

Q1 2021 Results

May 5th, 2021



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Q1 2021 RESULTS AGENDA

01

Success of the Veolia-Suez combination

02

Q1 2021 key highlights : Q1 delivery significantly above 2020 and 2019

03

Q1 2021 Operational and Financial performance : a very strong start to the year

04

Appendices

1- Success of the VEOLIA-SUEZ combination

*VEOLIA and Suez have
reached a historical
agreement*

Antoine Frérot, CEO



SUCCESS OF THE VEOLIA-SUEZ COMBINATION

VEOLIA AND SUEZ HAVE REACHED HISTORICAL AGREEMENT

- ❑ **On April 11th, agreement between Veolia and Suez's Boards enabling the creation of the world champion of the ecological transformation**
 - ✓ **Veolia will launch a tender offer** on the remaining 70.1% of Suez shares at a price of **€20.5** dividend included
 - ✓ Offer will be recommended by Suez's Board
 - ✓ **Veolia's revenue will reach €37bn** including **€10bn** of Suez revenue comprising **all the key strategic assets** : Latam, Spain, US, Australia, UK
 - ✓ **New Suez** will retain all the French water and waste assets (mostly anti trust remedies) complemented by a portfolio of water assets outside France for a **total revenue of around €7bn**
 - ✓ **Reiteration of all social commitments** for a period of four years after the closing of the offer
 - ✓ All legal actions abandoned on both sides

SUCCESS OF THE VEOLIA-SUEZ COMBINATION

VEOLIA TO BECOME THE WORLD CHAMPION OF THE ECOLOGICAL TRANSFORMATION

- ❑ **Creation of the world champion of ecological transformation**
 - ✓ Veolia's revenues to increase to €37 billion with 230 000 employees
 - ✓ International geographical footprint significantly enhanced, notably: Spain, US, Latin America, Australia, UK
 - ✓ Complementary clients and technologies
- ❑ **Strong value creation potential**
 - ✓ The new Veolia group will include all Suez's strategic assets enabling the full delivery of the **€500M synergies**
 - ✓ **Double-digit EPS ⁽¹⁾ accretion achieved as from in year 1 (2022), and 40% in 2024**
- ❑ **Financing designed to maintain our financial robustness**
 - ✓ Total EV of ~€26bn including €13bn of equity
 - ✓ **Remaining 70.1% equity value of €9.2bn will be largely financed by the asset divestitures**
 - ❖ Asset divestitures EBITDA multiples consistent with Veolia's implicit acquisition multiple
 - ❖ Financing will include a capital increase between €2-2.5bn to keep flexibility and strong balance sheet
 - ❖ Leverage net debt/EBITDA <3x as from 2022
 - ❖ Rating have been confirmed by Standard & Poors and Moody's, with stable outlook

(1) Current net income per share including hybrid costs and before PPA

SUCCESS OF THE VEOLIA-SUEZ COMBINATION

EXPECTED PROFILE OF THE NEW VEOLIA BEFORE SYNERGIES

	Veolia ⁽²⁾	Suez ⁽²⁾	Impact of divestitures ⁽³⁾	Pro Forma before synergies	Synergies
Proforma 2019 Revenue ⁽¹⁾	~€27bn	~€17bn	~(€7bn)	~€37bn	
Proforma 2019 EBITDA ⁽¹⁾	~€4bn	~€3bn	~(€1bn)	~€6bn	€500M
Activity Split of the combined entity (% of Revenue)	<p>Split by business</p> <ul style="list-style-type: none"> Water Waste Energy 		<p>Split by region</p> <ul style="list-style-type: none"> France Europe ex France Rest of the World Global business 		

(1) Based on 2019 Veolia and Suez standalone
 (2) Post Shaping 2030 divestitures (Essal, R&R Europe, Sweden)
 (3) Including divestitures to New Suez

SUCCESS OF THE VEOLIA-SUEZ COMBINATION

AN IMPROVED GLOBAL GEOGRAPHICAL FOOTPRINT

Based on 2019 financials⁽¹⁾

 Geographical presence of the combined entity

France – €5.9bn		
(€bn)	Suez	Veolia
Total Revenue	0	5.9
% Suez	0%	
% Veolia		100%

Europe ex France – €12.6bn		
(€bn)	Suez	Veolia
Total Revenue	3.1	9.5
% Suez	25%	
% Veolia		75%

North America – €3.2bn		
(€bn)	Suez	Veolia
Total Revenue	1.0	2.2
% Suez	32%	
% Veolia		68%



Latin America – €1.7bn		
(€bn)	Suez	Veolia
Total Revenue	0.8	0.9
% Suez	48%	
% Veolia		52%

Asia – €2.4bn		
(€bn)	Suez	Veolia
Total Revenue	0.3	2.1
% Suez	11%	
% Veolia		89%

Australia – €1.8bn		
(€bn)	Suez	Veolia
Total Revenue	0.7	1.1
% Suez	40%	
% Veolia		60%

AME – €1.2bn		
(€bn)	Suez	Veolia
Total Revenue	0.1	1.1
% Suez	11%	
% Veolia		89%

(1) Total 2019 revenue per geographies pro forma Shaping Suez 2030 disposals, New Suez disposal and estimated additional anti-trust disposals.
 (2) WTS (Suez) ; VTC + MIB (Veolia).

SUCCESS OF THE VEOLIA-SUEZ COMBINATION CALENDAR

Timing accelerated and closing expected before year-end

- ❑ **Next steps to the completion of the transaction**
 - ✓ **Final Veolia-Suez agreement** to be signed by **May 14th**
 - ✓ **Filing of a revised tender offer document**
 - ❖ Offer will be recommended by Suez's Board
 - ❖ Compliance by the French Stock market authorities (AMF) expected end of June
 - ✓ **Antitrust clearance** already **obtained in the US** and in 4 other countries
 - ❖ European Commission clearance targeted in Q3
 - ✓ **Opening of the offer expected in Q3 and closing before year-end**
 - ✓ **Full combination in 2022**



2- Q1 2021 key highlights

Q1 delivery significantly above 2020 and 2019

*Antoine Frérot, CEO
Estelle Brachlianoff, COO*



Q1 2021: A VERY GOOD START TO THE YEAR VEOLIA BACK TO STRONG PROFITABLE GROWTH

- ❑ **Q1 Results: recovery of a solid growth trajectory** despite 3rd wave of COVID in Europe, thanks to our **resilient business model**, **recovered growth momentum** and **enhanced efficiency actions**
 - ✓ **Commercial dynamism and pricing discipline**
 - ✓ **Efficiency gains of €92M**, ahead of the annual objective of €350M, and well above the €64M achieved in Q1 2019
 - ✓ **Sharp rebound of recycled materials prices** (paper, cardboard, plastics, metals)
=> **Limited impact of 3rd wave of COVID in Q1**

- ❑ **Q1 delivery significantly above 2020 and 2019 :**
 - ✓ **Solid revenue growth momentum & full recovery of our operating leverage**

In €M	Q1 2019	Q1 2020	Q1 2021	Var. vs Q1 2020 ⁽¹⁾	Var vs Q1 2019 ⁽¹⁾
Revenue	6 785	6 675	6 807	+4.0%	+2.8%
EBITDA	1 031	970	1 078	+13.6%	+7.5 %

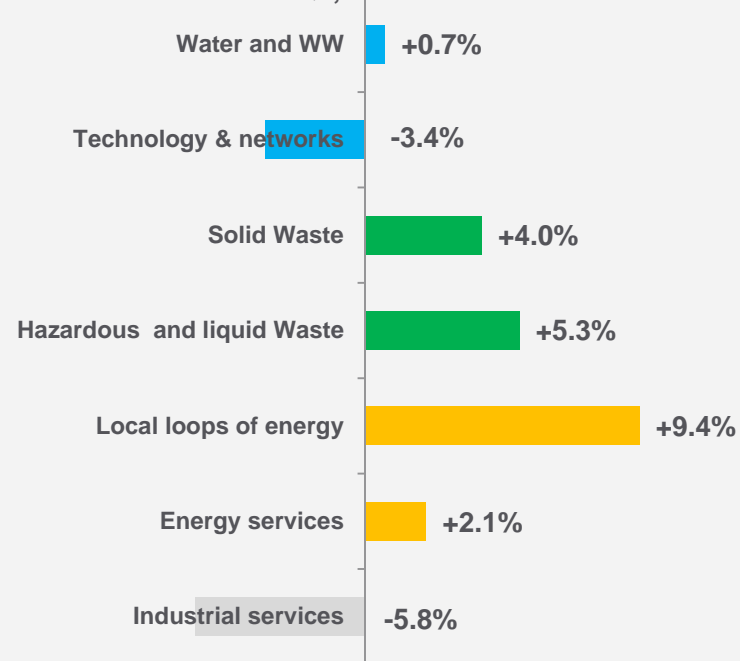
- ✓ **Very strong improvement of +€468M of FCF generation due to continued strict cash discipline**

