

MODERN SLAVERY STATEMENT

2024

1. INTRODUCTION

Veolia Group aims to be the benchmark company for ecological transformation.

Present on five continents and with nearly 218,000 employees, Veolia designs and deploys innovative and practical solutions for the management of water, waste and energy.

In the UK, Veolia is present across the water, energy, and waste sectors, providing essential services to private and public customers. With approximately 14,000 employees, this footprint across three key industries gives Veolia a unique opportunity to combine expertise and tackle the climate crisis.

In the UK, we recognise that modern slavery is a growing global and local issue and that we have an important role in helping to eradicate it. Identifying and preventing modern slavery and human trafficking are core parts of our sustainability strategy, which we continue to build upon.

This statement outlines the steps taken by our business to identify modern slavery in our operations and supply chains. It also outlines our plans to continually improve how we identify risk and advance initiatives to raise awareness.



GAVIN GRAVESON

Senior Executive
Vice-President Veolia Northern Europe

This statement is made under section 54(1) Modern Slavery Act 2015 and constitutes Veolia’s Modern Slavery and Human Trafficking statement covering our financial year ending 31st December 2023.

Veolia UK’s financial year ends on 31 December in each calendar year. Under Home Office guidance, this statement sets out the measures that Veolia has in place in the UK and the actions we have taken, during the twelve months to 31 December 2023.

For this statement, Veolia and Veolia UK mean Veolia ES Holdings (UK) Limited, Veolia Water UK Limited, and Veolia Energy UK Limited with their UK subsidiaries. This includes, but is not limited to, those subsidiaries with a turnover above £36,000,000 in 2023, as identified below:

- | | |
|---|---|
| <ul style="list-style-type: none">• Veolia Energy and Utility Services UK Limited• Veolia Water Outsourcing Limited• Veolia ES (UK) Limited• Veolia Environmental Services Group (UK) Limited (formerly Veolia Environmental Services (UK) PLC)• Veolia ES Staffordshire Limited• Veolia ES South Downs Limited• Veolia ES Shropshire Limited• Veolia ES Sheffield Limited | <ul style="list-style-type: none">• Veolia ES Landfill Limited• Veolia ES Hampshire Limited• Veolia ES Birmingham Limited• Veolia ES Nottinghamshire Limited• Veolia ES Southwark Limited• Veolia ES Merseyside and Halton Limited• Hampshire Waste Services Limited• Southdowns Waste Services Limited• Sheffield Environmental Services Limited |
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Common standards, policies, and procedures are adopted and implemented across Veolia UK entities. Veolia UK entities are supported by centralised support functions, including supply chain and human resources.

2. OUR STRUCTURE, BUSINESS, AND SUPPLY CHAINS

2.1 Structure and Business

Veolia UK, as part of the Veolia group, designs and delivers environmental solutions that contribute to its purpose of ecological transformation.

Veolia works to radically change patterns of production and consumption by placing ecology at the heart of every process and every assessment. We aim to provide meaningful solutions to major problems, with and for our stakeholders.

We provide work for approximately 14,000 people (directly and indirectly) in the United Kingdom, across more than 400 operational and corporate shared services sites.

2.2 Governance

Our Executive Committee is a decision-making body that is responsible for considering, discussing, consulting, and implementing Veolia UK's strategic direction.

The Executive Committee meets monthly and is assisted by several specialised committees and working groups focussing on important topics, including Modern Slavery and Human Trafficking.

Our Modern Slavery Working Group operates to assess and manage risk by implementing improvements and monitoring progress against a three-year rolling program. Our Working Group comprises a cross-section of HR, Supply Chain, Operations, Legal, Compliance, and Sustainability representatives. Our Modern Slavery Lead is the Chief Compliance Officer.

In 2023, the Working Group met on six occasions with individual members meeting more frequently to drive specific projects and initiatives.

The Working Group produces a Veolia UK modern slavery and human trafficking strategy paper, which is shared internally and used as the reference point for our performance assessment, and in preparing the three-year rolling program. The strategy paper, originally scheduled for an update in 2023, will be updated in 2024. It remains permanently accessible to all Veolia UK staff via our dedicated ethics and compliance intranet page.

The Working Group reports to the UK Modern Slavery Executive Subcommittee. The subcommittee comprises the Chief HR Officer, Chief Legal Officer, and Chief Operating Officer for UK Treatment Operations. The Working Group meets with the Executive Subcommittee twice yearly. The Chief Compliance Officer regularly updates the Audit Committee which the Senior Executive Vice President for Veolia Northern Europe attends.

2.3 Supply chains

Veolia operates primarily in the waste management, energy generation, industrial services, and water and wastewater treatment sectors. We spend around £1.3 billion annually in the UK across all suppliers, most of which are based in the UK (2023 spend with suppliers based in the UK was over 95%).

