

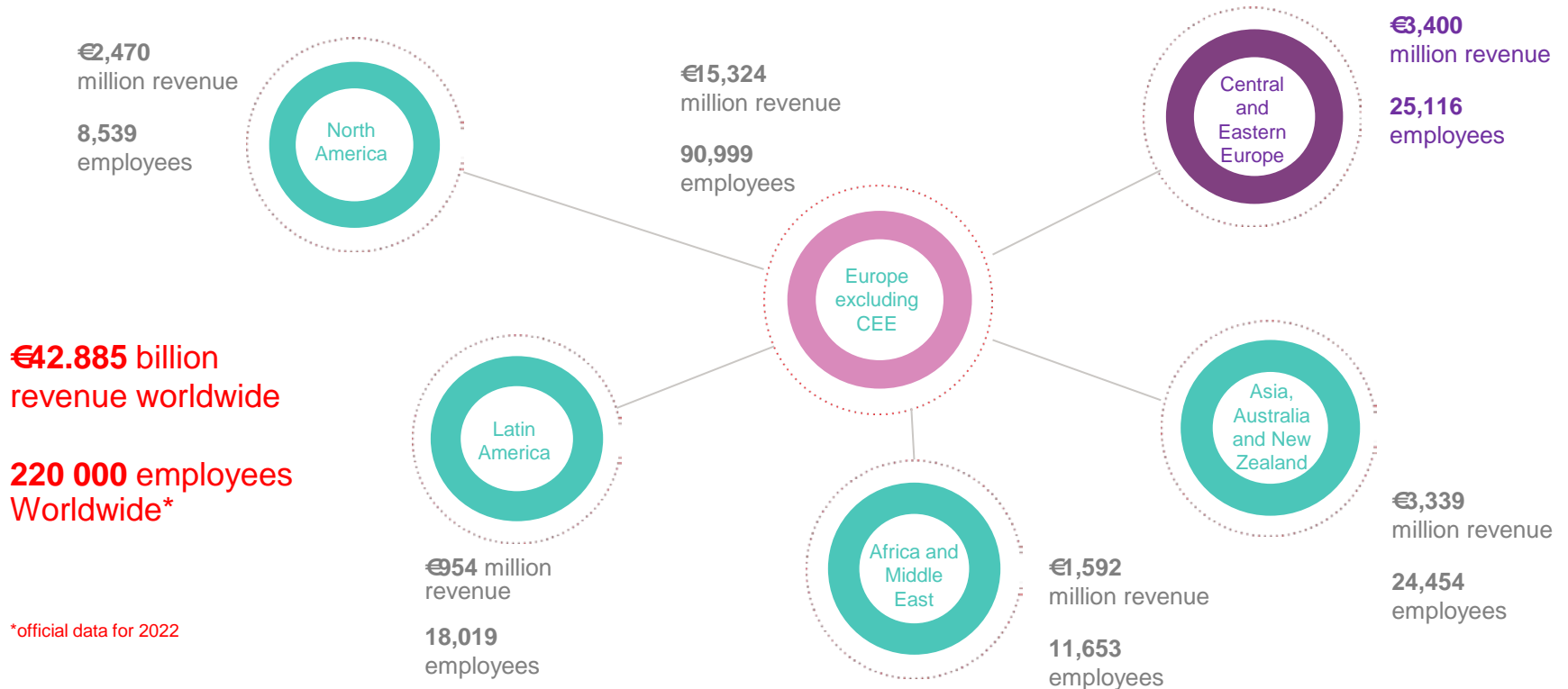


INNOVATION – HOW TO INCUBATE AND ACCELERATE

Sofiyska Voda, **part of Veolia**



VEOLIA - our worldwide presence



CEE Zone operation at a glance



ACCESS TO WATER & SANITATION

946 WTP/WWTP plants
20,3 million people served
57,612 km water/sewage networks
Sales **557 million m³** drinking water



LOCAL LOOPS OF ENERGY

2,348 thermal plants
5,775 km district heating networks
22,9 million MWh heat/cold produced
5,7 million MWh electricity produced
Sales **20,8 million MWh** heat/cold/electricity



