



Climate Report

# **VEOLIA'S NET ZERO STRATEGY IN ACTION**



# VEOLIA IS A WORLD LEADER IN DECARBONIZING, CONSERVING AND REGENERATING RESOURCES, AND REDUCING POLLUTION

## Ecological transformation, that is our Purpose

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

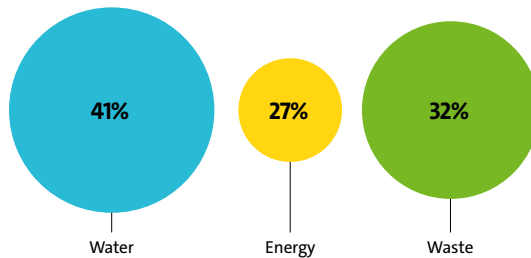
We develop and implement locally solutions to depollute our vital resources and preserve them from depletion, solutions to decarbonize our ways of living and producing and adapt them to the consequences of climate change.

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://veolia.com)

### Revenue share by business



Almost

**218,000<sup>(1)</sup>**

employees

**13.8 Mt CO<sub>2</sub> eq.**

on scope 4 in 2023<sup>(1)(2)</sup>

**€45.4 billion**

in revenue in 2023

**58 countries**

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

(1) Provisional figure at time of publication. The final figure will be published in Veolia's 2023 URD.

(2) In 2023, Veolia changed its methodology to better align with WBCSD best practice. This new methodology led the Group to review its Scope 4 emissions in 2023, which have dropped from 15.5 Mt CO<sub>2</sub> eq., according to the old method, to 13.8 Mt CO<sub>2</sub> eq., with the new method. The emissions reported in the Impact 20–23 strategic plan were calculated using the old method. The new methodology applies to the GreenUp plan from 2024.

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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<sup>(1)</sup> 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 CO<sub>2</sub>.

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 have been validated by the SBTi.

Indeed, in february 2024, Veolia has announced an ambitious trajectory – the fruit of work done in preparing its 2024-2027 strategic program – to achieve Net Zero by 2050, specifically zero carbon emissions from its activities and the neutralization of its residual emissions. To this end, the Group is accelerating its decarbonization effort by committing to reduce its scopes 1 and 2 emissions by 50%, and its scope 3 emissions by 30%<sup>(2)</sup>, by 2032 (compared with 2021).

This Climate Report, published simultaneously with GreenUp – 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<sup>(3)</sup>, 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 €500 million already invested between 2018 and 2023. 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” 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, across the 2,000 assets it operates, 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 on scope 4. 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) Across 67% of the scope 3 total in line with the medium-term target defined by the SBTi.

(3) Task Force on Climate-related Financial Disclosures.



The background of the page is a photograph of a stone bridge over a stream. A large log is floating in the water in the foreground. The bridge has several stone pillars and a metal railing. The water is dark and reflects the bridge and the surrounding green trees. The overall scene is lush and natural.

OUR

# CO<sub>2</sub> PICTURE

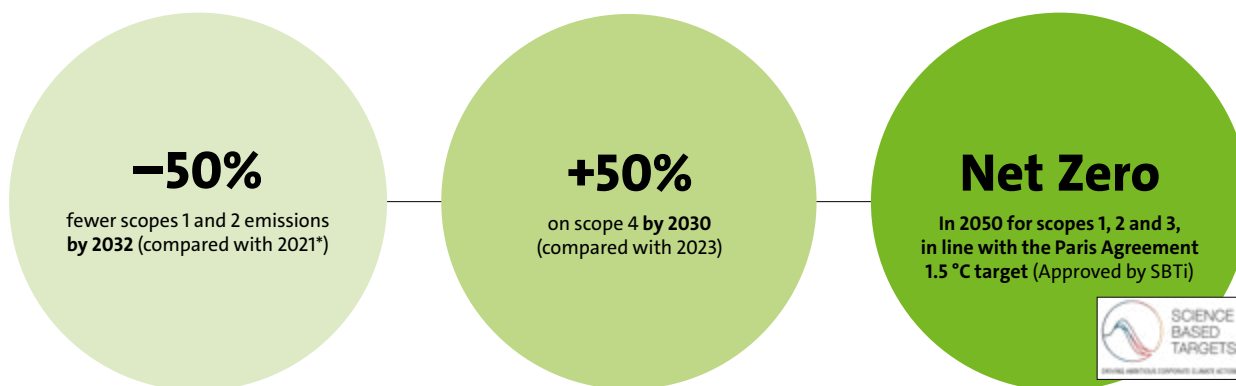
In this section, we offer a comprehensive examination of our carbon footprint. From the detailed analysis of our CO<sub>2</sub> profile to our ambitious efforts to reduce emissions, each aspect is testament to our determination to meet this major challenge of our time. We foreground our decarbonization 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:



## 2015

Commitment to the UN's<sup>(1)</sup> 2030 Sustainable Development Goals, including Climate Action

## 2017

Commitment to defining a firm GHG<sup>(2)</sup> 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

\* Veolia's pro forma 2021 emissions are the sum of Veolia's emissions published in 2021 and the 2021 emissions from the Suez businesses acquired and still held at the publication date of this document.

(1) United Nations.  
(2) Greenhouse Gas.





**We have committed to massive investment in decarbonizing our activities, with €500 million already invested between 2018 and 2023.**

## 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. Veolia near term and Net Zero targets have been validated by SBTi. 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)

## 2050

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

# 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 "CO<sub>2</sub> equivalent" (CO<sub>2</sub> eq.).

## Carbon dioxide (CO<sub>2</sub>)

- 73% of our GHG emissions.
- Global warming potential: 1 CO<sub>2</sub> 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 (CH<sub>4</sub>)

- 26% of our GHG emissions.
- Global warming potential: 28 CO<sub>2</sub> eq., i.e., 28 times greater than CO<sub>2</sub>.
- Origin: emitted from the decomposition of wet organic waste in landfill sites and wastewater treatment facilities.

## Nitrous oxide (N<sub>2</sub>O)

- 1% of our GHG emissions.
- Global warming potential: 298 CO<sub>2</sub> eq., i.e., 298 times greater than CO<sub>2</sub>.
- Origin: emitted from wastewater treatment.

### FOCUS

#### ON BIOGENIC CARBON

Only CO<sub>2</sub> from fossil sources is counted in our carbon balance (e.g. incinerated non-recyclable plastics), and not so-called "biogenic" CO<sub>2</sub> from organic sources (e.g. food waste), which is accounted for separately. Biogenic carbon emissions come from organic materials that had previously captured CO<sub>2</sub> 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 CO<sub>2</sub>).

