

2024 Biodiversity Report

PROTECTING AND REGENERATING NATURE: FROM COMMITMENT TO ACTION



This Veolia Biodiversity Report reflects an urgent need for increased protection and conservation* of biodiversity.*

Biodiversity is central to our businesses, our multifaceted performance, and our solutions.

This report presents to our stakeholders the practical action Veolia is taking to protect and restore biodiversity on the sites we manage, but also the solutions we offer our customers in line with global biodiversity objectives.

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Former President of the French National
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Chief Executive Officer of Veolia

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Foreword

We face a major environmental crisis, unquestionably the fastest that humankind has ever experienced. Of course, it is not the most intense, at least not yet, compared with the ice ages our ancient ancestors lived through. However, besides its rapidity, there are two huge differences: for the first time, this crisis is being caused by a species – ours – and unlike in the past, we have the ability to act to reverse the process. This last point immediately raises a three-part question: what to do, how to do it, and who should do it?

Firstly, we need to diagnose the disease. Is the planet suffering from a fleeting cold or from cancer? To assess the seriousness of the current environmental crisis, we must look back at those of the geological past. The uncompromising diagnosis is returned: it's cancer! Following the five episodes to have affected the biosphere since the Paleozoic Era, biodiversity now faces a sixth major extinction. However, this diagnosis is accompanied by two additional findings. The "cancer" is still at an early stage – phew! But it's extraordinarily fast and invasive – oh, no! In other words, it's not too late: we can and must act, but we must act without delay before we pass the tipping points.

The good news for now is that we are the cause of the "cancer" affecting biodiversity. This is good news because it means that finding a solution is in our hands, which would not be the case if a giant meteor were bearing down on the planet. Do we have treatments to make it better? More good news: the answer is yes, if we are prepared to listen to what Doctor IPBES* is prescribing, which is to moderate our pressure in five major areas. Acting on these five factors is a simple question of will. Simple is good, because the time to act is now.

The situation is too serious to jump on other people, demanding that they take action: "It's up to the state to regulate, local authorities to manage things better, companies to move past a vision focused on profits, and citizens to leave behind their comfortable routines." No excuses! Time is pressing, and we must all transform the way we do things and think about using resources more sparingly. We will not get out of this damaging rut purely by way of the ecological transition we hear about all too often; what we need is a deeper transformation. Building the resilience of ecosystems, developing nature-based solutions to regenerate species, regulating to control the resources we extract, and defining more exacting environmental standards are just some of the essential steps.

With GreenUp, Veolia is springing right into action to open the way to true environmental responsibility. This example should inspire other business sectors, especially those that believe themselves far removed from environmental issues, to take action of their own.

So, yes, action can bring new hope, because biodiversity will bounce back, if we give it the chance. But we will need to fundamentally change the way we think about life on Earth. For millennia, our stance has been to set ourselves apart and above, with nature on one side and us on the other. Think about expressions like "I love nature" or "Nature is cruel", which imply that we are some kind of umpires rather than players in the game. If we really want to act, we have to see ourselves as part of nature, get on the field with the other players, and pass them the ball.



BRUNO DAVID

Former President of the French National Museum of Natural History

“We will not get out of this damaging rut purely by way of the ecological transition we hear about all too often; what we need is a deeper transformation.”



Editorial

ESTELLE BRACHLIANOFF

Chief Executive Officer of Veolia

“We have placed biodiversity at the heart of our multifaceted performance, by means of ecological management standards, action plans, and dedicated measurement indicators, which guide our strategy and day-to-day work.”

The health of ecosystems, upon which all life on Earth depends, is deteriorating more quickly than ever. Over the course of just a few years, two-thirds of the Earth's insect populations have been destroyed. Over the course of a few decades, two-thirds of its wild animals have vanished. Over the course of a few millennia, two-thirds of its trees have been felled. The facts are indisputable: we stand at the beginning of the sixth mass extinction on Earth, and, in contrast to the other five, this time

human activity alone is to blame. While the economic world is partly responsible for the pressures on our ecosystems, the mobilization of its companies is key to inventing the solutions that will enable us to protect, secure and regenerate them. This is the very core of Veolia's purpose. Every day, this is what we are doing when we transform waste into resources or energy, when we treat and recycle wastewater. Because resources are too precious to be used only once.

This commitment, which is the foundation of our three businesses, is now underpinned by our new strategic program, GreenUp, which promises to be a real driver of growth, all around the world, in our high-positive-impact activities, from hazardous waste treatment to new water technologies. Its aim is to decarbonize, depollute, and regenerate resources; to reconcile human activity and planetary boundaries.

It is why we have placed biodiversity at the heart of our multifaceted performance, by means of ecological management standards, action plans, and dedicated measurement indicators, which guide our strategy and day-to-day work. We recognize our duty to lead by example and are committed not only to helping our customers minimize their impacts on biodiversity, but also to reducing the – albeit far smaller – local impacts of our own industrial facilities.

As we renewed our commitments to the collective corporate initiatives Act4nature international and It's Now for Nature in early 2024, we set ourselves even more demanding targets, in line with international policies established at COP15 and by the CSRD* directive in Europe, particularly in relation to the restoration and protection of ecosystems. And all this across an expanded sphere of activity following the acquisition of Suez.

As well as in our core business, we have made biodiversity a priority in our innovation program. This includes intensifying our promotion of nature-based solutions – recreating wetlands and restoring aquatic ecosystems – and our bio-monitoring tools, which make it possible to assess the state of natural habitats by measuring the activity of certain representative species.

These value-creating solutions will be even more widely incorporated into our offerings, to help our customers play their full part in the protection and regeneration of their own ecosystems.

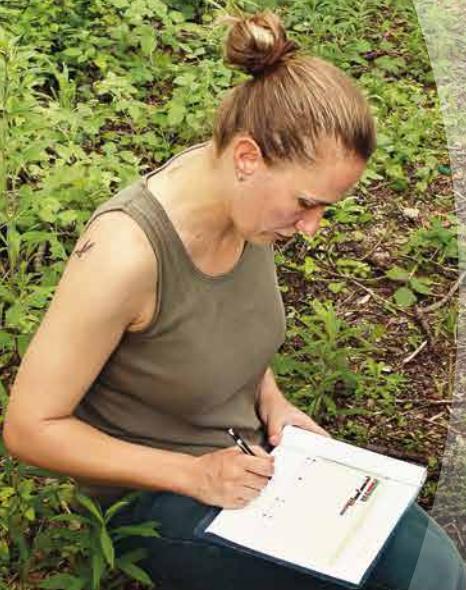
Because the fight against biodiversity loss requires increased commitment from all our economic partners, we started talking with our suppliers about reducing their own impacts. We also immediately adopted the Taskforce for Naturerelated Financial Disclosures (TNFD*) guidelines aimed at directing investment toward the most impactful solutions when the latter were published in 2023.

The success of COP15, in December 2022, inspired immense hope of halting the ongoing worldwide deterioration of life on Earth with its target of restoring 30% of the degraded ecosystems by 2030. By participating in COP16 in Cali, Veolia is playing a full part in this major battle for humankind and nature, and joins the international community in committing to faster implementation of the means to meet this challenge.

“The fight against biodiversity loss requires increased commitment from our economic partners.”

PROTECTING AND REGENERATING NATURE: VEOLIA'S PROTECTION AND BIODIVERSITY POLICY

Accelerating the deployment of viable, replicable, and affordable solutions for protecting nature, biodiversity, and natural resources is central to Veolia's purpose and its GreenUp strategic program. Alongside all its stakeholders, the Group has long been committed to meeting the challenges of ecological transformation, and is determined for all its businesses to internalize the protection of nature and the ecosystem services it provides.



