Q1 2022 Results

12 May 2022

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Solid Q1 delivery of the new Group

- **Suez merger progressing very well : integration well underway and first delivery of synergies**
- **Another revenue growth acceleration in Q1 driven by price increases notably energy**
- **Very strong EBITDA growth**
- **2022 guidance confirmed**

2022 VEOLIA SUEZ MERGER UPDATE
Integration well underway

- ❑ **Day 1 : Suez employees have joined progressively Veolia since January 19th 2022**

- ❑ **Antitrust process: 17 out of 18 green-lights obtained, the remaining from the CMA in the UK expected during the summer**
  - ✓ UK and Water Technology Services (WTS) consolidated but still operationally held separate until green light obtained from the CMA in the UK
  - ✓ **Integration process started in the BUs, allowing for full operational integration**

- ❑ **Anti trust remedies well underway**
  - ✓ Australian divestitures closed
  - ✓ EU remedies : 2 divestitures completed and one under negotiation for a total of **more than €0.9bn**
    - Divestiture to New Suez of some French hazardous waste assets (2021 revenue of €240M) for an **EV of €690M**
    - Divestiture of water mobile units (2021 revenue of €22M) to Saur for an **EV of €190M**

- ❑ **Very smooth teams integration, sharing same culture and dedicated to synergy delivery**

Merger expected value creation confirmed : €500M synergies in 4 years ; c.10% EPS[(1)] accretion in 2022 to c.40% in 2024

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

Q1 2022 HIGHLIGHTS : A VERY STRONG START TO THE YEAR

Solid Q1 delivery of the new Group

- **Revenue of €9 935M, up 14.7%(1) , vs. combined Q1 2021, accelerated by price increases notably energy**
  - ✓ **Underlying organic revenue growth of +7.1% excluding energy prices impact**
  - ✓ Solid growth coming from both Veolia (+16.7%) and New Veolia businesses (+6.6%)

- **EBITDA of €1 456M, an organic growth of +7.6%(1) vs. combined Q1 2021, ahead of annual guidance of +4% to +6%**
  - ✓ Restated from the 1st 17 days of January (non consolidated), **Q1 EBITDA of €1 505M**
  - ✓ **Positive impact of inflation notably in energy** (cost indexation and commodity hedging protection)
  - ✓ **Combined with cost discipline** : **€87M** of efficiency gains complemented by first **synergies of €21M**

- **Current EBIT of €692M, +18.0%(1) vs. combined Q1 2021**

In €M	Q1 2021 Veolia	Q1 2021 combined (1)	Scope(1)	Forex	Q1 2022(1) combined	Var. vs Q1 2021 combined(2)	Var. vs Q1 2021 reported (3)
Revenue	6 807	8 593	-84	+165	9 935	+14.7%	+44.3%
EBITDA	1 078	1 356	-22	+19	1 456	+7.6%	+33.4%
Current EBIT	469	595	-17	+7	692	+18.0%	+45.7%

(1) Q1 2021 and Q1 2022 restated from 1-17 January impact (€400M revenue, €49M EBITDA) - Q1 2021 combined includes Australian and EU anti trust assets, but they are excluded in Q1, 2022
(2) Variation at constant scope and exchange rates
(3) At constant exchange rates

INNOVATIVE DEVELOPMENT PROJECTS….

…Will increase production of locally-sourced sustainable energy and materials in Europe

Developing of local energy loops allowing decarbonization and energy sufficiency

- **Launch of an innovative industrial solution to produce CO2 neutral biofuel from pulp production, in cooperation with Metsä Fiber in Finland**
  - ✓ Refinery built and operated by Veolia
  - ✓ Solution replicable in 80% of the pulp mills worldwide

Recycling electric car batteries

- **Veolia to provide its HPD crystallization technology to recycle EV batteries for Li-Cycle recycling facility in Rochester, NY**
  - ✓ Facility will recycle 225,000 EV batteries p.a. using Veolia HPD

Solvay and Veolia launch energy transition project "Dombasle energy"

- **Creation of an RDF cogeneration unit replacing 3 coal fired boilers with furnaces running on RDF**
  - ✓ 50% CO2 emission reduction
  - ✓ New facility to come on stream in 2024

Veolia and Waga Energy commission one of the largest biomethane production units in Europe

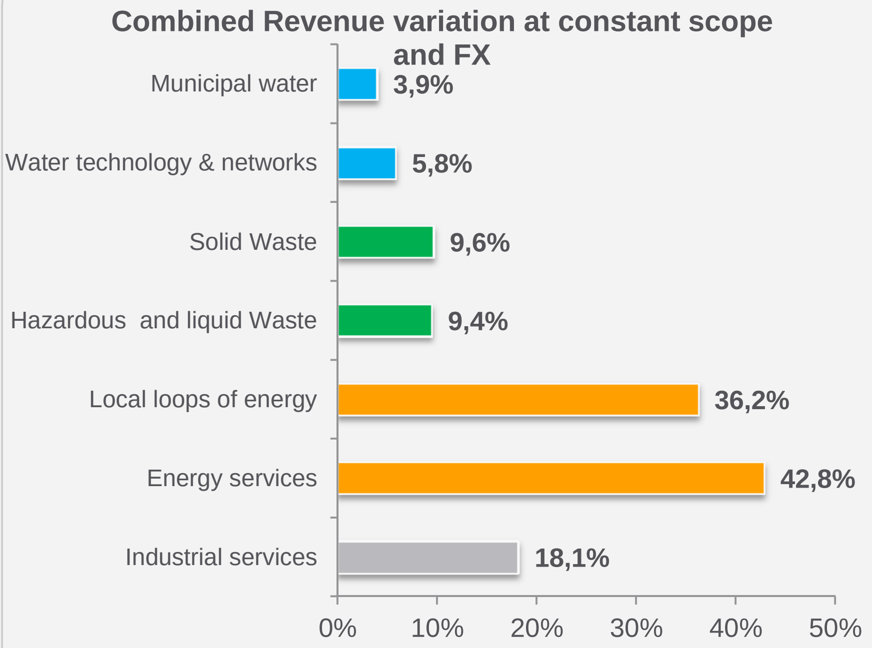
- **Production of 120 GWh of renewable gas /year**
  - ✓ Veolia already produces 1.6 TWh of biogas in France, equivalent to 10% of the French biogas production target set out in the 2023 Multiannual Energy Plan.

