% of Scope 3 remain unchanged.

INNOVATING TO PREPARE FOR THE FUTURE: DECARBONIZING HEAT NETWORKS

We are innovating to prepare for the future up to 2050.
For those activities most difficult to decarbonize, the Group
has started to build demonstrators in order to develop reliable solutions
with a view to rolling them out at industrial scale.

_____ The development of next-generation heat networks is a major lever for achieving Net Zero in 2050. In this way, the Group is responding to 2 requests from its customers: medium-temperature loops (5 °C to 30 °C, compared with the current 70 °C to 80 °C) and lower-carbon energy mixes.

1. Heat and cold network and medium-temperature loops in Saclay

- Principal: Paris-Saclay Public Development Corporation.
- Saclay site: 1 of 8 innovation clusters worldwide (Source: MIT Technology Review).
- Five-year operating contract secured.
- Production sources (50 GWh heat/cold): groundwater geothermal; biogas; waste heat; solar; heat pump.
- Carbon balance: over 50% of energy used is renewable or recovered.
- Challenges:
 - To double production of heat to 100 GWh and cold to 20 GWh by 2028.
 - To adopt a trajectory toward carbon neutrality (2050).
 - To anticipate developments in environmental standards.

Benefits

- Reduced energy consumption.
- Local renewable energy production (solar; geothermal; energy from wastewater; waste heat; energy storage).
- Flexibility.
- Reduced heat losses.

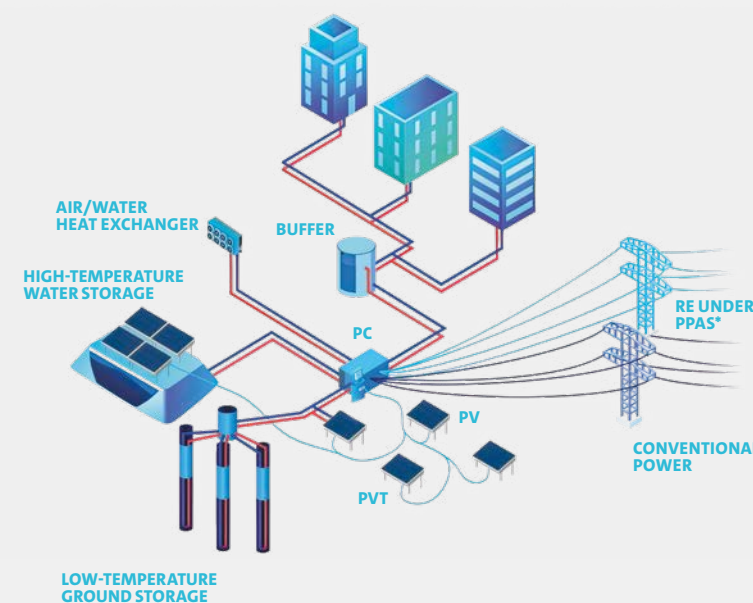
2. Heat network in Lidzbark Warmiński, Poland

- Challenges:
 - To create a demonstrator of the “furnace of the future.”
 - To use more than 90% renewable energy (no biomass) from 2023 onward.
 - To modernize the network and limit its temperature to 80 °C.

- Site: Lidzbark Warmiński heat network in Poland (Operator: Veolia Północ; Type: homes and businesses).
- Production source: heat pump systems powered by solar panels and 300 geothermal loops, with large (15,000 m³) and small (100 m³) hot water reservoirs.
- Carbon balance: emissions reduced by 50%.

“Furnace of the future” demonstrator

Veolia is demonstrating its expertise in innovation and low-carbon energy production solutions with maximum use of renewable and recovered energy in the regional mix.









* PPA: Power Purchase Agreement.

