

**Veolia's Second Annual Triple Net Zero
Industry Progress Report 2024:**

**ARE GLOBAL COMPANIES
ON TRACK TO MEET THEIR
SUSTAINABILITY COMMITMENTS?**

ZERO WATER



TRIPLE NET ZERO



ZERO WASTE



ZERO CARBON



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The Road to Triple Net Zero: Are Corporations Making Progress Toward Their Sustainability Goals?

In response to investor, regulator and public pressure, companies globally have committed to bold 5-, 10- and 20-plus-year sustainability goals. However, with daily challenges mounting, where do climate risk and sustainability truly rank among their priorities? What progress has been made, and are companies on track to meet their targets?

Veolia's first annual **Triple Net Zero Readiness** study in 2023 of 300 major U.S. corporations revealed that most have set or are setting net-zero carbon, water and waste goals, which we define as **Triple Net Zero**.

For the 2024 survey, we expanded our research to companies worldwide to assess their progress toward these commitments, which often aim for significant milestones in the 2030s, '40s and '50s. We also extended our research to data from an additional Veolia report to compare public and corporate perception of climate risk.



This report explores the following key findings:

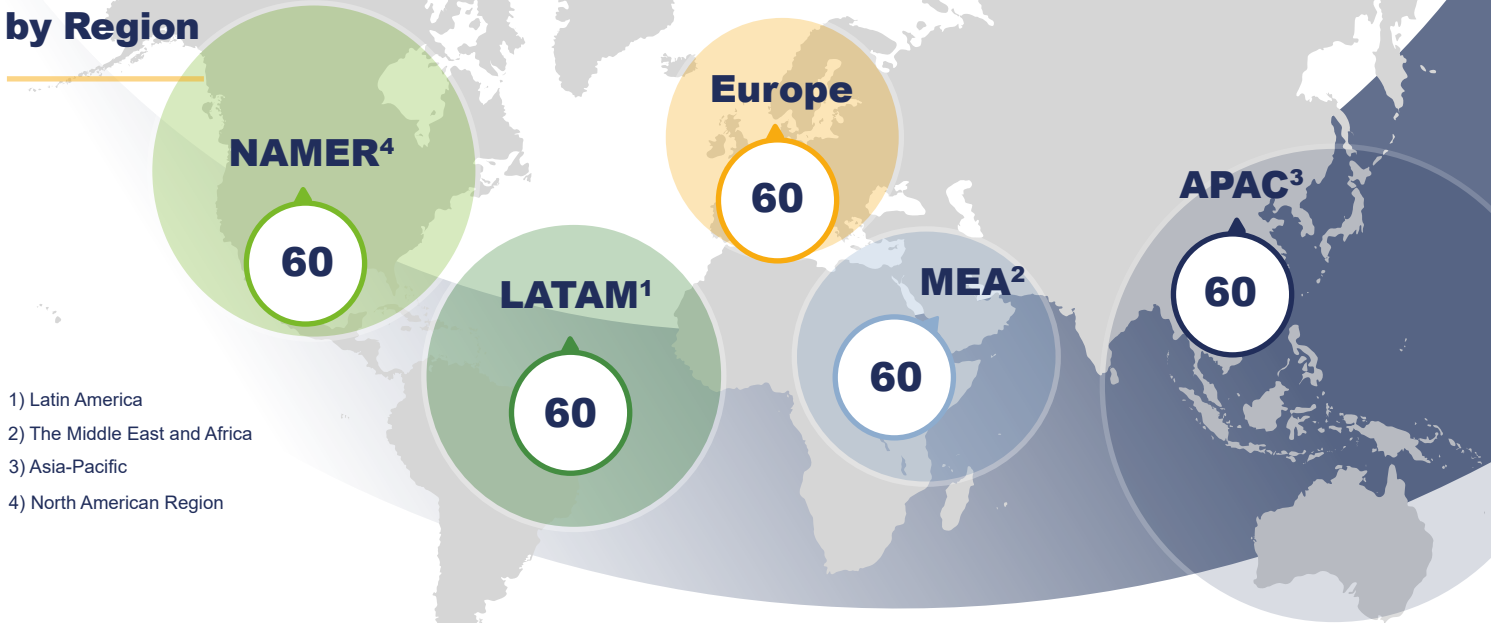
1. The public is twice as concerned about climate change as corporations are.
2. 98% of companies worldwide acknowledge sustainability's importance, but only 11% view it as very important and very urgent.
3. 72% of companies say they're on track with their sustainability plans, but only 21% report having achieved the advanced stage of their sustainability programs.
4. Only 1 in 4 companies have an "excellent" grasp of how they will achieve their goals.
5. Companies report that cost, knowledge and reporting are among their top barriers to sustainability progress.

02 Research Methodology

Building on the lessons of its 2023 study, Veolia interviewed individuals in roles responsible for or influencing budgetary decisions about sustainability.

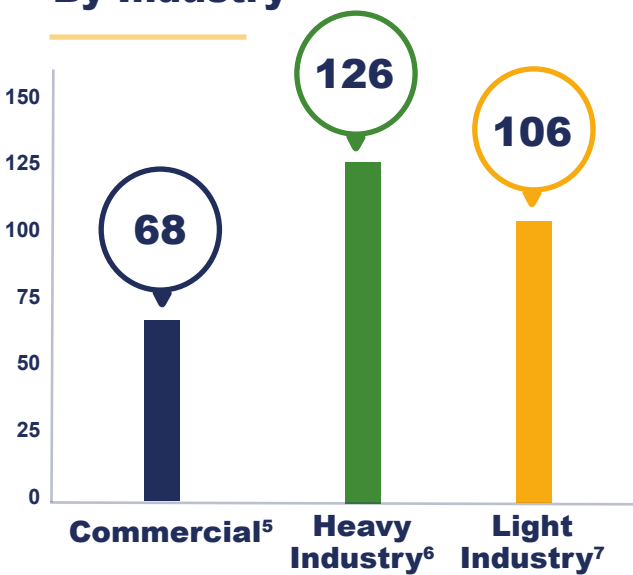


Surveys Completed by Region



- 1) Latin America
- 2) The Middle East and Africa
- 3) Asia-Pacific
- 4) North American Region

Surveys Completed By Industry



- 5) Commercial & Mixed-Use Real Estate, Data Centers, Hospitality, Hospitals & Health Care
- 6) Automotive EV, Chemicals, Energy Oil & Gas, Metals and Mining
- 7) Biopharma, Life Sciences, Food and Beverage, Microelectronics, Other Manufacturing



Companies report early progress, but the toughest sustainability challenges remain.

