

VEOLIA ENVIRONNEMENT EUROPEAN WORKS COUNCIL AGREEMENT

Between

The European Works Council:

- **Germany: Peter STARRE
Bernhard KESSEL**
- **Belgium: Philippe DERON**
- **Denmark: Finn KRISTIANSEN**
- **Spain: Jose Luis CAMARERO**
- **Estonia: Milvi ILVES**
- **Finland: Juha OLLAS**
- **France: Hervé DEROUBAIX
Marc RICCARDI
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- **Hungary: Janos CSISZAR**
- **Italy: Nicoletta OLTOLINA**
- **Ireland: Brian BELL**
- **Lithuania: Zemius RINKEVICUS**
- **Norway: Kjetil ROBERTSEN**
- **Netherlands: Ostar VEN DEN BERG**
- **Portugal: Bernardino CUCU**
- **Poland: Dariusz STEFANOWICZ**
- **Czech Republic: Pavel PASA**
- **United Kingdom: Graham ROSS**
- **Romania: Nicolae TURCUMAN**
- **Slovakia@ Frantisek NEMECEK**
- **Sweden: Marina ANTONSSON**

- **assisted by:**
 - **the European Confederation of Employees (C.E.S.)**
 - **the European Confederation of Managerial Staff (C.E.C.), also representing Eurocadres**

on the one hand

and

The Management of Veolia Environnement, represented by Mrs. Véronique Rouzaud, Senior Vice President, Human Resources, Veolia Environnement, and in this capacity duly authorized to represent the company

on the other hand

on this day the revision of the Veolia Environnement European Works Council Agreement was concluded, as follows:

PREAMBLE

- ▶ The Veolia Environnement Group's growth entails developing the skills of all its employees, taking advantage of synergies between its divisions and implementing an overall and consistent approach in every one of its business lines.
- ▶ The Veolia Environnement European Works Council is a priority arena for information and exchange concerning the life of the Group.

The Veolia Environnement European Works Council is a flexible and responsive body whose effectiveness will be assessed in terms of the quality of the social dialogue it leads to between stakeholders, rather than the number or frequency of its meetings.

- ▶ To guarantee the effectiveness of its social dialogue, structures for discussion have been set up on three different levels.

⇒ The vocation of the Veolia Environnement European Works Council is to enable consultation around transnational issues that may eventually lead to joint statements or recommendations. This constitutes the third level of dialogue.

⇒ Aware of the communication challenges arising from changes in Veolia Environnement Group divisions and in the number of countries included in this Agreement, and with the aim of highlighting topics of interest, the Veolia Environnement European Works Council is keen to create structures for social dialogue within each country. This second level of exchange will deal with transversal matters.

⇒ The first level of dialogue is located at the level of each company within the Veolia Environnement Group, which works in association with institutions representing employees on matters falling within their prerogatives.

- ▶ Social dialogue within Veolia Environnement takes into account the specific confidentiality requirements resulting from the company's listing on the stock exchange and the fact that the Veolia Environnement Group is included in French, European and international indices.

- ▶ Furthermore, this social dialogue within the Veolia Environnement Group must at each level be carried out within a common ethical framework, based on shared convictions and the responsibility of each participant to promote these values, the most important of which are compliance with the law and international standards, honesty, social responsibility, control of risks, information, corporate governance and a commitment to sustainable development. The detailed contents of this programme are set out in the Veolia Environnement Group's brochure entitled "Ethics, conviction and responsibility".

- ▶ Pursuant to European Directive 94/45/EC of 22 September 1994 on the establishment of a European Works Council and Law 96-985 of 12 November

1996 on informing and consulting employees in Community-scale undertakings and groups of undertakings (Appendix 1), the signatory parties had agreed to set up a European Works Council, called the Veolia Environnement European Works Council. This Agreement is aimed at defining the *modus operandi* of the Veolia Environnement European Works Council, by drawing on the experience acquired during the operation of the Works Council since it was set up.

► Moreover, this Agreement also takes into account the provisions of the new 2009/38/EC directive dated 6 May 2009 “*on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees*”¹.

The signatory parties agreed to meet again once the French law transposing this directive into France’s legislation is published, in order to review and adapt accordingly the provisions of this Agreement.

ARTICLE 1. PURPOSE OF THE AGREEMENT

1.1. Veolia Environnement European Works Council

The Veolia Environnement European Works Council is an institution created for information and consultation², discussion and social dialogue with employee representatives concerning transnational issues. Its powers and duties are described in Article 4 hereafter.

The purpose of the creation of the Veolia Environnement European Works Council is to ensure a balance between the structure of the bodies representing employees and the organisation of the Group, to provide employee representatives with accurate information and to discuss with them transnational subjects concerning all the Group's employees, particularly when related to the general policy of the Veolia Environnement Group.

The Veolia Environnement European Works Council may be called on to negotiate certain agreements in principle, commitment charters or joint resolutions on transnational issues, whose implementation depends on national laws and regulations in each of the countries covered by these agreements.