REUTILIZING AND RECYCLING BIOGENIC CO₂ AND REDUCING FOSSIL CO₂

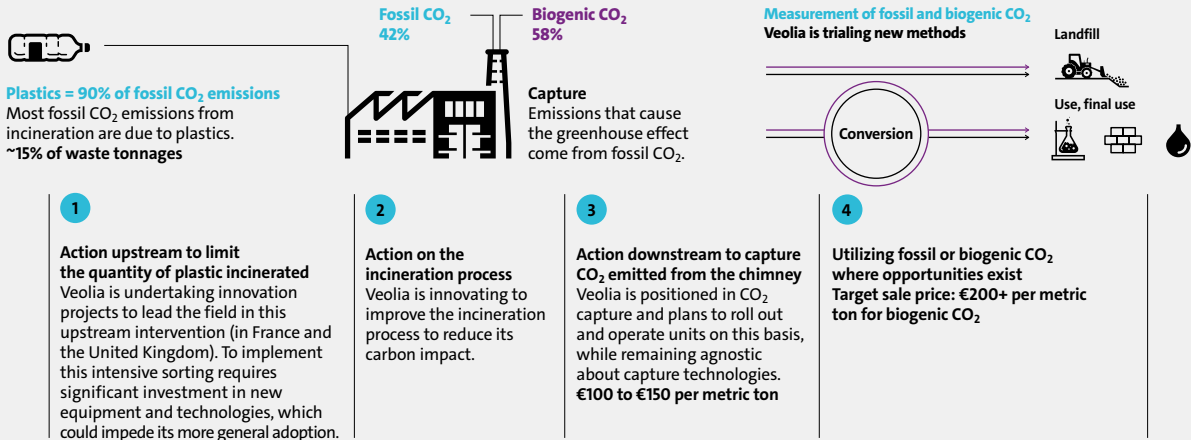
_____ We are working on innovative solutions to recycle and reutilize biogenic CO₂ emitted by our industrial customers or from the energy recovery of non-

recyclable waste. The transformation of biogenic CO₂ into biofuel could provide a low-carbon alternative to fossil energies, especially in the transportation sector.

At the same time, we are developing new levers for reducing fossil CO₂, such as the removal of plastics prior to incineration.

Innovation	Source of CO ₂	Processes	Use of recycled CO ₂	Examples	Illustration	Strategy
Measurement of biogenic CO ₂	Waste-to-energy recovery unit	Measurement	—	New measurement methods using satellites, Carbon-14 (e.g. test under way in Lisbon, Portugal)		Accelerate & roll out
Recycling biogenic CO ₂	Manufacturing	Capture & re-utilization	Biomethanol	Odin Project: biomethanol production from paper pulp		Accelerate & roll out
	Waste-to-energy recovery unit	Capture & re-utilization	Sustainable aviation fuel (SAF)	Studies included in the acceleration plan (Portugal & France)		Industrialize the innovation
	Waste-to-energy recovery unit	Capture & re-utilization	Methanol & other low-carbon molecules	Industrial-scale demonstrators and studies included in the acceleration plan (China & France)		Incubate the innovation
Reducing fossil CO ₂	Waste-to-energy recovery unit	Upstream sorting & recovery of plastics	Hydrogen & carbon black	Partnership and pilot study on plasma pyrolysis in France		Incubate the innovation
	Waste-to-energy recovery unit	Capture & storage	Offshore or onshore storage	Studies included in the acceleration plan (UK & Belgium)		Incubate the innovation

Example of innovative decarbonization applied to an energy recovery unit



ACCELERATING CO₂ CAPTURE

_____ We continue to innovate and to devise future solutions for capturing and utilizing CO₂. Demonstrators currently in the pipeline should enable us to scale these up to industrial levels.

1. CO₂ capture at source
Veolia plans to develop demonstrators to trial different carbon capture processes:

- Household waste incineration site in France.

- Industrial special waste incineration site in France.
 - Incineration site in Taiwan.
- The Group will launch feasibility studies to develop carbon capture engineering using different processes:**
- Energy recovery unit in Marchwood, UK (180 kt CO₂ annually).
 - Energy recovery unit in Mataró (Spain).

2. CO₂ storage

- Energy recovery unit in Marchwood, UK (180 kt CO₂ annually).

3. CO₂ utilization
Demonstrators and studies are testing and developing various ways to utilize CO₂:

- CO₂ can be utilized directly in sectors such as farming or manufacturing. A demonstrator is in place at a household waste incineration site in France.
- CO₂ can be transformed into methanol. 2 demonstrator projects are in progress: one at a Veolia incineration site in China and the other in France. These initiatives illustrate the Group's constant efforts to explore and optimize the various possibilities for utilizing CO₂.



Energy recovery unit in Marchwood, UK

QUALITY SOLUTIONS TO NEUTRALIZE OUR RESIDUAL EMISSIONS

We are already hard at work developing solutions to neutralize our residual emissions. This effort is in addition to our drive to reduce our own and our customers' emissions.