Companies worldwide are making strides toward sustainability. But many are walking — not running — their race to net zero. Only 1 in 5 companies report that they have achieved an advanced stage in their initiatives.

Only 1 in 4 have an “excellent” grasp of how they will meet their sustainability goals.

98% acknowledge sustainability's importance, but **only 11% view it as very important and very urgent.**

Most companies have not yet navigated past the ‘sticky middle.’

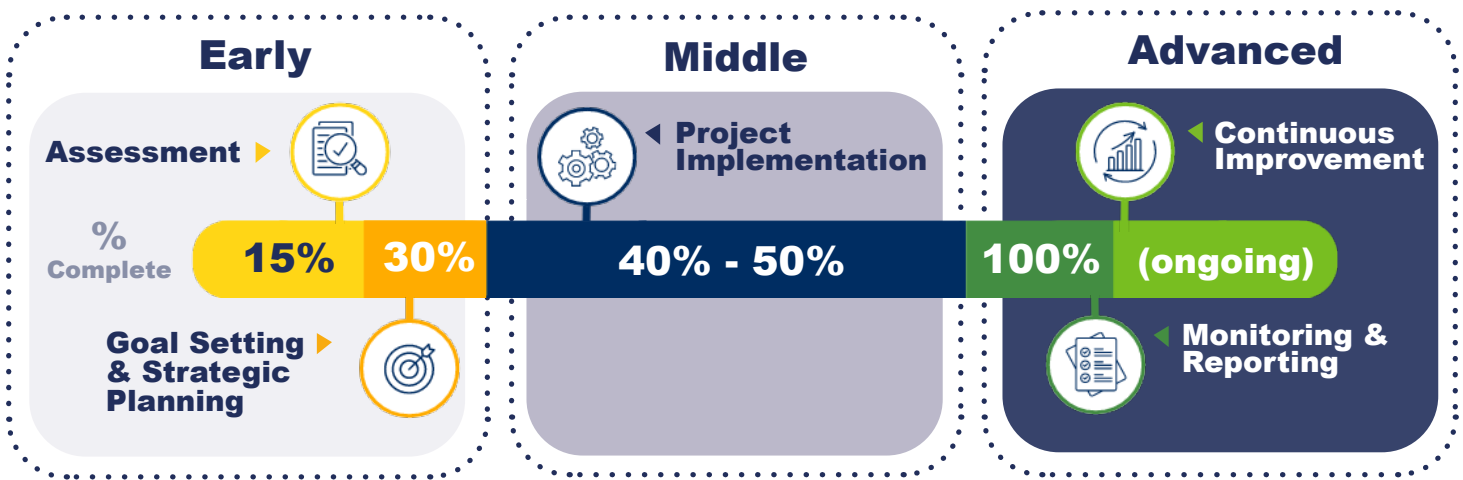
Firms have made strides in the early stage, with initial assessment, goal-setting and strategic planning. But they often find implementation — the middle stage — the most challenging and time consuming.

72% of companies say they’re on track with their sustainability plans.



of companies report advanced sustainability programs

10 YEAR SUSTAINABILITY PROGRAM STRATEGY





The public is

2x more concerned

about climate change than corporations.

98%

of companies worldwide acknowledge sustainability's importance, but **only 11% view it as very important and very urgent.**

72%

of companies say they're "on track" with their sustainability plans, but **only 21%** report advanced sustainability programs.



Only 1 in 4 companies

have an "excellent" grasp of how they will achieve their goals.



Companies report **cost, knowledge and reporting** are among their top barriers to sustainability progress.

04 Key Findings: Differing Views of Climate Risk

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“WE ARE WELL AWARE OF THE SUBSTANTIAL ADVERSE IMPACTS THAT PHARMACEUTICAL MANUFACTURING HAS ON THE ENVIRONMENT, INCLUDING WASTE PRODUCTION, WATER AND ENERGY USE. AS ENVIRONMENTAL STEWARDS, WE'RE DEDICATED TO LOWERING OUR ENVIRONMENTAL IMPACT AND PREVENTING CLIMATE CHANGE THROUGH SUSTAINABLE PRACTICES INCLUDING **WASTE REDUCTION, INCREASED ENERGY EFFICIENCY AND THE PROCUREMENT OF RENEWABLE ENERGY.”**

- SENIOR FINANCE MANAGER, PHARMACEUTICALS COMPANY (U.S.)

“

“REGULATIONS RELATED TO CLIMATE CHANGE, CUSTOMER EXPECTATIONS AND INVESTOR PRESSURES ARE ALL COMBINED TO MAKE SUSTAINABILITY ESSENTIAL FOR OUR BUSINESS.”

- EHS AND FACILITIES MANAGER, CHEMICALS COMPANY (MEXICO)

The public is more than twice as concerned about the effects of climate change as companies are.



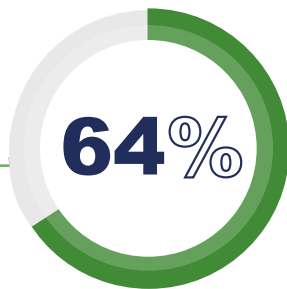
Comparing this study with [Veolia's 2024 Barometer of Ecological Transformation](#) reveals a gap between public and corporate perceptions of climate risks. While two-thirds of the public feels vulnerable to

climate-related health risks, only one-third of corporate organizations in this study view it as a high risk to their operations, including physical, financial and brand impacts.

How does your organization assess the physical risks of climate change to its operations and the necessity of adapting to these risks?

Public View of Climate Risk

Barometer of Ecological Transformation Study



of the public surveyed said they feel **“exposed and vulnerable”** to a health risk associated with climate change.