SOLID WASTE TREATMENT, RECYCLING & VALORIZATION

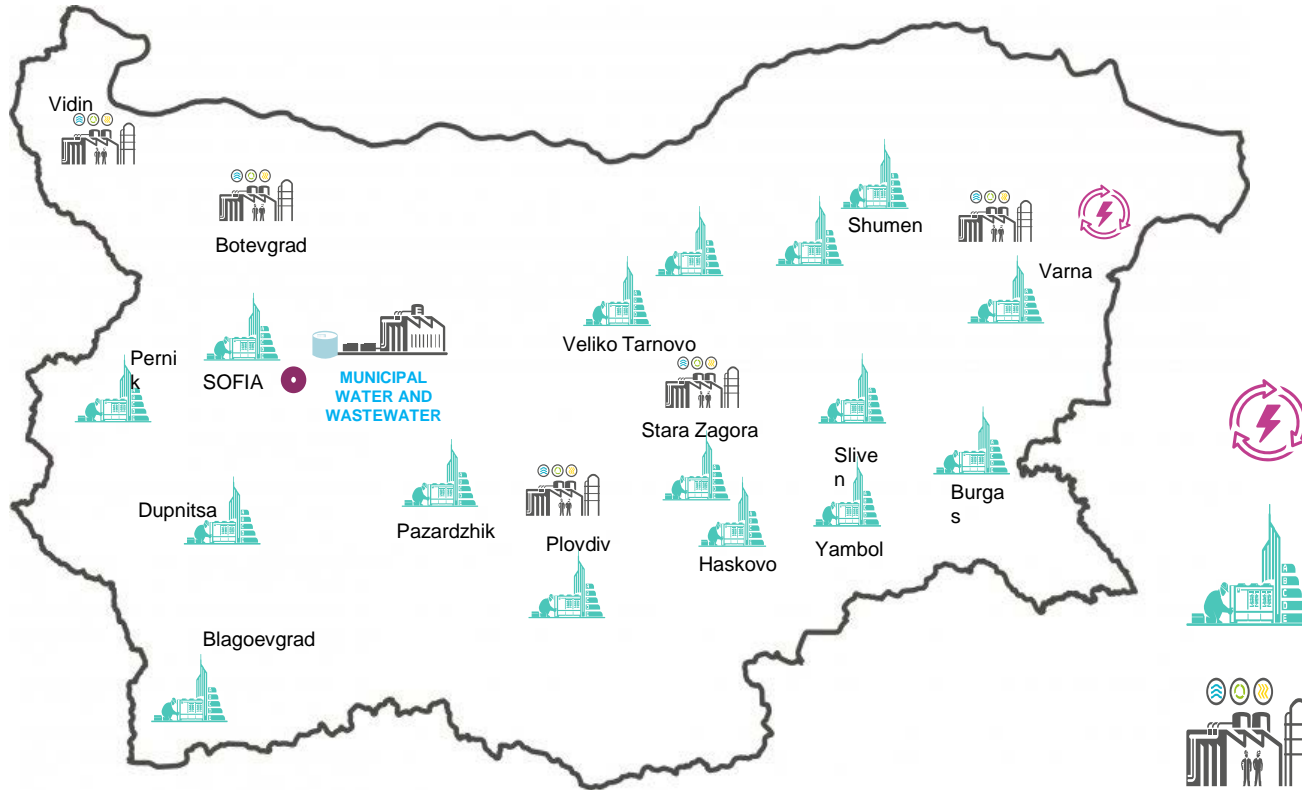


WATER TECHNOLOGIES, TREATMENT PLANTS & NETWORKS

In 6 countries
ON-SITE SERVICES TO INDUSTRIAL CLIENTS
1,047 Industrial sites



Veolia in Bulgaria



District heating network

FM & Energy Services

On-site services to Industrial Clients

Sofiyska voda JSC – a successful PPP in the Bulgarian water sector



The story:

- 25-years concession agreement (2000 - 2025), extended in 2023 until 2034
- Veolia became majority shareholder in 2010
- Integrated management of the whole water cycle in Sofia