1.2. Creation of national social dialogue structures

1.2.1 Purpose of the national structure for social dialogue

The national structure for social dialogue (“**NSSD**”) is a forum for dialogue, exchange of views and information between Management and employee representatives in the countries included in the scope of the Veolia Environnement European Works Council, notably on transversal topics. Its duties do not include negotiating agreements. The national structure for social dialogue cannot replace the

¹ Employee here is understood in the sense of European Community legislation.

² Information and consultation encompasses exchange of views and establishment of a social dialogue between employee representatives and Management.

personnel representative bodies existing in each country concerned and cannot call their prerogatives in question.

In countries — such as France — where this social dialogue structure does not yet exist, it may be set up in compliance with the following provisions.

1.2.2 *Composition of the national social dialogue structure*

The national social dialogue structure is a body composed of Group employees, representatives of Veolia Environnement Group employees, who are members of personnel representative institutions of one or several companies in their country, of the regular and substitute member(s) of the Veolia Environnement European Works Council from the country concerned and Management representatives. These representatives are elected or appointed by the representative trade union organisations or personnel representative bodies of the country concerned.

The actual number of representatives depends on the number of divisions operating in each country under consideration. Each country will be allocated one member by division operating in said country. Furthermore, it will be allocated a number of members equal to the number of regular and substitute members of the Veolia Environnement European Works Council for this country, determined according to the provisions of Article 3.1.1.

A correspondent of the national social dialogue structure shall be appointed among its members. The correspondent shall be a regular member, or otherwise the first substitute member, of the Veolia Environnement European Works Council.

The correspondent's mission is to facilitate the operation and the organization of social dialogue structures. He/she shall also be the interlocutor of the country's management team, the Bureau of the Veolia Environnement European Works Council and the Group's Human Resources Department. The zone's management team, or the Department of Human Resources, shall appoint a member of the management team to take charge of the country's social dialogue structure and delegate authority to him/her in this respect.

A first substitute will be appointed among the members of each national social dialogue structure who are also substitute members of the Veolia Environnement European Works Council. This first substitute, insofar as possible, will come from a Group division that is not represented by the regular members of the Veolia Environnement European Works Council in this country.

1.2.3 *Powers and duties of the national social dialogue structure*

The mission of the national social dialogue structure consists notably in:

- contributing to the work of reflection of the Veolia Environnement European Works Council as a liaising body;
- presenting and analyzing economic and social data in the country (for instance: turnover, occupational accidents, absenteeism, gender equality, etc.);

- debating transversal issues mentioned during Veolia Environnement European Works Council meetings, relative notably to solidarity, health, safety, mobility between Veolia Environnement Group companies, risk prevention, skills, etc.;
- sharing best practices on these various themes;
- informing employees in the divisions concerned about operations within their country.

A non-exhaustive list of indicators that can be debated within social dialogue structures is provided for information purposes in Appendix 2 of this Agreement.

The national social dialogue structure shall meet at least twice (two times) per year. It will also be able to meet on an exceptional basis if events were to require this. These meetings will be timed in order to fit in with the timetable of plenary sessions of the Veolia Environnement European Works Council, in order to prepare its debates on specific issues or subsequently ensure the dissemination of its work within social dialogue structures.

These meetings will last one day each, at the most, including half a day for a preparatory meeting and half a day for the plenary meeting. The country or zone management team will shoulder all the costs resulting from the organization and holding of these meetings. According to the choice made by members of the national social dialogue structure and with the agreement of the management team of the relevant country, these meetings may be held in one of the sites where members of the national social dialogue structure work.

The correspondent of each structure and Management will jointly set the date and the agenda of meetings of national social dialogue structures.

The social dialogue structures of countries having recently joined the scope covered by the Veolia Environnement European Works Council must be set up in the year following their integration within the Veolia Environnement European Works Council. The Bureau of the Veolia Environnement European Works Council and the Group's Human Resources Department will help set up these new social dialogue structures.

Regardless of the date on which the social dialogue structures of new countries are established, the terms of office of their members will end at the same time as the normal end of the terms of office of Veolia Environnement European Works Council representatives set out in Article 3.1. Subsequently, the cycle of renewal of the terms of office of members of national social dialogue structures will be the same as applies for Veolia Environnement European Works Council representatives.

The minutes of the meeting of these national social dialogue structures shall be sent to the Secretary of the Bureau of the Veolia Environnement European Works Council and the Group's Human Resources Department (Zone HR Department, Veolia Environnement Group's Human Resources Department)

The quality of the social dialogue within national social dialogue structures will be regularly assessed during meetings of the Veolia Environnement European Works Council.

The Bureau of the Veolia Environnement European Works Council, as well as the Group's Human Resources Department (HR Department of the zone and/or Group's HR Department) will be able to, in the event of recurring and significant problems, initiate an internal or external mediation procedure in order to promote a national social dialogue in line with the principles set out in the Preamble of this Agreement within these spaces.

If needed, and after approval by the Group's General Human Resources Department, the Bureau or some of its members may meet interlocutors from the country in order to help solve the said problems.