We recognise that our volume and complexity of suppliers can present a higher risk of undetected modern slavery. To assess potential risks in our supply chain, we perform an annual modern slavery risk assessment using reputable indices available in the market.

Where risk is identified, we conduct internal and external audits to drive the identification and rectification of potential issues.

The Veolia group’s anonymous online whistleblowing tool (Whispli) is available to our suppliers and subcontractors via a link on our Veolia UK website. If a breach is identified, it can be reported directly and confidentiality to the Group Ethics Committee via Whispli.

Supplier expenditure is categorised as shown in **Table 1**. Our Supply Chain National Category Managers are responsible for each category.

Category	Category name	Typical products/services in the category
1	Operating supplies, material and equipment	Valves, tools, pipes and fittings, pumps, engines, electrical,safety, laboratory, building materials
2	Industrial, technical and service subcontracting	Waste and treatment subcontracting, transport and logistics providers, civil engineering, facilities management, lab services
3	Mobile equipment and motorised equipment	New vehicles and spare parts, on-board equipment, bins and containers
4	Fuel, energy and chemicals	Electricity, gas, acids, alkalis, polymers, diesel, fuel additives
5	Intellectual services	Insurance, technical and general management consultants, legal providers, recruitment consultants, marketing agencies
6	General purchasing	Temporary labour, travel, office supplies and furniture, postage and archiving
7	IT and telecommunications	IT hardware and software, mobile phone and airtime

Table 1

3. SUPPLIER DUE DILIGENCE PROCESSES CONCERNING MODERN SLAVERY AND HUMAN TRAFFICKING

Veolia is committed to the prevention and detection of slavery and human trafficking in its supply chains. The following practices are in place to drive our commitment:

3.1 Supplier assessment

Before onboarding, all new goods and service providers (including subcontracted works providers) must answer a set of questions to evaluate their compliance standards across health and safety, environmental impact, human rights (including modern slavery), and business ethics.

Where standards are deemed insufficient, supplier applications are subject to further review, in consultation with the appropriate Veolia subject matter experts. Suppliers must sign Veolia's Supplier Charter (as displayed on our Veolia UK website, on the supplier information page) to demonstrate their commitment to operating according to Veolia's purpose and values. A supplier that does not meet the requirements of the UK Modern Slavery Act or who does not sign up to our Supplier Charter will not be allowed to trade with Veolia until they satisfy, or actively work with us, to meet these requirements.

To assess labour and human rights standards across key suppliers who already work for Veolia, we use the EcoVadis platform. Veolia will work collaboratively with those who do not meet the standards defined in our Supplier Charter, to agree on actions and implement improvement plans.

3.2 Terms and Conditions

Veolia uses several sets of standard terms and conditions to trade with suppliers. Our conditions oblige the supplier to comply with the Modern Slavery Act, and give Veolia the power to require evidence to show how they mitigate the risk of modern slavery.

We will always aim to support and work with suppliers to address modern slavery risks, but we retain the ultimate sanction of contract termination where necessary.

3.3 Temporary labour and agency workers

Veolia partners with a contingent labour service provider (CLSP) to meet temporary resource requirements. Our CLSP is contractually required to ensure they and their suppliers comply with the Modern Slavery Act.

We work with our CLSP to enhance processes to increase our ability to prevent and detect potential modern slavery cases.

While market forces play a huge part in our contingent labour usage, our goal is always to minimise our utilisation of contingent labour, in favour of direct employment, which is supported by continuous improvement of workforce planning.