VERY STRONG ORGANIC GROWTH OF +14.7% vs. Q1 2021 COMBINED

Accelerated by energy price increases

ORGANIC REVENUE GROWTH vs. Q1 2021

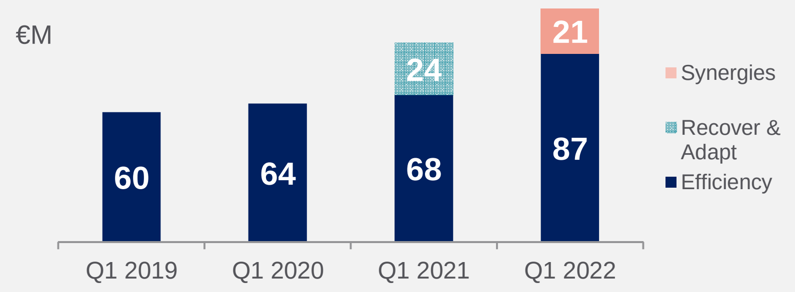
- **Municipal Water (revenue of €2 258M) :** slightly lower volumes in France and Central Europe offset by higher indexation. Good volumes in Spain, but still below pre-Covid. In Chile, volumes down 3% due to drought (volume limitations), and to a cool summer, compensated by tariff increases
- **Water Technologies (revenue of €1 258M) :** slight decrease of *VWT* revenue due to few asset disposals and lower desalination offset by Technology and Service. Continued solid growth for *Sade* water works in France. *WTS* revenue up 7% yoy.
- **Solid Waste (revenue of €2 683M) :** growth driven by price increases and continued increase of recycled material prices, with stable volumes.
- **Hazardous waste (revenue of €925M) :** solid growth in all geographies . Project slowdown in China due to lockdown.
- **Local Loops of energy (revenue of €1 777M) :** acceleration of growth in Q1 due to increased heat and electricity prices (mainly CEE)
- **Energy services (revenue of €703M)** : growth driven by high energy prices and commercial momentum, notably in Europe (Italy, Spain) and in the Middle East
- **Industrial services (revenue of €712M) :** strong growth in Europe fueled by higher energy prices

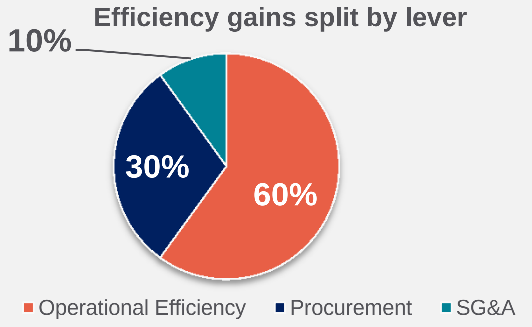


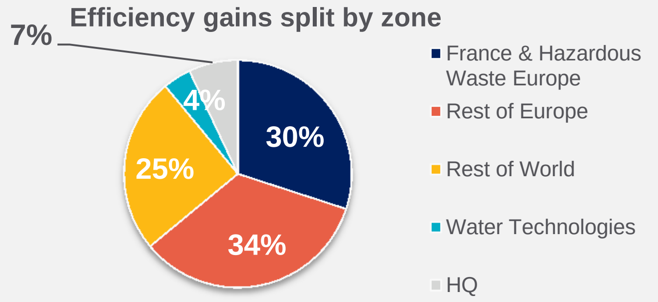
STRONG EFFICIENCY GAINS AND 1ST SYNERGIES DELIVERY

Annual objective of €350M efficiencies and €100M synergies confirmed

- **2022 annual objective**: €350M of efficiency gains and €100M of synergies
- **Q1 achievements**
  - ✓ **€87M in efficiency gains**, vs. €68M€ in Q1 2021
  - ✓ **€21M in synergies**







Examples

- **Revenue enhancements**
  - ✓ Increase of billing thanks to the regularization of low-income customers
- **Technical optimizations**
  - ✓ Energy efficiency
  - ✓ Optimization of Logistic Costs
  - ✓ General Purchasing - Temporary labor

VEOLIA WELL PROTECTED IN THE NEW INFLATIONARY AND COMPLEX ENVIRONMENT

Thanks to our resilient activities and our proven adaptation capabilities (1/2)

War in Ukraine

- **Minimal exposure in Russia and Ukraine** (less than 0.5% of revenue and of capital employed)
- **In Central and Eastern Europe, very limited impact :** €4.2bn annual revenue in municipal essential services (water distribution, district heating networks in Poland, Czech Republic, Hungary mainly), mostly indexed

Increased energy costs

- **Energy activities in Central & Eastern Europe : a favorable fuel mix, largely hedged, locally sourced and integrated in the energy prices**
  - Mostly coal for district heating networks (50% coal, 20% biomass and renewables, 30% gas)
  - No exposure to Russian coal as coal is sourced from Poland, Czech Republic, South Africa
  - Gas sourced via national producers or distributors
- **Energy purchases secured for 2022:** +95% energy purchases (heat, gas, coal) secured
- **Net positive impact in Q1 2022 at EBITDA level** of our hedging policy and our net power generation
- **Pursuit of decarbonization capex** to enhance the share of renewable and sustainable energies

VEOLIA WELL PROTECTED IN THE NEW INFLATIONARY AND COMPLEX ENVIRONMENT

Thanks to our resilient activities and our proven adaptation capabilities (2/2)

Higher inflation

Neutral or slightly positive impact for Veolia thanks to 70% of our revenues indexed, proactive pricing policy and strong discipline on our cost base

- Higher indexation formulas on most contracts : e.g.: *French Water: +2.5% in Q1 2022*
- Price increases for non indexed contracts:
  - ✓ *French Waste +6-10% , US Hazardous Waste+10-13%, European Hazardous Waste +5% in Q1 2022*
- Very strong discipline on all operational costs and operational efficiency

Economic slowdown

Limited macro exposure, with the majority of our revenue not exposed

- European activities : potential exposure limited mainly to Commercial and Industrial (C&I) Waste revenue of Veolia ~7bn€ (including Suez) showing recently with Covid very good track record of resilience & recovery
  - ✓ *In Q1 2022, our total waste revenue grew by 11.5% at constant scope and FX*
- China : lower growth and delayed projects due to extensive lockdowns

Roll out of ReSource Plan to adapt quickly to the more complex environment
optimize our energy consumption and production, reallocate capex , allow flexibility, enhance efficiency

2022 GROUP GUIDANCE CONFIRMED[1]
CURRENT NET INCOME GROWTH OF MORE THAN 20% TO AROUND €1.1BN€

- **Solid organic revenue growth**
  - Driven by higher indexation, price increases and good commercial momentum
- **EBITDA : organic growth between +4% and +6% vs. combined 2021 driven by :**
  - >€350M of efficiency gains
  - Confirmed €100M of synergies
- **Current net income around €1.1bn€ , an increase of more than 20%, confirming an EPS[2] accretion of ~10%**
  - Confirmed 2024 EPS[2] accretion c.40% in 2024
- **Net debt : leverage ratio ~3x**
- **Dividend policy : dividend to grow in line with current EPS**

(1) At constant scope and FX - Without extension of the Ukrainian conflict and without significant change in the energy supply conditions in Europe
(2) Accretion calculated on current net income per share after hybrid costs and before PPA

Q1 2022 Financial & Operational Performance

Claude Laruelle, CFO

Q1, 2022 KEY FIGURES
REVENUE UP +14.7% AND EBITDA UP +7.6% AT CONSTANT SCOPE AND FX

In €M	Q1 2021 reported	Q1 2021 combined [1]	Q1 2022 combined[1]	Var. vs. Q1 2021 reported at constant FX [1]	Var. vs. Q1 2021 combined at constant scope and FX [1]
Revenue	6 807	8 593	9 935	+44.3%	+14.7%
EBITDA	1 078	1 356	1 456	+33.4%	+7.6%
EBITDA margin	*15.8%*	*15.8%*	*14.7%*		
Current EBIT[2]	469	595	692	+45.7%	+18.0%
Net industrial CAPEX	426	648	475		
Net Free Cash Flow after growth capex	-127		-451		
Net Financial Debt	13 509		21 284		

(1) Q1 2021 & Q1 2022 restated from 1-17 January impact (€400M revenue, €49M EBITDA)
Q1 2021 proforma includes Australian and EU anti trust assets, but are excluded in Q1, 2022
(2) Restated of IFRS2 impacts