Q1 2021: A VERY STRONG START TO THE YEAR

Q1 2021 PERFORMANCE BY BUSINESS

- ❑ **Municipal Water** : back to normal volumes in almost all geographies
- ❑ **Solid Waste** : despite C&I volumes missing in Q1,2021 due to lockdowns in Europe, strong pricing and favorable recycled material prices
- ❑ **Hazardous waste**: good volumes and prices in all geographies
- ❑ **Energy**: resilient and boosted by favorable weather and high energy prices
- ❑ **On site industrial services** : strong rebound in Asia and the US, automotive Europe still weak

Revenue variation at constant scope and FX vs. Q1, 2019



Q1 2021 MAIN DEVELOPMENT PROJECTS

□ Fully recovered commercial momentum and project pipeline full

➤ Strong commercial momentum in French water

- ✓ Gain of Cholet potable water (€74M backlog , 11 years)
- ✓ Gain of Colmar waste water contract (€16M backlog, 4.5 years)
- ✓ Renewal of Lens/Liévin (€83M backlog -7 years) and of Montauban (€135M backlog -15 years)

➤ Awarded new water concession in Japan : Veolia preferred bidder on the 1st potable water and waste water concession in Miyagi : 20 year contract – backlog ~€800M

➤ New industrial contracts

- ✓ Finland: DBO of a facility plant delivering utilities to a new BASF EV battery material plant in Harjavalta, to start in 2022 : 20-year O&M contract- backlog ~€240M
- ✓ Peru: O&M of a facility plant delivering utilities to PETROPERU refinery , to start end 2021: 10-year O&M contract- backlog ~€96M

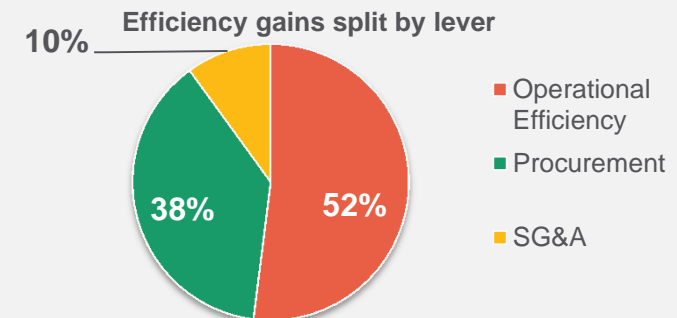
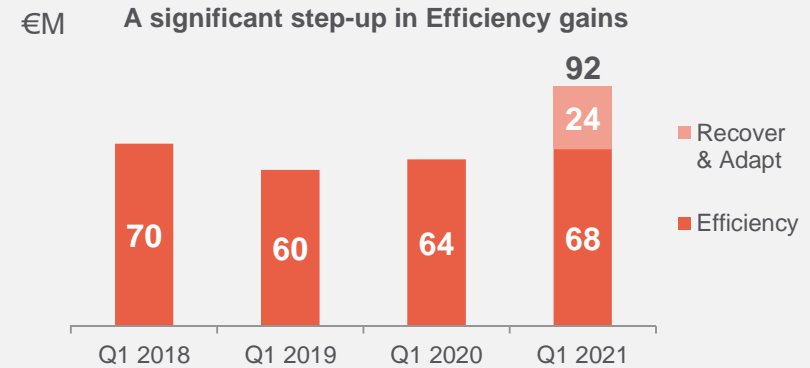
□ Continued asset rotation

- Divestiture of our JV in the Shenzhen Water concession in China for ~€400M

Q1 2021: A VERY STRONG START TO THE YEAR

€92M IN EFFICIENCY GAINS ALREADY ACHIEVED, AHEAD OF THE ANNUAL OBJECTIVE OF €350M

- ❑ Sustained extra efforts in 2021 linked to Covid with an additional 100M€ recover and adapt plan on top of our annual 250m€ efficiency plan
- ❑ 92m€ achieved in Q1, on schedule
- ❑ Typical gains include :
 - ✓ Digitalization of operations
 - ✓ Rationalization of external subcontractors
 - ✓ Maintenance costs
- ❑ Examples:
 - ✓ Hubgrade monitoring of water meters to chase for non billed customers
 - ✓ Reduction of reactive consumption in our Hazardous waste units via recycling of byproducts
 - ✓ Optimization of power generation from our CHP units on landfills



2021 GUIDANCE⁽¹⁾⁽²⁾ FULLY CONFIRMED

STRONG CONFIDENCE IN 2021 AFTER Q1 OUTSTANDING DELIVERY

Despite continued impact of COVID beginning of 2021
VEOLIA will more than offset 2020 and deliver strong results growth in 2021

□ Revenue : above 2019 level

✓ Activity lost due to COVID almost recovered and complemented by new growth

□ EBITDA growth >+10% vs. 2020 : 2021 EBITDA expected above €4bn

✓ Recovery of operating leverage

✓ €350M of cost cutting : €250M recurring efficiencies +€100M Recover & Adapt complementary gains

□ Net debt to decrease in 2021 to below €12bn, and leverage ratio <3.0x

□ Dividend policy

✓ Objective to recover the pre-crisis dividend policy in 2021



3- Q1 2021 Financial & Operational Performance

*A very strong start to
the year*

| *Claude Laruelle, CFO*



SOLID GROWTH MOMENTUM AND RECORD PROFITABILITY

Q1 REVENUE UP +4% AND Q1 EBITDA UP +13.6% AT CONSTANT FX

<i>In €M</i>	Q1, 2020	Q1, 2021	Var. Y-Y vs. Q1,2020	Var. at constant FX vs. Q1,2020
Revenue	6 675	6 807	+2.0%	+4.0%
EBITDA	970	1 078	+11.2%	+13.6%
<i>EBITDA margin</i>	14.5%	15.8%		
Current EBIT	392	469	+19.6%	+22.7%
Current net income Group share	121	188	+54.7%	+59.8%
Current net income Group share excl. capital gains	117	186	+58.7%	+64.0%
Net industrial CAPEX	458	426		
Net Free Cash Flow after growth capex	-595	-127		
Net Financial Debt	11 531	13 509		

FX impacts (vs. Q1 2020)	€M	%
Revenue	-132	-2.0%
EBITDA	-23	-2.4%
Current EBIT	-12	-3.1%
Current Net Income	-6	-5.1%
Net financial debt (vs. 31/12/2020)	+131	+1.0%

VEOLIA CONFIRMED BACK TO GROWTH IN Q1

Q1 REVENUE UP 4% AND Q1 EBITDA UP 13.6% AT CONSTANT FX

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

KEY Q1 HIGHLIGHTS : REVENUE+4% AND EBITDA +13.6%

- ✓ **Solid growth in France :**
 - **French Water resilient : Revenue up +0.8% in Q1** . Prices up 0.7%, good volumes partially offset by few remaining commercial impacts on side activities due to the lockdown and impact of Toulouse wastewater contract
 - **French Waste back to growth : Revenue +11.2% in Q1** : good volumes despite 3rd wave of sanitary crisis and continued pricing discipline, combined with sharp rebound of recycling (price driven)
- ✓ **Rest of Europe: Revenue back up strongly (+9.0%⁽²⁾) in all activities :** i/ **Strong growth in Energy** notably in Central & Eastern Europe, thanks to increased energy tariffs, integration of new energy assets in Budapest and Prague and favorable weather. ii/ **Waste** slightly down due to lower C&I volumes partially offset by pricing and recycling - C&I volumes recovery expected in Q2
- ✓ **Rest of the World** : Asia back to growth (+3.4%⁽²⁾) notably **China (+12.1%⁽²⁾)**. North America and Pacific still slightly below LY . Africa Middle East and Latin America back to normal activity levels
- ✓ **Global Businesses:** continued recovery of Hazardous Waste Europe and of construction

