

Commitment to Sustainability

2017 Best CSR Initiatives in Asia



Chairman & CEO's message

“

Becoming the benchmark company in sustainable development is both a goal and a dream. True, it demands effort, but just as there can be no success without effort, there is no enthusiasm without ambition.

”



Antoine FRÉROT
Chairman and CEO of Veolia

The wellbeing of the planet, of the communities we serve, and of our employees matters. In fact, it is what drives Veolia's commitment to the following three areas of sustainable development:

Resourcing the Planet



Sustainably managing natural resources by supporting a circular economy




Developing strategies to combat climate change




Conserving and restoring biodiversity

Resourcing the Regions



Building new models for relations and value creation with our stakeholders



Contributing to local development



Supplying and maintaining services crucial to human health and development

Resourcing our People



Guaranteeing a healthy and safe working environment



Encouraging the professional development of each employee



Upholding respect for diversity as well as human and fundamental social rights

Through those commitments and its activities Veolia fully supports the Sustainable Development Goals initiated by the United Nations.

This report highlights Veolia's approach to resourcing the world and some of Veolia's best 2017 CSR initiatives implemented in Asia across waste, water and energy related contracts.

Areas of contribution include :

- Communication
- Corporate Social Responsibility
- Customer Services
- Finance
- Health & Safety
- Human Resources
- Information Technology
- Technical & Performance

Fostering a low carbon and circular economy while conserving biodiversity

Veolia develops innovative and sustainable solutions to protect the balance of ecosystems, future-proofing our access to valuable resources.

By optimising the use of resources, we make sure that nothing is lost in the usage cycle. And in this way, we minimise, or even prevent, any downstream impact.

Veolia supports the global mobilization for the climate. Veolia is taking a stand for a robust and stable carbonprice and binding measures on GHG emissions, in particular on methane.

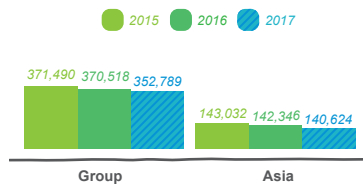


In 2017, Veolia already achieves its 2020 target of €3.8 billion in revenue linked to circular economy.

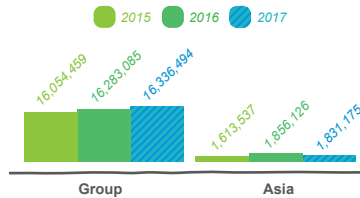


In 2017, Veolia achieved to cumulate 44 million metric tonnes CO2 equivalent of reduced emissions and 18.2 million tonnes CO2 equivalent of avoided emissions.

Volume of Water Recycled (million m³)



Renewable or Alternative Energy Production (MWh) for All Activities



Resourcing the Planet

Why would Veolia be involved in biodiversity?

- Anticipate our clients' expectations and the legal changes concerning our customers and activities while differentiating our offers,
- Demonstrate our ability to innovate by working on emerging themes such as ecological solutions adapted to our core activities,
- Enhance our know-how, reinforce our ties with our stakeholders and join forces with them around this cause,
- Actively contribute to the wellbeing of the regions and cities of the future, asserting our image as a responsible company that cares about the environment.

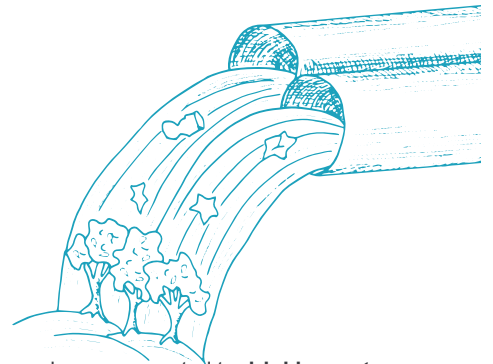


By 2020, Veolia aims to carry out biodiversity diagnosis and deploy an action plan in 100% of sites with significant biodiversity potential



Already 90% of our priority sites in Asia have carried out a diagnosis and deploy an action plan in 2017

Contributing to local development



In 2017, our projects around the world have led to:

- 96 million people accessing **drinking water**,
- 62 million people being connected to **wastewater services**,
- 39 million people being supplied with **waste collection services**
- 8 million people have access to heating services.