Corporate View of Climate Risk

2024 Triple Net Zero Readiness Study



of companies surveyed said climate change poses a **“high”** physical, financial and/or brand risk.

04 Key Findings: The Urgency of Sustainability

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“SUSTAINABILITY IS CRITICAL FOR LONG-TERM BUSINESS RESILIENCE. WE NEED URGENT ACTION TO ALIGN WITH GLOBAL SUSTAINABILITY GOALS TO MEET THE EXPECTATIONS.”

- PROCUREMENT DIRECTOR, AUTOMOTIVE MANUFACTURER (FRANCE)

“

“SUSTAINABILITY IS BOTH URGENT (ENVIRONMENT, REGULATIONS) AND CRITICAL (BUSINESS, CUSTOMERS). WE CONSTANTLY EVALUATE OUR EFFORTS, AND OUR AMBITIOUS GOALS MEAN WE’LL LIKELY KEEP PUSHING TO STAY COMPETITIVE AND ADDRESS SUSTAINABILITY CHALLENGES.”

- FINANCE DIRECTOR, CHEMICALS COMPANY (SINGAPORE)

98% of companies view sustainability as important, only 11% say it's both very important and very urgent.

For 89% of companies, the debate isn't about whether or not sustainability matters. It's about how pressing it is — how it stacks up against other burning issues within the

organization, and whether there's enough urgency to make it a top priority. This disparity has created an urgency gap.

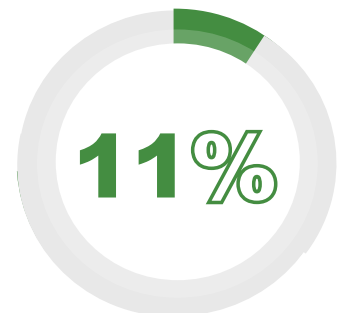


How important and how urgent are sustainability initiatives within your organization?



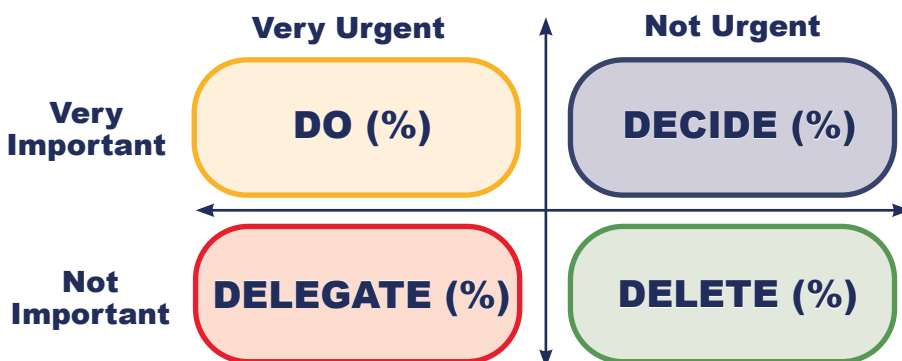
say it's important

Mind the Sustainability Urgency Gap



say it's both very important and very urgent

Eisenhower Box



The Eisenhower Box prioritizes tasks by urgency and importance. If sustainability initiatives are "urgent and important," they're a priority; otherwise, they may be neglected.

04 Key Findings: Progress Towards Goals

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“OUR DEVELOPMENT IS AN INDICATION OF OUR COMMITMENT TO SUSTAINABILITY, WITH CLEAR OBJECTIVES AND EFFECTIVE PLANS. OUR EFFORTS MATCH WITH OUR BUSINESS OBJECTIVES AND CORE VALUES, WHICH ASSURES US THAT WE’RE MOVING IN THE RIGHT DIRECTION.”

- ENVIRONMENTAL SUSTAINABILITY MANAGER,
MICROELECTRONICS COMPANY (ITALY)

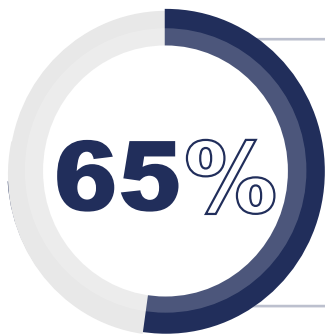
“

“WE ARE IN A STRONG POSITION, WE HAVE ALREADY IMPLEMENTED MANY INITIATIVES, AND I DON’T BELIEVE ANYTHING MORE IS REQUIRED AT THIS TIME.”

- FACILITIES MANAGER, DATA CENTER (U.S.)

04 Key Findings: Progress Towards Goals

Most companies are still developing their sustainability programs.



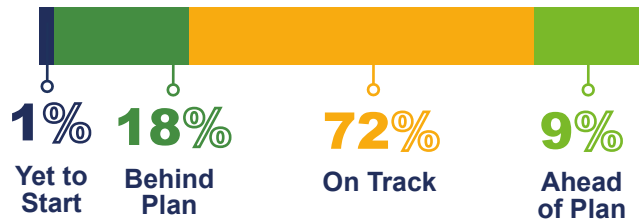
of companies are still in the **early stages of developing their sustainability programs**, yet almost three-quarters still view themselves as "on track" to meet their goals.



How would you best describe your organization's current stage in its sustainability journey?



How would you describe your organization's progress in achieving its sustainability goals?

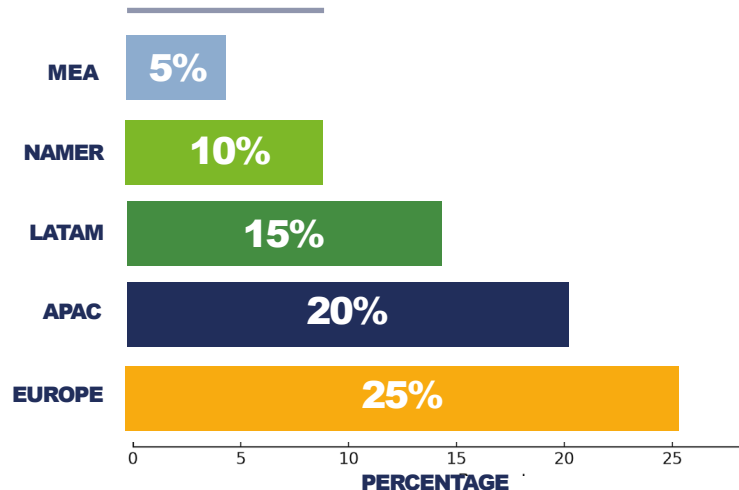


The MEA and NAMER lag behind the world in advanced programs.

