

Q1, 2024 RESULTS

May 14, 2024

Estelle Brachlianoff, CEO
Claude Laruelle, CFO



AGENDA

- 1. Q1, 2024 highlights**
- 2. Detailed Q1, 2024 financial performance**
- 3. Appendices**



Estelle Brachlianoff

CEO



Strong Q1 results fully confirm our 2024 guidance



Revenue
€11 556M
+3.9%⁽²⁾ excl.
energy prices

EBITDA
€1 624M
+5.7%⁽²⁾

Current EBIT
€843M
+11.1%⁽²⁾

Fully confirmed 2024 guidance

- Solid organic revenue growth⁽¹⁾
- +5% to +6% EBITDA organic growth⁽²⁾
- Current Net income > €1.5bn⁽³⁾
- Leverage ratio < 3.0x⁽³⁾

(1) at constant scope and forex and excluding energy prices

(2) at constant scope and forex

(3) before PPA

Overperformance in Water and Waste, organic growth above 5%

Energy growth lowered by energy prices, essentially pass through for Veolia

Revenue €11 556M
+3.9%⁽¹⁾ excl. energy prices

Water Revenue of € 4.3bn + 6.5%⁽¹⁾

Waste Revenue €3.7bn +5.5%⁽¹⁾

Energy revenue €3.5bn stable
excl. energy prices⁽¹⁾

Or up 1.1% excluding weather impact

Energy revenue impacted by lower energy price as anticipated but EBITDA protected given unique positioning

Veolia value creation : profitable long term growth

Solid Fundamentals, Selective Growth & Performance Improvement

Growth



Performance



Capital Allocation

Green Up 24-27 value creation objectives

> Strongholds

**Water operations,
District heating &
cooling Networks,
Solid waste**

Infrastructure-like essential services with high visibility
Customer retention >90% and NPS 53

> Boosters

**Water tech,
Bioenergies, Flexibility
& Energy Efficiency,
Hazardous waste**

Mid to high single digit growth
Strong demand & barrier to entry

> Operational Excellence

> Cost efficiencies

€350M/year
including exiting low margin contracts

> Cost synergies of Suez merger

€500M cumulated 2022-25

> **Capex in new high value creating projects:** new hazardous waste treatment capacity, expansion in water tech & mobile units

> **Acquisitions:** accretive tuck-ins

> **Disposals:** either non strategic or mature assets

> **Strict investment discipline** targeting high quality projects complying with strict criteria in order to grow ROCE and FCF

- o IRR > WACC+4%
- o ROCE > WACC from year 3



Solid organic growth ⁽¹⁾



EBITDA ≥ €8bn in 2027



~10% CAGR current net income 2024-2027



Dividend to grow in line with EPS



Leverage ≤ 3X

(1) excluding energy price impact

Growth



Strong revenue growth in Q1

Boosted by Water technologies & sustained strong foundations

Solid revenue growth in Q1

Revenue of €11,556M
+3.9%⁽¹⁾ excl. energy prices

Strongholds activities

(Water operations, District heating & cooling networks, Solid waste)

Very solid performance : continued contract indexation and pricing strategy, high contract renewal, despite negative weather impact on district heating (-1%)

Boosters

(Water technologies, Bioenergy, Flexibility & Energy Efficiency, Hazardous waste)

High quality of execution and bookings on Water technologies up +50%

Geographies

France performance improving
Solid growth above 6% in Australia, USA, Middle East

(1) at constant scope and forex

“Strongholds” activities in Q1 performed well

Excellent contract renewal, good commercial momentum & continued pricing and indexation

Water operations

€3.2bn revenues in Q1 2024

New SEDIF contract signed in Q1

€4bn water contract renewed with The Greater Paris Water Authority - 12 years

District Heating and Cooling Networks

€2.3bn revenues in Q1 2024

Decarbonization in Eastern Europe

Ongoing Capex in Czech Republic and Poland with good IRR. Next commissioning expected: Poznan (Poland) and Frydek Mistek (CR) in 2025

Solid Waste

€2.7bn revenues in Q1 2024

New PET recycling facility in Japan

25kt capacity plant / -27.5KT of CO2 erased in partnership with Mitsui & Co.,Ltd. and Japanese leading retail Co. Seven & i

Example with SEDIF contract renewal

- **€4bn water contract with the Greater Paris Water Authority (SEDIF)**
 - 4 million residents in 132 municipalities
 - 12 years from 2025-2036
- **Innovation at the heart**
 - 150 innovations including 10 worldwide first
 - micropollutants treated (PFAS, pesticide residues etc)
 - patented technology incl. unique membrane filtration combining nanofiltration and reverse osmosis *Reverso®*
 - AI & digital to improve operational performance and customer satisfaction
 - specific initiatives to help deprived communities