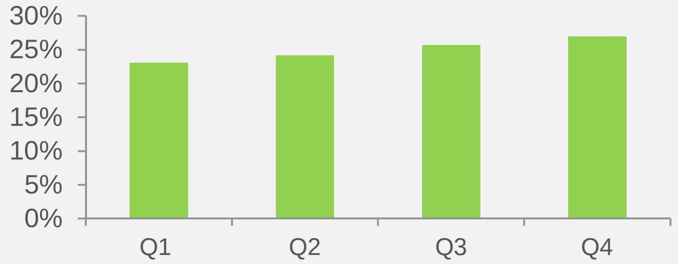
FX impacts (vs. Q1 2021 combined)	€M	%
Revenue	+165	+1.9%
EBITDA	+19	+1.4%
Current EBIT	+7	+1.1%
Net financial debt (vs.12/2021)	+215	+2.3%

SEASONALITY OF SUEZ ACQUIRED BUSINESSES

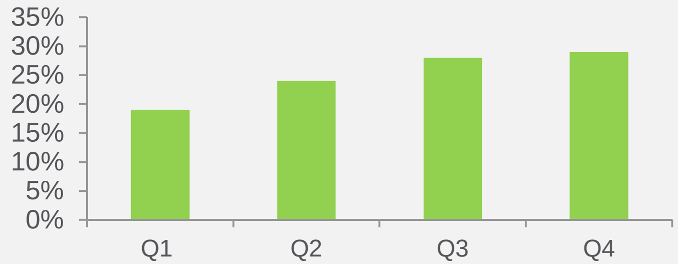
In favor of the 2nd semester

- **Suez assets seasonality coming from:**
  - ✓ **US water**
    - ➢ Highest water volumes in the summer season
    - ➢ Negative EBITDA impact of IFRIC 21 in Q1 (100% of yearly property taxes accounted for in Q1) progressively offset over the year
  - ✓ **Agbar :** peak in Q3 driven by weather and tourism
  - ✓ **Chile :** strong Q1 and Q4 (summer season)

Quarterly split of Revenue of Suez acquired businesses



Quarterly split [1] of EBITDA of Suez acquired businesses



(1) 2021 normalized

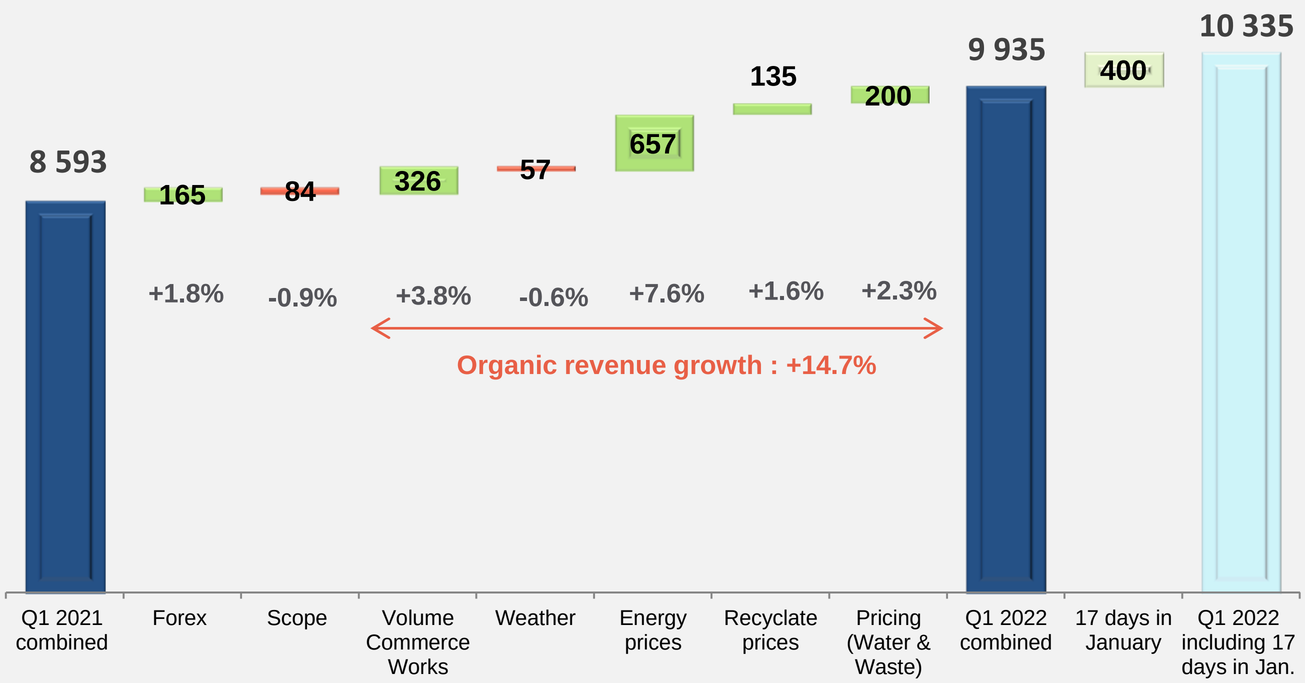
Q1 2022 KEY HIGHLIGHTS BY SEGMENT

Revenue growth at constant scope and FX	Q1 Veolia reported	Q1 2021 combined		Q1 2022 combined	Var. vs. Q1 2021 combined
France & Hazardous Waste Europe	2 034	2 150		2 298	+5.4%
Rest of Europe	2 785	3 587		4 523	+26.8%
Rest of the World	1 648	2 367		2 575	+7.8%
Water Technologies	340	885		938	+2.6%
Restatement of the period 1-17th of January	-	-396		-399	-
TOTAL	**6 807**	**8 593**		**9 935**	**+14.7%**

- **France +5.4%: growth driven by favorable pricing & resilient volumes**
  - ✓ **Water** : Revenue down 2.3% due to lower volumes (-1%) partially offset by price indexation of +2.5%
  - ✓ **Waste :** Revenue up +7.0% driven by price increases, high recycled material prices and resilient volumes
  - ✓ **Hazardous waste Europe :** Revenue up 7% : good volumes, price increases and higher recycled prices (oils & lubricants)
  - ✓ **Water Works (SADE)** : strong Q1 in France driven by continued solid commercial momentum (+21.6%)
- **Rest of Europe +26.8%: growth accelerated by energy prices**
  - ✓ **Central & Eastern Europe : +34.2%** o/w 28% due to energy prices
  - ✓ **Northern Europe (incl. UK): + 12.5%** due mostly to waste growth, driven by increased prices and strong asset performance (PFI)
  - ✓ **Southern Europe : +30.5%** . Double digit growth of Veolia energy activities in Spain and Italy driven by higher energy prices. *Agbar :* volumes still below pre-Covid
- **Rest of the World +7.8%: solid growth in all geographies except China**
  - ✓ **Asia Pacific : +6.6%** *Pacific* +9.4% (post-covid waste volumes recovery, good tariff indexation, partially offset by impact of flooding in NSW and QSL). *Asia* +4.4% Slowdown in China due to Covid lockdown and Olympic games (industrial facilities temporary shutdowns) offset by solid performance in other Asian countries
  - ✓ **Latin America : +11.4%** growth driven by price increases. *Aguas Andinas* tariff increases partially offset by lower volumes (draught)
  - ✓ **North America +9%** growth driven by tariff increases in hazardous waste (+10% to +13%) and in recycling combined with strong municipal water
  - ✓ **Africa Middle East +5.6%** good water and electricity volumes in Morocco – New BES contracts in the Middle east
- **Water Technologies +2.6%:** VWT revenue slightly down due to lower desalination revenue. *Bookings* up 19% vs. Q1 2021