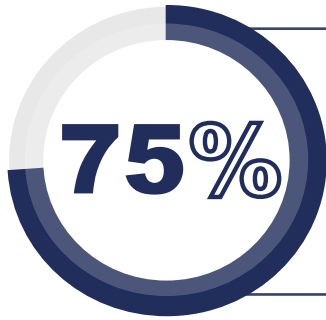
Compared to other regions, the Middle East and Africa, and North America, have not progressed as far as other regions around the globe.

How would you best describe your organization's current stage in its sustainability journey?

Advanced Programs by Region



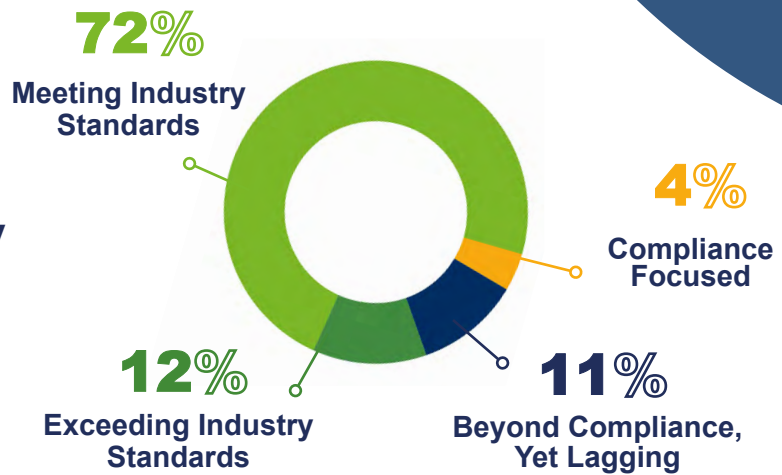
04 Key Findings: Progress Towards Goals



of firms aim to perform at, but not above, industry benchmarks, and **only 12% see themselves as exceeding industry performance standards for sustainability.**



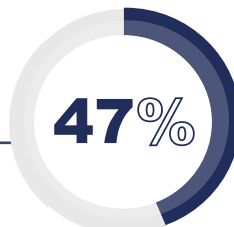
How does your organization's **sustainability performance** compare to industry benchmarks?



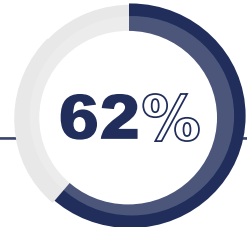
Short-term mindsets prevent many firms from taking actions that will benefit them in the longer run.

Short-Term vs Long-Term Financial Priorities:

My organization prioritizes short-term cost savings over long-term benefits.



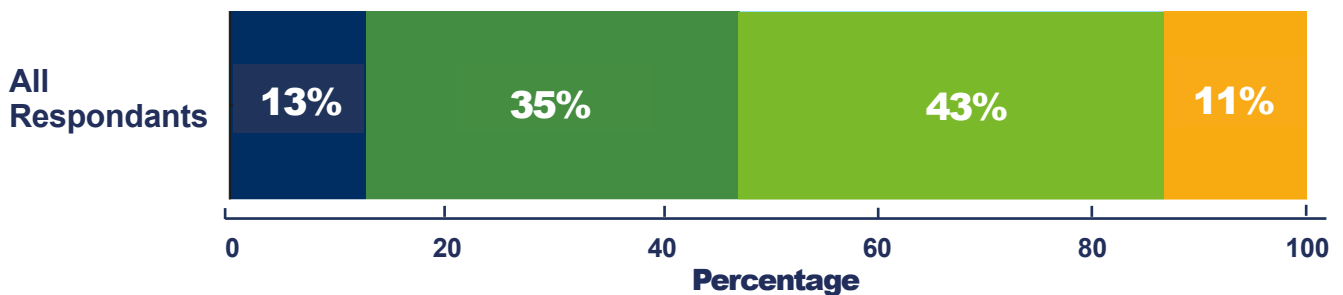
of firms agree this is the reality in their organization.



agree that low-cost procurement strategies ultimately lead to inefficiencies and higher long-term costs.

Response

Strongly Agree Agree Disagree Strongly Disagree



04 Key Findings: How Goals Will be Achieved

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“WE HAVE A WELL-DEFINED PLAN WITH SPECIFIC GOALS AND DEADLINES — AND SO FAR WE ARE MEETING OUR TARGETS ON TIME.”

- DIVISIONAL PROCUREMENT MANAGER, MANUFACTURING FIRM (SOUTH AFRICA)

“

“WE BELIEVE IN A GRADUAL APPROACH TO INTEGRATING SUSTAINABLE PRACTICES, PRIORITIZE LONG-TERM PLANNING FOR SUSTAINABILITY GOALS AND CURRENTLY PERCEIVE OUR SUSTAINABILITY PERFORMANCE AS SATISFACTORY WITHOUT IMMEDIATE DRASTIC CHANGES.”

- DIRECTOR OF FACILITIES, HOSPITALITY (U.K.)

04 Key Findings: How Goals Will be Achieved

99%

of companies have at least some understanding of the solutions and technologies needed to achieve their energy, water and waste goals. But **gaps in awareness of solutions and tools may be slowing them down.**

When is “good,” not good enough?

It's challenging for companies to master the complexities of diverse sustainability solutions and technologies while staying committed to their core business.

75%

of companies across industries say they lack an “excellent” understanding of diverse sustainability solutions and technologies.