Boosters activities delivered enhanced growth in Q1 and beyond

Q1 fueled by Water Technologies



Water Technologies
€1.2bn revenues in Q1 2024



**Bioenergy, Flexibility
and Energy Efficiency**
€1.1bn revenues in Q1 2024



Hazardous Waste
€1.0bn revenues in Q1 2024

Record bookings in Q1 of €1 757M, up +50%, including Hassyan €296M desalination facility in Dubai

Acquisition of Uniper flexibility assets in Hungary

- 430 MW
- Closing expected in Q4

300MW solar PV on landfills in France
Project launched to target energy self sufficiency in Veolia France by 2027

Ongoing Capex in new treatment facilities in Germany and in the US
New facilities to be commissioned in 2025

Example with Water technologies record bookings

Record bookings of €1 757M, up +50%⁽²⁾ vs. Q1, 2023, including :

- **Hassyan : €296M desalination facility in Dubai**
 - Unprecedented energy efficient (2.9 kWh/m³) thanks to unique Veolia innovation in reverse osmosis
 - Will supply potable water for 2 million Emiratis
 - Commissioning expected in 2027
- **Numerous Water Tech bookings in the US in Q1 totalling €611M**
 - Several contracts in the semiconductor, oil and gas, and chemical industry, including a jumbo project, providing Technology and services for water re-use and water treatment.



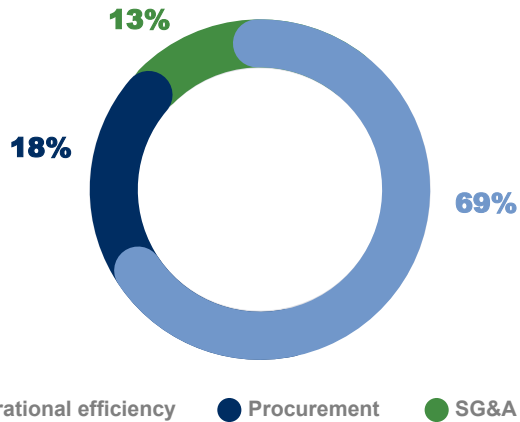
Deep dive : Water Technologies and New solutions
17 October 2024

Performance



Efficiency plan on target, and Synergies ahead of target

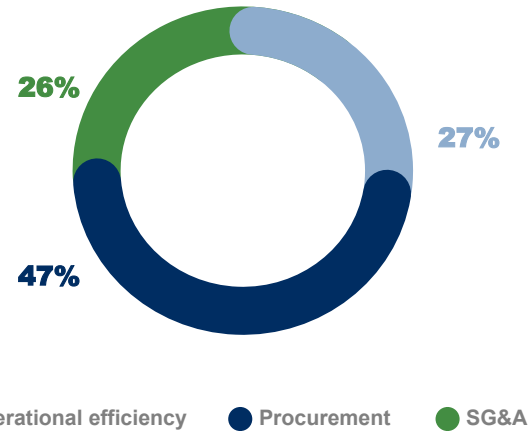
Efficiency
€88M delivered in Q1 2024
in line with the €350M annual objective



- > France specific action plan delivering first results
- > Improvement or disposal of underperforming business

Cost Synergies
€42M in Q1 2024

€357M accumulated since merger with Suez,
ahead of the year's target of €400M



- > Australia, US, Water tech key contributors

Capital Allocation

Additional value created via constant portfolio review

Q1 developments, creating long term value

Capex



- **Strategic Booster** : Hazardous waste treatment capacity under construction in USA, Germany, KSA, to open in 2025
- **Decarbonization** (from coal to alternative fuel and gas) in Poland and Czech Republic

Acquisitions



- **Strategic Booster** : Uniper in Hungary, signed in Q1, to be closed in Q4. 430MW flexibility strategic assets, highly value creative with synergies with existing activities.
- **Bolt-on acquisition** of recycling in Germany : high synergies and plug in with existing solid waste business

Divestitures

- **Non strategic** : SADE, sale completed to NGE on Feb 29th for an EV of €260M
Construction activity not strategic and diluting margin (~5% EBITDA), annual revenue €1bn
- No more value creation and no leadership position : Italy water concessions, sold to Italgas as minority stakes with no operational control and consolidation

GreenUp Strategic Program



Strong Q1 results confirming business model

Supporting our newly launched Green Up strategic program



Essential services, “infrastructure-like”:

full asset ownership or with >90% of renewal contracts.



Leadership wide position in environmental services

TOP 3 of our businesses in all key countries.



Supportive megatrends

decarbonization, decontamination, resource regeneration



Geographical revenue balanced footprint

20% France, 40% Europe and around 40% outside Europe o/w more than \$5bn in the US.



A well-balanced and resilient set of business

85% macro immune, with successful track record of adaptation.