PLACING NATURE AT THE HEART OF EVERYTHING WE DO

Present in five continents (57 countries) with nearly 218,000 employees in 2023, Veolia aims to become the benchmark company for the ecological transformation by addressing the major challenges of this transformation: climate change, pollution, resource scarcity, and biodiversity loss.

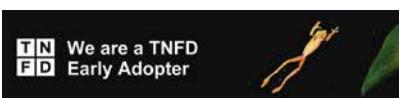
The Group contributes to limiting the factors in this loss that are related to human activity through the three pillars of its new strategic program, GreenUp: decarbonize, depollute, and regenerate natural resources.

The launch of GreenUp was also an opportunity to reaffirm biodiversity's place in the Group's commitments.

- **The Depollution / Biodiversity objective has been retained** as one of the multifaceted performance objectives for 2024-2027, which will be taken into account in the compensation of at least 16,000 Group managers.

- In March 2024, Veolia renewed its commitment to the **Act4nature** international initiative, which unites more than 70 major French companies and their non-profit and academic partners. It also subscribed to the sister initiative It's Now for Nature, a joint global campaign developed by **Business for Nature**, which is a worldwide coalition of a hundred business networks.

- **Veolia is one of the first companies** to have used the reporting framework on nature impacts created by the **TNFD**, in the Group's Universal Reference Document 2023, published in March 2024. This is a framework common to issuers and investors to facilitate the assessment of corporate biodiversity policies.



- **And Veolia's environmental protection performance** was again recognized in 2023 by non-financial ratings agencies including the CDP:

- **CDP Climate Change 2023:**
“Leadership” rating, scored A–
- **CDP Water Security 2023:**
“Leadership” rating, scored A–

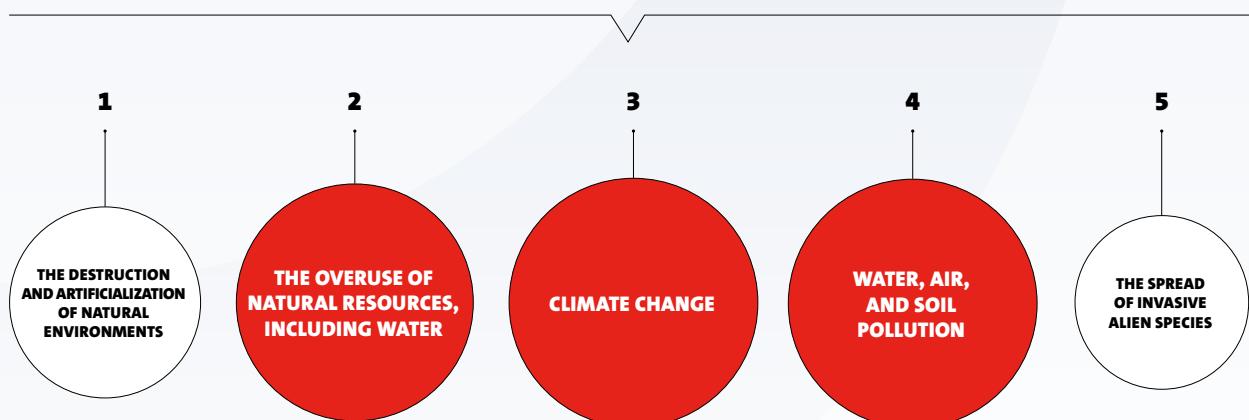
At the operational level, **more than 40 biodiversity correspondents within the Group** have the specific task of implementing action plans for protecting biodiversity on Veolia-operated sites.



COMBATING THE LOSS OF NATURAL ENVIRONMENTS

Pollution, climate change, overuse of resources – the list goes on... Human pressures are weakening biodiversity. To reduce the impacts, Veolia offers its customers solutions that combine operational performance with protecting the planet.

VEOLIA ACTIVITIES CONTRIBUTE TO SIGNIFICANT REDUCTIONS IN THREE OF THE FIVE PRESSURES ON BIODIVERSITY IDENTIFIED BY IPBES*



Limiting the pressures from human activity

Veolia's activities decarbonize, depollute, and regenerate resources. Consequently, they help preserve natural environments (water, air, and soil) and reduce three of the five main causes of biodiversity loss resulting from the activities of the company's municipal and industrial customers (overuse of natural resources, including water; climate change; and pollution):

- **Waste collection and treatment** limit the dispersal of urban and industrial pollution into soil, bodies of water, and the atmosphere.

- **Wastewater treatment and reuse activities** promote the return of high-quality water into the environment, contributing to maintaining watercourse levels and ecological health, and protecting water resources from pollution.
- **Development of centralized urban heating networks**, constantly monitored and subject to strict regulation, and the **selection of certified biomass streams** to power them, reducing the environmental impact compared with more-polluting systems.
- **Production and sale of recycled organic fertilizers** (see box opposite) as part of a sustainable agriculture approach, which plays a key role in balancing ecosystems.

Activities on Veolia-operated sites can nonetheless create direct or indirect local environmental pressures. Although the impact of these pressures is minimal compared with the amount by which Veolia reduces its customers' impacts, the company is aware of it and has implemented an environmental policy to manage its own impact as effectively as possible.

Transforming our sites into biodiversity reservoirs

Veolia aims to **transform the major sites it operates worldwide into biodiversity reservoirs**. This involves dedicated action plans for the sites with the highest ecological potential, and more broadly, ecological management of the land assets under Veolia's control.

Understanding our dependence on nature

While our activities enable us to reduce pressure factors on biodiversity, they are also strongly dependent on the proper functioning of the ecosystem services that nature provides.

- **Drinking water production** depends directly on the proper functioning of the large water cycle: consistent precipitation and the storage capacity of water catchments are key to the availability of this resource. The self-cleaning ability of natural environments helps maintain the quality of the resources used to produce drinking water, and thus reduces the level of treatment required to achieve drinkable quality.

- **Wastewater depollution activities** are dependent on ecological factors: microbial activity and the capacity of aquatic environments to assimilate residual loads are critical to wastewater purification.

- **Local, low-carbon energy production from biomass** requires a sustainable supply of fuel-wood or green waste.

- **Waste storage and composting, and the treatment of polluted soil** utilize the structure and nature of soil, and its biological processes, to break down organic matter.

THE BENEFITS OF RECYCLED ORGANIC FERTILIZERS

The organic products generated from water management and biowaste recycling contain nutrients (nitrates, phosphates, potassium) essential to crop cultivation. They therefore limit the need for synthetic fertilizers, whose production consumes large quantities of energy from non-renewable sources. They also constitute a food resource beneficial to the abundance and diversity of organisms in soil – earthworms, springtails, etc. – which themselves play a crucial role in vegetable production. The use of recycled organic fertilizers in agriculture also promotes the storage of extra carbon in soil, helping mitigate climate change.



INCORPORATING BIODIVERSITY INTO GREENUP

Since 2015 and its public commitment to preserve and restore biodiversity, Veolia has constantly reaffirmed this priority, incorporating it into its purpose and multifaceted performance framework, and repeatedly renewing its commitment to the Act4nature international initiative. The Group has also enhanced targets with the launch of its 2024-2027 strategic program, GreenUp.

This is a commitment rooted in the Group's history

Since 2015, Veolia's protection and biodiversity policy has taken concrete form in a commitment to the French government's National Biodiversity Strategy.

In 2019, Veolia published its purpose with the particular aim of improving the environmental performance of both the Group and its customers, based on four priorities: fighting climate change; promoting the circular economy; preserving water resources; and protecting

habitats and biodiversity. Also in 2019, the protection of natural environments became one of Veolia's 18 multifaceted performance objectives, with an indicator measuring the progress of action plans for the most sensitive sites managed by the Group. These sites are identified according to the value of the ecosystems present, the potential pressure on them due to on-site activity, and any levers that could be used to improve their condition. Each local action plan is implemented through a network of **over 40 biodiversity correspondents** embedded in the Group business units.