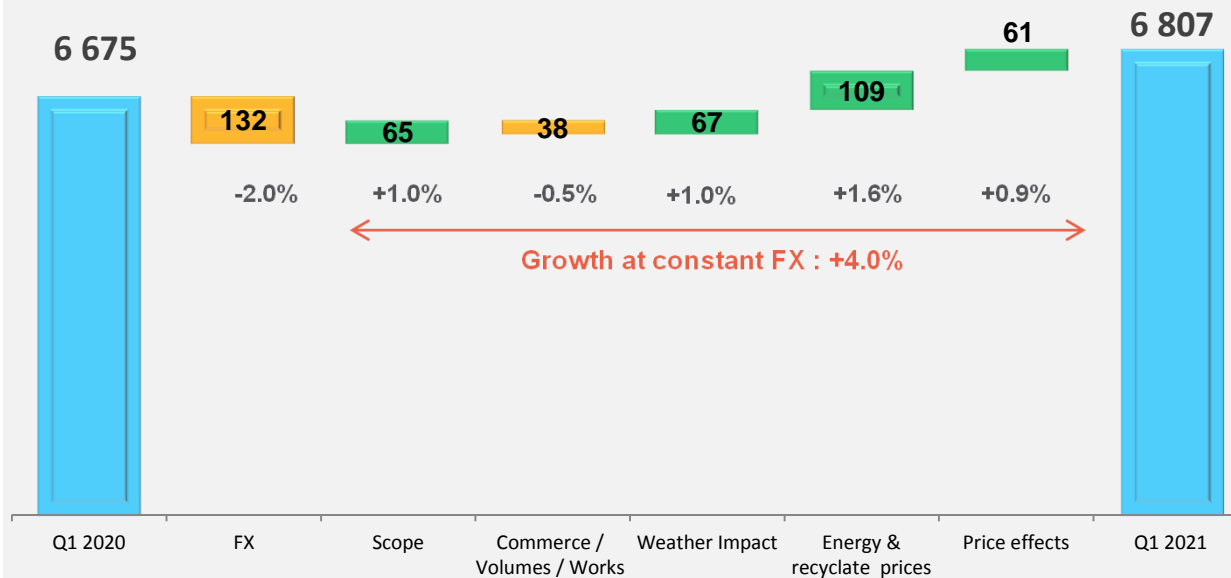
(1) At constant scope and FX

(2) At constant FX

Q1 REVENUE UP 4.0%⁽¹⁾ vs. Q1 2020 AND UP +2.8%⁽¹⁾ vs. Q1 2019

ACTIVITY WELL ABOVE 2019 AND 2020

In €M



⇒ Activity lost due to COVID recovered and complemented by new growth

- **FX: -€132M** : Latin America -€33M, US dollar -€42M, Central & Eastern Europe for -€34M
- **SCOPE: +€65M** : mostly acquisitions in Central Europe partially offset by divestiture of Sade Telecom
- **VOLUMES/COMMERCE/WORKS: -€38M**, o/w less construction works (except in Water France), and lower Waste C&I volumes in Europe due to 3rd wave of COVID, partially offset by rebound in Asia and Italy
- **WEATHER (ENERGY): +€67M** (cold Q1 in CEE)
- **ENERGY & RECYCLATE PRICES: +€109M** o/w +€29M energy prices (higher heat and electricity prices, notably in CEE) and +€80M higher recycled prices in Q1 (paper mainly)
- **PRICE INCREASES : +€61M** : continued strong pricing in waste (+1.7% impact) and in WATER (0.8% impact)

WASTE REVENUE UP +3.4% IN Q1 AT CONSTANT SCOPE AND FX

CONTINUED UPTREND IN VOLUMES IN Q1, COMBINED WITH SOLID PRICING AND RECYCLING REBOUND

	Q1, 2020	Q2, 2020	Q3, 2020	Q4, 2020	Q1, 2021
Recycled raw materials prices	-2.5%	-1.4%	-0.9%	+0.5%	+3.2%
Volumes / activity levels	-1.8%	-14.7%	-2.6%	-1.8%	-0.9%
Price increases	+2.4%	+1.9%	+1.6%	+2.3%	+1.7%
Other	+1.9%	-0.4%	-1.5%	+0.6%	-0.6%
Growth at cst scope & exchange rates	+0.2%	-14.6%	-3.4%	+1.6%	+3.4%
Scope effect	+1.4%	+1.1%	+0.5%	+0.8%	0% ⁽¹⁾
Growth at constant exchange rates	+1.6%	-13.5%	-2.9%	+2.4%	+3.4%
Currency effect	-1.0%	-1.3%	-1.4%	-3.0%	-1.6%

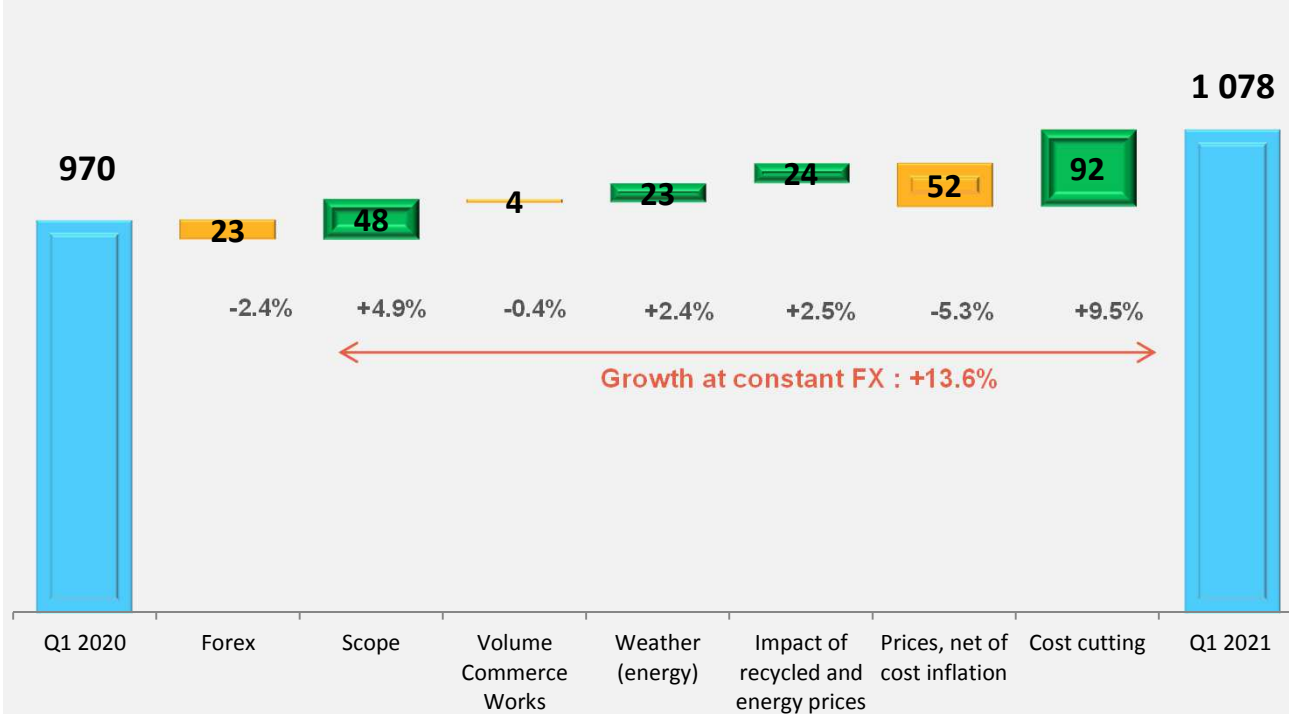
Waste : Confirmation of volume recovery in Q1, combined with solid pricing and recycling rebound