Why work to neutralize residual emissions?

1. In 2050, Veolia's businesses will still be emitting residual emissions that it is physically impossible to reduce (fugitive process emissions, residual emissions from capture, etc.).

2. It will be necessary to neutralize these emissions to fulfil our commitment to Net Zero by 2050.

Solutions must be found to neutralize Veolia's own emissions and/or issue high-quality carbon credits to help enhance the trajectories of other industries and regions.

3. With an estimated volume of several million tons CO₂ equivalent, Veolia will be a major player in the sequestration market. This market is destined to expand strongly as more and more organizations commit to Net Zero.

We are working on innovative sequestration solutions for the long-term storage of CO₂ in the ground, which will also improve soil fertility in the process.



Biochar

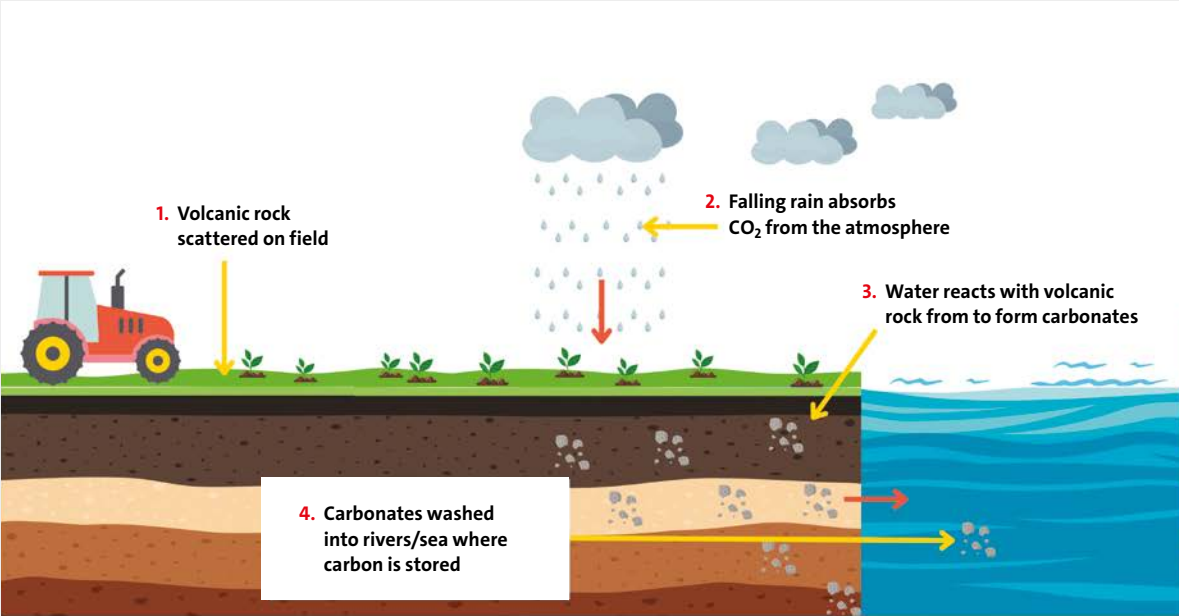
This material is produced via high-temperature pyrolysis of biomass. It helps fertilize soils and makes it possible to store carbon in solid form. Testing is under way to evaluate the feasibility of this approach.

Enhanced rock weathering

This method involves spreading crushed basalt or silicate rocks on the land, where they react chemically with the CO₂ in rainwater. This reaction forms carbonates in which the carbon is stored for millennia. Testing is planned using 10 kt of rocks.



How enhanced rock weathering works





ADAPTING TO

CLIMATE CHANGE

Alongside our efforts to reduce greenhouse gas emissions, the Group is working tirelessly on measures to adapt to the effects of climate change. The Group has already analyzed exposure to climate risks at 2,000 sites, making it possible to identify the locations where adaptation efforts must be prioritized.

OUR EXPERTISE IN THE WATER SECTOR: A MAJOR ASSET IN HELPING LOCAL AUTHORITIES AND INDUSTRY ADAPT

While the Group is already implementing mitigation actions on a massive scale through our decarbonization plan, our water businesses place us at the forefront of the urgent process of adapting to the already visible symptoms of climate change. We are supporting our customers with solutions to help them adapt and improve their resilience.