VERY STRONG ORGANIC GROWTH OF +14.7% vs. Q1 2021COMBINED

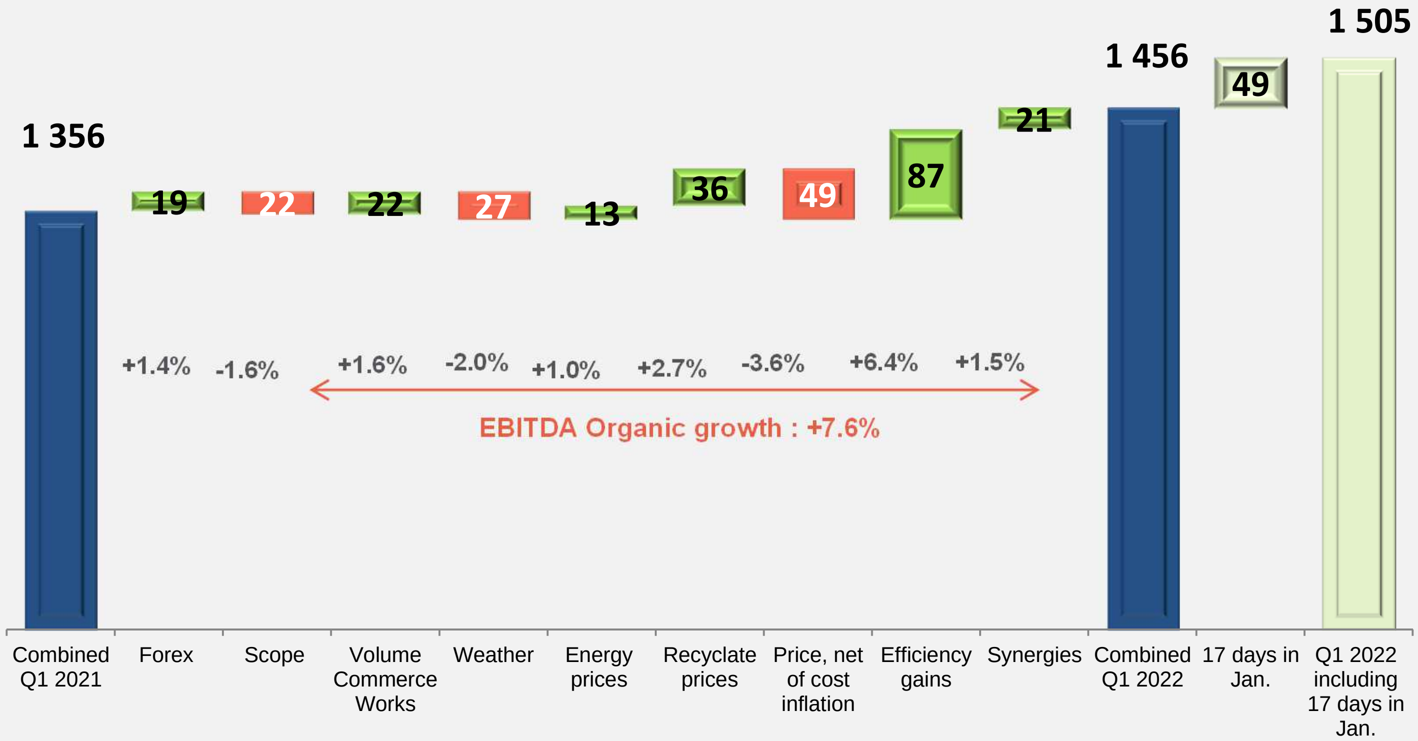
Underlying organic revenue growth of +7.1% excluding energy prices



- FOREX: **+€165M** (UK, US, China)
- SCOPE: **-€84M.** At Veolia, Osis offset by Scandinavian assets and for Suez, divestiture of Australian assets and EU antitrust
- COMMERCE/VOLUMES/WORKS: **+€326M**
- WEATHER: **-€57M.** Mild winter in CEE and cool summer in Chile
- ENERGY PRICES : **+€657M.** Surge in heat and electricity prices in Europe mostly
- RECYCLATE PRICES: **+€135M,** mostly cardboard in France, UK, Germany
- PRICING (WATER AND WASTE): **+€200M**

STRONG EBITDA ORGANIC GROWTH OF +7.6% vs. Q1 2021 COMBINED

Ahead of annual guidance



- **FOREX: +€19M** (UK, US, China)
- **SCOPE: -€22M.** At Veolia, Osis offset by Scandinavian assets and for Suez, divestiture of Australian assets and EU antitrust
- **COMMERCE/VOLUMES/WORKS: +€22M**
- **WEATHER: -€27M:** Mild winter in CEE and cool summer in Chile
- **ENERGY PRICES: +€13M.** Net favorable impact of higher energy selling prices net of CO2 and cost of fuel
- **RECYCLATE PRICES: +€36M** mostly cardboard in France, UK, Germany
- **PRICE NET OF COST INFLATION -€49M**
- **EFFICIENCY GAINS: +€87M**
- **SYNERGIES : +€21M**

WASTE REVENUE OF €3 786M, ORGANIC GROWTH OF +11.5%

Good volumes and pricing, continued increase in recyclate prices

Variation vs. Q1 2021 combined	Q1 2022
Volumes / commerce	**+1.7%**
Price increases	**+3.4%**
Recycled raw materials	**+4.0%**
Energy price impact	**+0.5%**
Other	**+1.9%**
Growth at constant scope & FX	**+11.5%**
Scope effect	*-2.1%*
Growth at constant FX	**+9.4%**
Currency effect	*+2.1%*

(1) At constant scope and forex

- **Revenue of €3 786M vs. €3 398M, +11.5% at constant scope and forex**
  - **France : revenue of €723M, up 7%(1) due to pricing**
    - ✓ Price increases for both C&I clients and municipal collection – High recycled material prices (cardboard price of €182/T, +9% vs.Q1 2021, +19% vs. Dec. 2021)
    - ✓ Volumes slightly down vs. Q1 2021
  - **Hazardous Waste Europe : : revenue of €507M, up 6.8%(1)** : solid volumes, price increases and higher recycled prices (oils & lubricants)
  - **Northern Europe: revenue of €987M, up +13.3%(1)** o/w +5.3% volume impact, +5.1% recyclate price effect and 1.7% electricity price effect
    - ✓ *UK* : beneficial materials prices, higher electricity prices, better EFW availability
    - ✓ *Belgium-NL*: price and volumes above LY, benefit of higher recycled prices
  - **Central Europe (Germany mostly): revenue of €453M, up +18.9%(1)** mostly coming from continued increase of cardboard and plastic recycled prices
  - **Rest of World : solid growth driven by pricing**
    - ✓ *North America* revenue of €271M, up 15.3%(1) mainly driven by significant tariff increases notably in hazardous waste (+10% to +13%) and in recycling.
    - ✓ *Latin America* revenue of €133M up 17.3%(1), driven by price increases
    - ✓ *Asia:* revenue of €247M up 11.2%(1), despite slower growth in China due to lockdown (lower hazardous waste volumes)
    - ✓ *Pacific* revenue of €417M up 9%(1), post-covid waste volumes recovery, new C&I contracts and good tariff indexation, partially offset by disturbances due to flooding