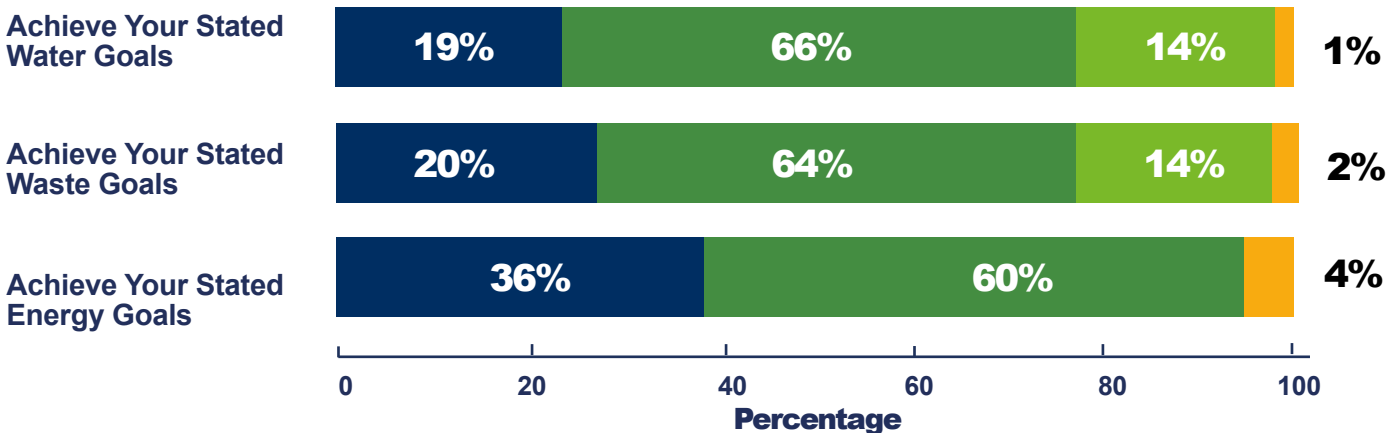
Companies are twice as confident in understanding decarbonization solutions compared to waste solutions.



To what extent does your organization understand the solutions, technologies and innovations needed to achieve your energy, waste and water goals?

Understanding

■ Excellent Understanding
 ■ Good Understanding
 ■ Some Understanding
 ■ No Understanding



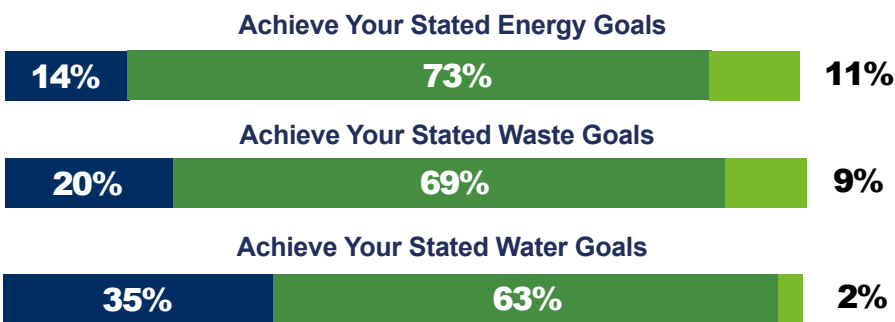
Understanding of sustainability solutions and technologies varies by industry type.

Light industry executives demonstrate the highest confidence in their understanding of sustainability solutions and technologies, with heavy industry leaders close behind. Those in commercial industries express the least confidence — and within that sector, **only 1 in 16 data center leaders rated their understanding as excellent** across all three domains.

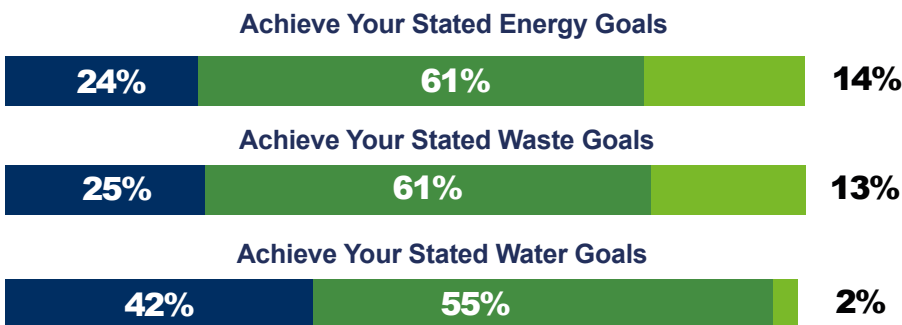


What level of confidence does your organization have that it understands sustainability solutions and technologies?

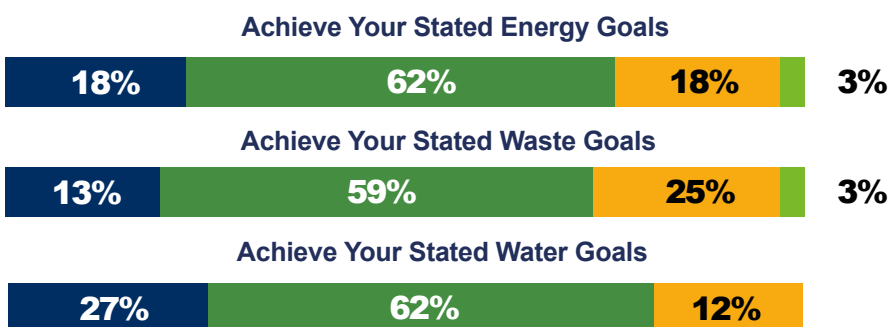
Heavy Industry



Light Industry



Commercial Industry



Understanding

- Excellent Understanding
- Good Understanding
- Some Understanding
- No Understanding

“

“WE HAVE ADOPTED MOST OF THE NECESSARY MEASURES, LIKE ENERGY EFFICIENCY AND WATER CONSERVATION, BECAUSE WE BELIEVE THAT SUSTAINABILITY IS IMPORTANT.”

- DIRECTOR OF OPERATIONS AT HOSPITALITY COMPANY, MEXICO

Typically, companies aim for easier, faster wins in their sustainability efforts.

These efforts often entail “low-hanging fruit” — efforts that entail less complexity and technological / technical understanding to implement, but will result in at least relatively average progress.