Well protected against inflation

70% of indexed tariffs and demonstrated a successful pricing strategy for 30%.

Veolia unique positioning illustrated with PFAS recent developments

USA: emerging PFAS regulations with \$200bn estimated market

- Recent EPA regulations
 - April 10th, Water quality, 19th of April CERCLA
- Powerful drivers behind a \$200b estimated market
 - Drinking water safety and pollutants removal
 - Industrial site remediation
- Unique Veolia positioning & technologies to treat new pollutants
 - Full range of technologies to concentrate and treat PFAS : membrane filtration, ion exchange resin, hazardous waste treatment etc
 - Amongst top 3 in the US in water tech, water operations and hazardous waste in addition
 - Worldwide R&I centers

France: ready to treat PFAS & new pollutants

- an unprecedented campaign to detect newly regulated PFAS in drinking water
- 2/3 of Veolia drinking water production sites already covered
- 99% compliance, half of 1% already solved



Veolia's unique positioning

on €2500bn growing market of environmental services

Combined businesses

Best in class in each activity and creating additional value **by bundling our 3 businesses**

Market positioning

Positioned in **large growing markets** of largely **untapped solutions**

Footprint & local anchoring

A **worldwide geographical footprint** in **44 countries**, combined with **strong local presence**

Resilience & growth

Delivering **essential services** & operating **infrastructure**

Track record

A proven track record in **delivering** : agility, operational excellence and financial discipline

Expertise

An extensive **technological know-how** and **expertise** in **innovative solutions**

Engagement

89% engagement rate of our workforce at all levels

2024-2027 roadmap : sustainable growth with high impact

Decarbonization

18 Mtons CO₂e erased in 2027 (scope 4)
& emission trajectory reduction compatible
with 1,5°C (scope 1&2)

Regeneration

1.5bn m³ fresh water saved
in 2027

Depollution

**10 Mtons of hazardous waste
& pollutants treated** in 2027



Deep dives 2024

- **Local decarbonizing Energy**
11 January 2024
- **Veolia in the U.S.**
18-19 April 2024
- **Water Technology and New solutions**
17 October 2024

✓ Solid and resilient growth^(a)

inc. **boosters**: bioenergy, flexibility
& energy efficiency, water
technologies, hazardous waste
treatment

✓ ≥ €8bn EBITDA in 2027

✓ Leverage ≤ 3x

✓ Current Net income to grow ~10%^(b) CAGR over 2023-2027

✓ Dividend to grow in line with EPS

(a) excluding energy price impact
(b) at constant forex

2023 FINANCIAL & OPERATIONAL PERFORMANCE

Claude Laruelle
CFO



Strong Q1 2024 results

Solid businesses, agility and operational excellence drive profit growth

<i>In €M</i>	Q1 2023	Q1 2024	Var. vs. Q1 2023 at constant scope and FX
Revenue	12 007	11 556	-1.7% / +3.9% excl energy prices
EBITDA	1 574	1 624	+5.7%
Current EBIT ⁽¹⁾	788	843	+11.1%
Net Financial Debt ⁽¹⁾	18 727	18 997	

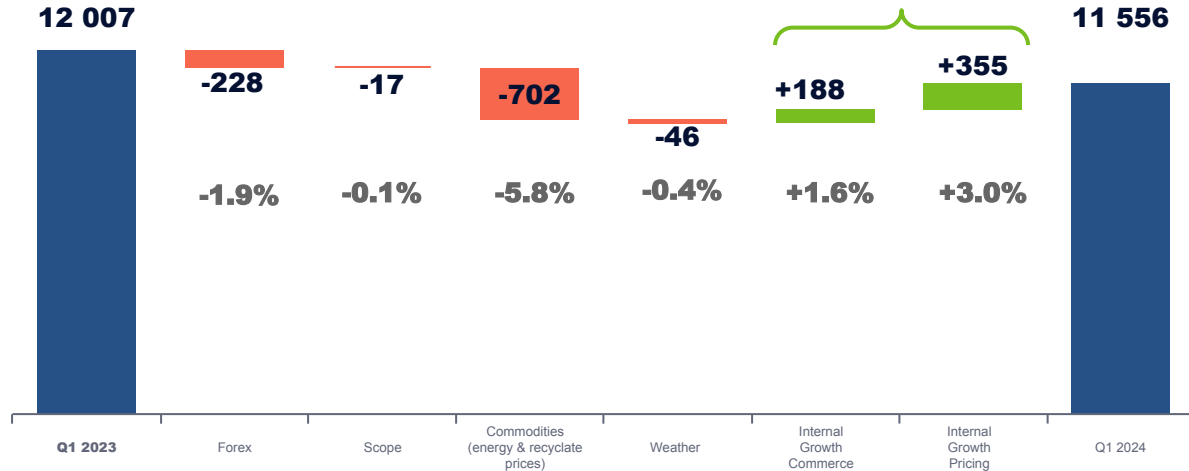
Forex exposure

- No transaction exposure
- Translation exposure only: revenues and costs in the same currency