“Our commitment to the protection of nature and biodiversity is reflected above all in our determination to accelerate the roll-out of our decarbonization, depollution, and resource regeneration solutions. Our operational excellence enables us to contribute locally to the restoration of biodiversity on industrial sites that we manage.”

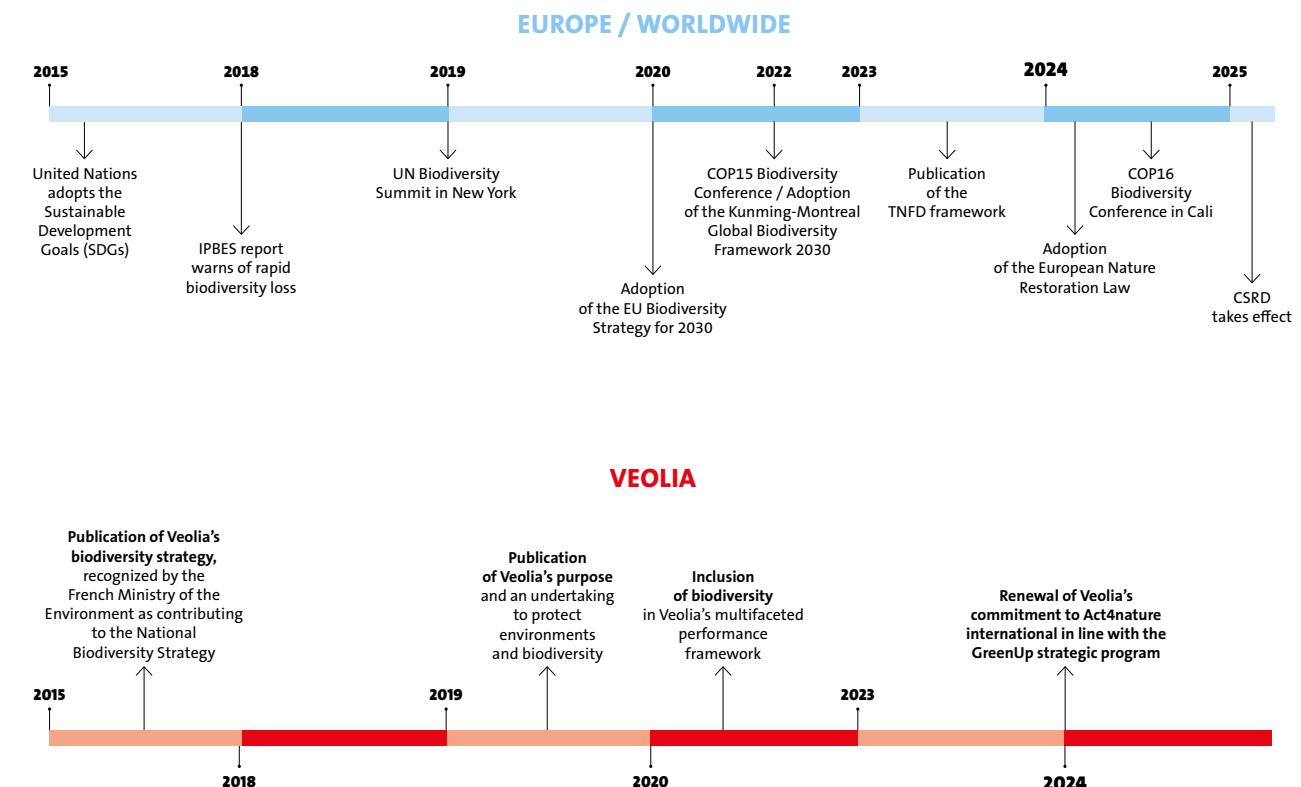
Sébastien Daziano
Senior Executive Vice President, Strategy and Innovation – Depollution and Biodiversity Commitment Sponsor

With the 2024 launch of GreenUp, Veolia's new strategic program, **the Group's multifaceted performance framework has been refreshed, retaining its biodiversity protection objective**. The roll-out of action plans now covers **163 sensitive sites⁽¹⁾** (compared with 107 in the previous Impact 2023 program), a figure that in part reflects the acquisition of Suez businesses. The target average action plan progress rate for 2027 is 85% (January 2024 baseline: 59%). As before, this indicator

will be audited by external auditors and factored into the Group's variable compensation policy for senior management.

The adoption of new environmental targets for 2024-2027 will formalize the Group's biodiversity preservation policies, including the ecological management of green areas and pesticide-free maintenance of all main Veolia-managed sites.

A STRATEGY ALIGNED WITH THE GROWING AMBITIONS OF COUNTRIES AND ECONOMIC PLAYERS



(1) See the locations of these 163 sites on pages 22 and 23.

A robust governance framework

Like Veolia's other multifaceted performance objectives, the one relating to environment and biodiversity protection is supported by a sponsor on the Executive Committee – Sébastien Daziano, Senior Executive Vice President, Strategy and Innovation. Its progress is reviewed by the Board of Directors' Purpose Committee. Veolia's biodiversity policy is also a frequent discussion topic for executive managers in their regular dialogue with the Critical Friends Committee. This committee of independent experts is regularly asked for its opinion, with the aim of challenging the company and helping it stay on course.

And, because protecting nature requires a new collaborative, multi-disciplinary model leading to substantial and sustainable changes, since 2008, the Group has been a partner of the IUCN*. The IUCN shares its expertise to help the Group implement its biodiversity strategy (developing its commitment to Act4nature

international, creating operational tools, etc.). Veolia also actively participates in working groups with leading French non-profits working in this area, such as Entreprises pour l'Environnement (EpE) and Organisation pour le respect de l'environnement par l'entreprise (Orée), as well as the international Business for Nature initiative.

"Veolia contributes to protecting human health and biodiversity through the depollution solutions it offers to the customers. Our new strategic program, GreenUp, reinforces this commitment by accelerating the development of our high-impact activities, such as hazardous waste treatment and new water technologies."