ARTICLE 2. SCOPE

The Veolia Environnement European Works Council encompasses Veolia Environnement S.A. and all its subsidiaries or sub-subsidiaries within the European Union and in Member States of the European Economic Area in which it has a controlling interest, in accordance with the provisions of Article L.2343-2 of the French Labour Code.

The list of companies concerned as of 31 December 2009 is shown in Appendix 1. It is an integral part of this Agreement and will be updated every 4 (four) years at the end of the year.

This scope may be extended to include other countries under the conditions set out in ARTICLE 3.

ARTICLE 3. COMPOSITION

3.1. Representatives of Group companies' employees

3.1.1 Allocation of seats

For each Member State of the European Union, seats in the Veolia Environnement European Works Council are allocated as follows:

- A seat is allocated to countries where the workforce totals between 500 (five hundred) and 5,000 (five thousand) employees; an additional seat is allocated to countries in which at least two divisions of the Veolia Environnement Group operate and have a workforce of more than 1,000 (thousand) employees;

- Two seats are allocated to countries where the total workforce totals between 5001 (five thousand and one) and 10,000 (ten thousand) employees;
- Three seats are allocated to countries where the total workforce totals between 10,001 (ten thousand and one) and 20,000 (twenty thousand) employees;
- Four seats are allocated to countries where the total workforce totals between 20,001 (twenty thousand and one) and 50,000 (fifty thousand) employees;
- Five seats are allocated to countries where the workforce exceeds 50,000 (fifty thousand) employees;
- Six seats are allocated to countries where the workforce exceeds 100,000 (one thousand) employees.

The composition of the European Works Council shall be reviewed at the end of each period covered by the term of office of its members, in other words every 4 (four) years.

The Veolia Environnement European Works Council is composed of a maximum number of 45 (forty-five) members representing the personnel of Veolia Environnement Group companies.

This number, however, may be modified, at the end of each term of office, according to changes within the Veolia Environnement Group's workforce, within the limit of the thresholds defined above.

The members of the Veolia Environnement European Works Council must be elected or appointed by the representative trade union organizations or the personnel representative bodies of the country they come from. They will be chosen from the country's personnel representatives or trade union representatives. French members of the Veolia Environnement European Works Council must be appointed from the members of the French Works Council.

After this allocation of seats, if a Member State holds several seats in the Veolia Environnement European Works Council, employee representatives will be appointed in such a way that the highest number of divisions of the Veolia Environnement Group are represented in Veolia Environnement European Works Council, with seats being allocated on a pro rata basis according to the number of employees working in the divisions operating in the aforesaid Member State.

Each regular member from one of the 21 (twenty-one) countries making up the scope of the Veolia Environnement European Works Council shall have a substitute entitled to replace him or her in the event of his/her unavailability. In this respect, a first substitute shall be appointed within the social dialogue structures of each country under the conditions set out in Article 1.2.2.

The members of the Veolia Environnement European Works Council shall be appointed for a term of office of 4 (four) years. Substitutes will be appointed to

replace members prevented from carrying out their duties as rapidly as possible and will remain in office until the member's term of office has expired.

Countries applying to join the European Union³ that meet the workforce conditions spelled out above can be invited by the Veolia Environnement European Works Council, subject to approval by the Group's Management, to appoint a non-voting representative to attend the European Work Council's plenary meetings.

Likewise, European Union Member Countries that do not meet the afore-mentioned workforce criteria can be invited by the Veolia Environnement European Works Council, subject to approval by the Group's Management, to appoint a non-voting representative to attend the European Work Council's plenary meetings.

Moreover, countries that do not belong to the European Union may be invited occasionally by the Veolia Environnement European Works Council, subject to approval by the Group's Management, to appoint a non-voting representative to attend the European Work Council's plenary meetings. Morocco, on a request of the European Works Council and with the agreement of the Group's Management, has a guest representative.

These invited representatives must be Veolia Environnement Group employees from personnel representative bodies of a company operating in the country concerned.

3.1.2 *Changes in the workforce half way through the term of office*

(a) Review of the workforce half way through the term of office

The composition of the Veolia Environnement European Works Council shall be studied half way through the term of office (in other words every two years). A report will be presented to the Bureau and/or in a plenary meeting, as well as to each country's national dialogue structure, in order to take into consideration changes in the Group's workforce.

According to the situation with respect to the Group's workforce (number of employees, breakdown of personnel between the various countries, etc.) observed half way through the term of office, the composition of the European Works Council can be reviewed in compliance with the calculation criteria set out in Article 3.1.1, within the ceiling set out in Article 3.1.1.

If need be, an amendment to this Agreement will be signed by the Group's Management and the members of the European Works Council to cover these changes.

The term of office of the representatives who might be appointed as a result of this mid-term of office review will end at the following date set for the renewal of terms of office, in order to synchronize the length of all terms of office of members of the European Works Council.

³ For the purpose of this Agreement, countries applying to join the European Union are the countries that have presented an official request to join the European Union that has been accepted and with which an accession treaty has been signed.

(b) Changes in the workforce resulting from a Significant Operation

In the event of an operation that significantly affects the structure or the size of the Group, the composition of the European Works Council will be modified within the six months following the completion of the operation, in order to reflect the Group's new organization (changes in number of employees, breakdown of personnel between the various countries, etc.).