<i>FOREX impacts (vs. Q1, 2023)</i>	Q1	%
Revenue	-228	-1.9%
EBITDA	-58	-3.7%
Current EBIT	-42	-5.3%
Net financial debt (vs.12/2023)	-81	-0.4%

(1) Excluding PPA impact

Q1 2024 Revenue of € 11 556M up 3.9%⁽¹⁾ excl energy prices



Evolution vs Q1 2023

- **Forex** mostly Latam
- **Scope** of which Sade -€89M and bolt on in Germany
- **External factors**
Commodities mainly Energy prices -€679M & some recyclates (plastics)
Weather : mildest winter in CEE in the last 30 years
- **Intrinsic growth 4.6%**

(1) at constant scope and forex

Q1 2024 Revenue : solid growth in all geographies

Revenue Evolution by Region

Water Technologies +15.3% : good delivery and record commercial wins

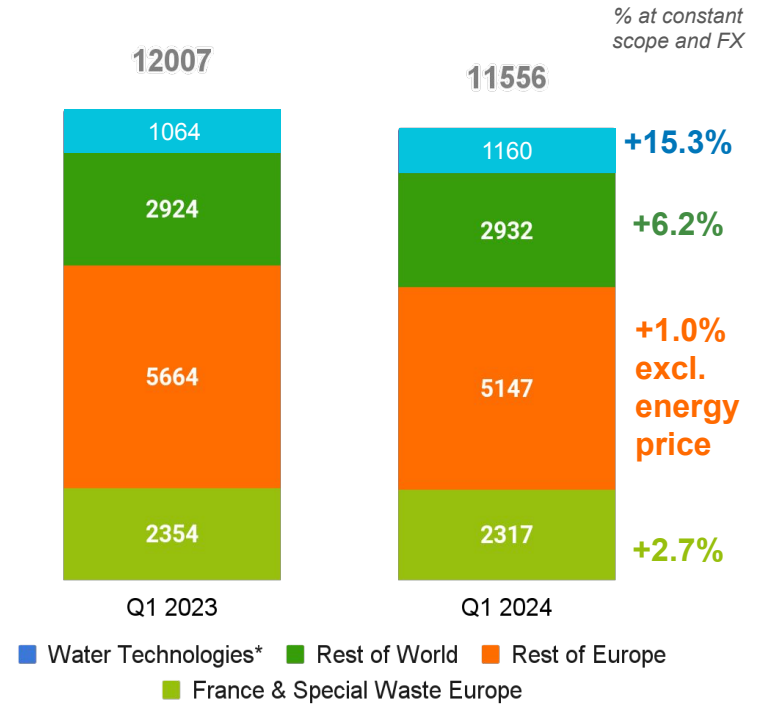
Bookings up 50% to € 1757M

Rest of the World +6.2% : solid growth in most geographies

Rest of Europe -10.8% and +1.0% excl. energy prices with limited impact on EBITDA & negative weather impact

France and Special Waste Europe: +2.7%

start of rebound of France



*Including Other for €4M in Q1, 2024 and €5M in Q1 2023

Q1 2024 Revenue : solid growth in all activities

Revenue Evolution by Activities

Water +6.5%

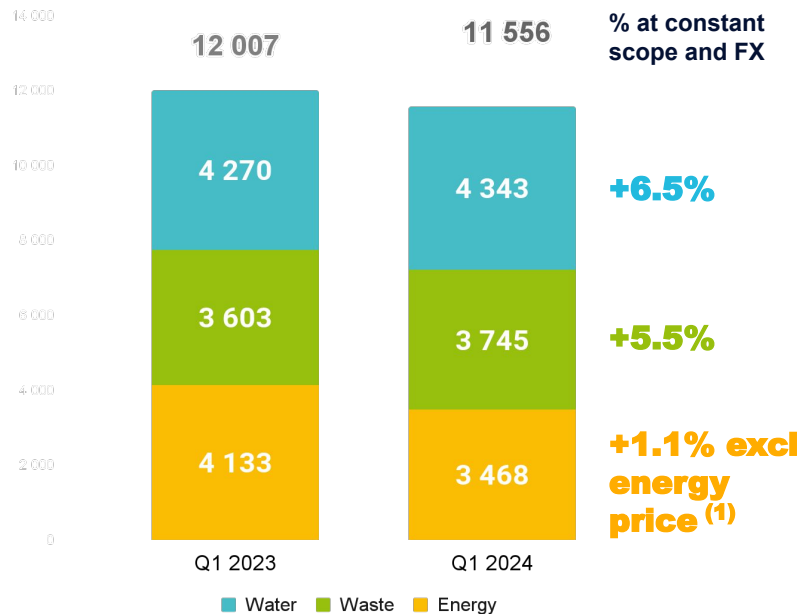
- ✓ Good volumes & tarif indexations in water operations
- ✓ Strong Water Technologies delivery and bookings +50%