In Asia,

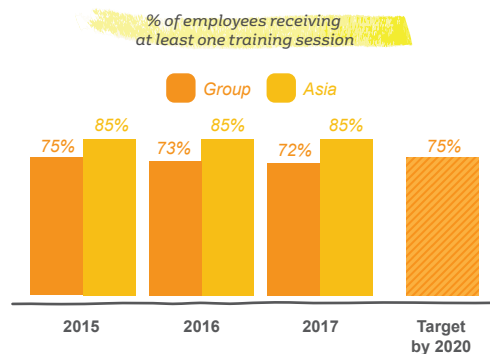
- 37 million people are connected to **drinking water**
- 14 million people have access to **wastewater networks**
- 1.5 million people are being supplied **waste collection services**
- 1.4 million people have access to heating services.

Encouraging professional development for employees

Veolia has always put our people first and has established the following as our **6 Pillars of People Management Approach**:



By 2020, Veolia aims to provide at least one training session per year to over 75% of employees



80% employees in Asia underwent safety training in 2017

Resourcing the Planet



Contribution to Corporate Social Responsibility:

- Carbon footprint
- Circular economy



Circular Economy Climate Change

FIRST BIOMASS PROJECT OF VEOLIA IN CHINA

Veolia China

In March 2017, Veolia, as the majority shareholder, signed the construction, financing, operation and maintenance contract of a biomass Combined Heat and Power (CHP) in Hejian, in Hebei province. Veolia is the exclusive steam supplier authorised by the local park committee and electricity will be sold to the grid.

This biomass CHP is the first renewable energy project of Veolia in China. It will use local as fuel: agricultural waste, including straws and branches, and waste furfural residue from an industrial nearby customer.

This project will help our clients meet the stringent environmental laws and regulations to reduce air pollution.

Key figures:

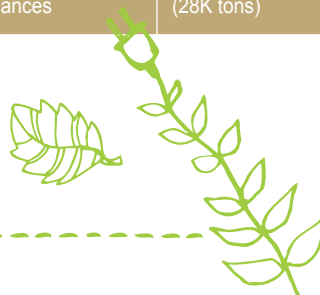
- A 25-year steam supply concession contract
- 75 tons/h biomass boiler plant and 10 MW back pressure turbine
- Up to 400,000 tons of steam output / year and 50,000 MWh of power generated
- 2,200m steam network

FIRST WASTE ELECTRICAL & ELECTRONIC EQUIPMENT RECYCLING CONTRACT IN CHINA

Veolia China

Veolia has entered the WEEE recycling market in China in 2017. The WEEE plant which is currently under technical improvement will treat 3 types of WEEE:

Types of WEEE	Annual capacity
4 types of big appliances (i.e. TV, refrigerator, washing machine and computer)	2.416 million units (60k tons)
8 types of small appliances listed in the WEEE categories	1.628 million units (28K tons)
Other small appliances	2.222 million units (28K tons)





Contribution to Corporate Social Responsibility:

- Biodiversity
- Contribution to local development



Biodiversity

WETLAND REHABILITATION BY USING INDUSTRIAL TREATED EFFLUENTS

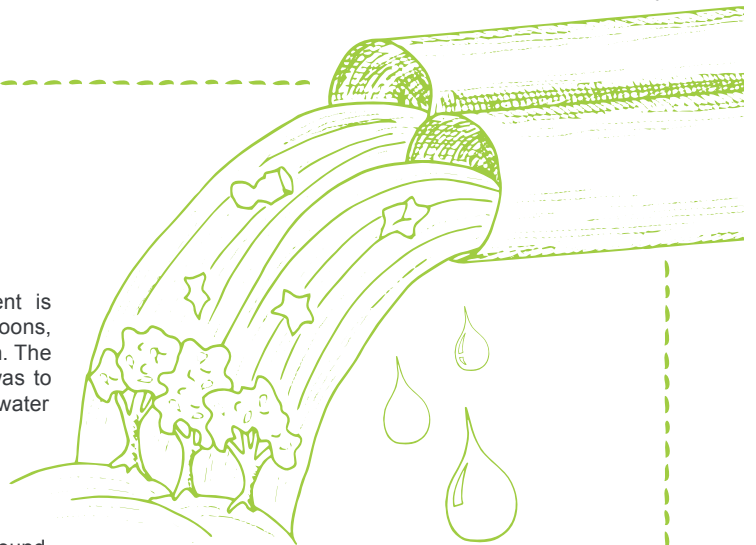
Yanshan Sinopec, China

The Niukouyu reservoir, where treated effluent is discharged, developed problems with dry lagoons, invasive species, algae and sludge accumulation. The solution devised by Beijing Yanshan Sinopec was to create a wetland buffer zone between the wastewater outlet and the reservoir.

Eight hectares of wetland were restored using treated effluent as inlet, including a one-hectare recreation area with a rest area, playground, walking bridges, viewing platforms, and an exhibition hall to educate the public on wetlands and biodiversity.

Key achievements

- Restored the reservoir while also providing residents a recreation area
- Improved local biodiversity, attracting over 50 bird species, some very rare
- Guaranteed local water quality through phytoremediation



AQUAPONICS SYSTEM TO PROMOTE ENVIRONMENTAL EDUCATION

Bali Waste-To-Energy project, Taiwan

In response to government promotion of ecology and agriculture education, BaLi WTE has converted its existing pond and greenhouse into a model aquaponics system, combining aquaculture (fish farming) and hydroponics (growing plants without soil) in one integrated system.

Key achievements

- Advanced the institution's corporate social image and goals
- Created a low-carbon educational model for public edification
- Promoted the incinerator's public image and built community ties

Resourcing the Regions



Contribution to Corporate Social Responsibility:

- Contribution to local development
- Stakeholders relationship



Local development Value creation

YOUNG CSR LEADER AWARD PARTICIPATION

Veolia ES Singapore PTE Ltd

Veolia Singapore supports the Young CSR Leaders Award, which encourages social consciousness among future civic and business leaders.

In this context, Veolia invited 359 students from universities and colleges to develop proposals to increase recycling rates in the public and commercial sectors in Singapore, challenging them to change public perception and behaviour while providing a platform for these future leaders to explore green concepts through real-life business scenarios.

The students were split into 11 teams. From these, Veolia selected *Environ Inn*, a team of five engineering students from the National University of Singapore. The team was given a two-month work attachment and the opportunity to further develop their proposal and compete with teams from other companies.

Key achievements

- Educated students on environmental issues related to recycling
- Inspired these future leaders to think outside the box to change public behavior
- Enhanced Veolia's corporate image with the public

SPONSORING NEW TARA EXPEDITION IN JAPAN

Veolia Japan

Since 2003, French non-profit organization Tara Expeditions has operated the schooner Tara as a vehicle for marine research around the world, a mission Veolia has supported since 2009.

In May 2017, the ship set out for Japan on its 11th expedition, «Tara Pacific», with a crew of international researchers to study coral reefs in the Pacific Ocean and the seas around Southeast Asia. Veolia Japan has promoted Tara's work amongst employees with workshops, in local schools with educational presentations and activities, and amongst business partners with special events aboard ship and at the French embassy.

Key achievements:

- Raised awareness of environmental issues such as coral reef preservation
- Shared Veolia's contributions to local development and conservation
- Gave employees and partners reason to take pride in having a positive social impact

DESIGN FOR ASIA AWARDS

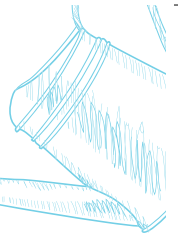
T · PARK, Hong Kong

T · PARK seeks to reshape perspectives on waste management and urban living with a self-sufficient operation that turns sludge—the residue of sewage waste treatment—into energy, reducing sludge mass by 90% while providing electricity to the city.

For its efforts, T · PARK received a Grand Award and a Grand Award for Sustainability at the Hong Kong Design Centre's Design for Asia Awards, which honour projects embodying Asian aesthetics, culture and influence. It was one of only 10 Grand Award winners out of 900 submissions.

