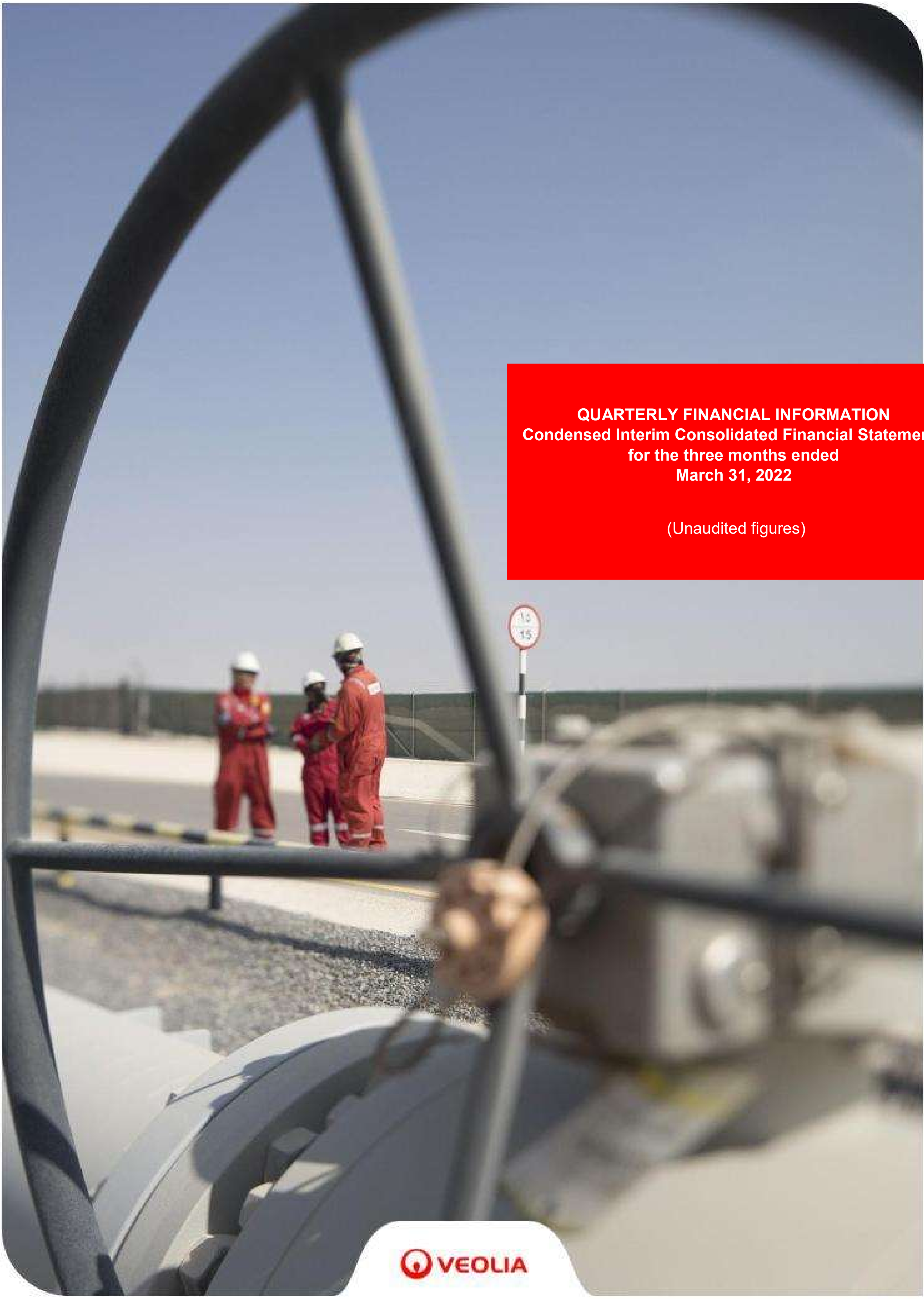


QUARTERLY FINANCIAL INFORMATION
Condensed Interim Consolidated Financial Statements
for the three months ended
March 31, 2022

(Unaudited figures)

VEOLIA

CONTENTS

VEOLIA ENVIRONNEMENT

QUARTERLY FINANCIAL INFORMATION

Condensed Interim Consolidated Financial Statements
for the three months ended March 31, 2022

2022

Chairman’s message

Antoine Frérot, Chairman and Chief Executive Officer of the Group, said: *“2022 has started very well for Veolia, despite the effects of the war in Ukraine on the global economy, exacerbated by Covid restrictions in China. For Veolia, the main highlight of these opening months was, of course, welcoming the Suez teams from January 19. The ease of this integration confirmed our conviction: that Veolia and Suez employees share the same culture and have the same concern for performance and excellence in addressing ecological issues. In terms of numbers, revenue growth obviously reflects the first-time consolidation of Suez assets, but also benefited fully from good trends in our markets and the many innovations and added-value offerings that we have developed for several years. Compared to the combined revenue of the new entity, the Group’s organic growth was particularly robust at +14.7%. This good business momentum is reflected in strong growth of results, with EBITDA of +7.6% and Current EBIT of +18%, thanks to ongoing strict cost discipline and the efficiency of our tariff indexation and hedging models, which allowed us to absorb the impacts of inflation on our costs, particularly in energy. Once again, Veolia has demonstrated the resilience, the adaptability and the dynamics of a great champion of ecological transformation. These very strong results enable us to confirm all our short and medium term objectives.”*

1

SUEZ COMBINATION

1.1 Integration of the Suez scope

1.1.1 ACQUISITION OF CONTROL

Veolia acquired control of Suez on January 18, 2022, following the settlement-delivery of the Public Tender Offer which increased its shareholding to 86.22%.

The reopening of the offer and the squeeze-out procedure then enabled Veolia to hold Suez's entire share capital. The Suez shares were therefore delisted from Euronext on February 18, 2022 after closing.

1.1.2 ANTI-TRUST PROCESS

On December 14, 2021, the **European Commission** authorized the acquisition of Suez by Veolia subject to commitments to divest certain activities and primarily Suez's municipal water, non-hazardous waste and regulated activities in France: these activities were sold to the Consortium as part of the creation of New Suez on January 31, 2022.

With regard to the other divestitures (Veolia's activities in the mobile water solutions market in Europe, etc.), the divestiture process is ongoing and the European Commission is fully informed of progress in accordance with commitments given. The Commission authorization set a deadline of June 14, 2022 for firm sales offers, with an extension permitted to take account of IRP consultation issues.

The UK Competition and Markets Authority (**CMA)** for its part validated the takeover in the first quarter 2022; however, on December 21, 2021, it decided to launch phase 2 of its investigation into the impacts of the Veolia/Suez transaction.

This phase 2 investigation is still ongoing in collaboration with the Veolia teams (United Kingdom and WTS scope) and is expected to be completed in mid-July 2022.

During this phase, the CMA nonetheless authorized Veolia to access all resources and information enabling it to manage activities in the United Kingdom and WTS, using specific mechanisms such as key appointments on the governance bodies and the escalation of financial information required by Veolia to monitor the performance of these two activities.

1.1.3 INTEGRATION AND SYNERGY PLAN

The integration of the new Suez acquired scope is progressing in line with the initial schedule. Suez employees have been progressively joining Veolia since January 19, 2022, the date of the first day of the integration, except for the United Kingdom and WTS scopes due to the ongoing CMA proceedings.