For the purposes of this Article, an operation shall be deemed significant (hereafter a “**Significant Operation**”) if it concerns more than 20,000 (twenty thousand) employees (or at least 10% of the workforce) of the Group within the scope of the European Works Council in at least 2 (two) countries included in the scope of the Veolia Environnement European Works Council. Thus, and without this list being exhaustive, the following operations are deemed significant: acquisitions or disposals of companies with at least 20,000 (twenty thousand) employees in several Group companies located in at least 2 (two) countries included in the scope of the Veolia Environnement European Works Council.

According to the situation with respect to the Group's workforce following such an operation, the composition of the Veolia Environnement European Works Council can be reviewed in compliance with the calculation criteria set out in Article 3.1.1.

If need be, an amendment to this Agreement will be signed by the Group's Management and the members of the European Works Council to cover these changes.

If the increase in a country's workforce resulting from the acquisition of a company or a group of companies, the transfer of employees into a Group entity in this country, or the starting up of new operations by the Veolia Environnement Group in this country, the additional representative(s) possibly allocated to this country will have to be appointed as a priority among these new employees. Specific attention will be paid to ensuring the successful integration of these new employee representatives within the European Works Council.

The term of office of the representatives who might be appointed as a result of this Significant Operation will end at the following date set for the renewal of terms of office, in order to synchronize the length of all terms of office of members of the Veolia Environnement European Works Council and the country's national social dialogue structure.

In the event of a Significant Operation, the application of the workforce breakdown rules could lead to the ceiling set out in Article 3.1.1. being, temporarily, exceeded. However, when the terms of office expire, this ceiling would be readjusted in compliance with the conditions set out in Article 3.1.1.

3.2. Representation of the Management of the Veolia Environnement Group

The Veolia Environnement European Works Council is chaired by the legal representative of Veolia Environnement SA or a representative authorized by him/her, assisted by colleagues whose presence at a given meeting is justified by their duties within the company or by a particular item on the agenda.

ARTICLE 4. POWERS AND DUTIES

4.1. Field of intervention of the European Works Council

The Veolia Environnement European Works Council is competent to discuss transnational issues of definite importance, in particular at a strategic level, for the Veolia Environnement Group as a whole and resulting in direct consequences on Group employees within the scope of the Veolia Environnement European Works Council.

For the purpose of the present agreement, the following issues are defined as transnational:

- Issues affecting the Veolia Environnement Group as a whole; or
- Issues affecting only a single division of the Veolia Environnement Group but likely to have consequences in at least 2 (two) countries in the scope of the Veolia Environnement European Works Council; or
- Issues affecting at least 2 (two) companies or establishments of the Group located in two different countries in the scope of the Veolia Environnement European Works Council.

Moreover, the Veolia Environnement European Works Council will also be competent to deal with issues affecting only a single country but that relate to projects likely to lead to the disappearance of all the operations of one or several Group divisions in this country, even if it is the only division operating in this country.

4.2. Ordinary meetings of the European Works Council

Every year, two ordinary meetings of the Veolia Environnement European Works Council shall be held.

During the first annual meeting of the Veolia Environnement European Works Council, information provided and the possible exchange of viewpoints will relate to the following transnational issues:

- the structure of the Veolia Environnement Group
- its economic and financial situation,
- probable changes in its operations and investments,
- changes concerning its organization, mergers, spin-offs and acquisitions, as well as any possible downsizing or closing down of companies, establishments or major parts of the said business units and collective layoffs,

- the situation in terms of employment, and probable changes in this situation; modifications in the workforce, forward-looking career management, the management of employee skills,
- sustainable development and Research and Development.

4.3. Procedure followed for the exchange of viewpoints within the European Works Council

The exchange of viewpoints within the Veolia Environnement European Works Council relates to issues defined in Article 4.1 that affect in particular the interests of employees.

The exchange of viewpoints occurs, depending on the issue:

- At the level of the Bureau of the Veolia Environnement European Works Council when it relates to:
 - Transnational issues likely to have consequences on 2,000 to 6,000 (two to six thousand) employees (or 1% to 3% of the workforce) within the scope of the European Works Council;
 - Issues concerning just one country but relating to projects likely to result in the termination of all the operations of one or several Group divisions and affecting at least 2,000 (two thousand) employees (or at least 1% of the workforce) within the scope of the European Works Council;
- At the level of the Bureau of the Veolia Environnement European Works Council, enlarged to regular representatives of the Veolia Environnement European Works Council appointed by the countries concerned (hereafter the “**Enlarged Bureau**”), with respect to transnational issues likely to have consequences on 6,000 to 20,000 (six to twenty thousand) employees (or 3% to 10% of the workforce) within the scope of the Veolia Environnement European Works Council;
- During a plenary meeting of the Veolia Environnement European Works Council with respect to transnational issues likely to have consequences on more than 20,000 (twenty thousand) employees (or more than 10% of the workforce) within the scope of the Veolia Environnement European Works Council.