- **France: Waste revenue of €676M, up 11.2% in Q1:** +1.6% volume effect , +1.6% price effect and higher recycled materials prices (impact +6.4%)
 - ✓ Volumes: lower C&I collection volumes, partially offset by more resilient municipal collection. Continued strong incineration.
- **UK: Waste revenue of €447M, down 6.5%⁽²⁾ in Q1** due to lower C&I volumes (lockdown until mid April) but offset at the EBITDA level by very resilient PFI (95.1% availability rate), favorable recycled material prices and enhanced efficiency.
- **Northern Europe: Waste revenue of €341M⁽²⁾, up 5.8% at constant scope and FX** : lower C&I volumes offset by increased recycled prices. Volume recovery in Germany since February- Strong plastic recycling activity
- **Rest of World: Waste revenue of €682M, up 3.3%⁽²⁾.** Asia up 9.8%⁽²⁾ in Q1 driven by hazardous revenue and commercial developments. Pacific -2.0%⁽²⁾ (lower C&I collection) - North America: Waste revenue flat in Q1, with progressive recovery of regeneration services for refineries (85% activity rate, improving) and good pricing
- **Hazardous waste (Europe)** : Good level of activity combined with strong price discipline

(1) Scope and method
(2) At constant FX

Q1 EBITDA UP +13.6%⁽¹⁾ vs. Q1 2020 AND UP +7.5%⁽¹⁾ vs. Q1 2019

EBITDA WELL ABOVE 2019 & 2020 - FULL OPERATING LEVERAGE RECOVERY



- **FOREX: -€23M.** Latam -€6M, US\$ -€3M, Central and Eastern Europe -€10M
- **SCOPE: +€48M** : mostly acquisitions in Central Europe partially offset by divestiture of Sade Telecom
- **COMMERCE/VOLUMES/WORKS: -€4M** : very limited impact at the EBITDA level of lower volumes & works (revenue impact -€38M) thanks to operational efficiency
- **ENERGY (INCL.CO2) AND RECYCLED MATERIALS PRICES: +€24M**, o/w Energy prices +€8M and recycled prices +€16M, mostly paper
- **PRICE EFFECT, NET OF COST INFLATION -€52M**
- **COST CUTTING: +€92M**

⇒ EBITDA above expectations with record profitability of 15.8%

FRANCE – Q1 OPERATIONAL REVIEW

RESILIENT WATER –STRONG RECOVERY IN WASTE

<i>In €M</i>	Q1, 2019	Q1, 2020	Q1, 2021	Δ vs. Q1, 2020	Δ At constant FX vs. Q1, 2020	Δ at constant FX vs. Q1, 2019
Revenue, of which	1 347	1 305	1 379	+5.7%	+5.7%	+2.4%
Water	716	698	703	+0.8%	+0.8%	-1.8%
Waste	631	608	676	+11.2%	+11.2%	+7.2%

➤ FRANCE Revenue above 2019 and 2020

▪ WATER : Resilient revenue and EBITDA

- ✓ Tariff increases: +0.7% - Good volumes +1.2% partially offset by impact of end of Toulouse waste water contract
- ✓ Strong efficiency measures

▪ WASTE : Sharp rebound of Revenue and EBITDA

- ✓ Volumes still impacted by lockdown measures but overall up 1.6% vs. Q1 2020, thanks to strong incineration and stable municipal collection
- ✓ Pricing discipline maintained: +1.6%
- ✓ Recycling rebound driven by prices : strong increase of recycled material prices notably paper prices : main cardboard market price at €131/T on average in Q1 2021 (vs. €80/T in Q4, 2020) driven by shortage of product due to lockdowns and growth in demand (e commerce)

➤ FRANCE EBITDA strongly up in Q1 thanks to resilient Water activities, Waste recovery, favorable pricing and continued efficiency

REST OF EUROPE – Q1 OPERATIONAL REVIEW

A VERY STRONG START TO THE YEAR WITH AN OUTSTANDING EBITDA PERFORMANCE

In €M	Q1, 2019	Q1, 2020	Q1, 2021	Δ vs. Q1, 2020	Δ At constant FX vs. Q1, 2020	Δ at constant FX vs. Q1, 2019
Revenue, of which	2 572	2 590	2 785	+7.5%	+9.0%	+10.4%
<i>Central & Eastern Europe</i>	993	1 006	1 208	+20.1%	+23.5%	+26.4%
<i>UK – Ireland</i>	562	591	546	-7.6%	-6.2%	-1.1%
<i>Northern Europe</i>	717	693	701	+1.1%	+5.0% ⁽²⁾	-2.6%
<i>Italy- Iberia</i>	300	300	330	+10.0%	+10.0%	+9.8%

➤ Strong growth of Rest of Europe vs. 2020 and 2019

▪ Strong growth in Central and Eastern Europe due to new energy assets, favorable weather and increased prices

- ✓ ENERGY revenue of €926M up 32%⁽¹⁾ including new assets in Prague and Budapest and up 12% at constant FX and scope thanks to heat and electricity price increases and favorable weather (+€57M impact)
- ✓ WATER revenue of €258M, -3%⁽¹⁾ : water volumes down by 2% (lockdowns in Prague, Bucharest, Sofia in Q1) partially offset by water tariff increases

▪ Remarkable resilience of the UK's results despite lower C&I waste volumes

- ✓ Very strong PFI business with 95% availability rate offset decrease of landfill volumes due to lower C&I collection and increased gate fees
- ✓ Beneficial impact of commodity prices (papers notably)
- ✓ C&I volumes trending back up in April with end of the lockdown
- ✓ Enhanced operational efficiency

▪ Northern Europe: C&I Waste volume recovery & sharp increase of recycle prices

- ✓ Germany : excellent results despite lockdown measures at the beginning of the year : acceleration of C&I volume recovery since Feb. and favorable impact of paper price increases - Energy activity supported by favorable weather
- ✓ Strong plastic recycling business in the Netherlands and Nordics

▪ Southern Europe : recovery of industrial service activities

- Excellent performance of rest of Europe in Q1 accelerated at the EBITDA level by favorable pricing, supportive weather, rebound of recycled materials prices and continued operational efficiency

(1) At constant FX
(2) At constant scope and FX

REST OF THE WORLD – Q1 OPERATIONAL REVIEW

RECOVERY IN ALL REGIONS - EXCELLENT OPERATING LEVERAGE

In €M	Q1, 2019	Q1, 2020	Q1, 2021	Δ vs. Q1, 2020	Δ At constant FX vs. Q1, 2020	Δ at constant FX vs. Q1, 2019
Revenue, of which	1 764	1 715	1 648	-3.9%	+0.6%	+5.9%(2)
Asia	505	545	544	-0.2%	+3.4%	+10.5%
Latin America (Latam)	207	209	192	-8.2%	+7.4%	+22.0%
North America	539	439	393	-10.7%	-2.9%	-1.7%(2)
Pacific	269	260	263	+1.0%	-5.8%	-4.3%
Africa Middle East (AME)	244	261	257	-1.8%	+1.6%	+6.9%

(1) At constant FX
(2) At constant FX excl. TNAI

➤ Rest of the World above 2019 and 2020

- **Asia : acceleration in China – Slower growth in other countries due to base effects and timing of new projects**
- ✓ **China revenue up 12% and EBITDA up 30% on very strong volumes in all activities, notably hazardous waste**
 - ❖ **Water activity back to normal:** concession volumes up 12% vs. Q1,2020, recovery of industrial water (increased volumes at Sinopec, Tianjin Soda)
 - ❖ **Energy :** increase of municipal and industrial volumes
 - ❖ **Very strong growth in Waste :** solid waste volumes up 10% notably in plastic recycling (Huafei) and hazardous waste volumes sharply up (steep ramp up of volume on existing facilities and impact of new facilities)
- ✓ Decreased construction revenue in Japan (industrial EPC) offset by strong water activity and biomass projects
- **Latin America : continued solid growth** driven by tariff indexation and impact of tuck ins
- **North America : good Hazardous waste volumes partially offset by adverse weather**
- ✓ Hazardous Waste : progressive recovery of regeneration services for refineries (85% activity rate, improving) and good pricing – Adverse weather impact in Q1
- **Pacific :** overall good collection and landfill volumes- C&I volumes still behind LY
- **Africa Middle East :** Back to normal activity