Disruption to the water cycle is an early tangible manifestation of climate change, with an alternating pattern of “far too much water” and “far too little” fresh water, or fresh water that is not available in the right place or at the right time. Veolia has proven solutions to help its local authority and industrial customers adapt by taking care of water regionally.

Many regions of the world are already experiencing significant water stress. The world’s population continues to grow, and climate change will only accentuate the disruption to the water cycle that we are already seeing. The Group can offer proven solutions to prepare these regions for the reduced availability of water resources.

EFFECTIVE INFRASTRUCTURE AND FEWER LEAKS IN DISTRIBUTION NETWORKS

The yield from water networks can exceed 80% in developed countries but is often less than 50% in some developing countries. This means that more than half the water produced is lost due to leaks in the networks. Reducing leaks is therefore an effective means of preserving water resources. Veolia has a range of solutions: predictive surveillance, leak detection, and network optimization and repair.

Veolia is also a pioneer in developing nature-based solutions that combine flood risk management with biodiversity protection. In Alicante, Spain, the Group created a natural flood plain designed as a floodable urban park. This innovative green infrastructure draws inspiration from the natural marshes and wetlands of the Mediterranean region. It not only limits flood damage but also contributes to biodiversity preservation by providing a habitat for various local plant and bird species.



OPTIMIZING AND MANAGING WATER CONSUMPTION (REDUCING RESOURCE EXTRACTION)

Veolia offers its local authority customers solutions aimed at preserving water resources by reducing and managing consumption. In 2023, Veolia renewed its public service delegation contract with the city of Lille, France, with a target of reducing its water consumption by 65 million m³ between 2024 and 2033.

MOBILIZATION OF ALTERNATIVE RESOURCES TO PROTECT FRESHWATER RESOURCES

• Reuse of treated wastewater: Freshwater represents just 2.5% of available water on the planet. In the face of a rapidly growing global population, accelerating urbanization, and global warming, this resource is becoming increasingly scarce. Access to drinking water is now a major environmental, social, and economic challenge for cities and industries. Recycled water can be used for agricultural irrigation (which alone represents 32% of the worldwide market), landscape irrigation, industry, or recharging groundwater tables. We have more than 350 proprietary technologies for treating water in all its forms, including wastewater, through refining, bacterial disinfection, and elimination of micropollutants. In 2022,

Veolia facilitated the reuse of nearly 1 billion cubic meters of wastewater, equivalent to the average annual consumption of 18 million people (in developed countries).

• Seawater desalination: Desalination is an effective way to combat water stress in arid coastal regions. This solution has great potential, since 40% of the world’s population lives less than 100 km from the sea, with 25% less than 25 km away. Desalination is also an appropriate way to provide drinking water in regions where natural resources tend toward salinity: rivers, estuaries, brackish inland and underground water, etc. The Group desalinates 13 million m³ of water a day and its technologies are used in more than 108 countries. Veolia is one of the world leaders in desalination solutions that are environmentally sound and energy efficient, based in particular on membrane (reverse osmosis) technologies and the use of renewable energies.

FOCUS

CASE STUDY: ADAPTING TO CLIMATE CHANGE IN AGBAR AND AGUAS ANDINAS

While the physical impacts of climate change are beginning to materialize in every region where we operate, they have historically been more marked in Spain and Chile. Our local subsidiaries, Agbar and Aguas Andinas respectively, have therefore been working to adapt to climate change for many years.



AGUAS ANDINAS – CHILE

Chile has been suffering megadrought for more than a decade. In December 2022, precipitation into the Mapocho River was down 70% compared with the 1991-2020 average for that month. The Santiago de Chile region is also badly exposed to periods of heavy rains that intermittently cause extremely high turbidity levels.

Standing in the front line against these impacts, Aguas Andinas incorporated climate change issues in its roadmap, with an analysis of its exposure to the effects of climate change. This analysis, based on an RCP 8.5 scenario, highlighted the need to take action in several areas, including an investment program of more than \$300 million to improve Santiago's water autonomy with reservoirs and new wells.



AGBAR – SPAIN

Spain is currently facing a period of chronic drought, which has reached extreme levels since the winter of 2022. This has created severe pressure on water resources. The country is also exposed to extreme phenomena such as heatwaves and violent storms.