4. POLICY AND PROCESS

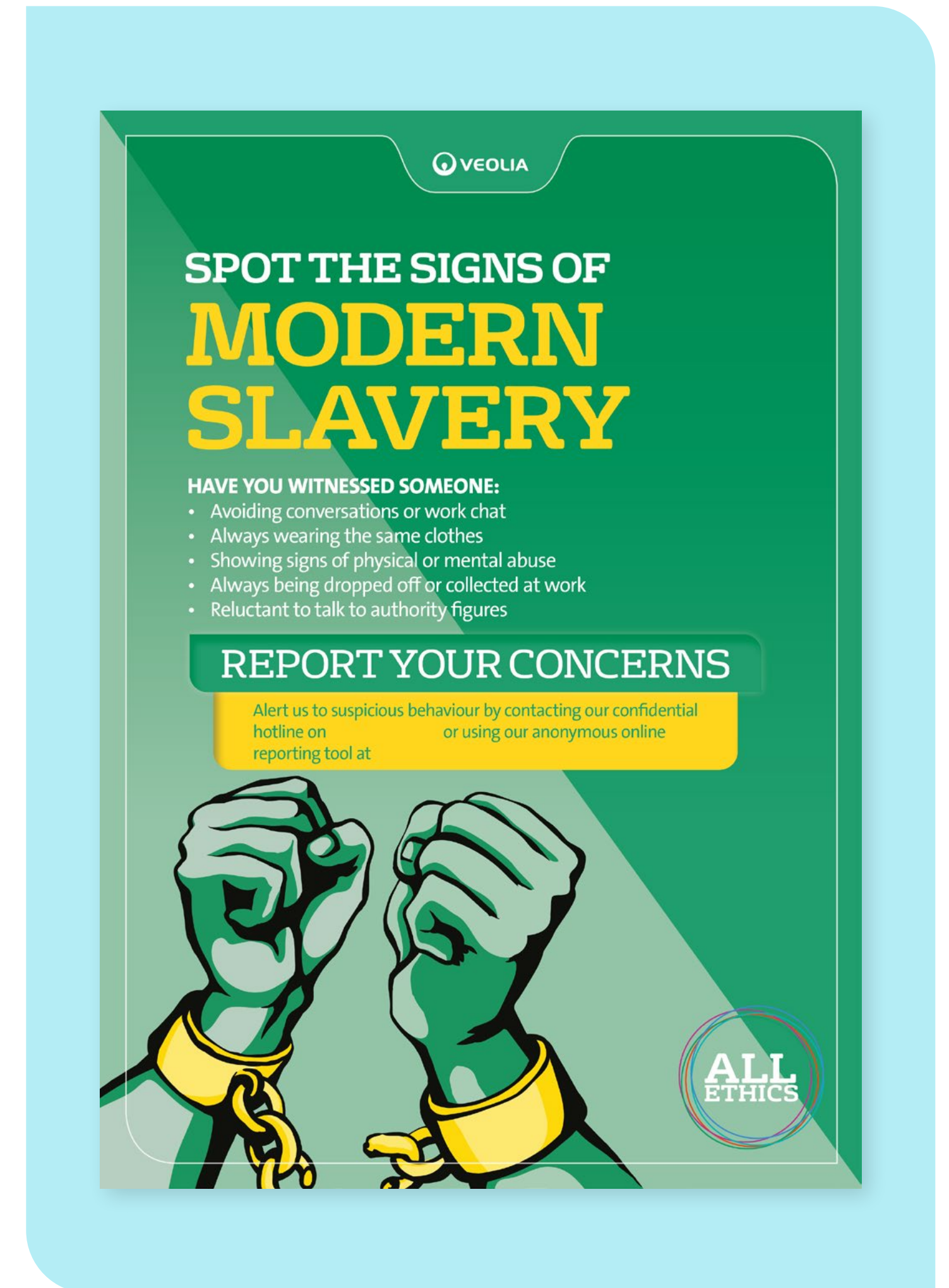
Veolia's commitment to the prevention and detection of modern slavery is outlined in our Modern Slavery and Human Trafficking Policy and Supplier Charter. Common standards, policies, and practices are adopted and implemented throughout Veolia UK operations.

Our Whistleblowing Policy and Procedure is available to all employees. We offer a confidential whistleblowing telephone line and a confidential online whistleblowing solution to all employees and third parties for reporting concerns or suspicions of wrongdoing. The confidential reporting mechanisms are independently operated by a third party with a clearly defined reporting and investigation process, and Veolia designated officers.

We also offer an Employee Assistance Programme for employees. This is a confidential telephone support service where advice and information can be sought on many topics.

In 2023, we launched our Modern Slavery Escalation Policy and Procedure outlining the process to be followed if modern slavery is suspected. To support the awareness of the procedure, a briefing document was issued to operational managers in December 2023, along with a video and posters to support our frontline employees. The rollout of the operational briefing was completed in the first quarter of 2023.

Face-to-face training was delivered in November 2022 to site-visible staff who support the process.



5. SUPPLY CHAIN RISK AND RISK MANAGEMENT STEPS

In 2023, Veolia purchased goods from 24 different countries, with over 95% of expenditure in the UK.



The modern slavery and human trafficking risk, for each of these countries, was assessed using reputable sources, before entering into trading relationships.

Our business employs a large and diverse operational workforce and employs temporary labour and agency labour which carries inherent risk. We continue to work with our CLSP to enhance processes to increase our ability to detect modern slavery risk as outlined in 3.3.

Acquisitions may present risk where the mass onboarding of new suppliers is necessary to maintain the continued performance and contractual obligations of the business acquired. Veolia added 34 suppliers to the supplier database in 2023 through business acquisitions.

For acquisitions, all new suppliers are in scope for rationalisation, as referenced in 3.1. Direct employee checks for TUPE staff follow the steps outlined in 6.1 below. Temporary and agency labour requirements are transferred to our CLSP.