Estelle Brachlianoff
Chief Executive Officer of Veolia



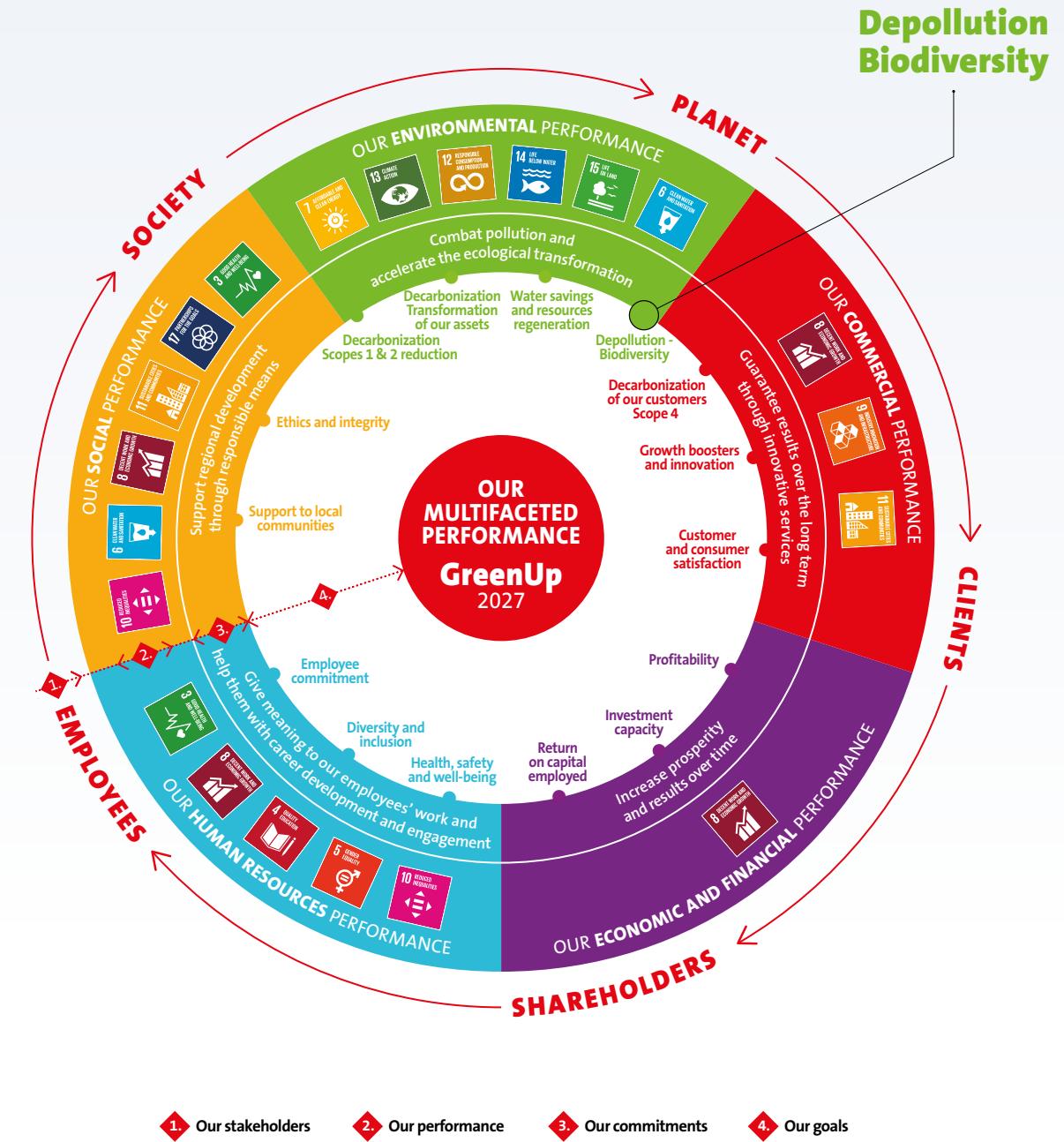
GreenUp

15 MULTIFACETED PERFORMANCE OBJECTIVES

Veolia's multifaceted performance provides the direction for its new strategy. This tool guides the Group's business activities, enabling it to find a balance between its five dimensions of performance – economic and financial, commercial, human resources, social, and environmental – to create the maximum sustainable impact.

In its GreenUp strategic program, Veolia has defined 15 multifaceted performance objectives. These will be taken into account in the compensation of at least 16,000 Group managers. Each of the indicators associated with these objectives is measured and published regularly throughout the program to help monitor its progress. They are all verified by independent auditors. A member of the Executive Committee has been appointed as a sponsor to support each objective and ensure it is achieved.

GreenUp, OUR MULTIFACETED PERFORMANCE TOOL





A renewal of Veolia's biodiversity commitments with the Act4nature international initiative

In January 2024, Veolia renewed its commitment to the Act4nature international⁽¹⁾ initiative for the period 2024-2027. The Group has been a member since the 2018 creation of this initiative, which unites more than 70 major French companies and their non-profit and academic partners. Objectives set by the Group in connection with this commitment include those already established for 2027 as part of its multifaceted performance or its environmental targets, in line with the COP15 Global Biodiversity Framework recommendations and the requirements of the CSRD.

For Veolia, this means specifically:

- To roll out diversity protection and restoration solutions in line with the Group's Performance and Innovation policy.
- To consolidate the role of biodiversity in its governance and its communication with stakeholders.

New commitments made by the Group include: to establish an annual review at Executive Committee level of Act4nature international commitments; to design and include a biodiversity management solution in all business offerings; to test a solution enabling customers to deal with invasive alien species; and to define a global regreening target for 2027 and then for 2030 across all landfill sites identified as sensitive.

All 14 commitments are categorized in line with the pillars of the Taskforce on Nature-related Financial Disclosures (Governance, Strategy, and Risk and Impact Management) – see table opposite. These new commitments by Veolia have also been communicated to the Business for Nature initiative, a coalition of over a hundred business networks worldwide committed to biodiversity protection.

Strategic program
2027
GreenUp

MULTIFACETED
PERFORMANCE

+

ENVIRONMENT PLAN

+

ADDITIONAL OBJECTIVES

act4nature
international

(1) www.act4nature.com

VEOLIA'S COMMITMENTS FOR 2024-2027

act4nature
international

MATURING IN

GOVERNANCE

1 Increase consideration of biodiversity in Group governing bodies' decision-making processes, via review at Executive Committee level of its Act4nature international commitments. 2024
TO
2027

2 Incorporate objectives relating to three pressure factors on biodiversity in our multifaceted performance:
– Climate change: reducing greenhouse gas emissions (Scopes 1 & 2).
– Pollution: implementing action plans on sensitive sites⁽¹⁾.
– Overuse of resources: volume of water saved. 2024

3 As an early adopter of the TNFD, align the information published in the Universal Registration Document 2023 with TNFD requirements. 2024

STRATEGY

4 Design an on-site biodiversity management solution to be included in our business offerings (assessment of biodiversity footprints for customer sites, and action plans to reduce impacts and restore biodiversity). 2025

5 Design and test a solution to help our customers deal with invasive alien species (treatment process). 2024

6 Create a catalog of references and best practices. The aim of this catalog dedicated to Veolia activities is to offer our customers solutions for avoiding or reducing their impacts and restoring biodiversity. 2024

MANAGING OUR IMPACTS AND RISKS

7 Incorporate nature-based solutions into our business offerings, based on existing pilots. FROM 2024

8 Improve the inclusion of biodiversity in our purchasing criteria, in line with the identification of risks in our value chain in the TNFD framework, and, ideally, include at least one biodiversity score when assessing our strategic suppliers with the highest potential impact. 2025

9 Define a global regreening target for 2027 and then 2030 across all our landfill sites identified as sensitive. 2024
THEN 2027

10 Continue measuring biodiversity footprints and implement action plans across 100% of our sensitive sites, based on the new scope⁽²⁾ (an estimated 160 sites), and target 85% progress on action plans for 2027. 2027

11 Implement ecological management at 95% of our sites with more than one hectare of green space (new scope). 2027

12 Halt the use of pesticides at 95% of our sites (new scope). 2027

13 Commit to "Zero Deforestation", maintain 100% traceability of timber products for our energy chain, and target 100% certified supplies where we have operational control of the supply chain. 2027

14 Save water resources, with a target of 1.5 billion m³ of fresh water preserved in 2027 through the reuse of treated wastewater, desalination, and leak reduction in networks. 2027

¹ Commitments linked with a new theme in relation to previous commitments.

(1) Sites with the greatest potential impact on environments and biodiversity (identified according to criteria established in partnership with the IUCN, including the proximity of protected areas or areas of special biodiversity interest).

(2) New scope following the acquisition of Suez and the inclusion of new contracts since 2019.

CONTRIBUTING TO INTERNATIONAL OBJECTIVES

At the conclusion of COP15, the international Kunming-Montreal agreement defined urgent measures to halt and reverse biodiversity loss by 2030. The resulting Global Biodiversity Framework includes 23 targets, 13 of which relate to Veolia's activities.