➤ Strong performance of Rest of the World in Q1 enhanced at EBITDA level by operating leverage (acceleration in high margin activities)⁴

GLOBAL BUSINESS – Q1 OPERATIONAL REVIEW

A GOOD START TO THE YEAR

<i>In €M</i>	Q1, 2019	Q1, 2020	Q1, 2021	Δ vs. Q1, 2020	Δ At constant FX vs. Q1, 2020	Δ at constant FX vs. Q1, 2019
Revenue, of which	1 102	1 064	995	-6.4%	+1.7%⁽²⁾	-2.4%⁽²⁾
<i>Construction</i>	632	621	540	-13.1%	+0.9% ⁽²⁾	-1.3% ⁽²⁾
<i>Hazardous & liquid waste Europe</i>	325	322	325	+1.2%	+1.9%	+0.8%
<i>Industrial and energy services</i>	145	121	129	+7.3%	+7.5%	-11.2%

➤ Global business Revenue ~back to 2019 level⁽²⁾

- **Construction: continued recovery in Q1 : Revenue up 0.9% at constant scope and perimeter**
 - ✓ **VWT : Revenue of €340M, +2.1%⁽¹⁾**
 - Good start in techno distribution & services, Mobile water services partially offset by lower desalination revenue
 - March 2021 bookings driven by Technologies (e.g. re-use with Barrel) and services
 - Large upcoming opportunities in desalination
 - ✓ **SADE : Revenue of €200M stable at constant scope** (divestment of Sade Telecom in Q4, 2020)
- **Hazardous and liquid waste Europe : Continued recovery in Q1**
 - ✓ Good level of activity combined with strong price discipline

➤ Global business EBITDA strongly up in Q1 thanks to recovery of activity level and impact of efficiency measures

STRONG INCREASE OF CURRENT EBIT, UP 22.7% AT CONSTANT FX

In €M	Q1, 2020	Q1, 2021	Var. vs. Q1, 2020 at constant FX
EBITDA	970	1 078	+13.6%
Renewal expenses	-61	-65	
Depreciation & Amortization (including principal payments on OFAs)	-535	-528	
Provisions, fair value adjustment & other ⁽¹⁾	+3	-27	
Share of current net income of joint ventures and associates ⁽²⁾	+16	+11	
Current EBIT⁽²⁾	392	469	+22.7%

SHARP REBOUND OF CURRENT NET INCOME **UP 60% AT CONSTANT FX**

In €M	Q1, 2020	Q1, 2021	Variation vs. Q1, 2020 at constant FX
Current EBIT⁽¹⁾	392	469	+22.7%
Cost of net financial debt	-112	-86	
Other financial income and expense	-43	-35	
Net financial capital gains ⁽¹⁾	+4	+2	
Income tax expense	-62	-93	
Non-controlling interests	-57	-69	
Current net income – Group share	121	188	+59.8%
Current net income – Group share Excluding net financial capital gains	117	186	+64.0%

(1) Including related taxes and minorities

- **Cost of net financial debt down by €26M** due to favorable Euro debt refinancing, combined with non euro-denominated debt savings and a higher cash remuneration
 - **Euro bond borrowing rate at an all-time low of 1.92% (vs. 2.28% in Q1 2020)**
- **Other financial income and expense of -€35M** include : 1/ stable interest (cash) on IFRIC 12 concession liabilities of -€19M; 2/ IFRS 16 lease financial charges of -€7M; 3/ non cash charges related to the unwinding of the discount of provisions of -€4M
- **Current tax rate of 27%**

VERY STRONG IMPROVEMENT IN FCF OF +€468M DUE TO STRICT CASH DISCIPLINE

▪ **Controlled net industrial Capex : €426M, vs. €458M**

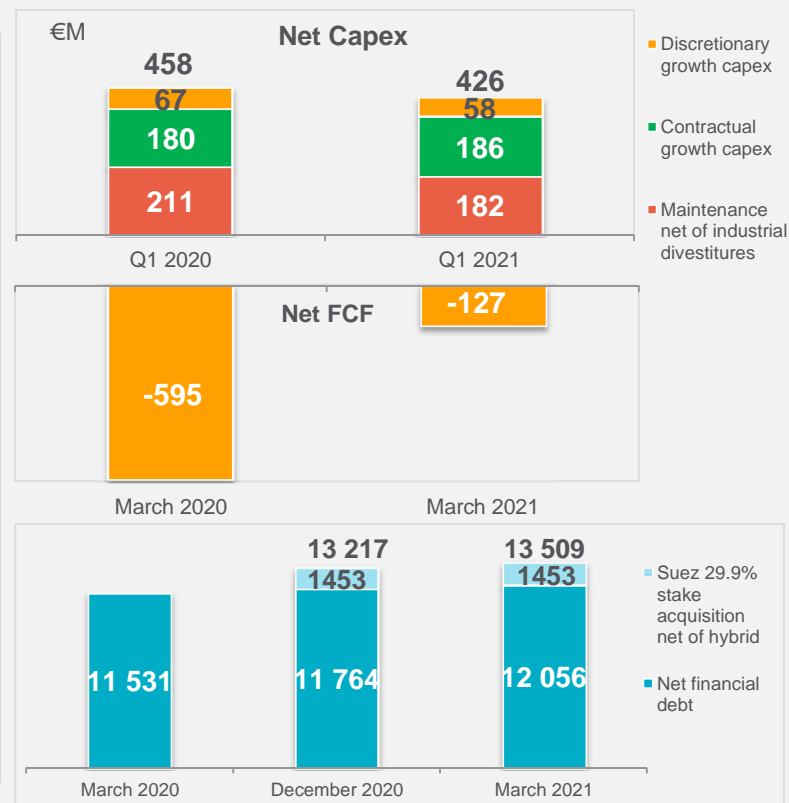
- ✓ Optimization of maintenance
- ✓ Growth contractual capex stable
- ✓ Discretionary growth capex of €58M, of which 20% green capex (decarbonization) and 35% hazardous waste projects

▪ **Net Free Cash Flow⁽¹⁾ increased by +€468M**

- ✓ **-€127M vs. -€595M in Q1, 2020** and -€525M in Q1, 2019 thanks to a significant improvement of WCR
 - **WCR seasonal variation reduced by €314M**, from -€794M to -€480M, thanks to cash collection improvement