FRANCE AND HAZARDOUS WASTE EUROPE
STRONG 1ST QUARTER

In €M	Q1 2021 reported	Q1 2021 combined	Q1 2022 combined	∆ vs. Q1 2021 combined at constant scope and FX
Revenue of which	**2 034**	**2 150**	**2 298**	**+5.4%**
Water France	703	703	**683**	**-2.3%**
Waste France	676	676	**723**	**+7.0%**
Hazardous Waste Europe	325	442	**507**	**+6.8%**
Other (Industrial services and SADE)	329	329	**385**	**+16.5%**

- **WATER FRANCE : Revenue down due to asset transfers and divestitures**
  - Lower volumes (-1%) offset by higher indexation (+2.5%)
- **WASTE FRANCE : Revenue up 7% driven by price increases and strong recyclates**
  - Price increases for both C&I clients and municipal collection – High recycled material prices (cardboard price of €182/T, +9% vs.Q1 2021, +19% vs. Dec. 2021)
  - Volumes slightly down vs. Q1 2021
- **HAZARDOUS AND LIQUID WASTE EUROPE UP +6.8% AT CONSTANT SCOPE AND FOREX**
  - Good volumes, significant C&I price increases, and higher recycled prices (oils & lubricants)
- **INDUSTRIAL AND ENERGY SERVICES :** continued growth despite slowdown in the car industry, good price indexation of our contracts and favorable impact of higher energy prices
- **WATER WORKS (SADE) :** Very strong Q1 with no sigh of slowdown.

➢ **Very good operating leverage, leading to double-digit EBITDA growth in France in Q1**

REST OF EUROPE
VERY STRONG GROWTH ENHANCED BY ENERGY PRICES

In €M	Q1 2021 reported	Q1 2021 combined	Q1 2022 combined	Δ vs. Q1 2021 combined at constant scope and FX
Revenue of which	**2 785**	**3 587**	**4 523**	**+26.8%**
Central and Eastern Europe	1 697	1 800	**2 426**	**+34.2%**
Northern Europe	758	1 107	**1 210**	**+12.5%**
Southern Europe	330	680	**887**	**+30.5%**

- **Very strong growth in Central and Eastern Europe driven by energy activity**
  - **Revenue growth of 34%[1] o/w +28% due to surge in energy prices .** Very good performance of CHP with high electricity revenue notably in Hungary and Slovakia (sold on the market), largely offsetting increased cost of fuels. Unfavorable weather impact of -€52M (-€20M at EBITDA level)
  - **Water revenue** (excl. BVAG) up 6% due to tariff indexations (+4.7% impact) and works activity more than offsetting lower volumes (-1%)
  - **Germany Waste revenue :** solid volumes combined with continued increase of cardboard and plastic recycled prices .
- **Northern Europe: outstanding performance of Veolia UK waste business**
  - **Veolia (standalone) UK revenue of €601M, up 12.1%[1]** due to high materials prices, higher electricity prices (85% of 2022 production hedged) , better EFW availability (97.54% vs. 95.11% in Q1 2021)
  - **Other Europe :** impact of divestment of our Scandinavian assets. Excellent performance of New Veolia businesses in Belgium
- **Southern Europe: growth boosted by energy prices**
  - **Spain +14.7%** o/w Veolia revenue +41.6% fueled by energy prices. *Agbar* revenues up 6.8% (volumes +1.2%, but still below pre-Covid due to lower tourism)
  - **Italy +66.5%** Very strong growth fueled by high energy prices and impact of new contracts

➢ **Double digit EBITDA growth in Rest of Europe**

REST OF THE WORLD
GOOD START TO THE YEAR

In €M	Q1 2021 reported	Q1 2021 combined	Q1 2022 combined	∆ vs. Q1 2021 combined at constant scope and FX
Revenue of which	**1 647**	**2 367**	**2 575**	**+7.8%**
Asia - Pacific	**806**	**1 095**	**1 145**	**+6.6%**
o/w Asia	544	608	668	+4.4%
o/w Pacific	263	487	477	+9.4%
Latin America	**192**	**366**	**403**	**+11.4%**
North America	**393**	**598**	**700**	**+9.0%**
Africa Middle East	**257**	**308**	**327**	**+5.6%**

- **Asia Pacific : Slower growth in China due to lockdown, offset by continued dynamism of other countries**
  - **China/ Hong Kong** (revenue +2%): reduced activity and lower volumes in waste, industrial water and energy services due to lockdown measures and winter Olympic games (temporary shutdowns). Hazardous waste projects delayed. In municipal energy, temporary pinching due to increase in coal prices
  - Solid growth in **Taiwan** (strong performance of WTE facilities, start-up of the new soil remediation contract for CPC), **Singapore** (ramp-up of the new HW incinerator), **Korea** (new industrial water contracts), **Japan** (strong commercial momentum in water O&M and EPC, start-up of the Miyagi concession on April 1st) and **India**
  - **Pacific :** post-covid waste volumes recovery, new C&I contracts and good tariff indexation, partially offset by logistics disturbances due to flooding in NSW and QSL
- **Latin America : solid growth in most countries** driven by strong commercial momentum, increased prices and volumes
  - **Aguas Andinas** : lower volumes due to cool summer combined with impact of drought offset by good tariff indexations (+4% in Nov. 2021 and +4% in Feb. 2022)
- **North America :** growth driven by **significant tariff increases in hazardous waste** (+10% to +13%) more than offsetting higher transportation and disposal costs, **and in recycling** (higher Sulfur price index) combined with strong municipal water (new O&M contracts, tariff indexations, good construction activity). Impact of seasonality and IFRIC 21 in regulated water.
- **Africa Middle East :** good water and electricity volumes in Morocco. Middle East : new BES contracts.

> **EBITDA impacted by lower growth in China and temporary items**

WATER TECHNOLOGIES

In €M	Q1 2021 reported	Q1 2021 combined	Q1 2022 combined	Δ vs. Q1 2021 combined at constant scope and FX
Water Technologies	**340**	**885**	**938**	**+2.6%**
o/w VWT	340	340	331	-4.5%
o/w WTS	-	545	607	+7.0%

- **VWT : continued margin expansion due to refocusing on high-value solutions, and efficiency gains**
  - Services and Technology revenue growth offset by lower desalination revenue
  - Bookings up 19% vs. Q1 2021 to €330M
  - Backlog €1.2bn
  - Continued increase of EBITDA margin
- **WTS : held separate in Q1 2022**

➢ **Solid EBITDA growth driven by efficiency and profitable technology driven services and solutions**

CURRENT EBIT OF €692M UP 18% AT CONSTANT SCOPE AND FOREX

In €M	Q1 2021 reported	Q1 2021 combined	Q1 2022 combined	Var. vs. Q1 2021 combined at constant scope and FX
EBITDA	**1 078**	**1 356**	**1 456**	**+7.6%**
Renewal expenses	-65	-65	-73	
Depreciation & Amortization (including principal payments on OFAs)	-528	-696	-734	
Provisions, fair value adjustment & other[1]	-27	-17	+26	
Share of current net income of joint ventures and associates [2]	+11	+17	+18	
Current EBIT[2]	**469**	**595**	**692**	**+18.0%**