Waste +5.5%

- ✓ Solid waste stabilized volumes and recycle prices. Continued price increase & high availability of ERF
- ✓ Continued good hazardous waste performance outside Asia

Energy stable excluding energy price

- ✓ Up +1.1% excluding weather
- ✓ Revenue decrease due to lower energy prices, with no or very limited impact on EBITDA
- ✓ Strong commercial momentum in Energy services



(1) Excluding weather impact for -1%

Water revenue €4 343M up +6.5% at constant scope and forex

Revenue variation vs. 2023	Q1, 2024
Volumes /Commerce/Works	+3.0%
Weather	-0.1%
Price effect	+3.6%
Growth at constant scope & FX	+6.5%
Scope effect*	-1.6%
Growth at constant FX	+4.9%

*Includes Sade divestment for -€ 89M (-2.1%)

Evolution vs Q1 2023

- ✓ **Good volumes**
- ✓ **Good tariff indexations in all geographies** including +4.6% in France and high single digit increases in Central Europe
- ✓ **Strong Water Technologies: bookings +50%** at very good margin

Waste revenue of €3 746M up +5.5% at constant scope and forex

Evolution vs Q1 2023

- ✓ **Improved volumes in Europe**
- ✓ **Positive impact from energy sales :** strong performance of ERFs availability and electricity hedging
- ✓ **Continued price increases in C&I and high selectivity in municipal collection** (value vs. volume)
- ✓ **Limited impact of recyclates**
- ✓ **Hazardous waste : continued momentum and price increases outside Asia :** e.g. US price and mix improvement to continue in 2024: +7.5% price in January

Variation vs. 2023	Q1 2024
Commerce/ volumes	+1.2%
Price increases	+4.8%
Recycled materials prices	-0.7%
Energy price impact	+0.2%
Growth at constant scope & FX	+5.5%
Scope effect	+1.4%
Growth at constant FX	+6.9%

Energy revenue €3 468M impacted by energy prices, as anticipated, with very limited impact on EBITDA sustained at high level

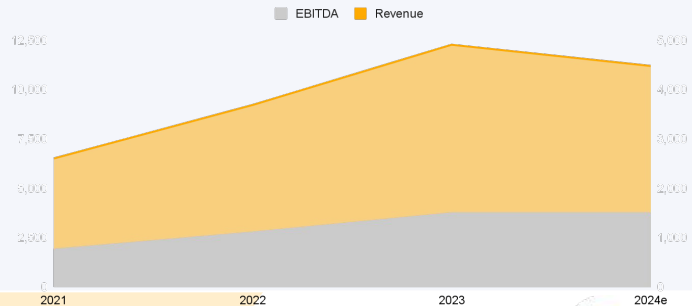
Evolution vs Q1 2023

- ✓ Revenue decrease due to lower energy prices, with nearly no impact on EBITDA
- ✓ Continued heat price increase in 2024
- ✓ Strong commercial momentum in Energy efficiency services, bioenergy & flexibility in Europe