In the case where the exchange of viewpoints takes place at the level of Bureau or of the Enlarged Bureau, the Veolia Environnement European Works Council receives the same information as the members of the Bureau and of the Enlarged Bureau at its following plenary meeting.

The Management of the Veolia Environnement Group and the Bureau or the Enlarged Bureau will present during this plenary meeting the issue debated in the exchange of viewpoints, the comments made by personnel representatives and the developments that occurred after this exchange of viewpoints.

4.4. Link-up with national information and consultation procedures

The Veolia Environnement European Works Council may not replace the existing employee representation structures in the countries covered by this Agreement, nor call into question their prerogatives.

In the case where an issue submitted to the Veolia Environnement European Works Council must lead to both an exchange of viewpoints within the European Works Council and the consultation of personnel representative bodies of one of the Group's entities, the procedures consisting in the consultation or the exchange of viewpoints with the aforesaid bodies may be conducted simultaneously.

ARTICLE 5. METHODS FOR APPOINTING EMPLOYEE REPRESENTATIVES

The appointment of (regular and substitute) personnel representatives to the Veolia Environnement European Works Council must be carried out in accordance with the specific laws and regulations applying in each country. In addition, the representative appointed must be an employee of one of the Veolia Environnement Group companies.

He/she must also be a member of the of the social dialogue structure in his/her country. The French members of the Veolia Environnement European Works Council must be appointed from the members of the French Works Council

The signatory parties agree that careful attention will be paid to ensuring that the members of the Veolia Environnement European Works Council are appointed in such a way that Veolia Environnement Group employees in each Member State are effectively represented, notably with regard to the respective size of divisions within a given country.

Should members of the Veolia Environnement European Works Council become ineligible for office, during their term of office and more than 6 (six) months before it was to end, replacement members would be appointed within national social dialogue structures or, in the case of French members, within the French Veolia Environnement Works Council.

ARTICLE 6: OPERATION, RESOURCES AND STATUS OF MEMBERS

6.1 Secretary and Bureau

6.1.1 Composition and role of the Bureau

In order to increase the effectiveness of discussions between Management and the employee representatives on the Veolia Environnement European Works Council, a Bureau has been set up. It will comprise at the most 8 (eight) members, including the Secretary (cf. below), regardless of the number of Divisions within the Veolia Environnement Group.

The Bureau is responsible for coordinating the business of the Works Council, preparing plenary meetings of the Veolia Environnement European Works Council, as well as ensuring communication between members and the following up of expert reports.

The Bureau members shall meet at least once every quarter. Management may be invited by Bureau members to attend the afternoon sessions of these meetings, in order to debate with the Bureau issues about which it will have been informed previously.

The Bureau, in agreement with Management, will organize one of these meetings in one of the countries represented in the European Works Council.

On this occasion, the Bureau will meet with the members of the country's Dialog Space. Subject the agreement of the DHR and Management, a discussion may take place between the DHR's representative and the management of the country or its representative.

The Bureau of the Veolia Environnement European Works Council carries out a permanent coordinating mission between Management and members of the Veolia Environnement European Works Council representing employees on issues related to the operation of the Veolia Environnement European Works Council and working groups.

In this respect, the Bureau must report back to the Veolia Environnement European Works Council about its main studies at the next plenary meeting.

The Bureau is also a priority arena for dialogue with Management.

6.1.2 Election of Bureau members

At the first meeting of the term of office, the members of the Veolia Environnement European Works Council will appoint, from among the regular members of the European Works Council, the Bureau members who will be elected by a simple majority of the votes cast by members with voting rights.

A quorum of two-thirds of the members of the European Works Council must be met for the election of Bureau members.

If no candidate wins a simple majority in the first round, a second round is held under the same majority conditions. If a third round has to be held, should votes be split after this third round, the candidate from the country with the largest work force within the Veolia Environnement Group is elected.

Bureau members are elected in such a manner that the representation of Veolia Environnement Group employees is balanced.

The composition of the Bureau shall comply with the following principles:

- (i) The Bureau must be composed of members from 8 (eight) different countries, in order to ensure the best representation possible.

- (ii) Bureau members have to represent as closely as possible the balance of the work force. A seat in the Bureau will therefore be reserved for every country in which the work force totals at least 25% of the Group's work force in Europe.
- (iii) All the Divisions of the Veolia Environnement Group have to be fairly represented within the Bureau.

Thus, each Division cannot be represented by more than two members in the Bureau.

Exceptionally, in the event of there not being sufficient candidates from a Division, a seat can be filled by one of the three other Divisions. The latter would therefore, exceptionally, have a third member within the Bureau. This exception does not change the principles set out above.

Insofar as possible and in compliance with the principles of freedom of vote and nominations, the Bureau will also be composed, in the event of there being a tied vote in the election to the Bureau, by taking into account the following recommendations:

- (i) In order to ensure that the weight of the work force in the various countries is fairly represented, the Bureau will, insofar as possible, be composed in such a manner that one or two seats will be held by members from countries in which the work force totals between 5% and 25% of the Group's work force in Europe, while the remaining seats will be allocated to countries in which the work force amounts to less than 5% of the Group's work force in Europe.
- (ii) The Bureau will, insofar as possible, be composed of members from the four main geographical zones in which the Veolia Environnement Group operates (Central and Eastern Europe, Northern Europe, Western Europe and Southern Europe, as defined in Appendix [4]).