Integration plans have been implemented in all geographies, except the United Kingdom and WTS. Good progress with integration has enabled confirmation of the synergies plan, which contributed €21 million to first quarter results.

1.2 Impact of the integration on the preparation of the Q1 2022 financial statements

1.2.1 Preparation of the Q1 2022 financial statements

The Q1 consolidated financial statements include the contribution of activities acquired from Suez from January 18, 2022, the date of acquisition of control. Due to the availability of accounting information, income statement items for the acquired scope are included in the financial statements from January 1, 2022 and adjusted for items relating to the period from January 1 to 17, 2022. The impact of the adjustment for the first 17 days of the year is €400 million in revenue and €49 million in EBITDA.

To enable comparability of 2022 financial data, published key figures for the three months ended March 31, 2021 were restated to present the financial data of the new Veolia group including Suez acquired activities for the indicators for which information was available (revenue, EBITDA, Current EBIT).
Q1 2022 results are therefore compared and explained with respect to March 31, 2021 published figures and March 31, 2021 combined figures including Suez acquired activities (see Chapter 3 - Accounting and financial information).

Given the very recent takeover of Suez, Q1 information is limited to the Revenue, EBITDA, Current EBIT, Free Cash Flow and Net Debt indicators.

1.2.2 New management structure and segment reporting

Following the integration of the Suez scope and the change in governance with the separation of the duties of Chairman of the Board of Directors and Chief Executive Officer, the Group reviewed its governance and management structure. This led to a managerial system based on eight resized geographic zones that comply with regulatory authorizations obtained.

The **France and Special Waste Europe** zone groups together the France delegated Water, Waste Solutions and Industry and Building Environmental Maintenance zones, as well as hazardous waste activities in Europe (SARPI and certain former Suez IWS activities), Sede Environnement, Veolia Nuclear Solutions and SADE.

The **Central and Eastern Europe** zone groups together, in addition to existing Veolia activities, the following former Suez activities: waste activities in Germany, the Czech Republic, Serbia and Greece.

The **Northern Europe** zone (United Kingdom, Belgium, Luxembourg, Netherlands and Nordic countries) includes former Suez waste activities in Belgium and the Netherlands. It will also include, subject to the approval of the UK Competition and Markets Authority, Suez's municipal and industrial waste collection, recovery and processing activities in the United Kingdom.

The **Asia-Pacific** zone includes the Group's activities in Asia (China, Macao, Hong Kong, Taiwan, Japan, South Korea, South-East Asia and India), as well as activities in the Australia-New Zealand delegated zone. In Asia, Suez mainly contributes waste activities in China, Macao, Taiwan and Thailand, as well as waste processing and water treatment activities in Hong Kong. In Australia, the acquisition of Suez contributes additional waste collection, landfill and waste-to-energy activities, through the recycling and recovery of municipal and industrial waste.

In the **Iberia and Latin America** zone (Spain, Portugal, Latin American countries), Veolia activities are boosted by municipal water activities in Spain (Agbar), regulated water activities in Chile (Aguas Andinas), as well as municipal water contracts and service activities for the mining and petroleum industries in Colombia, Mexico and Peru.

The scope of activities in the **North America** zone (United States, Canada) is extended to include Suez's regulated and unregulated water activities, as well as Suez Advanced Solutions' activities in the United States and hazardous and non-hazardous waste activities in Canada (Alberta and Quebec).

The **Italy and Africa-Middle East** zone encompasses Suez's waste activities in Saudi Arabia, the United Arab Emirates and Turkey, water activities in Jordan and Lebanon, as well as activities in Oman (construction/ operation of landfills, seawater desalination) and Qatar (water and waste management).

The **Water Technologies** zone groups together global water treatment activities: Veolia Water Technologies and Suez Water Solutions & Technologies.

Following this change in Group governance effective February 2022, segment reporting was updated in accordance with IFRS 8 to reflect the new breakdown by management zone. The new operating segments are as follows:

- **France and Special Waste Europe**
- **Europe excluding France**: Central and Eastern Europe, Northern Europe, Iberia and Italy
- **Rest of the world**: Asia/Pacific, North America, Latin America and Africa/Middle East
- **Water technologies**
- **Other**, comprising the holding companies

Published financial information for the three months ended March 31, 2021 has been re-presented in line with the new operating segments. Reconciliation tables can be found in Chapter 6.2 "Reconciliation of 2021 published data and IFRS 8 re-presented data".

2

MAJOR EVENTS OF THE PERIOD

2.1 Business and income trends

Strong growth in Q1 2022 results

Q1 2022 results are up significantly and reflect the positive impact of the entry into the consolidation scope of the Suez acquired activities, strong organic growth in revenue and robust operating and financial performance.

Change at constant exchange rates (€ million)	*Q1 2021 published*	*Q1 2021 combined*	*Q1 2022*	*Change vs Q1 2021 published at constant exch. rates*	*Change vs Q1 2021 published at constant scope and exch. rates*	*Change vs Q1 2021 combined at constant exch. rates*	*Change vs Q1 2021 combined at constant scope and exchange rates*
Revenue	6,807	8,593	9,935	+44.3%	+16.7%	+13.7%	+14.7%
EBITDA	1,078	1,356	1,456	+33.4%	+7.8%	+5.9%	+7.6%
EBITDA Margin	*15.8%*	*15.8%*	*14.7%*				

Q1 **revenue** is €9,935 million, up significantly year-on-year: +44.3% at constant exchange rates compared with March 31, 2021 published revenue. This growth is due to the entry into the scope of consolidation of the Suez acquired activities, which contributed Q1 revenue of €1,890 million, and robust organic growth of +16.7%.

Compared with March 31, 2021 combined figures, revenue rose +14.7% at constant scope and exchange rates, driven by:

- strong growth in **Energy** activities (organic growth of +38.5%) partly tied to higher energy prices and volumes
- the positive impact of recyclate prices in **Waste** (organic growth of +11.5%)
- the positive impact of tariff reviews in **Water** (organic growth of +5.3%).

Q1 2022 **EBITDA** is €1,456 million, up +33.4% at constant exchange rates compared with March 31, 2021 published figures, due to a scope effect of +25.6% primarily tied to the consolidation of Suez activities and organic growth in EBITDA of +7.8%.

Compared with March 31, 2021 combined figures, EBITDA rose +7.6% at constant scope and exchange rates. The strong EBITDA growth is due to higher revenues, gains generated by operating efficiency programs of €87 million and synergies derived from the merger with Suez of €21 million in the first quarter.

Current EBIT is also up significantly at €692 million, a surge of +45.7% at constant exchange rates compared with March 31, 2021 published figures and +18.0% at constant scope and exchange rates compared with March 31, 2021 combined figures.

Net Financial Debt is €21,284 million, compared with €13,509 million at the end of March 2021, published, and mainly includes the impact of changes in scope tied to the acquisition of Suez for €10,235 million, including acquired debt.

2.2 Changes in Group structure – Strategic Program

2.2.1 INNOVATIONS AND COMMERCIAL DEVELOPMENTS

In line with the Impact 2023 program, the Group's commercial innovations and developments continued during 2022, confirming the Group's ability to renew its offers and services.