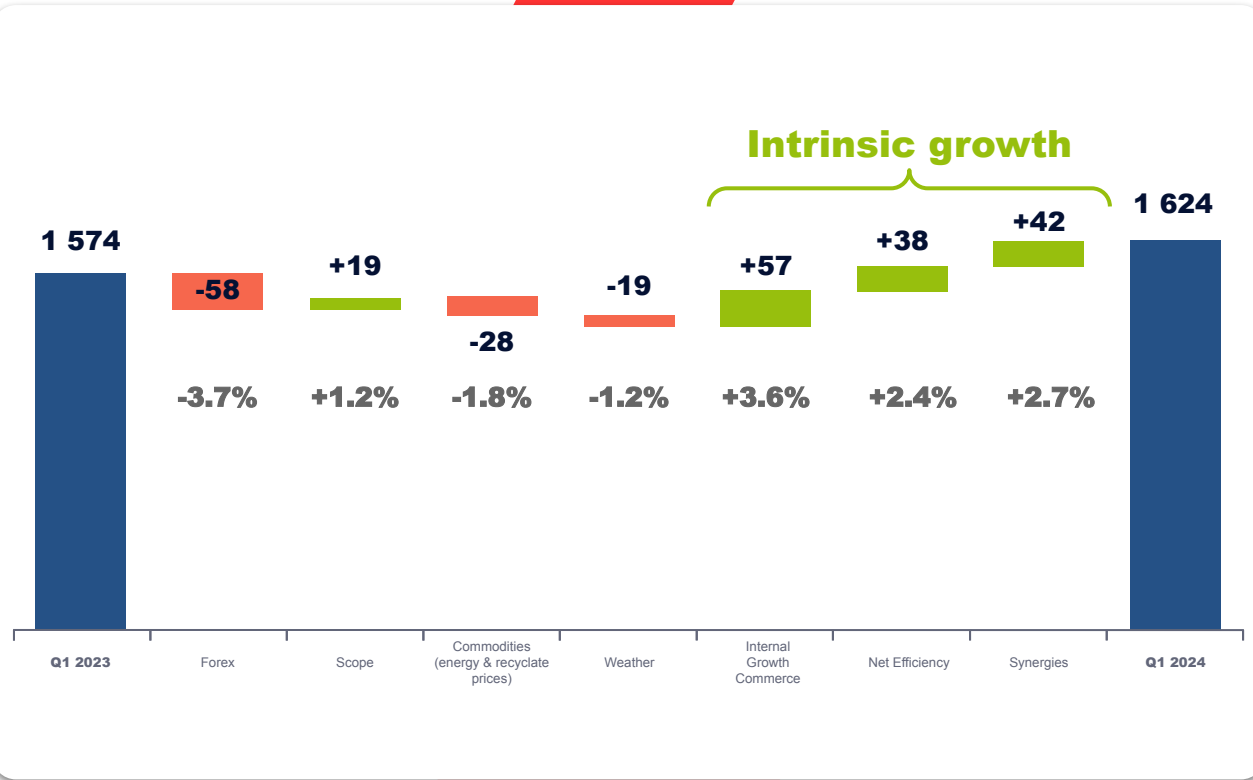
Variation vs. 2023	Q1 2024
Volumes / commerce / works	+0.4%
Weather	-1.0%
Energy prices	-16.6%
Other	+0.7%
Growth at constant scope & FX	-16.5%
Scope effect	+0.1%
Growth at constant FX	-16.4%

Resilient Energy EBITDA

Energy Revenue and EBITDA



Q1 2024 EBITDA of € 1 624M up 5.7%⁽¹⁾



Evolution vs Q1 2023

- **Forex** mostly Latam
- **Scope** Sade disposal offset by consolidation of bolt-on assets in Germany
- **External factors**
Commodities prices : energy prices -€19M and recycle prices -€9M (plastics mostly)
Weather : mildest winter in CEE in the last 30 years
- **Intrinsic growth**
Strong commerce (water notably), Good efficiency gains retention rate and synergies ahead of schedule

(1) at constant scope and forex

Current EBIT⁽¹⁾ of €843m up 11.1% at constant scope and forex

In €M	Q1, 2023	Q1, 2024	Variation at constant scope and FX
EBITDA	1 574	1 624	+5.7%
Renewal expenses	-68	-72	
Amortization ⁽¹⁾ including OFA repayment, provisions, asset impairments, net capital gains and other	-746	-731	
Share of current net income of JV and associates	+28	+22	
Current EBIT⁽¹⁾	788	843	+11.1%

- Higher amortization⁽¹⁾ due notably to the ramp-up of our contract in Tashkent, offset by lower provision and asset impairments
- Lower share of JV due to a non-recurring item in Q1, 2024 in 2023

(1) Excluding Suez PPA

Well controlled net financial debt

**Increased Capex on fast growing activities
with Return > WACC +4%**

→ Net capex of €915M vs. €894M in Q1, 2023

Growth capex include €94M of decarbonization capex and €43M of Hazardous waste projects

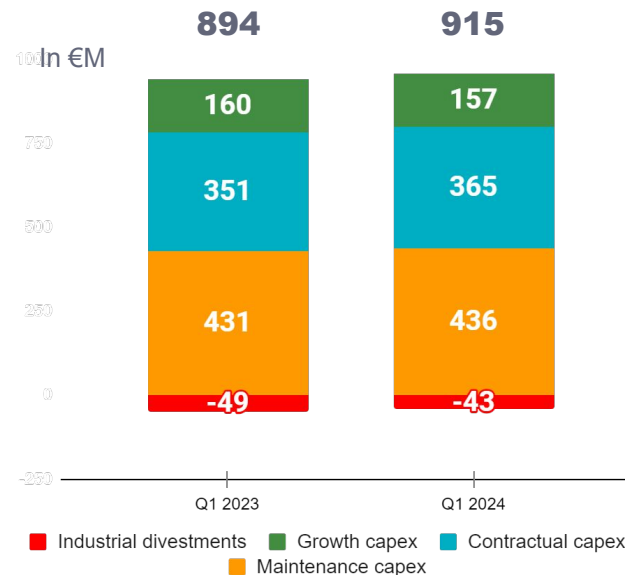
→ Net financial debt of €19.0bn at 31/03/2024

includes seasonal WCR reversal, hybrid debt repayment and tuck-in acquisitions

→ Confirmed expected leverage <3x at year-end

→ Strong Investment grade rating confirmed in April 2024 by rating agencies

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



Fully confirmed 2024 guidance

Revenue	Continued organic solid growth ⁽¹⁾⁽²⁾
EBITDA	+5% to +6% organic growth ⁽¹⁾
Efficiency gains	>€350m
Cumulated synergies 2022-2024	>€400m
Current Net income⁽³⁾	>€1.5bn
Leverage ratio⁽³⁾	< 3x
Dividend policy	Dividend to grow in line with current EPS