Members of the Veolia Environnement European Works Council will therefore do their utmost to ensure that each of these zones is represented within the Bureau.

- (iii) Lastly, the members of the Veolia Environnement European Works Council will do their utmost to ensure that the diversity of the Veolia Environnement Group is reflected in the composition of the Bureau.

To this end, a pilot working group, as defined in Article 6.2 below, will be dedicated to increasing the representation of women within the European Works Council. This working party may also widen its deliberations and consider ways of increasing the diversity of the representation on the European Works Council.

The Veolia Environnement European Works Council may decide to hold a new election to replace Bureau members and the Secretary in the case of serious dysfunction that disrupts the operations of the European Works Council. The ways

that such a revocation and new election would operate, in such an eventuality, will be set out and detailed in one of the European Works Council's internal rules.

6.1.3 Election and role of the Secretary of the European Works Council

(a) Election of the Secretary and of the Deputy Secretaries

During the first meeting of its term of office, the members of the European Works Council will elect a Secretary from among the Bureau members by a qualified majority of two-thirds of the votes cast by the members with voting rights.

A quorum of two-thirds of the members of the European Works Council must be met for the election of the Secretary.

If no candidate wins a qualified majority in the first round, a second round is held under the same majority conditions. If a third round needs to be held, the candidate who has won a simple majority of votes cast is elected. Should two or more candidates receive the same number of votes in the third round, the candidate from the country with the largest work force within the Veolia Environnement Group is elected.

The Secretary is assisted by 2 (two) Deputy Secretaries, elected from among Bureau members by the members of the Bureau by a simple majority of votes cast.

In order to facilitate the European Works Council's dialogue with Management and help it carry out its tasks, the Secretary, or one of the Deputy Secretaries, must have a good command of French.

(b) Role of the Secretary

The Secretary represents the Veolia Environnement European Works Council in carrying out all actions linked to the legal personality of the Council.

Depending on the items included in the agenda, the Secretary of the Veolia Environnement European Works Council may be invited to attend meetings of the Bureau of the French Works Council. The Secretary of the French Works Council may also be invited to attend the meetings of the Bureau of the Veolia Environnement European Works Council.

6.1.4. Meetings of the Bureau with Management

If, during the interval between two plenary sessions, developments occur that are likely to modify the Group's structure and strategic orientations, a meeting of the Bureau will be organized, either on the initiative of Management or at the request of a majority of the members of the Bureau.

The Bureau will be able to get assistance from experts, if need be, under the conditions set out by Articles 6.4.1 and 6.4.2. The presence of these experts at meetings with Management will have to be previously authorized by Management.

Depending on the agenda of the meeting, and after joint agreement between the Secretary of the Bureau and Management, minutes will be drafted.

6.1.5 Resources put at the disposal of the Bureau

To meet the operating needs of the Bureau of the Veolia Environnement European Works Council, Management of the Veolia Environnement Group will put at the disposal of every Bureau member a mobile telephone with an international plan and a laptop computer (with a 3G card) configured according to the IT standards of the company he/she works for, if it has not been provided, beforehand, as a tool for his/her professional tasks.

Moreover, the Bureau as a whole has an internal email address.

6.2 Pilot working groups

Ad hoc — and not permanent — pilot working groups, whose members will be appointed from the regular members of the Veolia Environnement European Works Council, may be set up, on a proposal of the European Works Council, subject to approval by Management of the Veolia Environnement Group. Their number shall be restricted to one pilot working group per calendar year.

These working groups' mission will be to study transversal or vertical issues within the competence of the Veolia Environnement European Works Council currently debated within the Works Council. These issues may relate to a specific zone, country or group of countries or business line.

The members of these working groups will be appointed among the regular members (or if need be substitute members) of the Veolia Environnement European Works Council who have developed specific competence on the relevant issues. They will be appointed after a majority vote by the Bureau of the Veolia Environnement European Works Council.

The number of members of these working groups will be defined by an agreement between the members of the Bureau of the Veolia Environnement European Works Council and Management of the Veolia Environnement Group, and will total 7 (seven) members at the most.

The meetings of these pilot working groups will be held at the same time as the meetings of the Bureau of the Veolia Environnement European Works Council or the plenary meetings of the European Works Council.

6.3 Plenary meetings of the European Works Council

6.3.1 Frequency of plenary meetings

The Veolia Environnement European Works Council meets twice (two times) per year for a one-day plenary meeting on notice from the Chairman or his/her representative.

Each one-day plenary session shall be preceded at least by a one-day preparatory meeting and followed by a half-day closing meeting. Hence, each of these ordinary annual meetings will last two and a half days.

The Management of the Veolia Environnement Group can, according to circumstances, summon an exceptional meeting of the Veolia Environnement European Works Council. The Bureau of the European Works Council can also agree with Group Management to hold one or several exceptional meetings.