Development of innovative solutions to protect resources at local level

Decarbonization and energy efficiency in the management of local energy loops

On April 6, 2022, the Group announced the launch of a biorefinery project producing CO_2-neutral biomethanol from a pulp mill (Äänekoski de Metsä Fibre), located in Finland. With an annual production capacity of 12,000 metric tons, the plant, due to come on stream by 2024, will allow up to 30,000 metric tons of CO_2 emissions to be avoided per year. The project will contribute to European energy security while supporting the European Green Deal decarbonization ambitions for transportation, as the industrial grade quality CO_2-neutral biomethanol represents a new source of sustainable low carbon fuel replacing fossil-based fuels

Recycling of electric car batteries

The Li-Cycle Holdings Corp. Group (Li-Cycle) selected Veolia, through its subsidiary Veolia Water Technologies, as a partner for its lithium-ion battery recycling plant in Rochester, New York. The facility will give life back to the equivalent of approximately 225,000 electric vehicle batteries per year using Veolia's HPD® crystallization technology to process certain recycled lithium-ion battery materials.

Launch of the "Dombasle Énergie" energy transition project by Solvay and Veolia

In 2022, the Group and Solvay launched the construction of an industrial ecology project, "Dombasle Énergie", which aims to replace coal with refuse-derived fuel (RDF) for the production of clean and competitive energy for the historical Dombasle-sur-Meurthe plant. The project consists of replacing three coal-fired boilers with a boiler room equipped with two furnaces running on RDF, produced from waste that cannot be recycled, allowing the carbon footprint of the industrial activity to be halved and stopping the importation of 200,000 metric tons of coal annually. The Dombasle-sur-Meurthe site will have a cogeneration unit that uses 350,000 metric tons of RDF per year, supplied by Veolia as of 2024.

Commissioning of the largest biomethane production facility in Europe

On March 31, 2022, the Group and Waga Energy announced the commissioning of France's largest biomethane production facility using biogas from a non-hazardous waste storage facility. Located in Claye-Souilly (Paris region), the facility will produce 120 GWh of renewable gas annually. Veolia produces a total of 1.6 TWh of biogas in France, equivalent to 10% of the French biogas production target set out in the 2023 Multiannual Energy Plan.

2.2.2 CHANGES IN GROUP STRUCTURE

In Q1 2022, the Group confirmed its ambition to become the global champion of ecological transformation, an ambition accelerated by the merger with Suez.

The main scope transactions in Q1 2022, other than the acquisition of Suez, primarily concerned the sale of New Suez to the Consortium and asset sales in Australia and France.

Significant acquisitions

Acquisition of Suez

On January 18, 2022, following the public tender offer, Veolia acquired control of Suez. The Group now holds the entire share capital of Suez, following completion of the squeeze-out procedure on February 18, 2022. The acquisition amount totaled €9,318 million, including the price supplement paid to Engie.

Net financial debt of the Suez scope on acquisition as of January 18, 2022 was -€9,504 million.

Significant divestitures

Sale of New SUEZ

On January 31, 2022, in accordance with the terms of the purchase agreement dated October 22, 2021, Veolia sold New Suez to the Consortium of investors comprising Meridiam, GIP, CDC and CNP Assurances, for an unchanged enterprise value.

New Suez comprises Suez's Water and Waste Solutions activities in France, international assets in Italy, Central Europe, Africa (including Morocco), Central Asia, India, China and Australia, as well as global digital and environmental activities, thereby maintaining real growth prospects and innovation capacities in France and internationally.

For Veolia, this divestiture marked the completion of the Suez merger project launched 17 months previously.

A disposal price of €8,018 million was received on January 31. This disposal price for the divestiture of New Suez assets and liabilities to the Consortium does not currently include the earn-out and is determined provisionally based on the New Suez accounts. It will be adjusted following the divestiture to take account, in particular, of any adjustments to working capital requirements recognized as of January 31, 2022.

Sales of Integrated Waste Services assets in Australia

On January 17, 2022, the Group sold the assets of its waste processing subsidiary, Integrated Waste Services (IWS), in Australia for AUD155 million (€100 million as of March 31, 2022).

IWS assets were presented in Assets classified as held for sale (IFRS 5) as of December 31, 2021.

Sale of Osis Greater Paris (SARP)

In accordance with the initial plan and in line with competition authority requests, the divestiture process for the Greater Paris branches (8 sites only) was signed at the end of July 2021 and the transaction was closed in early January 2022 for a disposal price of €32.3 million.

OSIS Greater Paris assets were presented in Assets classified as held for sale (IFRS 5) as of December 31, 2021.

2.3 Group financing

2.3.1 Changes in Group debt

The €9.3 billion Public Tender Offer for Suez was financed in full by a €2.5 billion share capital increase performed at the end of 2021 and the sale of New Suez on January 31, 2022.

Veolia Environnement redeemed at maturity on March 30, 2022 a euro bond line in the nominal amount of €650 million.

On March 30, 2022, Veolia Environnement also redeemed in part the deeply-subordinated perpetual securities (hybrid) inherited from Suez in the nominal amount of €500 million.

Net financial debt is €21.3 billion as of March 31, 2022.

Cash and cash equivalents total €10.5 billion as of March 31, 2022, after the payment of two bond maturities in March totaling €1.1 billion.

In addition, the Group has a €3 billion syndicated credit facility, plus a €2.5 billion facility inherited from Suez and bilateral credit facilities totaling €1 billion, thereby providing the Group with a strong liquidity position and the ability to meet future scheduled payments.

2.3.2 Confirmation of the credit outlook

On March 17, 2022, Standard and Poor’s confirmed Veolia Environnement's credit rating at A-2/BBB with a stable outlook. On January 11, 2022, Moody’s confirmed its rating at P-2/Baa1 with a stable outlook.

2.3.3 Dividend payment

The Board of Directors will propose a dividend of €1 per share for 2021, payable in cash, to the Combined General Meeting of June 15, 2022. The ex-dividend date has been set at July 5, 2022 and the 2021 dividend will be paid from July 7, 2022.

2.4 Changes in governance

At its meeting of January 10, 2022, the Veolia Environnement Board of Directors decided to separate the duties of Chairman of the Board of Directors and Chief Executive Officer from July 1, 2022. The directors will ask shareholders to renew the term of office as director of Mr. Antoine Frérot during the General Meeting of June 15, 2022, in order to continue as Chairman of the Board of Directors. At the recommendation of the Nominations Committee, the Board of Directors also decided that Mrs. Estelle Brachlianoff, Chief Operating Officer, will succeed Mr. Antoine Frérot as the Chief Executive Officer of Veolia from July 1, 2022. Shareholders will be asked to appoint her to the Board of Directors.

In addition, the Veolia Environnement Board of Directors’ meeting of March 16, 2022 took due note of the resignation of Caisse des dépôts et consignations, represented by Mr. Olivier Mareuse, as a director and member of the Accounts and Audit Committee from January 31, 2022.

In addition, during its meeting of April 5, 2022, at the recommendation of the Nominations Committee and the Compensation Committee, the Board of Directors also decided to propose to the Combined General Meeting of June 15, 2022 the appointment of Mrs. Agata Mazurek-Bąk as a Director representing employee shareholders and Mr. Romain Ascione as her replacement for a period of four years expiring at the end of the General Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2025.

The Chairman and Chief Executive Officer is assisted in the performance of his duties by an Executive Committee, a discussion, consultation and general policy decision-making body which seeks to implement the Group's strategic direction. The Committee is also consulted on major issues concerning the Group's corporate life.