COP15 GLOBAL BIODIVERSITY FRAMEWORK TARGETS FOR 2030

OVERLAP WITH VEOLIA'S ACTIVITIES AND COMMITMENTS	
2 Restore 30% of all degraded ecosystems by 2030	Operational practices: ecological management of sites; zero-pesticide policy; biodiversity action plans on sensitive sites
3 Conserve at least 30% of land and seas by 2030	Solutions: soil depollution and wetland restoration; nature-based solutions
6 Eliminate or reduce the impact of invasive alien species	Operational practices: ecological management of sites Commitment: design a treatment solution for waste from invasive alien plant species
7 Reduce pollution from all sources by 2030: reduce excess nutrients lost to the environment and the overall risk from pesticides, each by 50%; work towards eliminating plastic pollution	Operational practices: zero pesticide policy Solutions: depollution (solid waste, hazardous waste, wastewater); "green" nutrients (compost, etc.); plastic recycling; circular economy solutions
8 Minimize the impacts of climate change on biodiversity and build resilience	Solutions: providing resilience and adaptation to climate change; nature-based solutions
10 Ensure that areas under agriculture, aquaculture, fisheries, and forestry are managed sustainably	Operational practices: sustainable management of biomass used in energy production Solutions: recycled organic fertilizers; wastewater reuse; ferti-irrigation (SmartFertiReuse solution)
11 Restore, maintain and enhance nature's contributions to people	Solutions: depollution of water and soil; nature-based solutions
12 Increase green and blue spaces in urban areas, and ensure biodiversity-inclusive urban planning	Commitment: include biodiversity in our business offerings and bids for tenders
14 Ensure the full integration of biodiversity into policies and regulations	Commitment: biodiversity action plans on sensitive sites managed by Veolia
15 Encourage businesses to regularly assess and disclose their risks, dependencies, and impacts on biodiversity	Commitment: format the information provided by Veolia in its Universal Registration Document 2023 according to TNFD recommendations
16 Enable sustainable consumption choices to reduce waste and overconsumption	Circular economy solutions
19 Increase the level of financial resources from all sources, mobilizing at least US\$200 billion per year by 2030, including US\$30 billion to developing countries to protect their biodiversity	Three strategic boosters included in GreenUp: • Local energy and bioenergy • Water technologies • Hazardous waste treatment €4 billion in investment for growth included in GreenUp, including €2 billion in these three strategic boosters
21 Ensure that the best available data, information, and knowledge are accessible to decision makers	Solutions: monitoring and biomonitoring; Terra Academia* school and ecological transformation accelerator program

A strategy aligned with public policy objectives

The solutions offered by the Group, and the actions initiated as part of its commitment to Act4nature international and to its 2024-2027 environmental plan, are aligned with 13 of the 23 objectives for 2030 set by the Global Biodiversity Framework (GBF) created in December 2022 at COP15 in Montreal.

In France, these solutions also represent a large part of the 39 measures included in the third National Biodiversity Strategy⁽¹⁾ (SNB3), France's response to this new global framework, adopted in 2023.

LATIN AMERICA

SPEARHEADING THE GROUP'S BIODIVERSITY POLICY

In line with the objectives of GreenUp, Veolia has increased its biodiversity commitments in Latin America and is working to expand the related services it offers its customers. In 2024, 6 new locations have been added to the 20 previously identified sensitive sites, where 82% of the actions set out in their protection plans have already been completed. Other notable actions in the region include: restoration of degraded areas in Brazil's Atlantic Forest; improved water quality and protection of aquatic habitats in Mexico; and educational programs and awareness-raising campaigns, particularly in Argentina.



(1) <https://www.ecologie.gouv.fr/politiques-publiques/strategie-nationale-biodiversite-2030>.
(2) See pages 31 and 32 for examples of NbS implemented by the Group.

ENGAGING WITH OUR ECONOMIC PARTNERS

As one of the first companies to adopt the TNFD framework for including nature-related risks in its non-financial reporting, Veolia is helping to direct investment toward solutions that contribute to the protection of terrestrial and aquatic ecosystems. This requirement has also led the Group to initiate a dialogue with its suppliers in order to improve the inclusion of biodiversity protection in its purchasing criteria.

Responding to the financial community's expectations

In its Universal Registration Document 2023, Veolia adopted the recommendations for identifying nature-related risks and opportunities published by the TNFD in September 2023. In a similar vein to the TCFD (Task Force on Climate-related Financial Disclosures) for climate issues, this framework provides issuers and investors with common guidelines for assessing company policies on biodiversity.

It enables companies to provide transparent and consistent information about their impacts on biodiversity, and the resulting risks and opportunities for their activity and financial performance.

The TNFD aims to encourage businesses to include their relationship with biodiversity in their decision-making processes, risk management, and business strategies.

This approach won praise at the Davos Forum in January 2024, where Veolia was recognized as one of 19 French and 320 international companies and financial organizations to be Early Adopters of the TNFD. Several investors expressed their satisfaction with this at the Group's annual General Shareholders' Meeting in April 2024.



"Veolia is one of the first companies to have committed to using the TNFD's reporting framework on nature impacts. As we face rapid biodiversity loss, we welcome this transparency initiative, which takes account of nature-related impacts, dependencies, risks, and opportunities."

Philippe Zaouati,
Founder, Chairman and Chief Executive
Officer of Mirova



A COMMITMENT TO ZERO DEFORESTATION

Veolia's contribution to energy transition will include the development of chains for renewable energy production from agricultural and forestry biomass. Forestry biomass supplied under the Group's operational control is of local origin and very often consists of operational by-products (branches, bark, etc.) unsuitable for woodworking.

Veolia's goal is zero deforestation in this supply chain, through guaranteed traceability and certification of the wood supplied according to standards that ensure this goal. In Europe, the Group aims to obtain certificates of compliance with the renewable energies directive RED II and, outside Europe, certificates such as FSC and PEFC. In 2023, 97.6% of the wood biomass used by the Group was 70% traced and certified, with a target of 100% now set for both indicators by 2027.

Recognition of the value chain's impacts, risks, and dependencies

To satisfy the TNFD recommendations, Veolia undertook an assessment of its nature-related impacts, dependencies, risks, and opportunities using the LEAP method (Locate, Evaluate, Assess, and Prepare). This study identified each activity's short, medium and long-term risks and opportunities for direct operations and the upstream value chain. It also involved the inclusion of a new element relating to biodiversity loss risks in the annual risk assessment campaign in the Group's business units.

The identification of risks across the upstream value chain has also led the Group to engage in more extensive dialogue with its main suppliers in the worst-affected categories. The objective is to include criteria related to biodiversity protection in the selection and assessment of these suppliers from 2025 onward. The Group's new environmental objectives plan therefore sets targets of 100% traceability and certification for wood biomass used in its energy chain by 2027, in order to meet its zero-deforestation commitment.

FROM COMMITMENT TO ACTION

At Veolia, commitments translate into actions. The Group manages and develops the sites it operates to mitigate the impacts generated by its land holdings and more effectively transform them into biodiversity reservoirs. The Group therefore developed a tool to measure a site's impact on biodiversity and is committed to implementing ecological management across the main sites it operates.



IMPLEMENTING ACTION PLANS ON SENSITIVE SITES

In 2019, **107 sites** were identified as sensitive among the principal Group-managed installations, representing a total area of **16,116 hectares**. Each initiated an action plan, with an average implementation rate of 85% by the end of 2023. Veolia's renewal of this commitment, which takes account of the Group's new scope following the acquisition of Suez, takes the **number of sites considered "sensitive" in terms of biodiversity to 163**. As before, these will be subject to an action plan following an assessment of their biodiversity footprints.

