

Press release

April 24, 2017

Veolia Adds Defamation Claim to Its Case against PWSA

Company Cites Ongoing PWSA Mischaracterizations of Its Work

PITTSBURGH– Veolia Water North America -- Northeast LLC (Veolia) has taken steps today to initiate a formal arbitration proceeding against the PWSA, seeking full recovery of unpaid amounts under the parties' contract, and additional damages resulting from the PWSA's reckless and false statements about Veolia's work for the Authority.

"We don't take such a step lightly, because we work with municipalities throughout the country and view them as our partners," said Keavin Nelson, senior vice president of operations, Veolia North America. "But after PWSA's unceasing attempts at blame-shifting for their errors, and their complete mischaracterization in the media of the problems at PWSA we must take steps to publicly defend our work and our reputation. We are confident that after a full review of the facts, the arbitrator will find in our favor."

Background:

The following points are worth noting:

[Veolia helped PWSA](#) realize at least \$5.5 million in annually recurring revenue and efficiencies, instituted financial controls that limited spending and increased accountability, and identified opportunities for operational efficiencies that have a direct impact on the utility's bottom line.

Over the three years Veolia was involved, the following occurred:

- PWSA's Board reviewed and approved every Veolia contractual initiative through a formal process,
- PWSA engaged, as standard protocol, a third party audit company to also verify the results of those initiatives,
- PWSA hired away key employees of Veolia,
- PWSA renewed on two occasions Veolia's contract,
- PWSA [complimented Veolia](#) and its contributions repeatedly in public statements, and
- PWSA recognized millions of dollars in savings as a result of Veolia's efforts.

Veolia is proud of the work it performed, and will defend itself fully and aggressively through the arbitration process.

For more information about Veolia's work in Pittsburgh, visit: www.veoliapwsatruth.com

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Veolia group is the global leader in optimized resource management. With over 163 000 employees worldwide, the Group designs and provides water, waste and energy management solutions that contribute to the sustainable development of communities and industries. Through its three complementary business activities, Veolia helps to develop access to resources, preserve available resources, and to replenish them. In 2016, the Veolia group supplied 100 million people with drinking water and 61 million people with wastewater service, produced 54 million megawatt hours of energy and converted 30 million metric tons of waste into new materials and energy. Veolia Environnement (listed on Paris Euronext: VIE) recorded consolidated revenue of \$25.7 billion in 2016. www.veolia.com