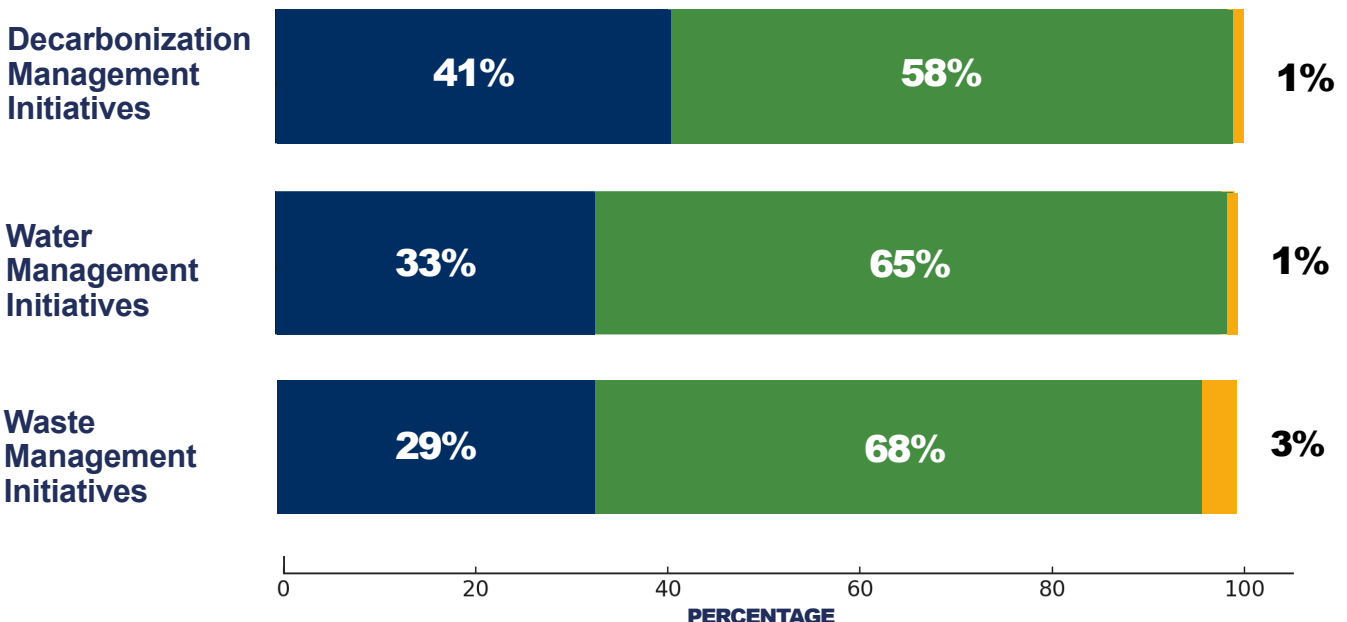


of respondents say they have more opportunities to address these efforts.



Do you feel that most of the low hanging fruit in your organization has been picked when it comes to your (decarbonization, water management, waste management) initiatives?

Decarbonization initiatives are often cited as the easiest to implement and most worthwhile, followed by water and waste management programs.



“

“WE’VE REDUCED ENERGY CONSUMPTION AND EMISSIONS SIGNIFICANTLY BY INVESTING IN RENEWABLE ENERGY SOURCES LIKE SOLAR AND WIND POWER AND UPGRADING OUR EQUIPMENT. WE’RE ALSO REDUCING WASTE AND WATER USAGE BY RECYCLING AND IMPROVING OUR PRODUCTION METHODS.”

- SENIOR FACILITIES MANAGER AT AN ENERGY COMPANY (U.K.)

Firms will prioritize enhancing their energy efficiency measures and electrification over the next 2 years.



What are some of the most significant **DECARBONIZATION** initiatives your firm is currently prioritizing and/or planning to focus on in the next two years?

	We're Doing This Today	We're Considering This	We're Not Considering This, but Should	We're Not Considering This, and Should Not
Energy Efficiency Measures (Retrofits, Heatpumps, HVAC, etc.)	78%	17%	3%	0%
Electrification of Processes and Equipment	60%	30%	5%	4%
On-site Renewable Energy Generation	51%	36%	9%	3%
Renewable Energy Procurement (PPAs, VPPAs)	48%	35%	14%	2%
Rethinking Product Design to Reduce Emissions Intensity	30%	48%	17%	2%
Investing in Batteries or Other Energy Storage Technology	30%	53%	13%	4%

6b Key Areas of Focus in Waste

Most companies aim to enhance recycling over the next 2 years; other initiatives are less likely or are under consideration.



What are some of the most significant waste management initiatives your firm is currently prioritizing and/or planning to focus on in the next two years?

	We're Doing This Today	We're Considering This	We're Not Considering This, but Should	We're Not Considering This, and Should Not
Enhanced Recycling Programs	68%	19%	8%	2%
Sustainable Packaging Solutions	38%	21%	15%	22%
Materials Innovation and Alternative Inputs	27%	43%	23%	3%
Zero-Waste to Landfill Commitment	25%	57%	14%	2%
Organic Waste to Value Opportunities	22%	49%	20%	5%
Partnerships for Circular Economy Integration	17%	42%	32%	5%

Two-thirds of companies have already implemented water efficiency and conservation programs and are planning to adopt sustainable water sourcing, water risk assessment and water reuse.



What are some of the most significant water management initiatives your firm is currently prioritizing and/or planning to focus on in the next two years?

	We're Doing This Today	We're Considering This	We're Not Considering This, but Should	We're Not Considering This, and Should Not
Water Efficiency and Conservation	71%	20%	4%	2%
Wastewater Treatment Enhancements	50%	31%	12%	4%
Rainwater Harvesting Systems	27%	39%	26%	6%
Water Risk Assessment and Management	36%	40%	18%	4%
Sustainable Water Sourcing	25%	40%	22%	6%
Community Water Stewardship Projects	14%	40%	30%	10%
Water Reuse and Recycling	32%	40%	19%	5%

07 The Biggest Challenges

“

“DEALING WITH VARIOUS RULES ACROSS THE GLOBE, RESULTING IN DIFFICULTIES IN CERTAIN MARKETS, IS THE BIGGEST CHALLENGE. WHEN IT COMES TO VARIOUS RULES, THE ORGANIZATION MOST REQUIRES SUPPORT. IMPLEMENTING SIGNIFICANT CHANGE IS HAMPERED BY THE INCONSISTENT OR NONEXISTENT REGULATORY FRAMEWORKS GOVERNING SUSTAINABILITY PRACTICES.”