In 2021, in response to these climate challenges, Veolia's Spanish subsidiary, Agbar, analyzed the main vulnerabilities and precise level of exposure of the infrastructure it operates. The analysis was based on IPCC climate projections for 2030 and 2050 and covered the increase in temperature, heatwaves, heavy rains, droughts, high winds, rising sea levels, and fires.

Agbar has also developed an ecosystem of dedicated resilience solutions, such as multi-risk (floods, winds, fires, etc.) assessment and alert systems, and the large-scale rollout of wastewater reuse solutions.

REDUCING OUR RISKS AND VULNERABILITIES

Veolia has carried out a risk analysis looking at overall exposure to physical climate risks at over 2,000 sites it operates based on an RCP 8.5 scenario for 2030 and 2050. Furthermore, advanced site vulnerability studies have been conducted to improve understanding of operational risks relating to climate disruption and begin implementing action plans.

Numerous tools and levers are available to help reduce the risks associated with natural disasters, which are likely to intensify in coming years:

- Choosing a site location that limits its exposure or incorporating extreme event risks in plant design.
- Updating business continuity plans and crisis management plans to include climate events.

- Sharing recommendations and best practices, particularly concerning working conditions and climate change. These measures already contribute to physical risk management.

To complement these initiatives, the Group provides all its entities with tools for assessing climate risks and help with putting in place action plans for each activity (standardized exposure profile

and catalogue of adaptation solutions). This approach means site teams can identify the best adaptation strategies at local level, launch action plans, and boost resilience for the Group and its customers.



In 2023, we analyzed the exposure to physical risk of almost 2,000 assets owned by the Group or operated on behalf of our customers worldwide. This work allows us to better understand the main physical risks the Group faces, and also the possible impacts of climate change on our

operational and environmental performance, thanks to vulnerability studies carried out at the local level. Over 20 site studies have been carried out since 2022, 10 of them in 2024, mainly looking at water and waste activities in the different regions where we operate.

The table below provides a quick overview of how the impacts of climate change translate into operational impacts for the drinking water production business. It presents example courses of action identified by teams that took part in the pilot studies.

CLIMATE RISK	Examples of operational vulnerabilities identified	Examples of adaptation measures for the water business
HEATWAVES	<ul style="list-style-type: none">• Maintaining indoor and outdoor working conditions (productivity, health, and safety risks)• Damage to sensitive equipment (electronic and electrical)• Delays to work schedules• Degradation of water quality due to proliferation of algae• Water demand pressures and worsening conflicts over use• Rising costs of energy to maintain operating temperatures• Increased risk of fires and explosions	<ul style="list-style-type: none">• Reorganize work schedules• Improve insulation against cold/heat in buildings• Systematically build redundancy into cooling equipment for critical applications• Provide personal protective equipment (PPE) suitable for high temperatures• Improve hydrogen sulfide monitoring
HEAVY RAINS	<ul style="list-style-type: none">• Damage to sensitive equipment (electronic and electrical)• Pollution thresholds exceeded• Disruption to supply chains and transportation services (preventing response to callouts)• Turbidity degrading water quality• Facilities for treating wastewater and rainwater overwhelmed	<ul style="list-style-type: none">• Raise the height of equipment based on extremes• Prioritize emergency warning systems• Build redundancy into electrical supply equipment• Improved waterproofing of critical equipment• Work with sanitation services before heavy rains occur to clear traffic lanes
DROUGHT	<ul style="list-style-type: none">• Scarcity of water resources impacting the production and distribution of drinking water, and cooling requirements• Degradation of water quality creating the need for additional treatment and/or larger facilities• Clay shrinkage and swelling causing infrastructure damage in clay soil areas	<ul style="list-style-type: none">• Ensure adequate reagent storage• Install water reuse solutions• Resize facilities to accommodate the additional treatments• Prioritize redundancy in local resources and networking in collaboration with local stakeholders