Deep dives 2024

Energy Day: 11 January 2024

USA day: 18-19 April 2024

Water Technology and Innovation : 17 October 2024

(1) at constant scope & forex

(2) excluding energy price impact

(3) before PPA

APPENDICES

APPENDIX 1

FOREX

1€ = xxx foreign currency	March 2024		March 2023		Variance	
	closing rate	average rate	closing rate	average rate	closing rate %	average rate %
US Dollar	1,08	1,09	1,09	1,07	-1%	1%
Pound Sterling	0,86	0,86	0,88	0,88	-3%	-3%
Australian Dollar	1,66	1,65	1,63	1,57	2%	5%
Chinese Renminbi	7,81	7,81	7,48	7,34	5%	6%
Czech Koruna	25,31	25,08	23,49	23,78	8%	5%
Brazilian Real	5,40	5,38	5,52	5,57	-2%	-4%
Canadian Dollar	1,47	1,46	1,47	1,45	0%	1%
Argentinian Peso	926,46	905,90	226,95	206,17	308%	339%
Japanese Yen	163,45	161,18	144,83	141,87	13%	14%
South Korean Won	1458,67	1444,19	1420,26	1368,80	3%	6%
Polish Zloty	4,31	4,33	4,67	4,71	-8%	-8%
Hong Kong Dollar	8,46	8,49	8,54	8,40	-1%	1%
Chilean Peso	1060,30	1029,73	861,75	870,18	23%	18%

APPENDIX 2: Analysis by geography

France and Hazardous Waste Europe : solid performance

€M	Q1 2023	Q1 2024	Δ at constant scope and FX
Revenue of which	2 354	2 317	+2.7%
Water France	685	711	+4.4%
Waste France	716	733	+3.4%
Hazardous Waste Europe	541	556	+2.6%
Construction (SADE)	250	165	+1.6%
Other	162	152	+5.5%

Comments

- **Water France:** higher indexation (+4.6%) and better volumes +0.5%
- **Solid Waste France:** continued commercial selectivity and weak volumes are offset by indexations and price increases. Lower impact of recycled materials price
- **Hazardous Waste Europe:** continued price increases and resilient volumes

APPENDIX 2: Analysis by geography

Rest of Europe impacted by lower energy prices

€M	Q1 2023	Q1 2024	Δ at constant scope and FX
Revenue of which	5 664	5 147	-10.8%
Central and Eastern Europe	3 786	3 244	-16.2%
Northern Europe	972	1 020	+2.8%
Southern Europe	905	882	-2.7%

Comments

- **Central and Eastern Europe:** Impact of lower energy prices in District Heating activity partially offset by very good water activity (volumes up 4.2%, increased indexations)
- **Northern Europe:** outstanding UK performance : good waste volumes, indexations, strong EfW activity (availability of 98.1%, higher energy revenues)

APPENDIX 2: Analysis by geography

Rest of the world: continued solid growth

€M	Q1 2023	Q1 2024	Δ at constant scope and FX
Revenue of which	2 924	2 932	+6.2%
Asia - Pacific	1 185	1 133	+1.2%
o/w Asia	706	638	-3.8%
o/w Pacific	479	494	+8.5%
Latin America	485	473	+24.0%
North America	769	784	+3.8%
Africa Middle East	376	385	+4.1%

Comments

- **Asia:** China no recovery in hazardous waste, offset by solid growth in Hong Kong (+10%)⁽¹⁾ and Japan +4.7%⁽¹⁾
- **Pacific:** Good volumes/commercial wins and tariff increases in waste
- **Latin America:** good waste volumes (notably in Brazil, Columbia) and price increases..
- **North America:** strong Water (rate case increases and higher volumes) and continued solid hazardous waste performance driven by pricing (+7.5%)

(1) at constant scope and FX

APPENDIX 2: Analysis by geography

Water Technologies: continued very strong growth

€M	Q1 2023	Q1 2024	Δ at constant scope and FX
Revenues o/w	1 060	1 156	+15.3%
VWT	352	362	+7.1%
WTS	708	794	+19.4%