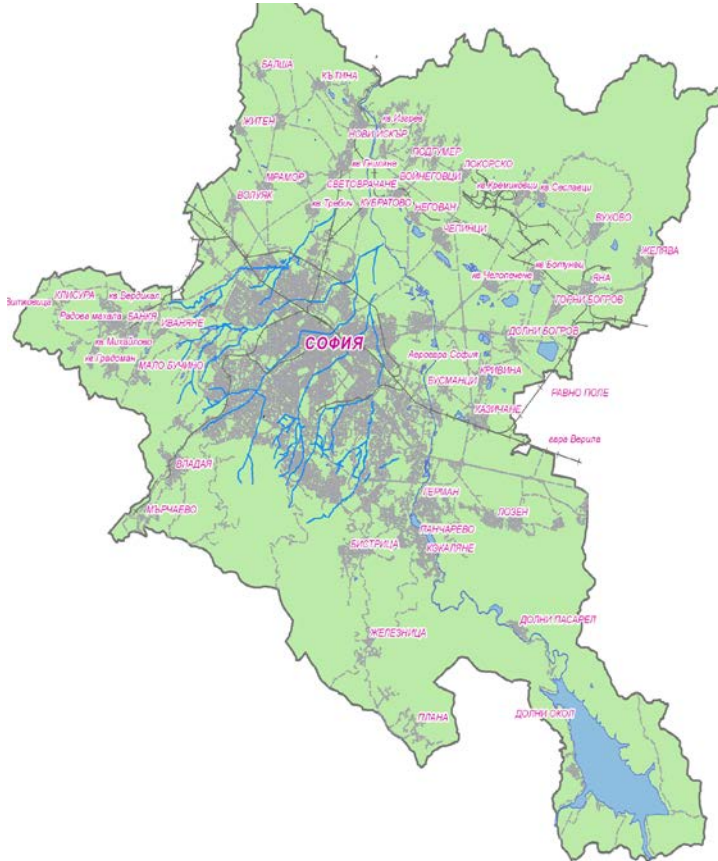
Shareholders:

- 77.1% - Veolia CEE
- 22.9% - Municipality of Sofia

Regulation:

- Regulated by State Regulatory body
- Predefined investment programme
- KPI levels setting
- Tariff setting

Integrated management of the water cycle



Network and key facilities:

- **3837 км** drinking water network – **4 times** longer than the distance from Sofia to Vienna;
- **1 750 км** sewerage network – longer than the distance from Sofia to Milano
- **4** Potable water plants and one mobile
- **68** reservoirs
- **12** pumping stations
- **35** chlorination stations
- Large waste water plant Kubratovo
- Local waste water plant Voinegovtsi
- Accredited laboratory testing complex which monitors water quality



What is innovation?

Types of innovation



For the European Commission, the innovation is defined as a new or significantly improved product (good or service) introduced to the market, or the introduction within an enterprise of a new or significantly improved process.



Product innovation is the market introduction of a new or a significantly improved good or service.



Process innovation is the implementation of a new or significantly improved production or delivery method, or ancillary activity for goods or services.

How does Veolia develop innovation?

Process Overview

AN
ECOSYSTEM
OF 7 HUBS
TO SCALE UP
INNOVATION



7

hubs in the world

5

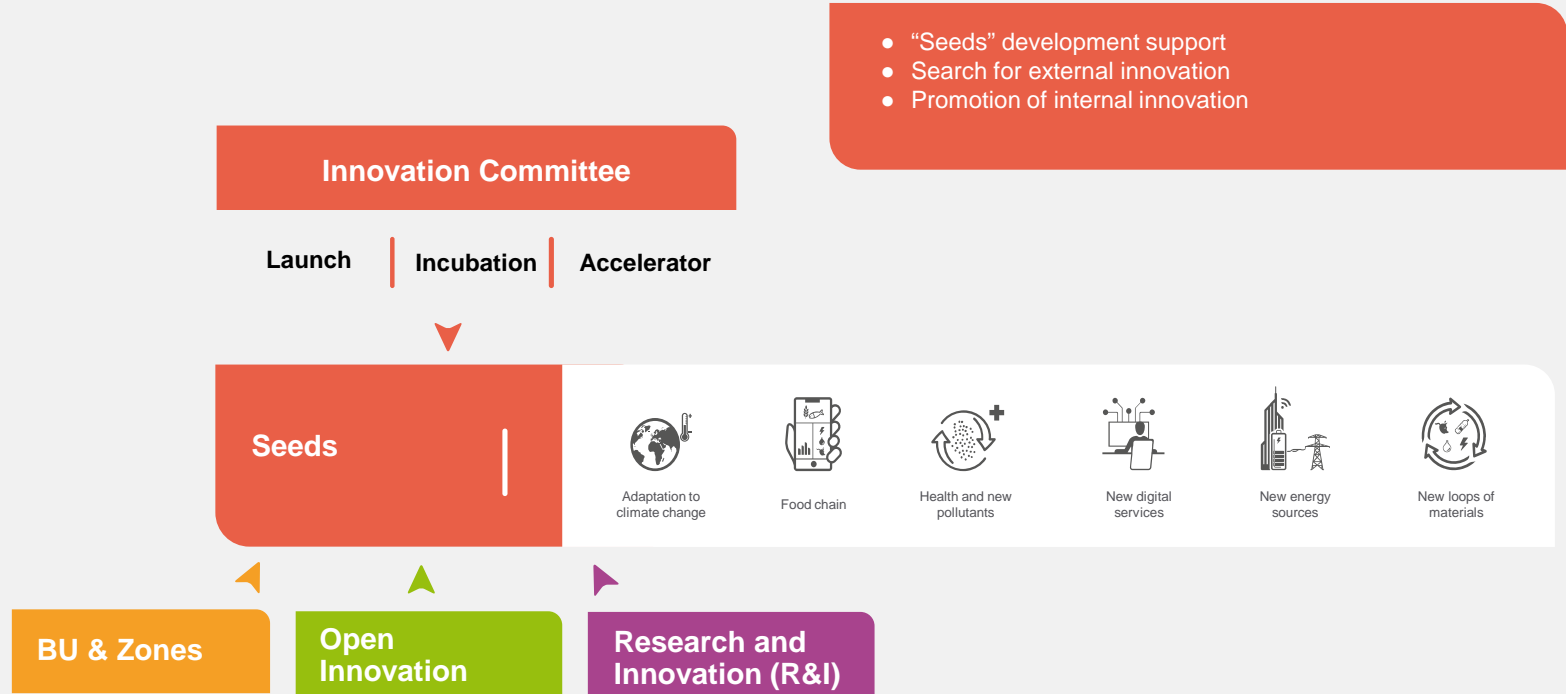
priority areas for action:

- Climate
- Energy
- New loops of materials

- Food chain
- Health & New Pollutants

How does Veolia develop innovation?

Process Overview



Examples of innovative products and solutions

Water and waste management of the future



ERKO – beer from recycled water

The Czech Republic



Recycling electric batteries

France



Process optimization and business operations improvement

Bulgaria



Leak detection with a satellite technology

Bulgaria

Examples of innovation process

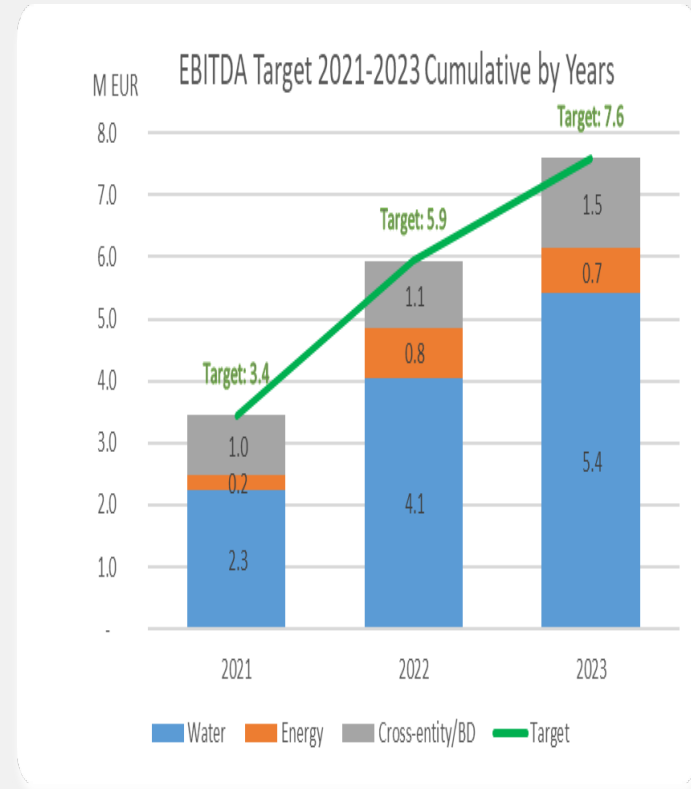
Impulse Project - Bulgaria

1: Business process optimization and the “Continuous Improvement” Mindset

- All processes are in focus – operational and support functions
- Repository of business process maps that is shared across business lines
- Application of analytical techniques (“Value Added/Non-Value Added Activities”, the “7 Wastes”, “5S”)
- Data analysis and Data-driven decision making
- Need to establish a continuous improvement structure at country and entity level
- Finalize deliverables in project plan for 2023