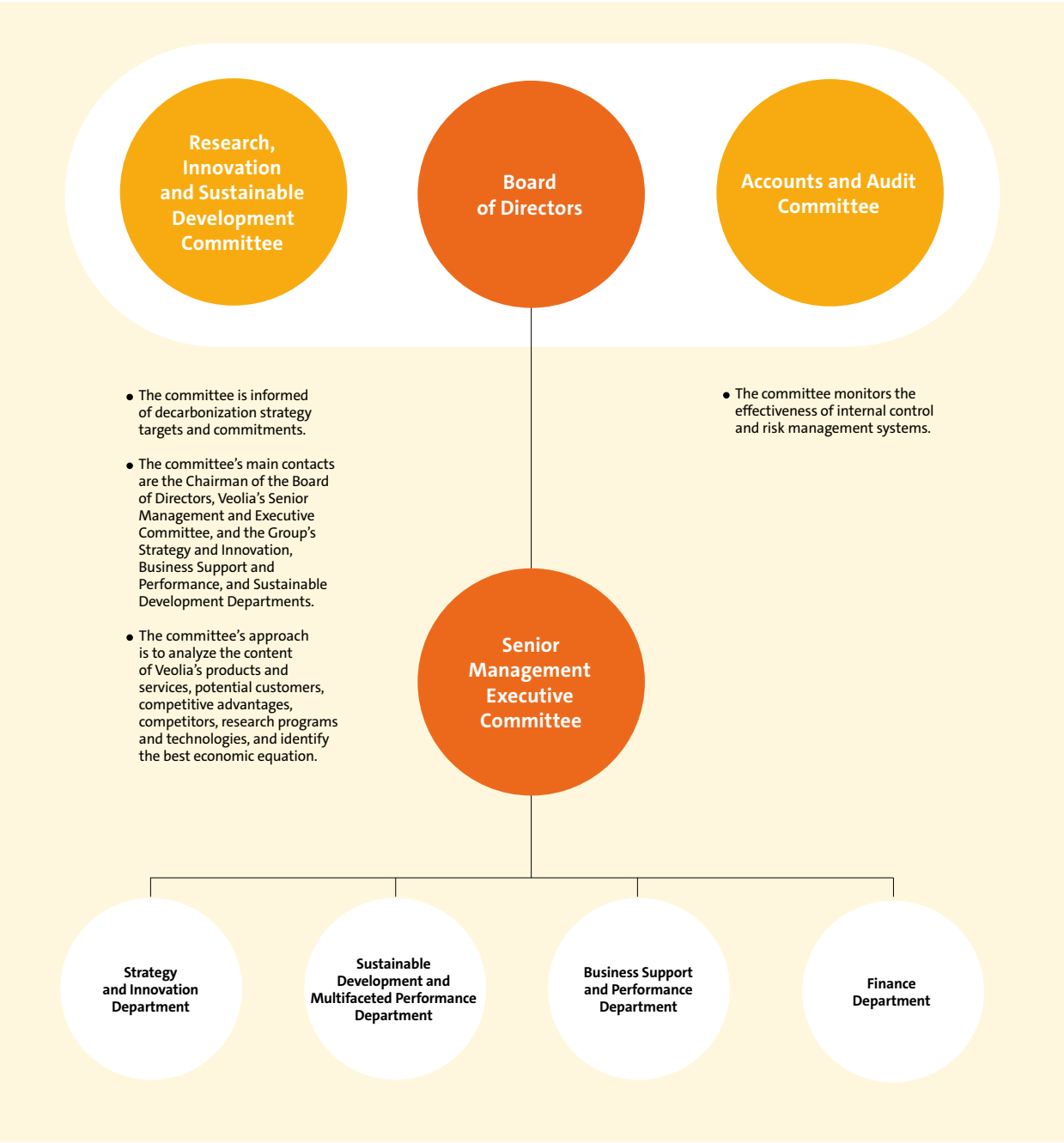
A ROBUST GOVERNANCE

FRAMEWORK

To meet the challenges of mitigating and adapting to climate change, we can count on the involvement of our governing bodies.

HONORING OUR COMMITMENTS THROUGH STRONG CLIMATE GOVERNANCE

Our climate governance ensures that our commitments are being met. The management of our carbon trajectory follows a process similar to the way we manage our financial commitments.



STAYING THE COURSE OF DECARBONIZATION

We set precise decarbonization targets for scopes 1 and 2, with CO₂ budgets tailored to each zone. These budgets are established in the same way as financial budgets, taking account of each business sector, growth objectives, and local legislation on CO₂.