- **D&A excluding OFA of €669M vs. €659M,**
- **Provisions, FVA and other : +€26M vs. -€17M** mostly due to industrial capital gain in Australia

(1) Including capital gains on industrial divestitures
(2) Excluding capital gains on financial divestitures

NET FINANCIAL DEBT IMPACTED BY SUEZ OPERATION AND SEASONALITY

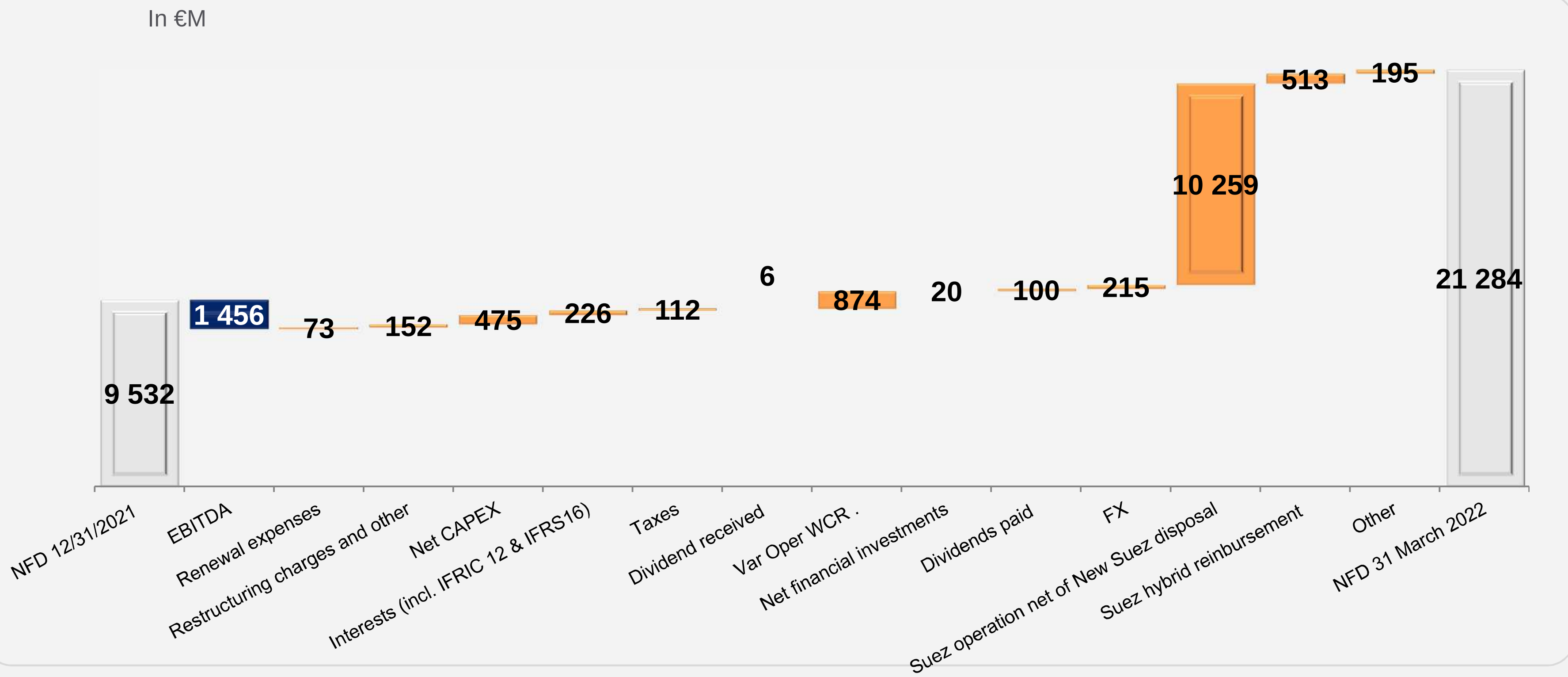
Leverage ratio target of ~3 times confirmed for year-end

- **Controlled net industrial Capex : €475M vs. €648M in Q1 2021 combined**
  - **Gross industrial capex of €723M** vs**. €693M** in Q1 2021 combined
  - **Industrial divestments of €248M** including the divestment of a Veolia landfill in Australia for €100M
- **Net Free Cash Flow[1] of -€451M**
  - **Increased seasonal WCR variation** of -€874M due higher energy revenue in Central and Eastern Europe and integration of Suez activities
  - **Higher restructuring and transaction charges** of -€152M€
  - **Higher tax rate** for the combined Group, before potential optimization
- **Net financial debt of €21.3bn, vs. €9.5bn in December 2021:**
  - Impact of **Suez operation** for €10.2bn, including Suez Net Financial Debt entrance
  - Impact of **Suez hybrid bond** repayment for €0.5bn
  - **Seasonality of FCF**
  - Unfavorable **Forex** of €0.2bn

➢ **More than 0.9bn€ proceeds of signed antitrust divestitures expected in Q3 complemented by WCR seasonal reversal in Q4 will enable us to reach our objective of around 3x leverage ratio by year-end**

[1] Net free cash flow corresponds to the free cash flow of continuing operations, i.e. the sum of EBITDA, dividends received, operating cash flow from financing activities, and the variation of operating working capital, less all net industrial investments, net interest expense, tax expense, restructuring charges, other non current expenses and renewal expenses

EVOLUTION OF NET FINANCIAL DEBT



2022 GROUP GUIDANCE CONFIRMED[(1)]
CURRENT NET INCOME GROWTH OF MORE THAN 20% TO AROUND €1.1BN€

- **Solid organic revenue growth**
  - Driven by higher indexation, price increases and good commercial momentum
- **EBITDA : organic growth between +4% and +6% vs. combined 2021** driven by :
  - >€350M of efficiency gains
  - Confirmed €100M of synergies
- **Current net income around €1.1bn€ , an increase of more than 20%,** confirming an EPS[(2)] accretion of ~10%
  - Confirmed 2024 EPS[(2)] accretion c.40% in 2024
- **Net debt :** leverage ratio ~3x
- **Dividend policy** : dividend to grow in line with current EPS

(1) At constant scope and FX - Without extension of the Ukrainian conflict and without significant change in the energy supply conditions in Europe
(2) Accretion calculated on current net income per share after hybrid costs and before PPA

Appendices

APPENDIX 1 : CURRENCY MOVEMENTS

For 1€	Q1 2021	Q1 2022	Δ 2022 vs. 2021
US dollar			
Average rate	1.205	1.122	+6.9%
Closing rate	1.173	1.110	+5.3%
UK pound sterling			
Average rate	0.875	0.836	+4.4%
Closing rate	0.852	0.846	+0.7%
Australian dollar			
Average rate	1.561	1.551	+0.6%
Closing rate	1.541	1.483	+3.8%
Chinese renminbi yuan			
Average rate	7.812	7.125	+8.8%
Closing rate	7.708	7.040	+8.7%
Czech crown			
Average rate	26.068	24.652	+5.4%
Closing rate	26.143	24.375	+6.8%
Argentinian peso			
Average rate	106.709	119.605	-12.1%
Closing rate	107.924	123.232	-14.2%