The Executive Committee meets monthly.

It has 15 members:

- Antoine Frérot, Chairman and Chief Executive Officer;
- Estelle Brachlianoff, Chief Operating Officer;
- Gavin Graveson, Senior Executive Vice-President, Northern Europe;
- Sébastien Daziano(1), Senior Executive Vice President, Strategy and Innovation;
- Philippe Guitard, Senior Executive Vice President, Central and Eastern Europe;
- Éric Haza, Chief Legal Officer;
- Azad Kibarian, Senior Executive Vice President, Italy and Africa Middle East;
- Helman le Pas de Sécheval, General Counsel;
- Isabelle Calvez, Senior Executive Vice-President, Human Resources;
- Claude Laruelle, Chief Financial Officer;
- Christophe Maquet, Senior Executive Vice President, Asia;
- Jean-François Nogrette, Senior Executive Vice-President, France and Special Waste Europe;
- Laurent Obadia, Senior Executive Vice President, Stakeholders and Communications; Advisor to the Chairman
- Angel Simon, Senior Executive Vice President, Iberia and Latin America;
- Frédéric Van Heems, Senior Executive Vice President, North America

(1) Subject to receipt of the derogation requested from the UK Competition and Markets Authority.

In addition, Management Committee meetings bring together, each quarter, all the Group's functions and geographies in order to share and commit to the Group's challenges and outlook. This Committee has 40 members, including the 15 members of the Executive Committee; its composition can be viewed on Veolia's website (www.veolia.com).

3

ACCOUNTING AND FINANCIAL INFORMATION

3.1 Key figures

Group key figures as of March 31, 2022 include the contribution of activities acquired from Suez from January 18, 2022. To enable the comparison of financial information, key figures as of March 31, 2021 were restated to present combined data including the Suez acquired scope (see Chapter 6.1, Combined data as of March 31, 2021).

				Change 2022 / 2021 published			*Change 2022 / 2021 combined*		
(€ million)	***March 31, 2021 published***	***March 31, 2021 combined***	***March 31, 2022***	**Δ**	***Δ at constant exchange rates***	***Δ at constant scope and exchange rates***	**Δ**	***Δ at constant exchange rates***	***Δ at constant scope and exchange rates***
Revenue	**6,807**	**8,593**	**9,935**	**46.0%**	**44.3%**	**16.7%**	**15.6%**	**13.7%**	**14.7%**
EBITDA[1]	**1,078**	**1,356**	**1,456**	**35.0%**	**33.4%**	**7.8%**	**7.4%**	**5.9%**	**7.6%**
EBITDA margin	15.8%	15.8%	14.7%						
Current EBIT[2]	**469**	**595**	**692**	**47.6%**	**45.7%**	**17.6%**	**16.3%**	**15.1%**	**18.0%**
Net industrial investments	(426)		(475)						
Net free cash flow [1]	(127)		(451)						
Net financial debt	**(13,509)**		**(21,284)**						

(1) The indicators are defined in Section 6.3.1 below.
(2) Including the share of current net income of joint ventures and associates viewed as core Company activities.

Compared with March 31, 2021 published figures, the main **scope** effect concerns the entry into the consolidation scope of Suez activities on January 18, 2022.

Compared with March 31, 2021 published figures, the other significant **scope** effects concern the integration of SARP by OSIS (May 2021), the disposal of assets in the Nordics in 2021 and for Suez, the sales of Integrated Wastes Services assets in Australia (2021) and the impact of European Union remedies thanks to the presentation of some activities from Hazardous Waste France in Assets classified as held for sale (IFRS 5).

The main foreign exchange impacts between March 31, 2021 and March 31, 2022 are as follows:

FX impacts for the three months ended March 31, 2022 ***(vs. March 31, 2021 published)***	%	(€ million)
Revenue	1.6%	112
EBITDA	1.7%	18
Current EBIT	1.9%	9

FX impacts for the three months ended March 31, 2022 ***(vs. March 31, 2021 combined)***	%	(€ million)
Revenue	1.9%	165
EBITDA	1.4%	19
Current EBIT	1.1%	7
Net financial debt (vs. December 31, 2021)	-2.3%	-215

3.2 Group revenue

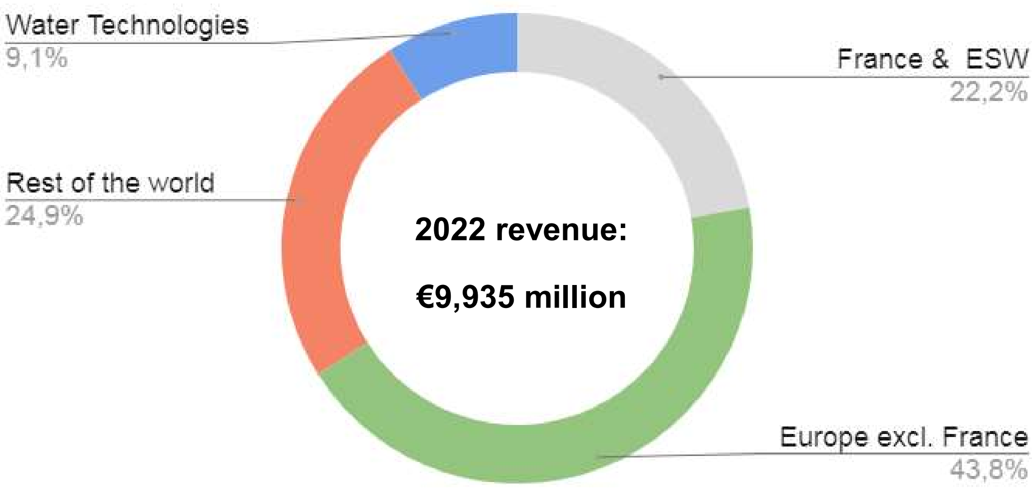
3.2.1 Revenue by operating segment

Consolidated revenue totaled €9,935 million for the three months ended March 31, 2022, compared with €8,593 million for the three months ended March 31, 2021 combined and €6,807 million for the three months ended March 31, 2021 published.

All operating segments reported growth in Q1 2022.

				Change 2022 / 2021 re-presented for IFRS 8			*Change 2022 / 2021 re-presented for IFRS 8 and combined*		
(€ million)	***March 31, 2021 re-presented for IFRS 8***	***March 31, 2021 re-presented for IFRS 8 and combined***	***March 31, 2022***	***Δ***	***Δ at constant exchange rates***	***Δ at constant scope and exchange rates***	***Δ***	***Δ at constant exchange rates***	***Δ at constant scope and exchange rates***
France and Special Waste Europe	2,034	2,150	2,298	13.0%	12.9%	5.7%	6.9%	6.8%	5.4%
Europe excluding France	2,785	3,587	4,523	62.4%	61.0%	31.7%	26.1%	24.7%	26.8%
Rest of the world	1,648	2,367	2,575	56.3%	52.4%	9.3%	8.8%	5.4%	7.8%
Water technologies	340	885	938	175.9%	173.2%	-4.5%	6.0%	2.4%	2.6%
Other[1]	-	(396)	(399)	-	-	-		-	-
Group	**6,807**	**8,593**	**9,935**	**46.0%**	**44.3%**	**16.7%**	**15.6%**	**13.7%**	**14.7%**

Q1 2022 revenue breaks down by operating segment as follows:



[1] Adjusments for the 17 days of activity from January 1, 2022, applied to Q1 2021.