Identification of sensitive sites

Sensitive sites are identified according to two main criteria:

- **Issues relating to the site's sensitivity and potential:** the nature of its surroundings; the presence of protected nature areas and/or endangered or protected species on or near the site; the permeable land and water area; and the water stress level.

"Our employees are strongly committed to protecting biodiversity. They recognize the positive regional impact of our actions and are aware of our environmental responsibility on the sites we operate. With our new GreenUp strategic program, we have set more ambitious targets than ever. And we are working to incorporate even more biodiversity protection solutions into our offering to meet our customers' expectations in terms of sustainable development."

Gustavo Miguez
Senior Executive Vice President, Iberia and Latin America

For this, Veolia combines site geolocation data with information from the IBA (Integrated Biodiversity Assessment Tool) database jointly developed by BirdLife International, Conservation International, the IUCN, and the UN Environment Program. This considers nature areas as defined by the IUCN (Categories I to VI), UNESCO (natural world heritage), the Ramsar Convention, the MAB (Man and the Biosphere) Program, the Alliance for Zero Extinction, and designated zones of importance for bird conservation and biodiversity (ZICO).

- **Issues relating to on-site activity:** discharges into the air and water; purification yields; resource abstraction; any past non-compliance; and ground surface sealing.



163 SENSITIVE SITES IDENTIFIED BY VEOLIA FOR THE PERIOD 2024-2027

Measuring our biodiversity footprint

Veolia co-designed a tool to measure a site's environment and biodiversity footprint, used to assess the direct and indirect negative and positive impacts of its activities at local level, especially on sensitive sites. This tool is the product of a collaboration between ecologists and life cycle analysis experts from the French consultants Écosphère, the IUCN French Committee, and Veolia.

Like a carbon footprint, the environment and biodiversity footprint qualitatively and quantitatively measures the major issues on a site to facilitate the creation of a semi-automated action plan and subsequent progress monitoring. It includes an analysis of indicators and data related to:

- **Site processes** (consumption of energy, reagents, water, and raw materials; reclamation of energy and materials).
- **Site location and the presence of protected nature areas** (on or near the site) or rare, endangered, or invasive species; site lighting; etc.

The involvement of an ecologist expert in local biodiversity is essential to assist operating entities with measuring a site's footprint. To ensure that assessments and action plans are consistent between different geographies, a common methodological framework is used.



THE 10 EXTREMELY BIODIVERSITY-SENSITIVE SITES IDENTIFIED IN COLOMBIA AND PANAMA

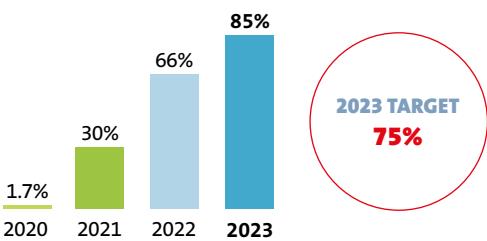


① Antanas	② Guayabal	③ La Esmeralda	④ Las Bateas	⑤ Presidente
⑥ San Silvestre	⑦ Wayra	⑧ Caribe	⑨ Sabana	⑩ El Diamante

Implementation of action plans

After assessing the biodiversity footprint, the ecologist assists the site in defining its action plan. To do this, they rely on a predefined list of operations to implement (such as the recreation of wetlands and habitats, integration of local species, control of invasive species, reduction of light pollution, protection of water resources, etc.), which they supplement based on the key issues revealed by the analysis.

% PROGRESS RATE OF BIODIVERSITY ACTION PLANS ON SENSITIVE SITES



In accordance with our purpose, biodiversity protection features in the Group's 15 priority multifaceted performance objectives, in response not only to the environmental emergency, but also the expectations of the Group's customers, employees, and shareholders. Its importance has been further consolidated in GreenUp, which sets annual targets for the Group's business units.

Pierre-Yves Pouliquen
Sustainable Development and Multifaceted Performance Director

FRANCE, GRANGES LANDFILL SITE

To make the location more attractive to wildlife and create diverse complementary habitats, employees at this site are implementing biodiversity protection and restoration measures, not only in aftercare areas but also in unused spaces. These include rigorous regreening of the site – by purchasing locally sourced seeds (certified “Végétal local”) and through a “hay transfer” project covering a 7-hectare area – and the maintenance of different environments, including the neighboring historical woodlands. More than a kilometer of hedgerow has been planted, and, since 2022, a 4-hectare area has been gradually redeveloped with a pond, shrub thickets, and homes for reptiles, to make it more attractive to a variety of species. Lastly, invasive alien species are managed in part through participatory projects that involve site employees.

COLOMBIA, ANTANAS ENVIRONMENTAL TECHNOLOGY PARK

Located on a landfill and incineration site in the town of Pasto, since 2021 this 98-hectare park has retained three conservation areas totaling 73 hectares. The environmental protection non-profit Viva el Planeta is supporting Veolia's ecological management of the site's rare tree species, including oaks, palm trees, and Colombian pines, and rare birds such as the acorn woodpecker. The creation of a nursery ensures the availability of endemic species for regreening and reforesting the area. Awareness is also being raised among the site's employees and local communities by organizing site visits and conferences on biodiversity.



DEVELOPING EVERYWHERE MORE VIRTUOUS PRACTICES

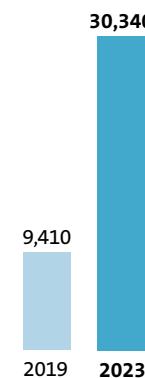
Veolia requires all sites that it operates to introduce more virtuous practices for biodiversity, irrespective of their sensitivity level: a zero-pesticide policy and ecological management on sites containing over a hectare of green space.

Different tools are available to support operating entities in this mission:

- **The ecological management guide, developed in partnership with the IUCN French Committee**, applies to all sites, irrespective of their sensitivity level. It includes practical guides on topics such as how to maintain green spaces, ponds, and watercourses; ecological development of roadways and buildings; and intrusion prevention and management of invasive alien species. A sector-specific version of the guide for landfill sites was produced in 2022. For these sites, the indicator “Areas which are scheduled to be restored or revegetated in the next four years” increased from 450 hectares in 2021 to 1,962 hectares in 2023.



CUMULATIVE SURFACE AREA OF SITES UNDER ECOLOGICAL MANAGEMENT (IN HECTARES)



- The “Green Spaces” charter is designed to support operating entities in their transition to more environmentally responsible practices. It formalizes the commitments made by Veolia sites and the providers of ecological management for green spaces, and includes mandatory measures to ensure that this management complies with the charter’s requirements.

- The “Zero Pesticide” charter (covering herbicides, fungicides, insecticides, and biocides) lists the practices to adopt to ensure that a site’s green spaces are managed in a virtuous way. Like the “Green Spaces” charter, it applies to the site and its providers. The final component in the charter is an educational guide, one purpose of which is to make employees more aware of the necessary evolution in esthetic standards to include more natural elements in green spaces.

RAISING AWARENESS BOTH INTERNALLY AND EXTERNALLY

Alongside a number of partners, Veolia is raising its stakeholders’ awareness of biodiversity protection, both internally and externally. Biodiversity information, training, and awareness campaigns for our employees and customers all over the world help highlight the positive impact of our actions.

Veolia’s ambition is to continue raising awareness among its stakeholders, both internal (on-site personnel, support functions) and external (contractors, customers, general public, etc.), of environment and biodiversity protection issues. The aim is to instill the culture shift necessary for a change in operating practices at every Group decision level.