SCOPES 1 AND 2 TARGETS BY GEOGRAPHICAL ZONE

- To create their CO₂ targets, we defined binding CO₂ budgets for each geographical zone. These are prepared according to:

- The main business sectors, some of which are easier to decarbonize than others.
- Growth targets in the geographical zone, as rapid growth dampens the apparent results of decarbonization.
- Local legislation on CO₂.

- From January 2024, the Finance Department will monitor each business unit's CO₂ performance on a quarterly basis, with the help of a digital reporting tool linked to CO₂ data from the highest-emitting sites (Key Climate Assets). This step opens the way to more granular management of the Group's decarbonization trajectory.

COMPENSATION ALIGNED WITH OUR GHG REDUCTION

Compensation for our managers, including the Chief Executive Officer, is now partly index linked to climate performance.

- Up to 5% of Chief Executive Officer's annual variable compensation is index linked to climate performance. The same

applies to our other senior executives- including the CEOs of geographical zones.

- Performance incentives for Group executives and key contributors are also allocated according to climate performance.
- The criteria used are:
 - Reduction of Veolia's scopes 1 and 2 emissions.

- Achievement of targets on erased emissions.
- Rate of progress on planned investments to reduce greenhouse gas emissions. It is therefore directly impacted by the speed with which the plan to phase out coal by 2030 is implemented.

GLOSSARY

Biogenic CO₂
CO₂ present in biomass due to photosynthesis – mostly found in food waste and residues from forestry, farming and agrifood.

Carbon Capture and Storage (CCS)
Capture and storage of carbon, sequestered in deep geological layers.

Carbon Capture and Utilization (CCU)
Capture and utilization of carbon as a raw material for synthesizing fuel, chemicals, or materials.

Carbon neutrality
State of equilibrium between anthropogenic emissions and greenhouse gas (GHG) sequestrations, principally achieved by reducing GHG emissions and sequestering residual emissions in biological or technological sinks.

Cogeneration
Based on the recovery of heat emitted during electricity production, cogeneration is one solution to the current challenges of making energy savings, reducing carbon impact, and lowering costs.

Energy recovery unit
Facility for incinerating non-hazardous waste to produce electricity or supply a heat network.

ESG
Abbreviation denoting environmental, social and governance factors used in analyzing a company's extra-financial performance.

Green electricity
Electricity generated using only renewable energies.

Incinerator Bottom Ash (IBA)
Residue from waste incineration.

Oxidization of hazardous waste
Chemical reaction, often caused by oxygen, of potentially harmful or toxic compounds from hazardous waste into less harmful CO₂ and H₂O molecules.

Pro forma
Pro forma value reworked to take account of the disposal by Suez of certain businesses (including operations in northern Europe) in 2020 and 2021.

Renewable energies:
Energy from wind, solar, hydropower, biomass or geothermal sources used to produce heat or electricity.

Science Based Target initiative (SBTi)
Initiative that helps businesses set greenhouse gas emissions reduction targets based on scientific data in order to achieve the Paris Agreement target.

Scopes 1, 2 and 3
The terms scope 1, scope 2 and scope 3 are used to describe the carbon balance of a product or organization. The carbon balance serves to determine the emissions generated by the manufacturing and life cycle of a product, or an organization's activities, over a given period. Direct emissions are included in scope 1, while scope 2 accounts for indirect emissions related to energy consumption, and scope 3 other indirect emissions.

Scope 3 Upstream and Downstream
Emissions linked to the most important scope 3 factors:

- Purchases of products and services
- Fixed assets
- Energy falling outside scopes 1 and 2
- Upstream transportation and distribution
- Waste
- Business travel
- Commuting
- Transformation of products sold
- Use of products sold

Scope 4
Scope 4, erased emissions, is a specific notion Veolia uses to recognize third-party GHG emission reductions made possible by its decarbonizing solutions. Veolia warrants that Scope 4 emissions are accounted for differently than emissions

recognized under scopes 1, 2 and 3, and can in no circumstances be deducted from scopes 1, 2 and 3.

Solid Recovered Fuel (SRF)
Solid fuel derived from non-hazardous waste and converted to energy when incinerated.

Ton equivalent CO₂ (t CO₂ eq.)
Unit of a measure devised by the IPCC to compare and combine the impact of different greenhouse gases (GHGs) over a given period of time.

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