Compared with published figures for the three months ended March 31, 2021, segment revenue increased +44.3% at constant exchange rates, due to a scope effect of €1,878 million, mainly tied to the integration of Suez activities (€1,890 million) and organic growth of €1,137 million (+16.7%).

The scope effect of the integration of Suez activities impacts all operating segments:

- The **France and Special Waste Europe** segment includes the scope effect of IWS hazardous waste activities acquired from Suez
- The **Europe excluding France** segment mainly includes the scope effect of Suez waste activities in Northern Europe and Germany and Suez water activities in Spain
- The **Rest of the world** segment includes the scope effect of Suez acquired activities in North America and Latin America, as well as Suez waste activities in Asia and Australia
- The **Water Technologies** segment includes the scope effect of the acquisition of Suez Water Solutions and Technologies activities
- The "Other" segment includes the revenue adjustment for the first seventeen days of the year for the Suez scope prior to acquisition of control.

Organic growth of +16.7% is primarily driven by Europe excluding France (+31,7%), the Rest of the world (+9.3%) and France and Special Waste Europe (+5.7%). The Water Technologies segment reported a -4.5% fall in revenue on published figures for the three months ended March 31, 2021 at constant scope and exchange rates, due to a temporary decrease in major desalination projects in VWT. Europe excluding France enjoyed strong growth in energy activities in Central and Eastern Europe and growth in Waste activities in Northern Europe, supported by higher recyclate prices.

Compared with combined figures for the three months ended March 31, 2021, revenue rose +14.7% at constant scope and exchange rates and increased across all operating segments.

Revenue for the **France and Special Waste Europe** segment totaled €2,298 million, with organic growth of +5.4% compared with March 31, 2021 combined figures:

- **France Water** revenue slipped slightly by -2.3% due to lower first quarter volumes, partially offset by the positive impact of tariff reviews (+2.5%).
- **France Waste** revenue increased +7% and benefited from favorable movements in recyclate prices and particularly paper and the positive impact of tariff reviews.
- **Hazardous waste activities in Europe** grew +6.8%, with strong commercial development in sanitation and industrial maintenance activities, higher volumes and prices in the context of increased oil prices and the positive impact of tariff reviews.
- **SADE** reported robust growth of +21.6%, thanks to strong commercial momentum in France.

Revenue for the **Europe excluding France** segment totaled €4,523 million for the three months ended March 31, 2022, with organic growth of +26.8% mainly due to higher energy and recyclate prices.

- In **Central and Eastern Europe**, revenue rose +34.2% to €2,426 million. This growth was mainly driven by:
  - greater positive tariff indexation in energy (Poland, Hungary, Czech Republic and Romania) and water (Czech Republic and Romania) and higher volumes distributed (Poland and Czech Republic), despite a less favorable weather effect in Energy in Q1 2022 (-€52 million).
  - a surge in recyclate prices, particularly for paper and plastic, higher energy prices and good commercial waste volumes in Germany.

- In **Northern Europe**, revenue rose 12.5% to €1,210 million. This increase was primarily driven by the **United Kingdom and Ireland**, which reported revenue growth of +11.3% at constant scope and exchange rates, with higher energy volumes and prices, the favorable impact of recyclates (paper and plastic) and the good performance of incinerators (facility available rate of 97.5% in 2022 compared with 94.4% in 2021). In **Belgium**, organic growth was +20.6% compared with March 31, 2021 combined figures, fueled by good operating performances, including by Suez recycling and incineration activities.
- **In Italy**, organic revenue growth reached +66.5%, following the start-up of contracts won in 2021 and the highly favorable effect of energy prices.
- In **Iberia,** revenue increased +15%, thanks to the highly favorable effect of energy prices and increased construction activities and higher volumes in Suez Water activities in Spain.

In the **Rest of the world,** revenue totaled €2,575 million, representing organic growth of +7.8% across all geographies:

- Revenue increased +11.4% in **Latin America**, driven notably by favorable tariff indexation in Chile (Suez Water), Argentina (local inflation) and Colombia, growth in hazardous waste activities in Chile and strong construction activities in the water business in Ecuador.
- In **Africa/Middle East**, revenue grew +5.6%, with robust commercial performances, particularly in energy services in the Middle East and increased volumes in the water sector in Morocco.
- In **North America**, revenue rose +9% to €700 million. This growth was mainly driven by a favorable price effect in hazardous waste and favorable tariff indexation, good construction volumes and O&M contract wins in municipal water.
- Revenue increased +4.4% in **Asia**. The slowdown in growth in China due to the health crisis and that in the industrial sector were partially offset by strong growth in Taiwan, Hong Kong and South-East Asia.
- In the **Pacific**, revenue rose +9.4%, marked by a post-health crisis upturn in waste activity, robust municipal water activities and the positive effect of tariff reviews.

The **Water Technologies** activity reported revenue growth of +2.6%, with the excellent performance of VWT Technology activities partially offsetting the fall in desalination projects after an exceptional year in 2021. VWT bookings totaled €330 million as of March 31, 2022, compared with €278 million one year earlier.

3.2.2 Revenue by Business

Compared with published figures for the three months ended March 31, 2021, revenue by business rose +44.3% at constant exchange rates.

The scope effect of the integration of Suez activities (€1,890 million in total) is €1,405 million in Water and €885 million in Waste. It is recalled that the revenue adjustment for the first seventeen days of the year for the Suez scope, prior to acquisition of control, is recorded in the "Other" segment (-€400 million).

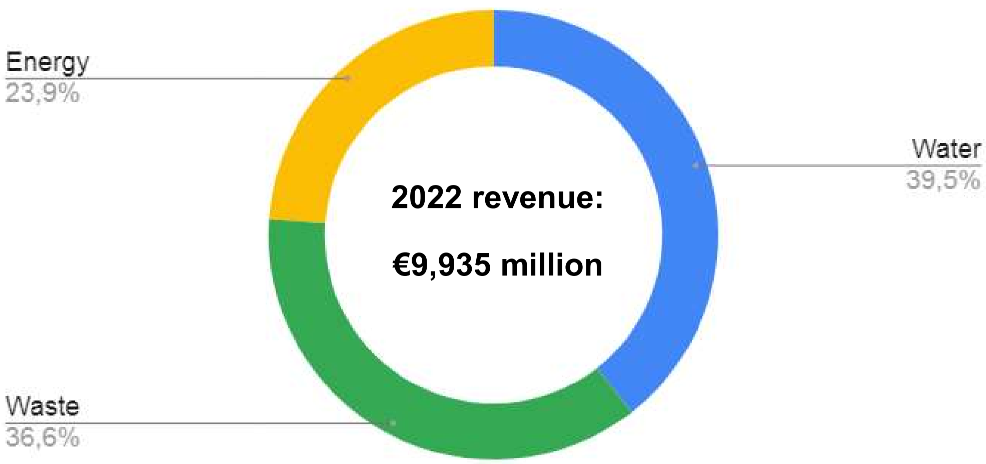
Excluding scope effects, organic growth compared with published figures for the three months ended March 31, 2021 is +16.7%, mainly driven by:

- strong growth in **Energy** of +38.5%, underpinned by higher energy prices (electricity and heat) and the favorable impact of tariff reviews.