6. EMPLOYEES AND OTHER INDIVIDUALS WITH WHOM WE DEAL

6.1 Direct labour and TUPE employees

Veolia directly employs approximately 14,000 individuals in the UK on direct employment contracts. All employment contracts comply with UK legislation.

Wages are paid electronically directly to the employee's bank account. Veolia will not onboard a new employee until the individual has provided the correct Right to Work evidence, in line with Home Office guidance. This evidence is collected as part of the 'new hire' process through an electronic form on the HR and Payroll system. Where employees transfer to Veolia under TUPE arrangements, the Right to Work evidence is obtained within 21 days as per Home Office guidance.

Veolia works in partnership with five Trade Unions to determine specific terms of employment for our employees covered by collective bargaining agreements. This may include pay, hours, leave, and health and safety policies. Veolia complies with the legislative requirements of the National Minimum Wage and the National Living Wage.

Scheduled checks are made to identify duplicate bank details, addresses, next of kin, and contact telephone numbers across employee records, as a way to identify a risk of non-legitimate arrangements where payroll funds may be being diverted to a third party. Legitimate cases of cohabiting partners working for Veolia are checked and validated.

6.2 Indirect labour (temporary and agency workers)

As referenced in 3.3, Veolia uses a CLSP for our temporary labour requirements. The CLSP engages staff through a national agreement with an approved list of panel agencies, providing contingent labour for predominantly frontline operational roles.

In 2023 they supplied over 5896 workers to Veolia. The CLSP has a Service Level Agreement with the agencies they use which obliges them to comply with all regulations and laws applicable to the terms of the agreement, including the Modern Slavery Act.

The compliance safeguards within the CLSP's payroll system mean a worker cannot be supplied to Veolia unless they have the correct Right to Work documents. Furthermore, ad-hoc documentation audits are performed by Veolia for indirect workers.

7. MEASURING OUR EFFECTIVENESS

From 2024-27, Veolia’s globally applied multi-faceted performance framework focuses on 15 audited indicators, which are aligned to United Nations Sustainable Development Goals. These indicators include measuring the impact of our contribution to society and ethics standards. These indicators are underpinned by Veolia’s 2024-27 GreenUp Strategy and linked to Veolia’s purpose, mission, and values.

Veolia’s Modern Slavery and Human Trafficking working group is responsible for assessing, enhancing, and monitoring steps taken by Veolia and its suppliers, to meet compliance standards, and to identify and manage risk.

Key performance indicators are used to drive and track training delivery and completion, drive awareness campaigns, and record third-party audits and resulting actions. These are shared with the Executive Subcommittee.

Representatives of the group actively engage and participate in external groups, including the Waste and Recycling Modern Slavery Working Group, hosted by Slave-Free Alliance, and the Modern Slavery Leaders Group at the Supply Chain Sustainability School.



- 1. Our stakeholders
- 2. Our performance
- 3. Our commitments
- 4. Our objectives

8. TRAINING AND AWARENESS

8.1 Management

The dedicated Modern Slavery Executive Subcommittee meets twice yearly with the Modern Slavery Working Group representatives to review priorities and action plans.

Modern slavery is discussed as a recurring agenda item during the Audit Committee which is held every four months, and attended by members of the Executive Committee, including the Senior Executive Vice-President for Northern Europe.

8.2 Office-based staff

Modern slavery eLearning is available to all staff. The eLearning module provides an overview of modern slavery risks, statistics, and guidance on how to spot the signs and report concerns safely. It is actively promoted to all staff annually as part of the annual anti-slavery awareness campaign and it is targeted for mandatory completion by staff working in areas of the business considered to be more exposed to the risk of modern slavery. It also forms part of the induction process for all new staff employees.

The training module contains a scored test to support the level of understanding following completion. A new module is being developed for launch in 2024.

8.3 Operational staff

Two types of posters are displayed across our operational sites. The first poster (spot the signs) is for display in communal areas. The second poster (how to seek support for victims) is for display in private areas. Both posters guide how to raise concerns and seek help.

In December 2022, our new operational briefing was launched to operational managers for delivery to frontline teams across all UK operations during early 2023. The briefing is supported by a video, which includes a victim's story, and is further supported by the presence of our posters. The briefing provides clear signposting for our new Escalation Policy and Procedure.

8.4 Specific teams

Face-to-face training for our Human Resources and Risk and Assurance teams was delivered in November 2022. The training was delivered by Hope for Justice and received positive feedback from our attendees. It supported the new briefing for operational employees and facilitated the launch of the new Escalation Policy.

8.5 Suppliers

As a Supply Chain Sustainability School partner, Veolia is now collaborating with the school to conduct a Modern Slavery workshop for our key suppliers. The workshop offers guidance on how to identify the signs and risks of slavery within the supply chain.

9. OUR JOURNEY AND FUTURE PLANS