APPENDIX 2: QUARTERLY REVENUE BY SEGMENT

	1st quarter 2021			1st quarter 2022				Variation at constant scope and forex
In €M	Veolia	New Veolia	Combined	Veolia	New Veolia	Combined		Combined
France and Hazardous Waste Europe	2 033	117	2 150	2 217	81	2 298		+5.4%
Rest of Europe	2 785	802	3 587	3 629	893	4 523		+26.8%
Rest of the World	1 649	718	2 367	1 866	709	2 575		+7.8%
Water Technologies	340	545	885	331	607	938		+2.6%
Other	0	-396	-396	2	-400	-399		-
Group	6 807	1 786	8 593	8 045	1 890	9 935		+14.7%

APPENDIX 3: QUARTERLY REVENUE BY BUSINESS

	1st quarter 2021			1st quarter 2022				Variation at constant scope and forex
In €M	**Veolia**	**New Veolia**	**Combined**	**Veolia**	**New Veolia**	**Combined**		**Combined**
Water	1 963	758	**2 721**	2 100	798	**2 898**		**+5.0%**
Water Technologies	540	545	**1 085**	574	607	**1 181**		**+6.1%**
Waste	2 515	883	**3 398**	2 901	885	**3 786**		**+11.5%**
Energy	1 789	-	**1 789**	2 470	-	**2 470**		**+38.5%**
Other	-	-400	**-400**	-	-400	**-400**		**-**
Group	**6 807**	**1 786**	**8 593**	**8 045**	**1 890**	**9 935**		**+14.7%**

APPENDIX 4
WATER REVENUE (INCLUDING WATER TECHNOLOGIES) OF €4 079M, AN ORGANIC GROWTH OF +5.3%

Variation vs. Q1 2021 combined	**Q1 2022**
Volumes	**+0.9%**
Works	**+1.7%**
Price increases	**+2.4%**
Other	**+0.3%**
Growth at constant scope & FX	**+5.3%**
Scope effect	*-0.1%*
Growth at constant FX	**+5.2%**
Currency effect	*+2.0%*

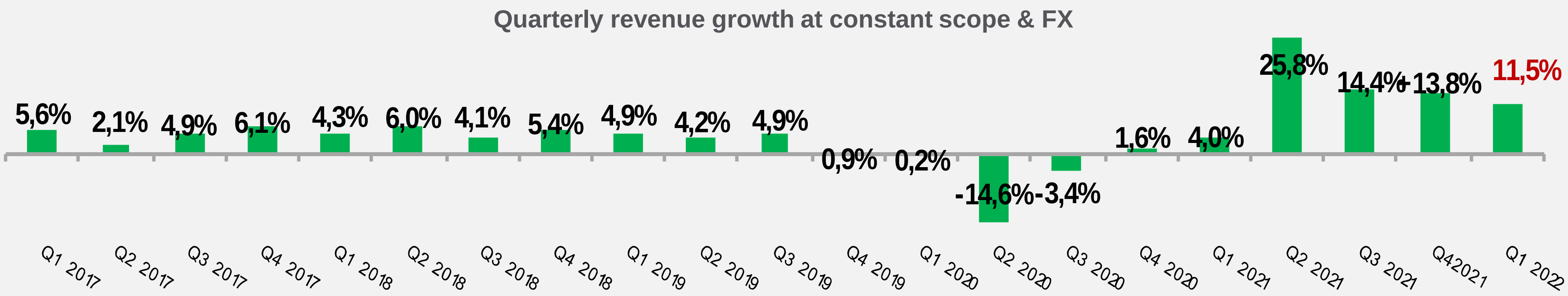
- **WATER : Revenue of €4 079M vs. €3 806M, +7.2% and +5.3% at constant scope and FX**
  - **France** : Water revenue down 2.3%. Lower volumes (-1.0%) offset by higher indexation (+2.5%)
  - **Central Europe** (excl. BVAG): Water revenue up 6% due to tariff indexations (+4.7% impact) and works activity more than offsetting lower water volumes (-1%)
  - **Spain (Agbar)** revenues up 6.8% due to volumes +1.2% (still below pre-Covid due to lower tourism), price indexation +1.4% and good water works activity
  - **US** : municipal water driven by tariff increases and strong construction Regulated water driven by rate case and good volumes
  - **Chile (Aguas Andinas)** : lower volumes (-3%) due to cool summer combined with impact of drought, offset by good tariff indexations (+4% in Nov. 2021 and +4% in Feb. 2022)

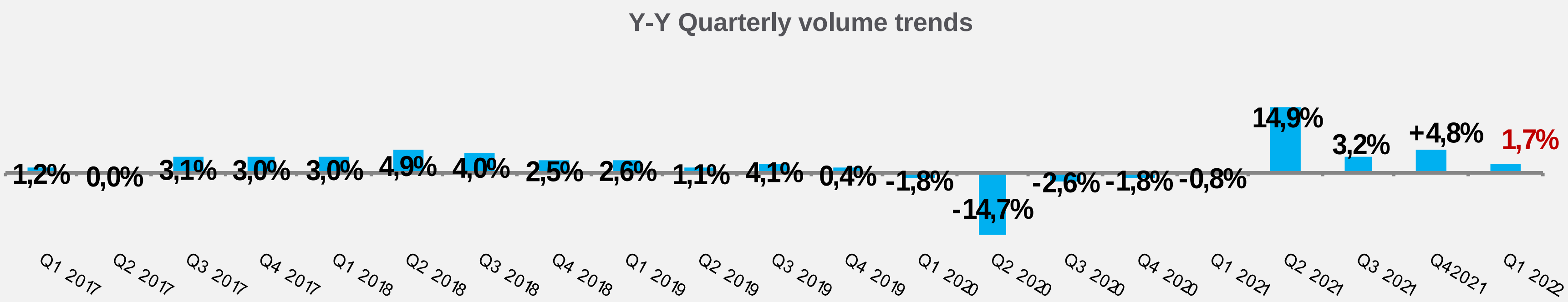
APPENDIX 5
ENERGY REVENUE OF €2 470M, AN ORGANIC GROWTH OF +38.5%, DRIVEN BY PRICES

Variation vs. Q1 2021 combined	**Q1 2022**
Volumes / commerce	**+9.0%**
Weather	**-2.5%**
Energy price increases	**+32.0%**
Other	**+0%**
Growth at constant scope & FX	**+38.5%**
Scope effect	*-1.6%*
Growth at constant FX	**+36.9%**
Currency effect	*+1.1%*