- **Waste** activity growth of +12.4%, due to higher recyclate prices, favorable tariff reviews and robust volumes processed
- **Water** activities up +5.4%, thanks to contract tariff indexation

(€ million)	March 31, 2021 published	March 31, 2021 combined	March 31, 2022	Change 2022 / 2021 published			Change 2022 / 2021 combined		
				Δ	Δ at constant exchange rates	Δ at constant scope and exchange rates	Δ	Δ at constant exchange rates	Δ at constant scope and exchange rates
Water	2,503	3,806	4,079	63.0%	61.3%	5.4%	7.2%	5.2%	5.3%
of which Water Operations	*1,963*	*2,721*	*2,898*	*47.6%*	*46.0%*	*15.2%*	*6.5%*	*4.9%*	*5.0%*
of which Technology and Construction	*540*	*1,085*	*1,181*	*118.7%*	*117.1%*	*5.2%*	*8.8%*	*5.9%*	*6.1%*
Waste	2,515	3,398	3,786	50.5%	48.5%	12.4%	11.4%	9.4%	11.5%
Energy	1,789	1,789	2,470	38.1%	36.9%	38.5%	38.1%	36.9%	38.5%
Other	-	(400)	(400)		-	-		-	-
Group	**6,807**	**8,593**	**9,935**	**46.0%**	**44.3%**	**16.7%**	**15.6%**	**13.7%**	**14.7%**

Q1 2022 revenue breaks down by business as follows:



Compared with combined figures for the three months ended March 31, 2021, revenue by business rose +14.7% at constant scope and exchange rates. The main changes by business compared with combined figures for the three months ended March 31, 2021 break down as follows.

Water revenue

Water Operations revenue increased +5.3%, with good volumes in Spain and O&M contract wins and tariff increases in North America. Slightly lower volumes due to the weather (in France and Chile) were largely offset by the positive effect of contract tariff reviews in these geographies.

Technology and Construction revenue grew +6.1%, mainly driven by increased construction activity in France. VWT revenue is down slightly following a temporary slowdown in desalination projects.

Waste revenue

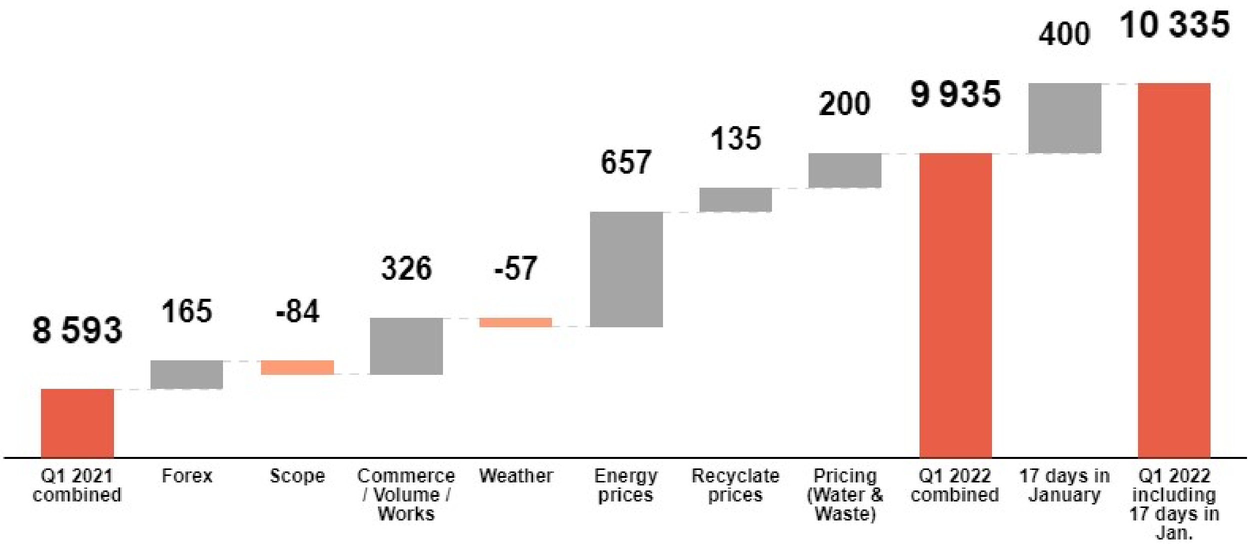
Waste revenue increased +11.5%, benefiting from the continued high level of recyclate prices (+4%) for paper, plastic and metals in Europe. The upward trend in oil prices had a favorable impact on hazardous waste activities in Europe and North America. Higher energy prices also benefited incineration activities. Tariff increases had a positive impact (+3.4%) across the various geographies. The commercial / volume effect is also positive at 1.7%.

Energy revenue

Energy revenue rose +38.5%. The strong activity growth is founded on a positive price effect (+32%), notably in Europe, higher volumes distributed, tariff increases in Central and Eastern Europe and strong commercial development (+2.2%), particularly in Italy. The weather effect in the first quarter was -2.5%.

3.2.3 ANALYSIS OF THE CHANGE IN GROUP REVENUE

The increase in revenue breaks down **by main impact** as follows:



The **foreign exchange impact** of +€165 million mainly reflects fluctuations in American, British and Chinese currencies, partially offset by a downturn in Polish and Latin American currencies[1]

[1] Main foreign exchange impacts by currency: US dollar (+€76 million), pound sterling (+€41 million), Czech koruna (+€28 million), Chinese RenMinBi yuan (+€24 million), Polish zloty (-€10 million).

The **consolidation scope impact** of -€84 million mostly concerns the integration of Osis by Sarp (+€66 million), offset by the sale of assets in Scandinavia in 2021 (-€71 million) and, at Suez level, sales of activities in Australia and the impact of European Union remedies in particular (hazardous waste activities in France recognized in Assets classified as held for sale).

The **Commerce / Volumes / Works impact** is +€326 million, driven by good volumes and particularly energy volumes, as well as the restart of construction activities up significantly on Q1 2021.

The **weather impact** of -€57 million mainly concerns Central and Eastern Europe, where energy activities were impacted by a milder winter than in 2021, and Chile where the summer was not as hot.

Energy prices had an impact of +€657 million. This was driven by a marked increase in energy prices, which resulted in higher heating and electricity tariffs, primarily in Central and Eastern Europe.

Recyclate prices had an impact of +€135 million, boosted by higher recycled paper prices in France, Germany and the United Kingdom.