- GLOBAL PROCUREMENT MANAGER, FOOD AND BEVERAGE COMPANY (FRANCE)

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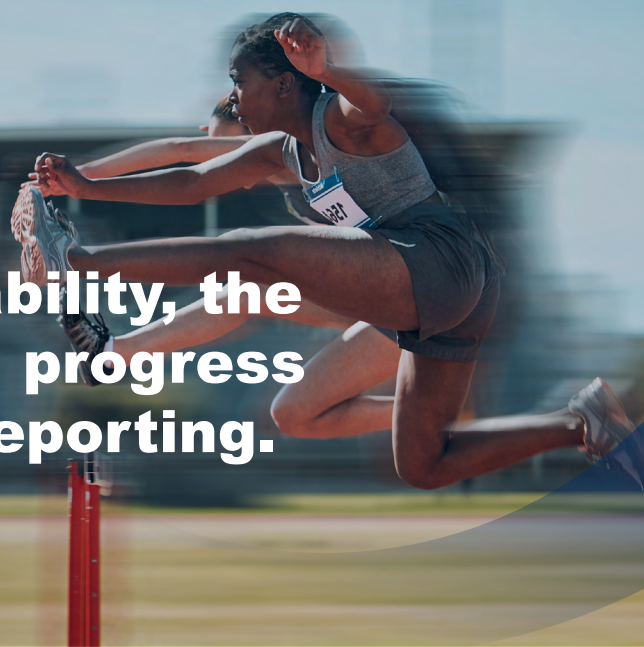
“MONEY, EXPERTISE AND GOVERNMENTAL REGULATIONS ARE THE MAIN OBSTACLES IN EVERY INDUSTRY.”

- ASSOCIATE VP OF FINANCE, BIOPHARMA/LIFE SCIENCES FIRM (INDIA)

“

“POLICIES REGARDING SUSTAINABILITY AND RENEWABLE ENERGY COULD NOT BE WELL-DEFINED OR UNIFORM. IT IS A DIFFICULT SWITCH TO NAVIGATE AND PREPARE FOR LONG-TERM SUSTAINABILITY INITIATIVES BECAUSE OF THIS UNCERTAINTY.”

- MANAGER OF FINANCIAL PLANNING AND ANALYSIS, DATA CENTER ()



When it comes to sustainability, the biggest barriers to making progress are cost, knowledge and reporting.



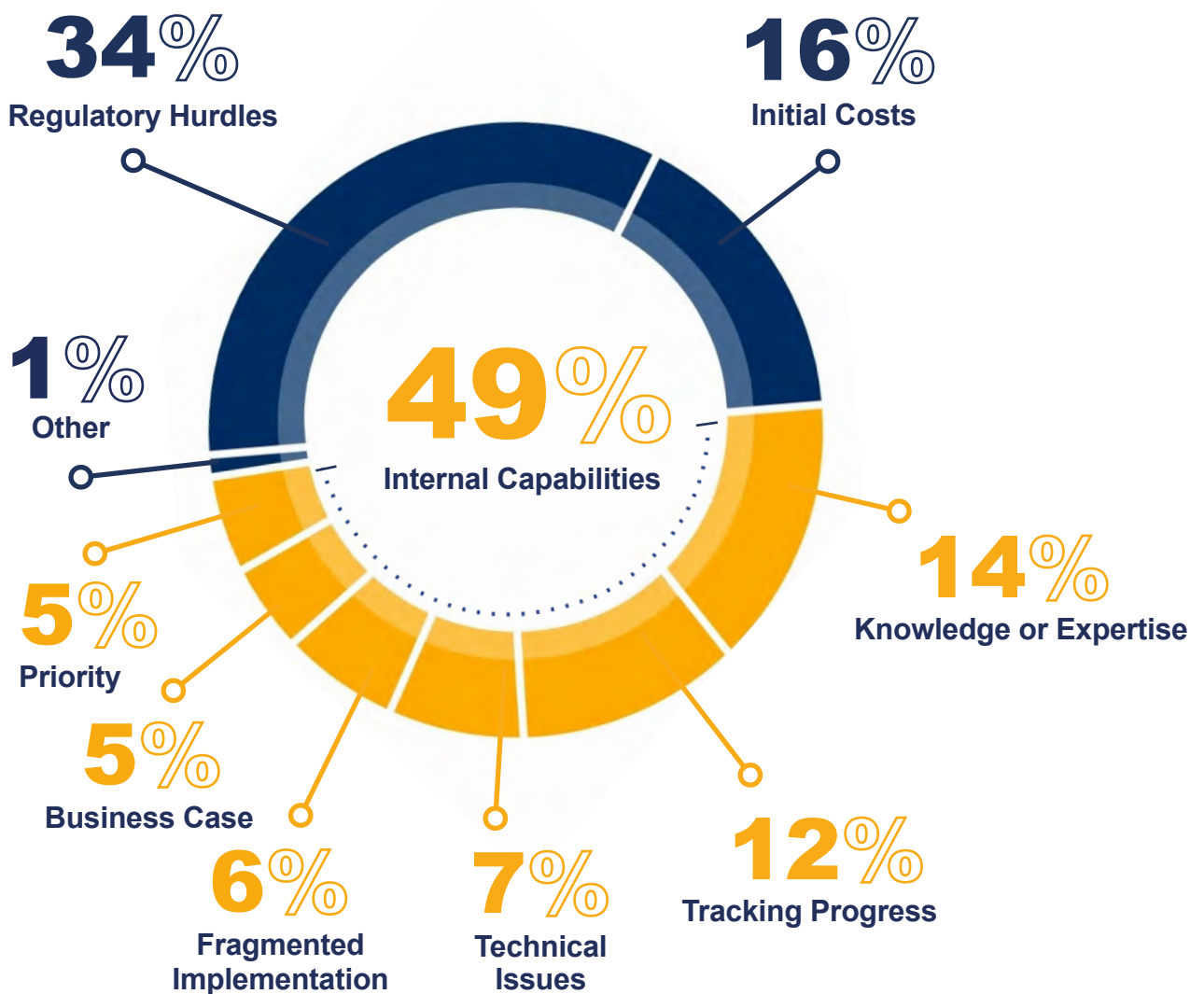
What challenges does your organization face in achieving its sustainability goals?