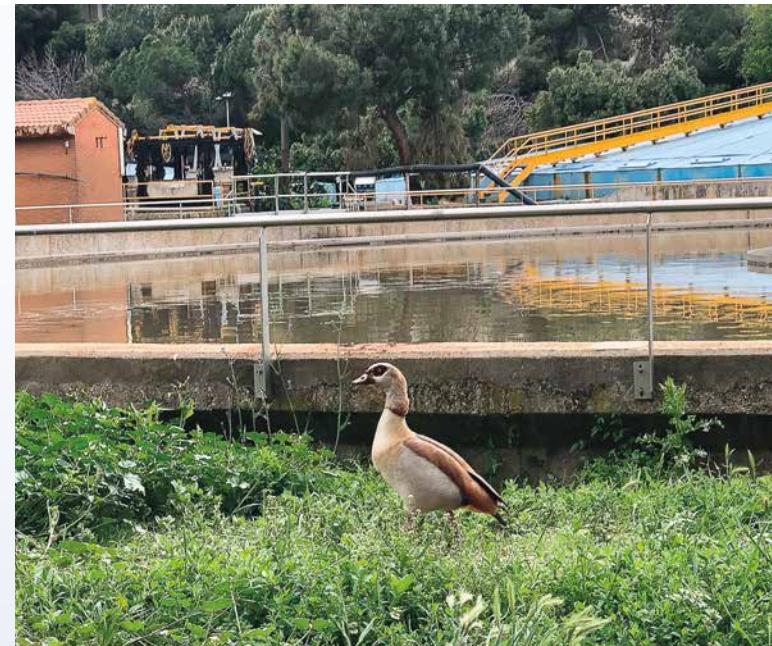
Veolia is also talking with its stakeholders, including through partnerships with local and national nature protection organizations.

Given that the expertise of naturalists is required to implement and monitor locally appropriate actions, it encourages its sites to adopt the same approach.

To accompany local awareness campaigns organized by business units, an e-learning course on biodiversity was made available to all Group employees in 2022.

SPAIN BIOSERVA REVITALIZES PARTICIPATORY SCIENCE

This educational program for monitoring biodiversity at water treatment facilities managed by Agbar, a subsidiary of Veolia, relies on the employee volunteers. Implemented at 90 sites, BiObserva has over 270 volunteer employees who observe bird species and record their findings in a database. The approximately 145,000 observations collected so far enable the Group to assess the environmental quality of its facilities. These observations are also shared in the Global Biodiversity Information Facility (GBIF).



LIFE-SIZE INNOVATION FOR OUR CUSTOMERS

In the face of climate change and biodiversity loss, businesses must work on better protection of the natural world, contribute to carbon neutrality, and implement adaptation solutions. With its substantial experience in these areas, Veolia has a duty to lead by example and innovate in biodiversity protection for its customers.



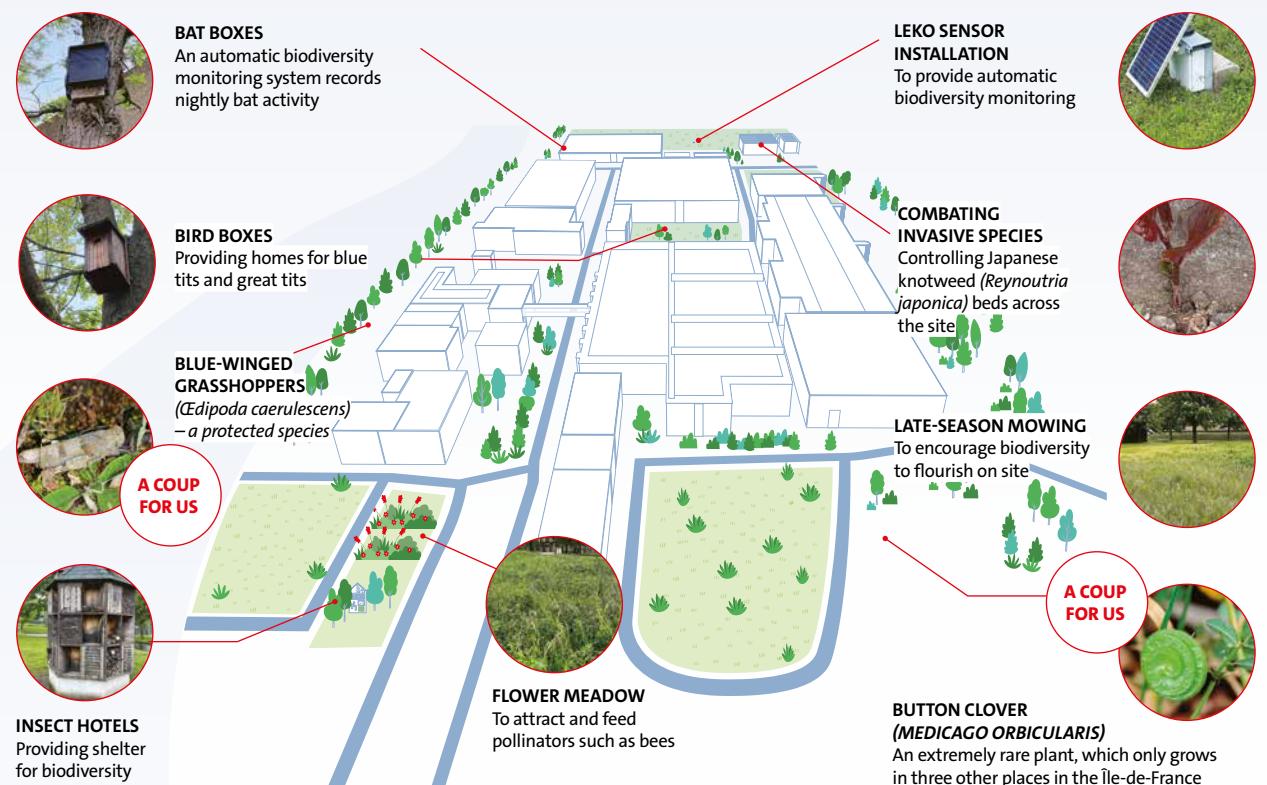
ECOLOGICAL MANAGEMENT: AN INTEGRAL PART OF VEOLIA'S OFFERING

Veolia makes its expertise in biodiversity protection fully available to its public and private customers. On their behalf, the Group is implementing a range of ecological solutions adapted to the management of their industrial sites. Some of these solutions are described below.

ÎLE-DE-FRANCE, PROMOTING BIODIVERSITY AT THE WATER PLANT IN CHOISY-LE-ROI

To allow fauna and flora to flourish in harmony with industrial activity on the regional public water company SEDIF's site in Choisy-le-Roi, operated on its behalf by Veolia Water Île-de-France, a range of measures have been implemented: differentiated, pesticide-free

management of green spaces; nesting boxes and insect hotels; wildlife population monitoring, etc. The challenge is to contribute to preserving water resources and to the fight against climate change; reduce the site's environmental footprint; and protect biodiversity.



The Choisy-le-Roi plant is owned by the Syndicat des Eaux d'Île-de-France (SEDIF).

CZECH REPUBLIC

IN PRAGUE, NATURE'S BACK IN TOWN

Veolia operates water management facilities across the entire City of Prague area, which also boasts a number of natural reserves. This has enabled Veolia to develop biodiversity hotspots in its operational areas. Simple procedures are designed to allow the maintenance or restoration of natural biotopes (seeding by green hay transfer, adapted maintenance methods, green space management method), created in cooperation with the Czech University of Life Sciences Prague. As a result, Veolia-managed sites now form part of the biocorridor in District Prague 12.



QATAR

BIODIVERSITY DEVELOPMENT IN DOHA

Veolia maintains a forest at its Doha North plant, which contains more than 90,000 trees (28 species planted across 750 hectares). This site has become a sanctuary where nature has reclaimed its rightful place. The site attracts more than 30 different species of birds each year, including many migratory species.