▪ **Net financial debt of €13 509M, vs. €13 217M in December 2020**

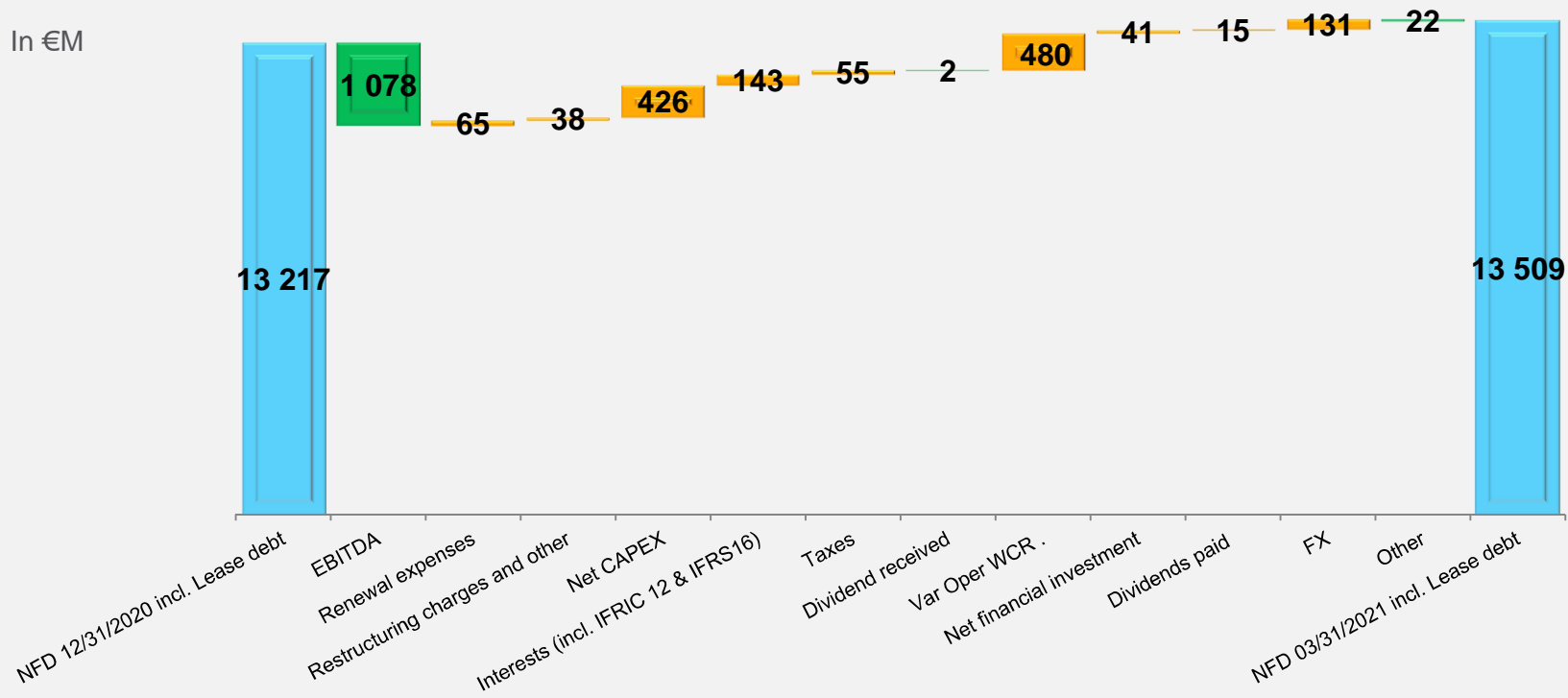
- ✓ **Limited seasonal increase of -€292M vs. 31/12/2020** of which -131M€ is due to an adverse FX impact
- ✓ Net financial acquisitions : -€41M



⁽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



2021 GUIDANCE⁽¹⁾⁽²⁾ FULLY CONFIRMED

STRONG CONFIDENCE IN 2021 AFTER Q1 OUTSTANDING DELIVERY

Despite continued impact of COVID beginning of 2021
VEOLIA will more than offset 2020 and deliver strong results growth in 2021

□ Revenue : above 2019 level

✓ Activity lost due to COVID almost recovered and complemented by new growth

□ EBITDA growth >+10% vs. 2020 : 2021 EBITDA expected above €4bn

✓ Recovery of operating leverage

✓ €350M of cost cutting : €250M recurring efficiencies +€100M Recover & Adapt complementary gains

□ Net debt to decrease in 2021 to below €12bn, and leverage ratio <3.0x

□ Dividend policy

✓ Objective to recover the pre-crisis dividend policy in 2021



Q1, 2021 Key Figures

| *Appendices*

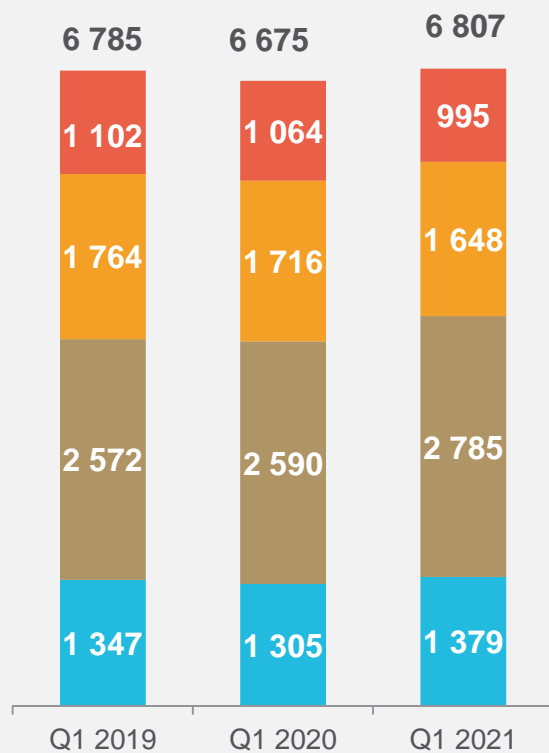


APPENDIX 1: CURRENCY MOVEMENTS

For 1€	Q1, 2020	Q1, 2021	Δ 2021 vs. 2020
US dollar			
Average rate	1.102	1.205	-9.4%
Closing rate	1.096	1.173	-7.0%
UK pound sterling			
Average rate	0.861	0.875	-1.6%
Closing rate	0.886	0.852	+3.9%
Australian dollar			
Average rate	1.677	1.561	+6.9%
Closing rate	1.797	1.541	+14.2%
Chinese renminbi yuan			
Average rate	7.705	7.812	-1.4%
Closing rate	7.828	7.708	+1.5%
Czech crown			
Average rate	25.600	26.068	+4.3%
Closing rate	27.312	26.143	-1.8%
Argentinian peso			
Average rate	67.829	106.709	-57.3%
Closing rate	70.653	107.924	-52.8%

APPENDIX 2: REVENUE OF €6 807M, +4.0% AT CONSTANT FX ANALYSIS BY SEGMENT

In €M



Variations vs. Q1, 2020	Variation	Δ At constant FX	Δ At constant scope and FX
Global business	-6.4%	-5.0%	+1.7%
Rest of the World	-3.9%	+0.6%	+0.0%
Europe excl. France	+7.5%	+9.0%	+4.2%
France	+5.7%	+5.7%	+5.7%
Total	+2.0%	+4.0%	+3.0%

APPENDIX 3: QUARTERLY REVENUE BY SEGMENT

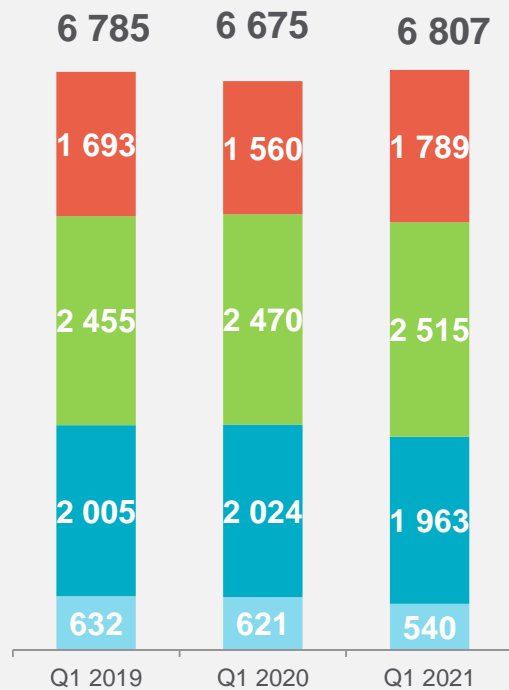
	1 st quarter 2020				2 nd quarter 2020				3 rd quarter 2020			
In €M	2019	2020	Δ at cst FX	Δ at cst scope & FX	2019	2020	Δ at cst FX	Δ at cst scope & FX	2019	2020	Δ at cst FX	Δ at cst scope & FX
France	1 347	1 305	-3.1%	-3.1%	1 412	1 185	-16.1%	-16.1%	1 416	1 428	+0.8%	+0.8%
Europe excl. France	2 572	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%
	4 th quarter 2020				Year 2020				1 st quarter 2021			
In €M	2019	2020	Δ at cst FX	Δ at cst scope & FX	2019	2020	Δ at cst FX	Δ at cst scope & FX	2020	2021	Δ at cst FX	Δ at cst scope & FX
France	1 436	1 472	+2.5%	+2.5%	5 612	5390	-3.9%	-3.9%	1 305	1 379	+5.7%	+5.7%
Europe excl. France	2 631	2 710	+5.3%	+1.9%	9 501	9 411	+0.4%	-0.8%	2 590	2 785	+9.0%	+4.2%
Rest of the World	2 037	1 838	-4.6%	-1.5%	7 325	6760	-4.5%	-1.7%	1 716	1 648	+0.6%	+0.0%
Global Businesses	1 306	1 284	-0.1%	+2.0%	4 734	4 444	-5.3%	-5.2%	1 064	995	-5.0%	+1.7%
Other	13	1	-	-	17	5	-	-	0	0	-	-
Group	7 424	7 305	+0.9%	+0.9%	27 189	26 010	-2.9%	-2.5%	6 675	6 807	+4.0%	+3.0%