	Very Significant	Significant	Not Significant
Regulatory Hurdles: Barriers or Lack of Supportive Policies	36%	51%	13%
Initial Costs: High Upfront Investments	27%	56%	17%
Tracking Progress: Challenges in Measuring and Reporting.	23%	49%	28%
Knowledge or Expertise: Insufficient Understanding or Skills	22%	55%	23%
Technical Issues: Implementation and Scaling Complexities	21%	63%	16%
Customer Priority: Unclear if Important to Customers	12%	59%	28%
Business Case: Difficulty in Justifying and Gaining Support	9%	62%	29%
Fragmented Implementation	9%	65%	25%

Nearly half (49%) of respondents note that the foremost challenges they face are around internal capabilities.



What is the greatest single challenge to your organization achieving its sustainability goals?



“

“THE PRIMARY PROBLEM IS A LACK OF KNOWLEDGE AND EXPERTISE. IN MY OPINION, WE FIND IT DIFFICULT TO SELECT THE MOST SIGNIFICANT PROJECTS FOR OUR UNIQUE REQUIREMENTS AND AVAILABLE RESOURCES IF WE DON’T HAVE AN EXCELLENT UNDERSTANDING OF THE MANY SUSTAINABILITY OPTIONS AND HOW EFFECTIVE THEY ARE.”

- DIRECTOR OF FACILITIES, HOSPITAL (U.S.)

“

“IDENTIFYING AND IMPLEMENTING EFFECTIVE ENERGY-SAVING MEASURES WILL BE DIFFICULT WITHOUT ADEQUATE KNOWLEDGE OR SKILLS IN ENERGY MANAGEMENT, WHICH WILL INCREASE OPERATIONAL COSTS AND NEGATIVELY IMPACT THE ENVIRONMENT. BASED ON MY OBSERVATIONS, THE BIGGEST CHALLENGE IS INSUFFICIENT UNDERSTANDING.”

- MANAGER OF OPERATIONS, DATA CENTER (ARGENTINA)

Companies Recognize they will Need Help to Reach their Goals

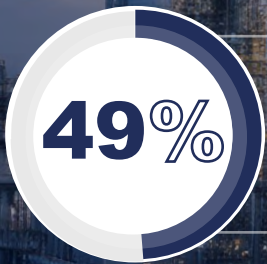
Outsourcing is currently the norm: a full **100% of companies** are currently outsourcing some element of sustainability management. Fifty-six percent are using performance contracts, **66% are outsourcing the management of their facilities or utilities**, and **12% have adopted alternative financing models** with third-party financing, such as "as a service" contracts.



To what extent is your organization considering or should be considering the following to achieve its sustainability agenda?

	We're Doing This Today	We're Considering This	We're Not Considering This, but Should	We're Not Considering This and Should Not
Performance contracts: Holding service providers accountable with KPI-focused contracts.	56%	32%	11%	0%
Facilities & Utility Management: Partnering for facilities and utility infrastructure management.	66%	26%	3%	0%
Water Treatment Management: Outsourcing water treatment to specialized partners.	36%	33%	24%	6%
Energy Management Outsourcing: Delegating energy management to experts.	46%	26%	20%	7%
Waste Management Delegation: Assigning waste management to specialized partners.	40%	33%	23%	2%
Adopting alternative financing models: Exploring third-party financing (e.g. Energy as a Service, Water as a Service) for funding improvements and asset monetization.	12%	44%	26%	16%

The most important factor when it comes to what companies are looking for from an external partner has to do with operations.



of companies say operational improvements and efficiency are critical.



What types of innovations do you prioritize from partners managing your sustainability efforts, and how critical are these in your selection process?

	Critical Selection Criteria	Very Important but Not a Primary Concern	Appreciated Bonus	Not a Major Interest/No Partner
New Technologies or Solutions	43%	48%	8%	1%
Operational Improvements and Efficiencies	49%	42%	8%	1%
Digital Innovations (e.g., leveraging AI, enhancing reporting)	11%	40%	47%	2%
Communicating the Value of Sustainability to Stakeholders and Customers	25%	63%	11%	1%

Bridging the Sustainability Gap

The study uncovered several disconnects, gaps and paradoxes held by the participants: differing views on climate change between the public and corporations, a gap between the importance and urgency of sustainability goals and a disparity between ambitions and actual progress. While almost all study participants acknowledged the importance of achieving their sustainability goals, most of them lack a deep understanding of how they will do it.

Sustainability is growing increasingly complex as emerging technologies continue to enter the market. Companies, focused on their core business, face the challenge of keeping up with every new development, making it unrealistic to become experts in every area of sustainability across energy, water and waste.

As the complexities of sustainability intensify, understanding these nuances becomes crucial for achieving goals. However, the pressure to stay current can distract from essential core operations. Collaborating with sustainability experts can help streamline processes and ensure companies remain on track with their objectives.

Companies can accelerate their Triple Net Zero commitments by shifting from gradual to rapid implementation, collaborating and innovating, and responding urgently.

“

“SUSTAINABLE PRACTICES, OVER TIME, ALLOW US TO SAVE A LOT OF MONEY. A COMPANY’S BOTTOM LINE WOULD UNDOUBTEDLY BE IMPROVED BY LOWERING ENERGY AND WATER CONSUMPTION, CUTTING WASTE DISPOSAL EXPENSES, AND INCREASING RESOURCE EFFICIENCY. BECAUSE OF ALL OF THE BENEFITS I HAVE MENTIONED, I AM OPTIMISTIC.”

- DIRECTOR OF OPERATIONS, CHEMICALS COMPANY (U.S.)

**SHAPING THE
FUTURE OF WATER**

**RETHINKING
WASTE AS A
RESOURCE**

TRIPLE NET ZERO

**ACCELERATING
PROGRESS TO
NET ZERO
EMISSIONS**



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