FRANCE

EDUCATIONAL WORKSHOPS IN LONS-LE-SAUNIER

With support from a local non-profit, Veolia organized multi-day workshops where the customer and employees worked to:

- Build an herb spiral;
- Create a pond and woodpile for insects;
- Harvest and sow local wild seeds.

Harvesting took place at an authorized plot 2 kilometers away. The seeds were cleaned, weighed, and, once the soil had been prepared, sown in the visitors' area, close to the car parking lot. Since 2021, this seedbed has been a supplementary food source for insects. The same seeds were also gathered and planted in another nature area being created elsewhere on site.

PROMOTING NATURE-BASED SOLUTIONS

In partnership with The Nature Conservancy, Veolia is implementing nature-based solutions to act on both climate change and biodiversity. The Group's innovation program involves the development of nature-based solutions for managing the large water cycle, such as artificial wetlands.

CHINA

REGENERATION OF A WETLAND FOR SINOPEC

This Veolia-managed project on behalf of Asia's leading oil company at its Beijing Yanshan site has achieved its objective of optimizing the quality of water being discharged into the environment. The creation of artificial wetlands has also provided habitats for local species, opened corridors for aquatic fauna, and regulated the water cycle. In addition, 2.7 hectares have been planted to allow improved water depollution through phytoremediation, and a further hectare for recreational purposes. More than 140 species have been identified to date, some of which are extremely rare, and the park welcomes over 500,000 visitors a year.





SPAIN

RESTORATION OF WETLANDS IN THE EBRO DELTA

In Catalonia's most extensive wetland area, which has high environmental value, a river basin ecological management project aims to improve the quality of water draining from rice fields before it enters the Ebro's lagoons and bays, and to protect biodiversity. This 140-hectare wetland is currently home to 48 different water bird species, 33 of which are classified as endangered. It was declared a nature reserve in 2020.



GERMANY

PLANTING IN BRAUNSCHWEIG

To help the town of Braunschweig, located on the banks of the Oker, solve water quality problems caused by the local mining industry, Veolia is managing a virtuous cycle combining high-performance treatment and effective environmental protection. Percolation meadows allow plants and microorganisms in the soil to filter water before it enters the Aue-Oker Canal. This biodiversity conservation area came about thanks to cooperation with Germany's Nature and Biodiversity Conservation Union. Some 302 bird species have been recorded, some of which, such as the golden plover, are on the IUCN Red List.

MONITORING ECOSYSTEM HEALTH

Biomonitoring is an increasingly effective way to determine the exact health status of ecosystems and track any changes over time. It offers real-time data acquisition at a significantly lower cost than conventional solutions.



LEKO,

BIODIVERSITY MONITORING TOOL

The Leko sensor, the product of a partnership between Birdz (a Veolia Group company) and the French National Museum of Natural History, can identify 87 animal species by their ultrasonic emissions. This major innovation in the field of bioacoustic sensors facilitates continuous long-term recognition of multiple species (bats, birds, and grasshoppers). Leko operates autonomously thanks to its solar panels, which supply the energy for daily automatic data transmissions. The Leko service package also includes monitoring four indicators to track the ecosystem's health status, and support from an ecologist.



“Restoring biodiversity to ecosystems, reducing the environmental impact of our business, managing our sites ecologically... Biodiversity is not an option. It is a key part of our strategy. Biodiversity forces us to re-think how we operate. As in Braunschweig in Germany, where we have had the opportunity to work closely with the local community and other partners to create a unique natural area and bird sanctuary for local and migrating species. And across CEE, with similar projects in almost every country, we have achieved 100% of our 2023 environmental and biodiversity targets.”

Philippe Guitard
Senior Executive Vice President, Central and Eastern Europe



GLOSSARY

Biodiversity

Biological diversity, or biodiversity, is the living fabric of our planet – in other words, all of nature and its ecosystems. It is at the heart of our environment and provides goods and services essential to our everyday lives, such as food, oxygen, and medicines. Because it is subject to many human pressures, it is now under serious threat (source: French National Museum of Natural History).

Conservation

Conservation is the sum of the actions and efforts aimed at protecting, maintaining, and restoring nature, ecosystems, animal and vegetable species, and biodiversity as a whole. Some key elements of conservation are:

- Species conservation: preventing the extinction of endangered species by protecting their habitats, policing poaching and illegal trading, and establishing captive breeding programs if necessary.
- Habitat conservation: preserving natural ecosystems such as forests, wetlands, and coral reefs by creating protected areas such as national parks and nature reserves.

Ecosystem

A complex system composed of communities of plants, animals, and microorganisms and their non-living environment (air, earth, and water), which interact to form a functioning ecological unit. All the organisms living in an ecosystem are collectively known as a biocenosis; the environment they occupy is the biotope (source: Convention on Biological Diversity).

- Resource conservation: sustainable management of renewable natural resources (e.g. water, soil, forests) and non-renewable resources (e.g. minerals, fossil fuels) to prevent their overuse.
- Ex situ conservation: protecting species outside their natural habitats in zoos and botanical gardens.
- In situ conservation: protecting species in their natural environments by keeping ecosystems intact.

CSRD (Corporate Sustainability Reporting Directive)

This European directive requires companies to publish non-financial information obtained from a double materiality analysis to identify the company's positive and negative impacts on the outside world, including the environment and biodiversity, and the financial risks and opportunities for the company created by external factors.

Ecosystem services

Ecosystem services include:

- Provisioning services: relating to tangible goods obtained from ecosystems, such as food, fibers, materials, and substances of industrial or pharmaceutical interest.
- Regulating services: which include pollination, soil maintenance, erosion prevention, pest control, surface water quality and flow control, climate regulation, etc. All these "services" are provided by a cohort of living organisms.
- Supporting services: services provided to nature by nature and the real "engine" of the biosphere. They include primary production of organic matter, photosynthesis, and nutrient cycling (source: extract from the Millennium Ecosystem Assessment called for by the UN).

IPBES

The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services is an independent body providing decision-makers with objective scientific assessments of the state of academic and non-academic knowledge on biodiversity, ecosystems, and their benefits for individuals, and the tools and methods to sustainably protect and utilize these vital natural resources (source: French Foundation for Research on Biodiversity).

IUCN

International Union for Conservation of Nature, which brings together governments and organizations from civil society, and implements a vast portfolio of conservation projects around the world. These combine the latest scientific advances with traditional knowledge in local communities to reverse habitat loss, restore ecosystems, and improve human wellbeing (source: IUCN).

Nature-based solutions (NbS)

Nature-based solutions are actions intended to protect, sustainably manage, and restore natural or modified ecosystems to directly address societal issues in an effective and adaptive way, while ensuring human wellbeing and generating benefits to biodiversity (source: International Union for Conservation of Nature).

Sensitive site for biodiversity

Veolia identifies sensitive sites according to two main criteria:

- Issues relating to the site's sensitivity and potential: the presence of endangered or protected species nearby, water stress level, etc.
- Issues relating to on-site activity: discharges into the air and water, water resource abstraction, etc. (source: Veolia).

Terra Academia

A school and ecological transformation program initiated by Veolia, which brings together a coalition of economic, academic, public, and non-profit partners.

TNFD

The Taskforce on Nature-related Financial Disclosures (TNFD) created a package of recommendations and advice on disclosure to encourage and enable companies and financial bodies to assess, understand, and act on their nature-related dependencies, impacts, risks, and opportunities. These recommendations and guidelines are intended to enable them to include nature in their decision-making, with the aim of promoting a transition of financial flows worldwide toward nature-positive results, in line with the Global Biodiversity Framework (source: TNFD).



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