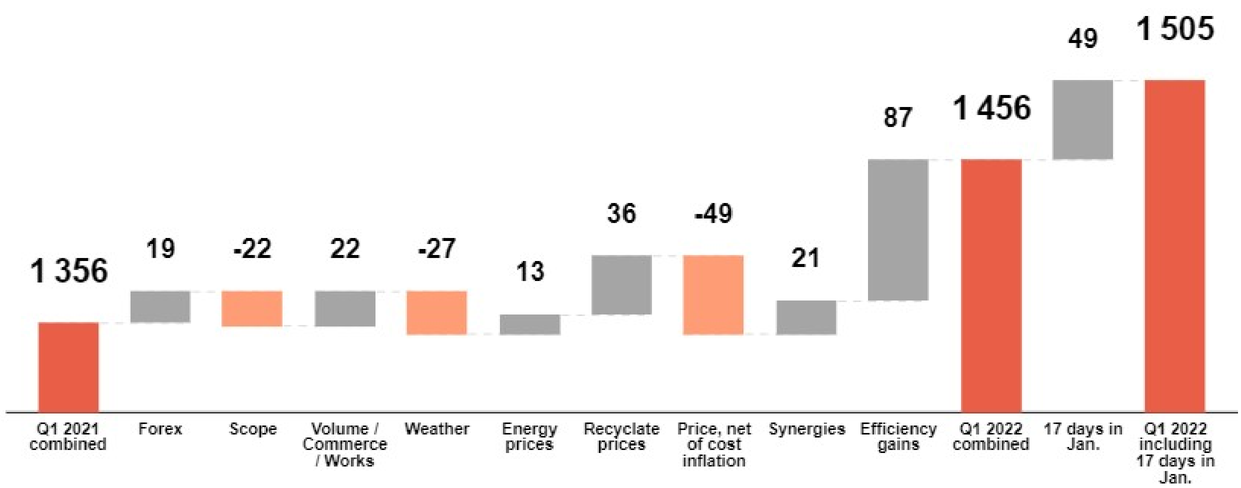
Favorable price effects (+€200 million) are mainly tied to tariff reviews estimated at +3.4% in waste and +2.4% in water.

3.3 Group EBITDA

Group consolidated EBITDA for the three months ended March 31, 2022 was €1,456 million, compared with €1,356 million for the three months ended March 31, 2021 combined and €1,078 million for the three months ended March 31, 2021 published.

EBITDA is up +33.4% compared with published figures for the three months ended March 31, 2021 at constant exchange rates, due to a scope effect of +€276 million primarily due to the integration of the activities acquired from Suez and organic growth of +7.8%.

Compared with March 31, 2021 combined figures, EBITDA rose +7.6% at constant scope and exchange rates. The increase in EBITDA between 2021 and 2022 breaks down by impact as follows:



The foreign exchange impact on EBITDA was +€19 million and mainly reflects the improvement in Czech, British, Chinese and American currencies, partially offset by unfavorable movements in South American and Middle East currencies[1].

[1] Foreign exchange impacts by currency: Czech koruna (+€9 million), pound sterling (+€7 million), Chinese RenMinBi yuan (+€4 million), US dollar (+€6 million), Lebanese pound (-€3 million), Chilean peso (-€4 million)

The **consolidation scope impact** of -€22 million mainly comprises the impact of the integration of Osis by Sarp, offset by the sale of assets in Scandinavia in 2021 and, at Suez level, sales of activities in Australia and the impact of European Union remedies (hazardous waste activities in France recognized in Assets classified as held for sale).

Favorable **commercial and volume impacts** of +€22 million resulted from the positive impact on revenue.

The **weather impact** is -€27 million and mainly concerns Central and Eastern Europe which was affected by a milder than normal winter.

Energy prices had a net favorable impact on EBITDA of +€13 million tied to the increase in energy selling prices net of higher purchase costs (including CO_2 and diesel).

Recyclate prices had a net favorable impact on EBITDA of +€36 million, mainly concerning paper and cardboard in France and Northern Europe.

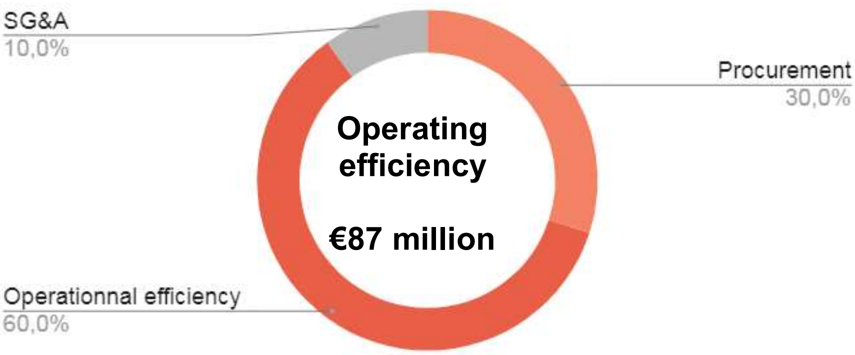
The impact of **prices net of cost inflation** was -€49 million.

The **contribution of cost savings plans and synergies** totaled +€108 million at end-March and includes:

- the efficiency plan for €87 million, mainly concerning operating efficiency (60%) and purchasing (30%) across all geographic zones: France and Special Waste Europe (30%), Europe excluding France (34%), Rest of the world (25%), Corporate (7%) and Water Technologies (4%).
- synergies of €21 million generated on the integration of Suez.

Cost-savings plans and synergies

EBITDA impact *(€ million)*	**2022 objective**	**Actual Q1 2022**
Savings plans	**350**	**87**
Synergies	**100**	**21**



3.4 Other income statement items

3.4.1 Current EBIT

Group consolidated **Current EBIT** for the three months ended March 31, 2022 was €692 million, up +18.0% at constant scope and exchange rates on combined figures for the three months ended March 31, 2021.

EBITDA reconciles with Current EBIT compared with the three months ended March 31, 2021 as follows:

(€ million)	*March 31, 2021 published*	*March 31, 2021 combined*	***March 31, 2022***
EBITDA	**1,078**	**1,356**	**1,456**
Renewal expenses	(65)	(65)	(73)
Depreciation and amortization[1]	(528)	(696)	(734)
Provisions, fair value adjustments & other	(27)	(17)	26
Share of current net income of joint ventures and associates	11	17	18
Current EBIT	**469**	**595**	**692**

The +€107 million (+18%) increase in Current EBIT at constant scope and exchange rates compared with combined figures for the three months ended March 31, 2021[2] is mainly due to:

- a marked improvement in EBITDA (+€103 million at constant scope and exchange rates)
- a slight increase in depreciation and amortization, net of the impact of principal payments on operating financial assets, compared with Q1 2021
- a favorable difference in provisions and other, including higher capital gains on industrial divestitures following the sale of assets in Australia.

The foreign exchange impact on Current EBIT of +€7 million mainly reflects fluctuations in Czech Republic (+€6 million), UK (+€4 million) and Chinese (+€2 million) currencies, partially offset by a downturn in Chile (-€3 million) and Middle East (-€2 million) currencies.

[1] Including principal payments on operating financial assets.
[2] *See Chapter 6.1 for more information on this restatement*

4

FINANCING

4.1 Change in Free Cash Flow and Net Financial Debt

Net free cash flow totaled -€451 million for the three months ended March 31, 2022, compared with published figures of -€127 million for the three months ended March 31, 2021.