Comments

Water Technologies: bookings up 50% to €1 757M - Very strong pipeline

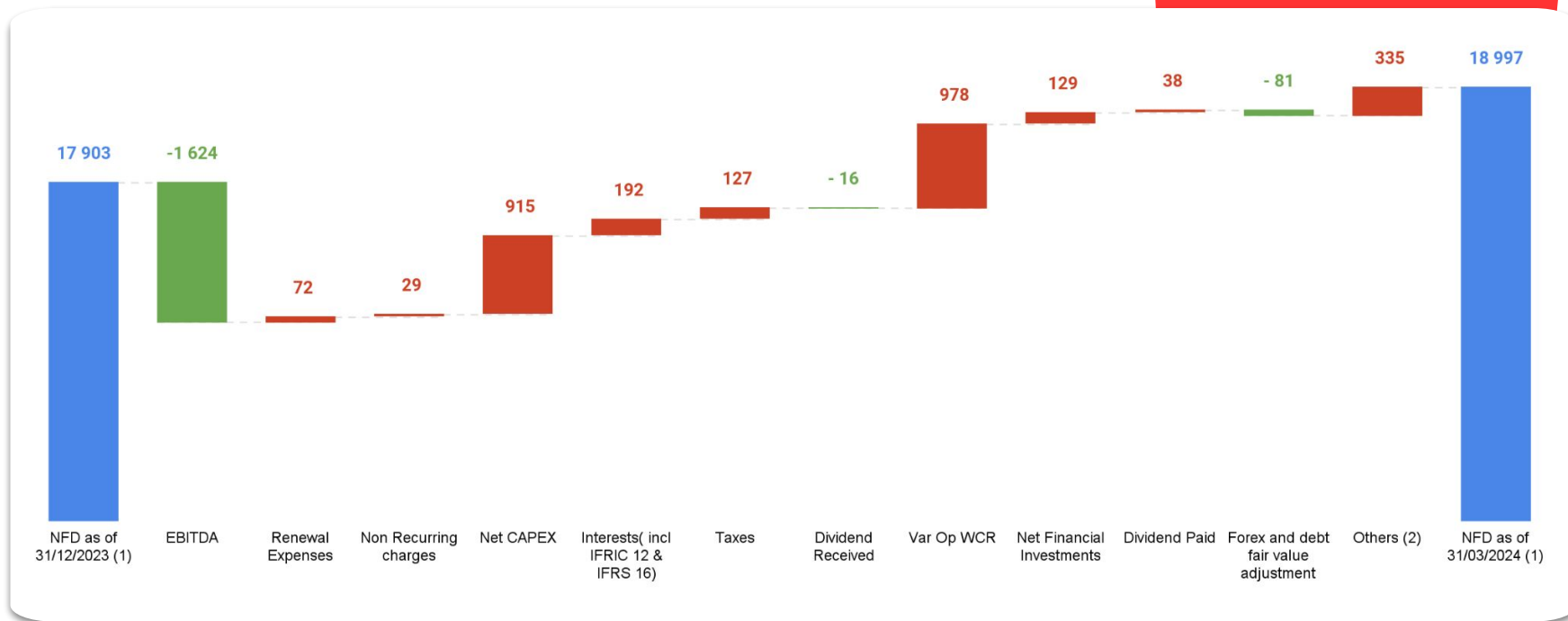
→ WTS up 19.4%, driven by all business lines. Bookings up +37% to €1 099M.

→ VWT 7.1%. Growth in technology & services. Bookings sharply up +77% to €658M

APPENDIX 3

Net financial debt at 31/03/2024 of €19bn⁽¹⁾

In €M



(1) Excluding PPA

(2) including hybrid impact for €209M

APPENDIX 4

Leading ESG rankings in 2023

GENERAL ESG

✓ **S&P Global: N°1 in the Multi and Water Utilities industry**, selection in the DJSI World and Europe, “Top 1%” in the Sustainability Yearbook 2024

✓ **Moody's Analytics: Leader in Waste & Water utilities industry** with a score of 72 vs. a sector average of 53

✓ **ISS-ESG: Prime and 1st decile** (B rating) in the Multi Utilities industry

CLIMATE PERFORMANCE AND REPORTING

✓ **CDP Climate change:** A- , Leadership band

✓ **CDP Water security:** A-, Leadership band

✓ **TCFD**

✓ **SBTi 1.5°C commitment**

RESPONSIBLE SUPPLIER

98th percentile by Ecovadis (2022)

BIODIVERSITY

- TNFD early adopter
- Act4 Nature international

APPENDIX 5

Net zero strategy

“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 emissions eliminated.

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.”

Estelle Brachlianoff, CEO

→ DISCOVER VEOLIA'S NET ZERO STRATEGY IN ACTION

<https://www.veolia.com/sites/g/files/dvc4206/files/document/2023/08/veolia-esg-multifaceted-performance-progress-report-2023.pdf>



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