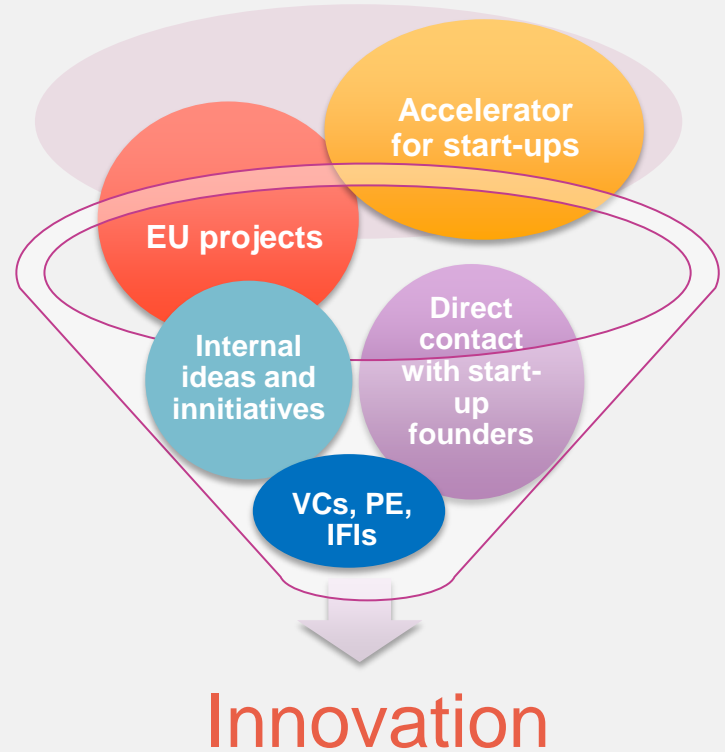
2: Improvement projects portfolio

- The first in history of Veolia Bulgaria collection of improvement projects database
- Sharing improvement projects across business lines
- Consistent and regular follow-up to ensure prioritization and implementation