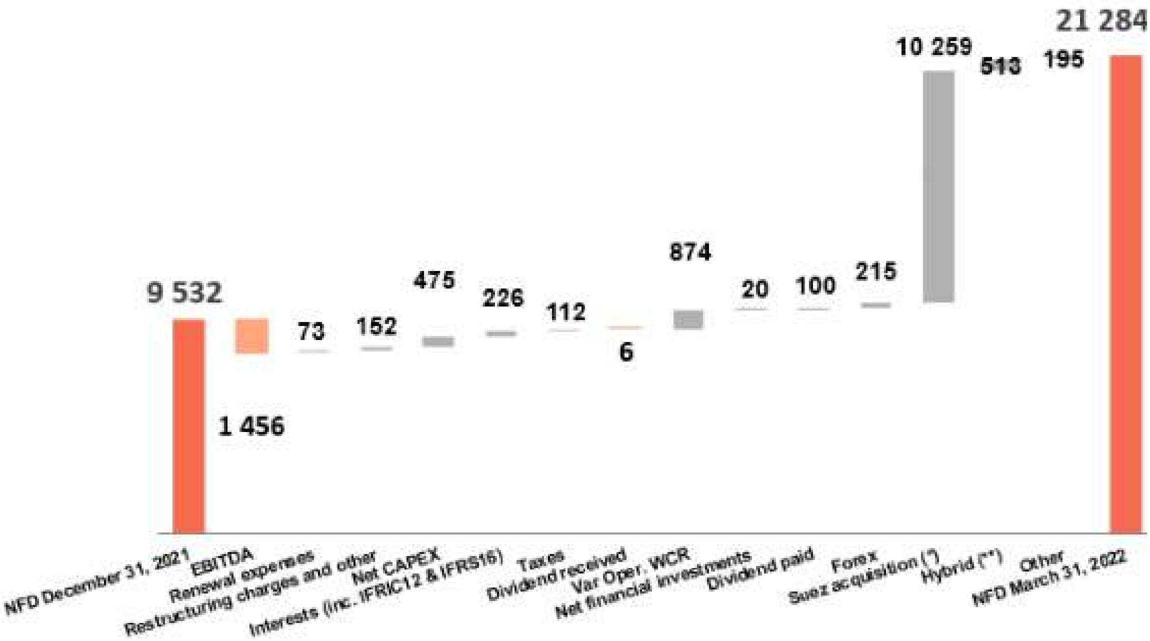
The change in net free cash flow compared with published figures for the three months ended March 31, 2021 reflects:

- Higher EBITDA, driven by the entry into the consolidation scope of activities acquired from Suez, organic activity growth fueled by favorable energy price effects, tariff reviews, gains generated by operating and commercial efficiency plans and synergies
- Net industrial investments of €475 million, compared with €426 million in the three months ended March 31, 2021, published, including investments of Suez acquired activities and industrial divestitures of €248 million mainly comprising the sale of Integrated Waste Services assets in Australia and OSIS Greater Paris subsidiaries.
- Seasonal trends in working capital requirements, with a change in Q1 2022 of -€874 million compared with -€480 million in Q1 2021, mainly concerning Energy activities in Central and Eastern Europe.

Net financial debt amounted to €21,284 million, compared with €9,532 million as of December 31, 2021. Compared with December 31, 2021, the change in **net financial debt** is mainly due to:

- the change in net free cash flow of -€451 million;
- the change in consolidation scope tied to the acquisition of Suez in the amount of -€10,235 million, mainly comprising Suez net financial debt assumed on January 18, 2022 of -€9,504 million and the acquisition of the Suez Group on January 18, 2022 for -€9,318 million, net of the sale of components of the Suez Group to a Consortium on January 31, 2022 for +€8,018 million.
- net financial investments, excluding the acquisition of Suez, of -€20 million (including acquisition costs and net financial debt of acquired entities)
- the repayment of Suez hybrid debt for -€513 million.

Net financial debt was also impacted by negative exchange rate fluctuations of -€215 million as of March 31, 2022.



(*) Suez acquisitions for -€9,318 million, Suez net financial debt of -€9,504 million and Suez divestitures for €8,018 million.
(**) Repayment of Suez hybrid debt for -€513 million.

5

OTHER ITEMS

5.1 Outlook

Guidance* confirmed

Without extension of the conflict beyond the Ukrainian territory and without significant change in the energy supply conditions in Europe, the Group's 2022 prospects are confirmed:

- Solid organic revenue growth
- Efficiency gains above €350M complemented by €100M of synergies coming from the first year of integration of Suez
- Organic growth of EBITDA between +4% and +6%
- Current net income group share around €1.1bn, a growth of more than 20%, confirming the earning per share accretion of around 10%**
- Confirmed 2024 EPS accretion of around 40%**
- Leverage ratio around 3x
- Dividend growth in line with current EPS growth

** At constant forex*

*** Current net income per share after hybrid costs and before PPA*

6

APPENDICES

6.1 Combined data for the three months ended March 31, 2021

To enable comparability of Q1 2022 financial data including the contribution of Suez acquired activities from January 18, 2022, published key figures for the three months ended March 31, 2021 were restated to present the financial data of the new Veolia group including Suez acquired activities and the adjustment for the first seventeen days of 2022 applied to 2021. Combined data for the three months ended March 31, 2021 is presented for Revenue, EBITDA and Current EBIT.

6.2 Reconciliation of 2021 published data by operating segment with IFRS 8 re-presented data

The change in Group governance effective February 2022 led to an update to the IFRS 8 operating segments to reflect the new breakdown by Management Zone implemented following the integration of Suez activities.

Pursuant to IFRS 8, segment financial reporting published in 2021 was re-presented in accordance with the new segments.

Reconciliation of published Revenue for the three months ended March 31, 2021:

(en millions d'euros)	***March 31 2021 published***		*IFRS 8 segmentation adjustments*			***March 31 2021 re-presented***
France	1 379,3	(+)	Special Waste Europe *	654,6	France	2 033,9
Europe excluding France	2 785,1				Europe excluding France	2 785,1
Rest of the world	1 647,6				Rest of the world	1 647,6
Global businesses	995,1	(-)	Special Waste Europe	-654,6	Global businesses	340,5
Other	0,4				Other	0,4
Group	**6 807,4**			**0,0**	**Group**	**6 807,4**

** Europe hazardous waste and Sade*

Reconciliation of published Revenue for the three months ended March 31, 2021 with integration of the Suez scope:

(en millions d'euros)	***March 31 2021 published***		*IFRS 8 segmentation adjustments + Suez Scope*			***March 31 2021 re-presented from IFRS8 and combined***
France	1 379,3	(+)	France and Special Waste Europe	771,5	France and Special Waste Europe	2 150,8
Europe excluding France	2 785,1	(+)	Europe excluding France	801,4	Europe excluding France	3 586,5
Rest of the world	1 647,6	(+)	Rest of the world	718,5	Rest of the world	2 366,1
Global businesses	995,1	(+)	Water technologies	-109,5	Water technologies	885,6
Other	0,4	(-)	Other *	-396,0	Other *	-395,6
Group	**6 807,4**			**1 786,0**	**Group**	**8 593,4**

* Europe hazardous waste and Sade

** adjustments for the 17 days of activity from January 1, 2022, applied to Q1 2021.*

6.3 Definitions

6.3.1 Non-strictly accounting indicators (non GAAP)

To calculate **Current EBIT** (which includes the share of current net income of joint ventures and associates), the following items are deducted from Operating Income:

- impairment of goodwill of controlled subsidiaries and equity-accounted entities;
- restructuring charges;
- non-current provisions and impairment;
- non-current and/or significant impairment of non-current assets (property, plant and equipment, intangible assets and operating financial assets);
- share acquisition costs.

Resourcing the world

Veolia Environnement

A limited liability company (*société anonyme*) with a share capital of €3,502,858,580

403 210 032 RCS Paris

Administrative headquarters:

30, rue Madeleine Vionnet – 93300 Aubervilliers – France

Tel.: +33 (0)1 85 57 70 00

Registered office:

21, rue La Boétie – 75008 Paris – France

www.veolia.com

Registered office:

21, rue La Boétie – 75008 Paris – France

www.veolia.com