APPENDIX 4: 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%
	4 th quarter 2020				Year 2020				1 st quarter 2021			
In €M	2019	2020	Δ at cst FX	Δ at cst scope & FX	2019	2020	Δ at cst FX	Δ at cst scope & FX	2020	2021	Δ at cst FX	Δ at cst scope & FX
Water	3 048	3 010	+0.9%	+1.7%	11 142	10 900	-1.0%	-1.3%	2 645	2 503	-3.4%	-0.1%
Waste	2 599	2 583	+2.4%	+1.6%	10 167	9 673	-3.2%	-4.1%	2 470	2 515	+3.4%	+3.4%
Energy	1 778	1 712	-1.3%	-1.4%	5 880	5 437	-5.8%	-2.0%	1 560	1 789	+17.4%	+7.7%
Group	7 424	7 305	+0.9%	+0.9%	27 189	26 010	-2.9%	-2.5%	6 675	6 807	+4.0%	+3.0%

APPENDIX 5 : REVENUE OF €6 807M, +4.0% AT CONSTANT FX ANALYSIS BY BUSINESS (1/2)

In
€M



Variations vs. 2020		Variation	Δ At constant FX	Δ At constant scope and FX
	Energy	+14.8%	+17.4%	+7.7%
	Waste	+1.8%	+3.4%	+3.4%
	Water	-3.0%	-1.1%	-0.5%
	Technology & Construction	-13.1%	-11.0%	+0.9%
Total		+2.0%	+4.0%	+3.0%



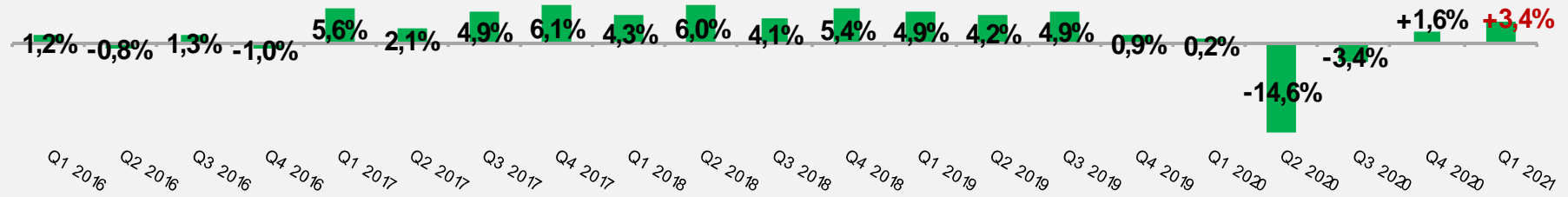
Q1 2021 Results

APPENDIX 5 : REVENUE OF €6 807M, +4.0% AT CONSTANT FX ANALYSIS BY BUSINESS (2/2)

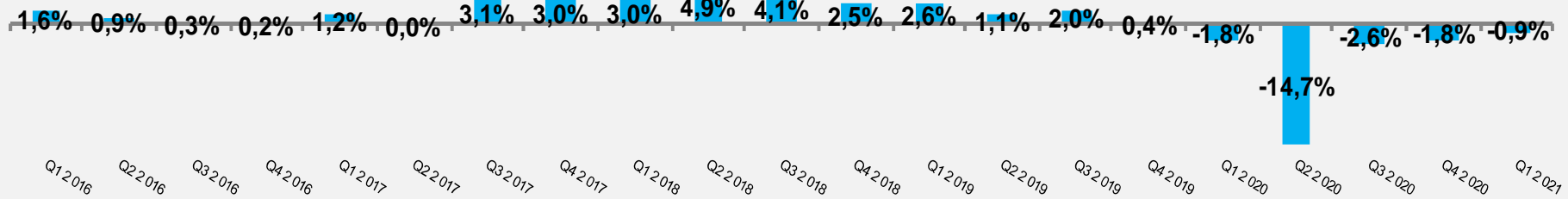
- **WATER** : Revenue -0.5% at constant scope and FX to €1 963M
 - ✓ **France** : resilient. Volumes +1.2%. Tariff increases: +0.7%. Works recovering and a few commercial impacts on side activities associated with the lockdown period.
 - ✓ **Central Europe** : volumes down by 2% (due to lockdown in Q1) offset by water tariff increases
- **TECHNOLOGY AND CONSTRUCTION** : Revenue +0.9% at constant scope and FX to €540M
 - ✓ **VWT** : €340M, +2.1%⁽¹⁾ : Good start in techno distribution & services, Mobile water services partially offset by lower desalination revenue
 - ✓ **SADE** : €200M, flat at constant scope and FX
- **WASTE** : Revenue +3.4% at constant scope and FX to €2 515M.
 - ✓ Volumes/commerce : -0.9% : continued improvement over the previous quarters (in 2020: -1.8% in Q1, -14.7% in Q2, -2.6% in Q3, -1.8% in Q4)
 - ✓ Price effects : +1.7%
 - ✓ Recycled prices strongly up (impact +3.2%)
- **ENERGY** : Revenue +17.4% at constant FX and +7.7% at constant scope and FX to €1 789M
 - ✓ Scope impact of +€151M mostly acquisitions in Czech Republic and Hungary
 - ✓ Weather effect : +€57M (impact +3.6%) mostly in Central Europe
 - ✓ Energy price effects : +1.6% : higher heat and electricity prices in Central Europe mainly

APPENDIX 6: QUARTERLY WASTE REVENUE AND VOLUMES

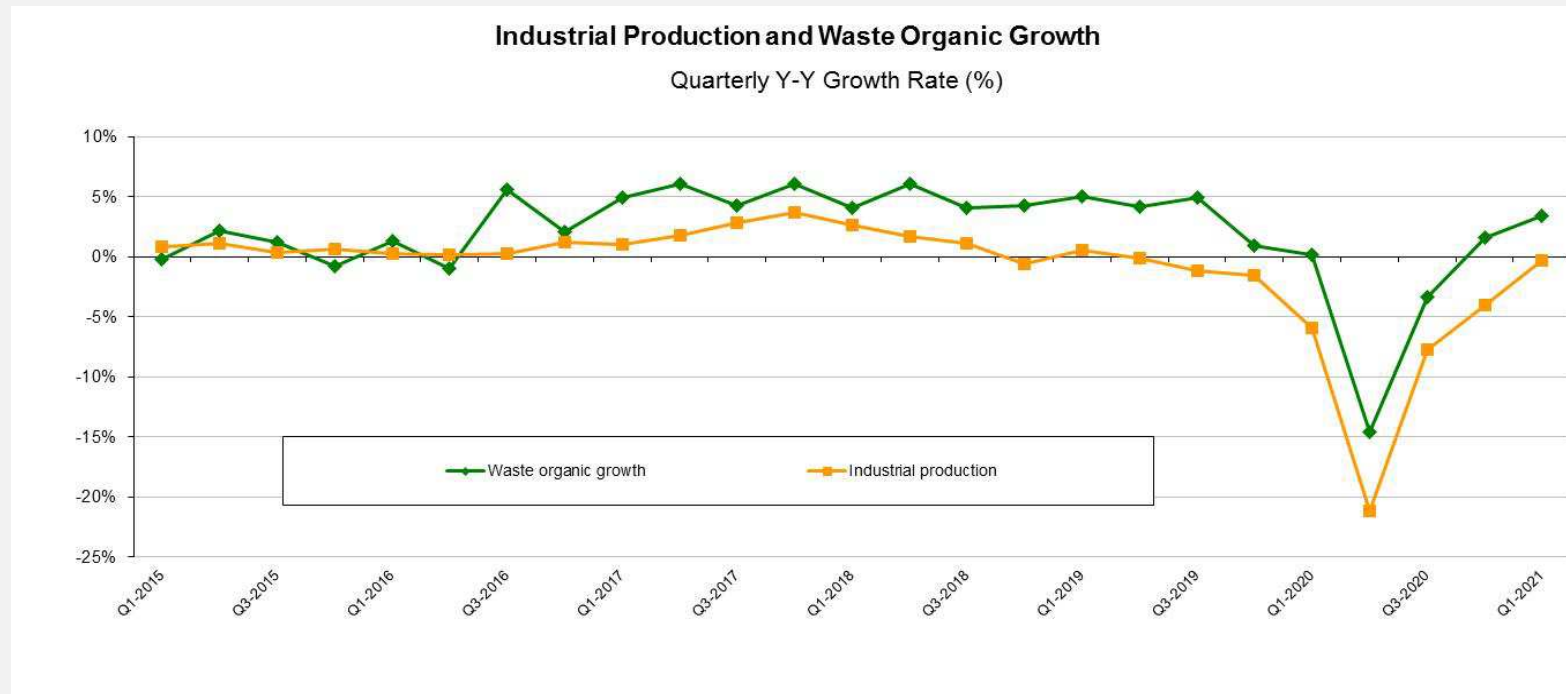
Quarterly revenue growth at constant scope & FX