How does innovation happen in Sofiyska Voda





Our Journey



How does innovation happen in Sofiyska Voda

Our innovation team

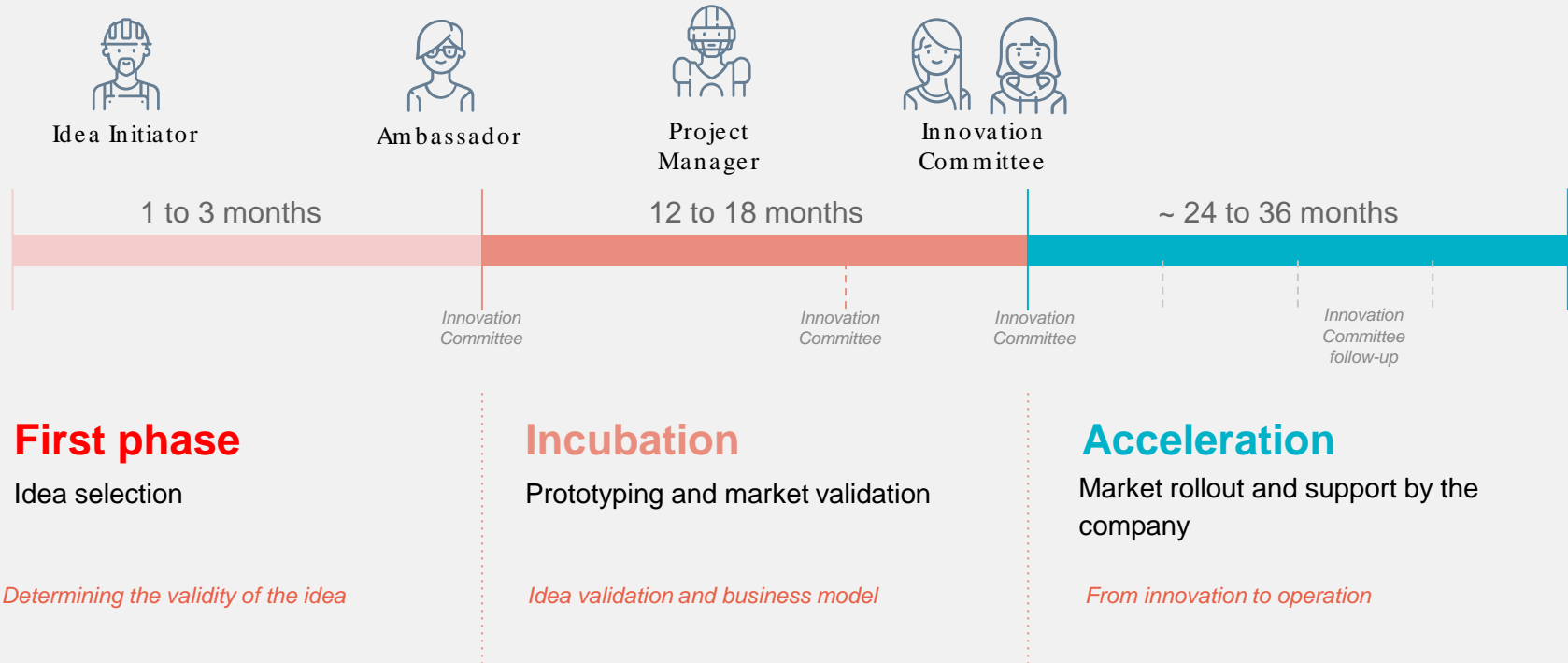


Role		Phases	Activity	Timeline	Objectives
	Initiator	All phases	Generates the idea, supports the project manager, prepares a prototype	The entire project duration	Generates the idea; can be an employee of the company or representative of a start-up; works with the project manager through all phases; prepares a business plan together with the project manager.
	Ambassador	First phase	Supports the collection of ideas	1- 2 hours a week	Generates and/or seeks for new ideas; provokes initiatives; validates ideas; supports the project manager; representatives of all directorates; undergoes training once a year.
	Project Manager	All phases	Initial screening, follow-up review of the prototype results, collection of data for the innovation committee, prepares a business plan	The entire project duration	Manages the project from start to finish; makes an initial screening of the idea on the basis of a checklist; sets up a team; collects the necessary data for the innovation committee; validates the preparedness of the local market; identifies early adopters within the BU portfolio and the local merger and acquisition opportunities.
	Local Innovation Committee (COMEX)	After the first phase	Validation followed by a decision whether to submit it to Veolia's Innovation Committee	Regular meetings once a month	Assesses the project's readiness to proceed to the next phase; approves the funding up to a certain limit or presents the project to Veolia's Innovation Committee.



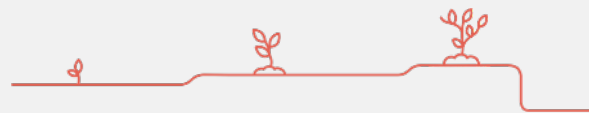
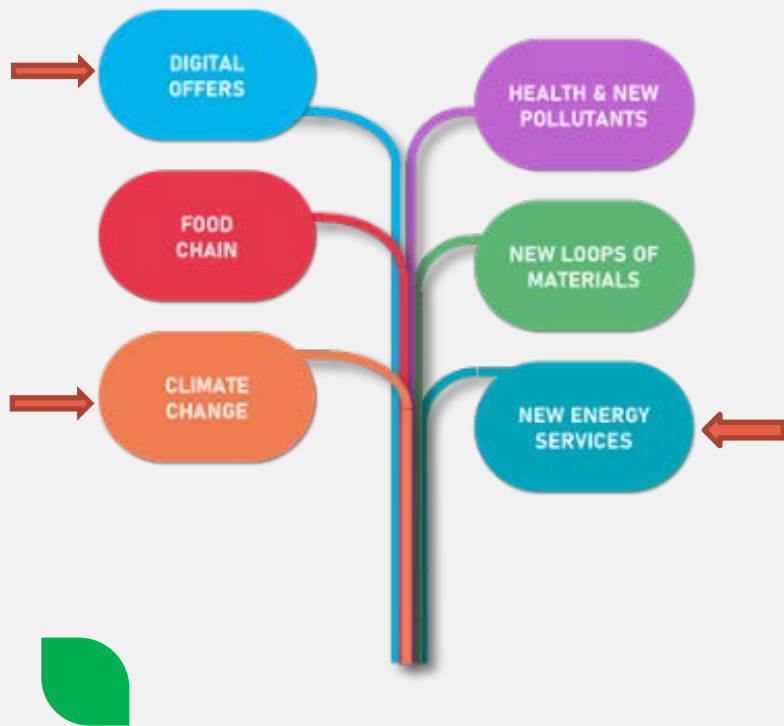
How does innovation happen in Sofiyska Voda

Innovation roadmap



How does innovation happen in Sofiyska Voda

Our action plan



Ambassadors

Projects managers

Training

Campaign – internal
Accelerator - external

Prototypes

Market research

Training

Business plans

Campaigns

Market launch

Analysis and continuous improvement



Innovation is the main driver towards environmental, social and governance excellence, as well as to our continuous improvement.

Thank you!

*Lyubomir Filipov
Strategic partnerships and regulation Director*