The Secretary of the Veolia Environnement European Works Council or one of the deputy secretaries is invited by the French Works Council to attend, as an observer, the plenary meetings of the French Veolia Environnement Works Council. The Secretary of the French Works Council or one of the deputy secretaries is invited by the Veolia Environnement European Works Council to attend, as an observer, the plenary meetings of the of the Veolia Environnement European Works Council. These arrangements also apply to the Bureaux.

6.3.2 Agenda of plenary sessions

The agenda shall be drawn up jointly by the Chairman or his/her representative and the Secretary. It shall be conveyed - accompanied, if necessary, by related documents - to the members of the Veolia Environnement European Works Council with the notice to attend the meeting.

However, failing agreement on the content of the agenda, it shall be drawn up by the Chairman and conveyed to the members of the Veolia Environnement European Works Council at least 6 (six) days before the date of the meeting, barring exceptional circumstances.

6.3.3 Minutes of the plenary sessions

The minutes of each meeting shall be drawn up under the joint responsibility of the Secretary of the Veolia Environnement European Works Council and Management. For each plenary session, a person will be appointed to assist the Secretary of the Veolia Environnement European Works Council by taking notes in order to draft the minutes.

The draft minutes shall be provisionally approved by the Bureau and Management and shall be definitively adopted during the following meeting of the Veolia Environnement European Works Council. The non-confidential parts of the minutes may be distributed once they have been provisionally approved.

Moreover, an information “flash” may be jointly drafted by the Secretary of the Veolia Environnement European Works Council and Management after the European Works Council’s plenary meeting so that it can be rapidly sent to the various social dialogue structures in the month following the plenary meeting.

6.4 Support for the Works Council and expertise

6.4.2 Support for the Works Council

An expert appointed by the European Confederation of Employees (C.E.S.) and an expert, appointed by the European Confederation of Managerial Staff (C.E.C.) may assist the Veolia Environnement European Works Council, in carrying out their duties insofar as this is necessary for the accomplishment of their tasks. The C.E.C. expert also represents Eurocadres.

These experts will take part in the preparatory meeting of the Veolia Environnement European Works Council and may, if need be, attend the plenary meeting of the European Works Council, subject to approval by Management.

If the need arises, and as part of the preparatory meeting of the Veolia Environnement European Works Council, a meeting dedicated to an exchange of views may be held between these experts, the Secretary of the Veolia Environnement European Works Council and Management, according to the issues included in the agenda of this plenary meeting of the Veolia Environnement European Works Council.

6.4.3 Appointment of an expert to help the European Works Council study the Group’s financial statements

The Veolia Environnement European Works Council may appoint a chartered accountant in a plenary session to help it study the Group’s annual financial statements.

The chartered accountant will deliver an annual summary report translated into the mother tongue of each representative. The report will provide an analysis of the financial statements and the Group’s economic and social performance, to be used at the preparatory meeting of the Veolia Environnement European Works Council. This report will be presented by the expert during the preparatory meeting.

The expert will also attend the plenary meeting of the Veolia Environnement European Works Council during which the Group's annual financial statements are presented.

6.5 Operating expenses of members of the Veolia Environnement European Works Council and the Bureau

6.5.2 Budget

The Veolia Environnement European Works Council is provided, for its operation, with an annual budget of 10,000 (ten thousand) euros, excluding expenses stemming from the employment of experts and training courses that will be shouldered by the Veolia Environnement Group. This budget will be exclusively earmarked for the Works Council's operating expenses, including in particular experts' expenses (other than the missions directly financed by the Veolia Environnement Group), as well as expenses related to training courses followed by its members, the publication of materials or attending colloquia.

6.5.3 Accommodation, food and travel expenses

For meetings held pursuant to Articles 6.1, 6.2 and 6.3 (meetings of the Bureau of the Veolia Environnement European Works Council, pilot working groups and plenary meetings of the Veolia Environnement European Works Council) the accommodation, food and travel expenses of the members shall be borne by the Veolia Environnement Group, on presentation of receipts.

6.6 Joint statements and recommendations

As and when necessary, joint statements of method, commitment charters, recommendations or memoranda of understanding may be formally issued by Management and the Veolia Environnement European Works Council or its Bureau.

These joint statements of method, commitment charters, recommendations or memoranda of understanding may be implemented through the negotiation of company-wide agreements within Veolia Environnement Group companies in compliance with local laws and regulations.

Follow-up of these joint statements of method, commitment charters, recommendations or memoranda of understanding shall be carried out at the annual meetings of the Veolia Environnement European Works Council or within social dialogue structures.

6.7 Translation and governing language

Management shall ensure translation of meetings in all the languages spoken within the Veolia Environnement European Works Council as well as translation of the main information documents. In the event of a divergence of interpretation or analysis with respect to these meetings or documents or their translations, it is agreed between the Parties that French is the governing

language and the legally binding version of these documents shall be the French version.

The need and usefulness of translating certain documents dealing with specific issues for all countries may be discussed by the Bureau and Management. However, in such a situation, solutions will be studied to ensure that this does not result in a breach of everybody's right to be informed.