Y-Y Quarterly volume trends

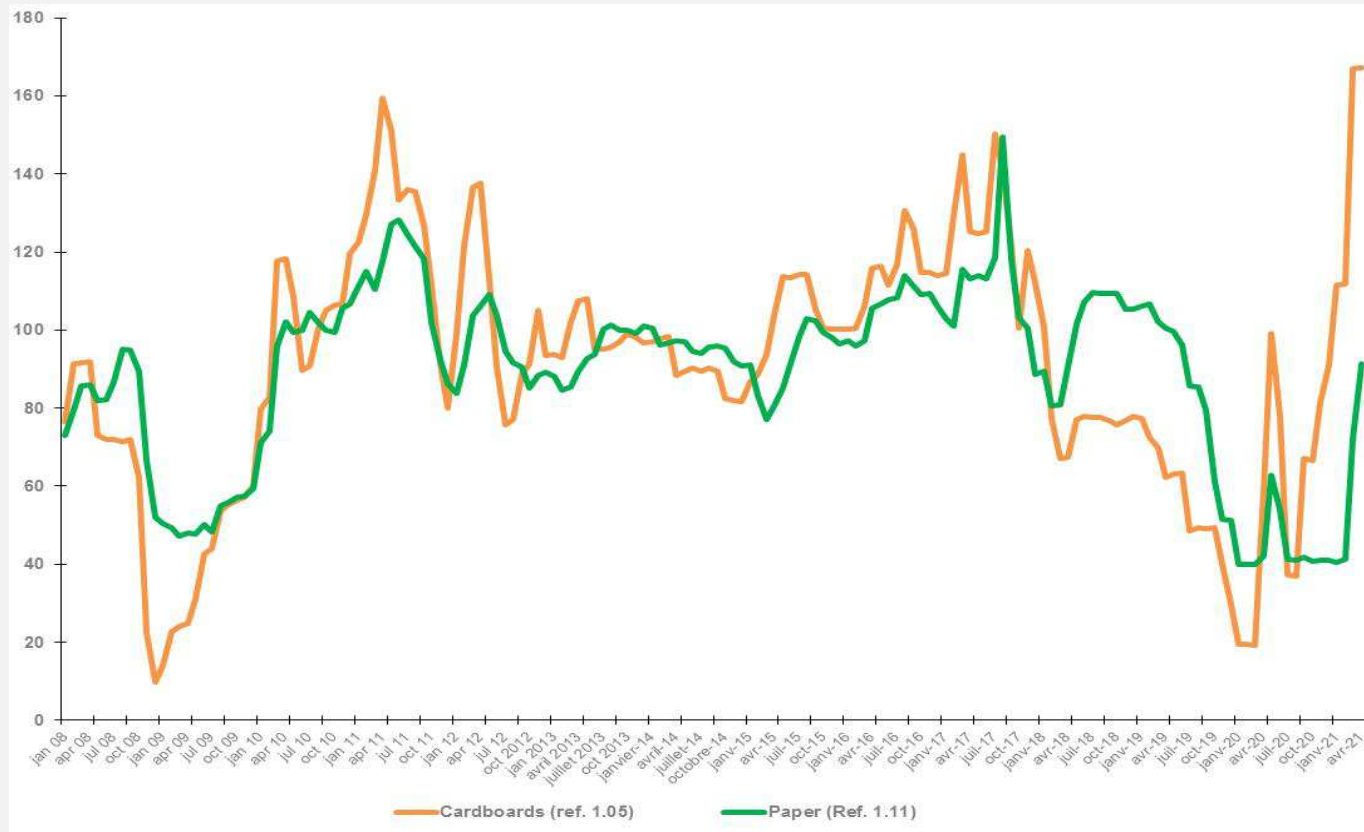


APPENDIX 7: WASTE – REVENUE VS. INDUSTRIAL PRODUCTION

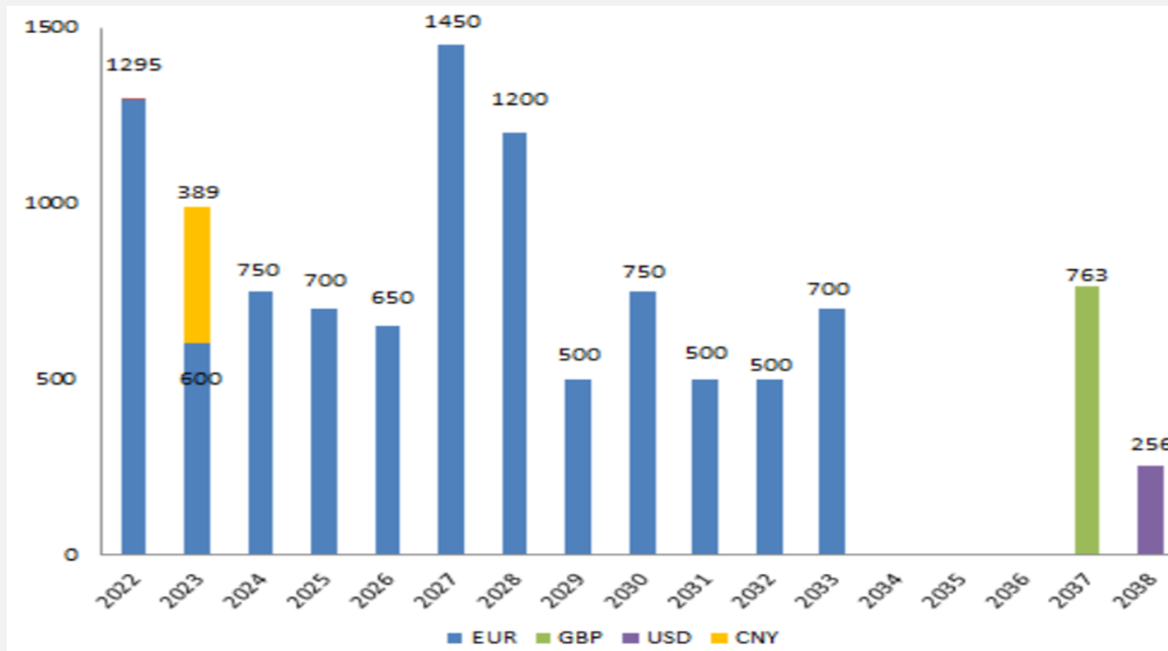


Weighted average industrial production indices for 4 key countries including SARP/SARPI: France, U.K, Germany, and North America
Sources: Until February 2021 Data from OECD

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



APPENDIX 9 : DEBT PROFILE (AT MARCH 31, 2021)



RATING
 Moody's : P-2/ Baa1
 stable outlook
 Standard & Poor's : A-2 /
 BBB stable outlook

Only one bond repayment in 2021 of €638M took place on Jan.6 2021

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