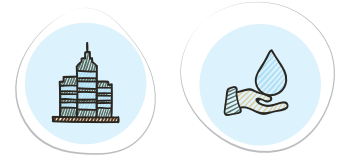
Key achievements:

- Invested in a green future by transforming waste into energy
- Honoured for design that fosters social change



Contribution to Corporate Social Responsibility:

- Contribution to local development
- Stakeholders relationship



Local development Crucial services

A MOBILE APP SURVEY AT THE SERVICE OF THE SOCIAL WELFARE TEAM

Nangloi, India

Veolia and Municipality encountered challenges in having all connection billed. Nangloi Water Services (NWS) has encountered difficulties in getting citizens to sign up for or pay for a connection to the network.

NWS's Social Welfare Team developed a survey to study the reasons households might be unwilling to sign up for a connection, including determining how much the public knew about the services offered and associated prices. The survey was conducted by mobile app and targeted a sample population of 1000 households.

Key achievements

- Improved communication with existing and potential customers
- Raised awareness of NWS's services and prices
- Simplified the application process based on survey feedback

COLLECTION OF PET BOTTLE CAPS TO PROMOTE CIRCULAR ECONOMY & SUPPORT UNICEF

Nishihara Environment, Japan

As part of its commitment to social and environmental betterment, Nishihara Environment holds an ISO 14000 certificate, and looks for ways to contribute to the circular economy and the community. In 2017, it joined the Minato-ku Recycling Business Co-op, a local association that collects PET bottle caps to sell to recyclers and contributes the proceeds to UNICEF. Since 2009, the Co-op has kept almost 200 tons of caps out of landfills and given over JPY 2,800,000 to charity.

Key achievements

- Collected 14 kg of bottle caps in 6 months
- Built valuable ties with the Minato-ku Recycling Business Co-op
- Engaged employees in contributing to the circular economy and the betterment of society

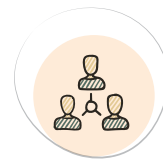


Resourcing our People



Contribution to Corporate Social Responsibility:

- Diversity and workers rights
- Developing skills and talents
- Capacity building



Diversity and human
& fundamental
social rights



Professional
development
& commitment

LAUNCHING OF FEMALE LEADERSHIP PROGRAM

Veolia Asia

Gender Balance has been a key topic for discussion in workplace. Social expectations, traditions and unconscious bias are posing a threat to women leadership and many female leaders face barriers as they climb up their career ladder as managers.

In light of this issue, to promote gender equality and foster female leadership in Veolia, a new initiative called EmpowHER was launched in 2017 by Learning & Development Department.

It consists of 2-day Asian cross-countries training followed by a 3-month mentoring program for each participant.

The Asia mentoring network has been spreading across China, Hong Kong, Japan and Korea with around 20 mentors and 40 mentees starting their journey.

Key achievement

- Foster women leadership
- Develop mentoring culture within the company
- Win-win experience exchange between mentees and mentors

INVOLVING EMPLOYEES IN THE COMPANY'S PERFORMANCE

Veolia South Korea

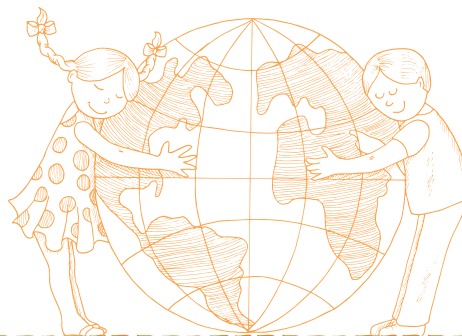
As one of these contracts drew to an end, Veolia South Korea asked all the 138 employees of the contract, including HR, managers and operation teams, for views on their roles and the areas for improvement to take into consideration on renewal of the project.

This initiative started in April 2016 and is expected to finish in a year.

4 core members were involvement with continuous support from represent director, division director in headquarters.

Key achievements:

- strengthen company's good image.
- Employees' feeling of belonging and team cohesion
- Increasing business activities competitiveness



Resourcing the world

Veolia Asia

China | www.veolia.cn

India | www.veolia.in

Japan | www.veolia.jp

Korea | www.veolia.co.kr

Singapore | www.veolia.com.sg