In exchange, Management of the Veolia Environnement Group undertakes to ensure that regular members of the Veolia Environnement European Works Council who wish to follow complementary training courses aimed at improving their fluency in either French or English may do so under the conditions set out in Article 6.8.

6.8 Training

Regular members (and subsequently the substitute members) of the Veolia Environnement European Works Council may benefit from at least 3 (three) days of training by term of office, organized by the Campus Veolia Environnement, in association, if need be, with external instructors.

This training in legal, economic and social subjects, related to the issues dealt with within the Veolia Environnement European Works Council as well as the economic challenges facing the Group, shall be provided by the Veolia Environnement Campus in relation with the Bureau.

For the regular members and observers of the Veolia Environnement European Works Council who may need to improve their French or English, language-learning courses may be organized at country level and financed by the Veolia Environnement Group. The framework, the content and length of these training courses shall take into account the level of linguistic capability required and a reasonable economic investment on the basis of an initial assessment.

Moreover, the members of the Bureau of the Veolia Environnement European Works Council will benefit from a complementary course of 3 (three) days every 2 (two) years, organized by the Campus Veolia Environnement, in association, if need be, with external instructors.

6.9 Protection

Members of the Veolia Environnement European Works Council benefit from the protection provided by the European directive mentioned in the preamble.

6.10 Paid released time

In addition to the time spent in every preparatory or plenary meeting of the Veolia Environnement European Works Council or the Bureau, the regular and substitutes members of the European Works Council benefit from paid released time, totalling one day, to prepare the aforesaid meetings of the Veolia Environnement European Works Council or of the Bureau.

The members of Bureau of the Veolia Environnement European Works Council are provided with an overall amount of 60 (sixty) days of paid released time per year, to be shared among them according to their needs.

This specific paid released time is added to the paid released time the members of the Veolia Environnement European Works Council benefit from under their national mandates.

Payment of this paid released time is borne by the Veolia Environnement Group, upon the request of the business units concerned.

7 OBLIGATION OF CONFIDENTIALITY

The members of the Veolia Environnement European Works Council, the experts providing support and observers are bound by professional secrecy and must maintain total confidentiality concerning all information provided by Management on a confidential basis.

8 REVISION AND RENEGOTIATION

8.1 Revision

To guarantee the ongoing adaptation of this Agreement, a follow-up committee composed of the 7 (seven) members of the Bureau has been set up.

At the end of the term of office, in the 12 (twelve) months prior to the renewal of the Veolia Environnement European Works Council, the follow-up committee may make proposals for changes to this Agreement, which, after discussion, may give rise to amendments. In this case, the follow-up committee and Management will set a timetable for negotiations and may decide to set up an enlarged Bureau to carry out this review.

8.2 Renegotiation

The most diligent party wishing to renegotiate the Agreement shall inform the other party by registered letter with acknowledgement of receipt: Management to the Secretary of the Bureau, the Veolia Environnement European Works Council through the Secretary of the Bureau to the CEO of the Company. Within two months of the information being made known, the members of the Veolia Environnement European Works Council shall meet to negotiate a new Agreement.

If no meeting were to be held or these negotiations were to break down, the effect of this Agreement shall be maintained during the next 12 (twelve) months. At the end of this period, a European Works Council shall be put in place, made up as in the absence of an Agreement until such time as the members of the Veolia Environnement European Works Council have agreed on a new Agreement with Management.

9 INTERPRETATION OF THE AGREEMENT AND DISPUTES

In the event of differences of interpretation and analysis concerning the provisions of this Agreement or translations thereof, it is agreed that French law is applicable.

Furthermore, in the event of disputes, the French courts have sole competence.

10 TERM OF THE AGREEMENT

This Agreement is entered into for an undetermined period running from its signature. It supersedes and replaces the Agreement dated 10 October 2005.

Enacted in Paris, [xx xxxx], 2010

32 copies to be received by each party after signing; one for each member, translated into the native tongue; one for Management; one for Prud'hommes Council; one for D.D.T.E

For the European Works Council:

For Veolia Environnement:

- **Germany: Peter STARRE
Bernhard KESSEL**
- **Belgium: Philippe DERON**
- **Denmark: Finn Kristansen**
- **Spain: Jose Luis CAMARERO**
- **Estonia: Milvi ILVES**
- **Finland: Juha OLLAS**
- **France: Hervé DEROUBAIX
Marc RICCARDI
Bernard LANNELONGUE**
- **Hungary: Janos CSISZAR**
- **Italy: Nicoletta OLTOLINA**
- **Ireland: Brian BELL**
- **Lithuania: Zemius RINKEVICUS**
- **Norway: Kjetil ROBERTSEN**
- **Netherlands: Ostar VAN DEN BERG**
- **Portugal: Bernardino CUCU**
- **Poland: Dariusz STEFANOWICZ**

Véronique Rouzaud

- **Czech Republic: Pavel PASA**
- **United Kingdom: Graham ROSS**
- **Romania: Nicolae TURCUMAN**
- **Slovakia: Frantisek NEMECEK**
- **Sweden: Marina ANTONSSON**