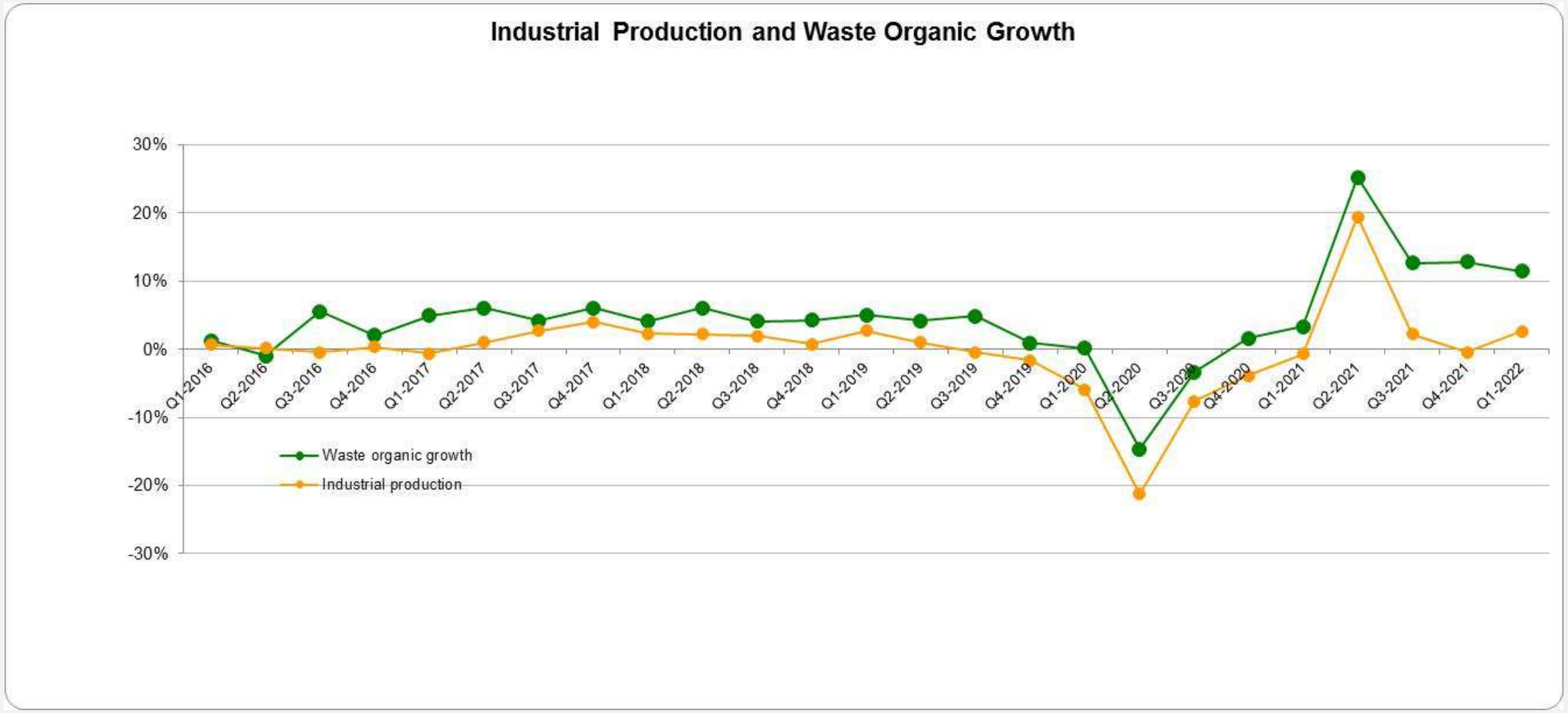
- **ENERGY : Revenue of €2 470M vs. €1 790M, +38.5% at constant scope and FX**
  - **Central Europe: revenue of € 1 403M up 50.9%** due to surge in energy prices
    - ✓Significant heat price increases in Q1
    - ✓ Very good performance of CHP with high electricity revenue notably in Hungary and Slovakia (sold on the market), largely offsetting increased cost of fuels.
    - ✓ Unfavorable weather impact of -€57M (-€27M at EBITDA)
  - **Southern Europe: revenue of €477M up 56.4%** fueled by energy prices
  - ➢ ***Net positive impact of higher energy prices in Q1***
    - ✓95%+ of biomass, gas, coal secured for the rest of the year.
    - ✓2022 average CO_2 cost of €45/T, 98% hedged

APPENDIX 6: QUARTERLY WASTE REVENUE AND VOLUMES



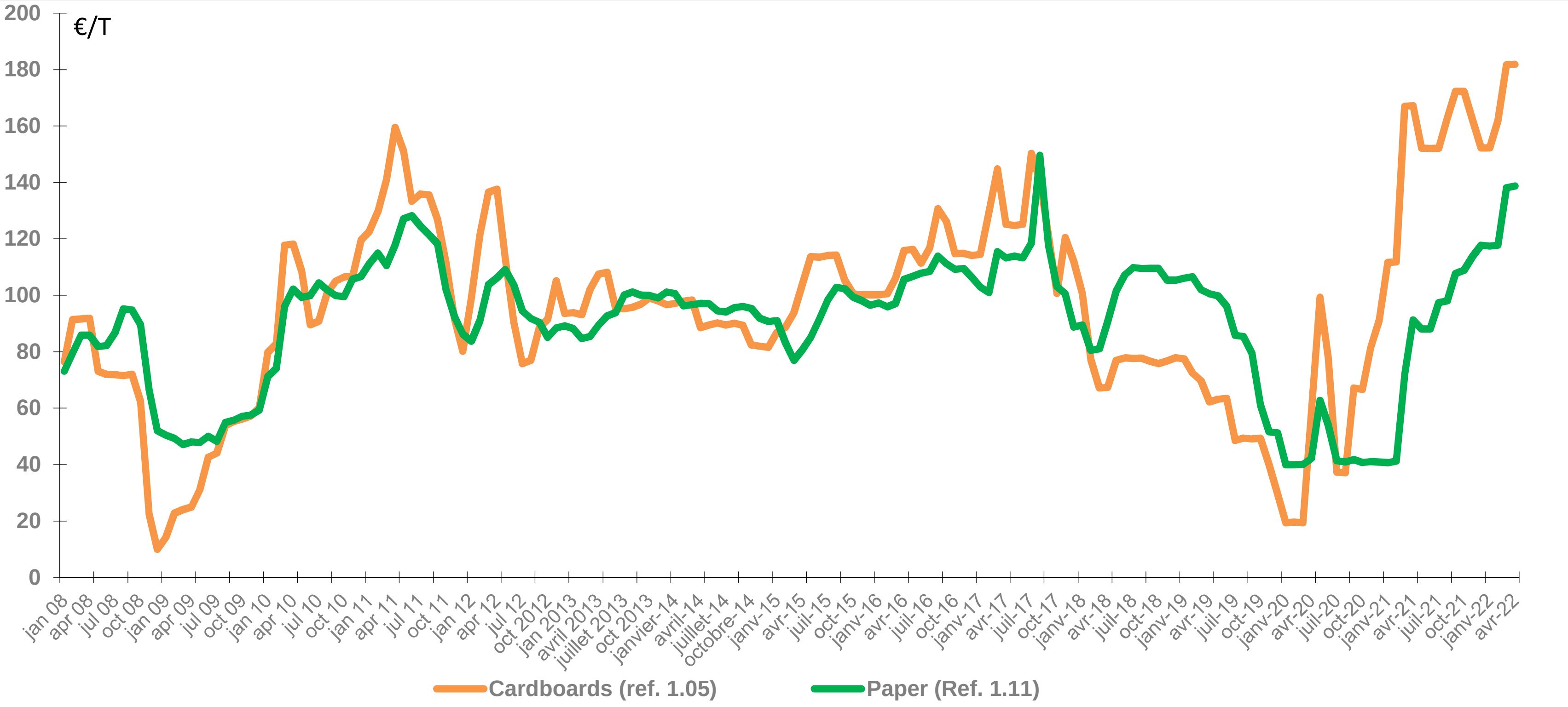


APPENDIX 7: WASTE – REVENUE VS. INDUSTRIAL PRODUCTION



Weighted average industrial production indices for 4 key countries including SARP/SARPI: France, U.K, Germany, and North America
Source: OECD

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



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