

2022 UNIVERSAL REGISTRATION DOCUMENT



YOUR TRANSITION



OUR TRANSITION

Annual Financial Report

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2022 UNIVERSAL REGISTRATION DOCUMENT

including the Annual
Financial Report

This is a translation into English of the (universal) registration document of the Company issued in French and it is available on the website of the Issuer



The Universal Registration Document has been filed on March 23, 2023 with the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of that Regulation.

The Universal Registration Document may be used for the purposes of an offer of financial securities to the public or the admission of financial securities to trading on a regulated market if it is supplemented by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The whole then formed is approved by the AMF in accordance with Regulation (EU) 2017/1129. This Universal Registration Document including the Annual Financial Report is a reproduction of the official version which has been prepared in ESEF format and is available at www.groupe-seche.com.

MESSAGE FROM JOËL SÉCHÉ

CHAIRMAN OF THE BOARD OF DIRECTORS

2022 contributed revenue:



€895 million

increase by **22%**



66% of revenue **aligned**
with the **EU green taxonomy**

Key player in the
decarbonization
of the economy



Climate **Strategy** validated by the SBTi

GHG emissions **-2%** in 2022
compared to 2020

GHG emissions avoided **+11%** in 2022
compared to 2020



Present in **more than 15**
countries around the world
with more than

5 700 employees

(including more than **2,500** in France)



Dear Shareholders,

In a world facing multiple challenges, in 2022, Séché Environnement once again demonstrated the relevance of its growth model in addressing both long-term societal challenges and crisis situations.

Our Group's success is the result of the business model transformation strategy undertaken over the past several years.

From a company essentially positioned in waste management in France, Séché Environnement has extended its offer to become an international environmental services group capable of supporting its customers, particularly industrial companies, in their transformation towards a sustainable growth model that can reduce their ecological footprint.

This transformation has two main focuses: on one hand, deepening the Group's expertise in the circular economy, decarbonization, and environmental risk management, and on the other hand, extending its geographical presence, in particular through external growth in France and abroad, so it can support its customers as closely as possible, with a local approach.



The alignment of Séché Environnement's activities with the European green taxonomy is an additional guarantee of the coherence of its positioning with the sustainability issues of its customers. ”

This winning strategy was again confirmed in 2022 by our excellent economic, operational, financial, and non-financial performance.

The strong growth achieved in 2022, particularly in organic terms, is matched by excellent consolidated results, which once again confirm the resilience of our operating margin, even in an inflationary environment, and our robust balance sheet, which ensures we can pursue our long-term strategic development. At the same time, the alignment of the Group's activities with the European green taxonomy and the stringent environmental objectives of our ESG strategy reflect the symbiosis between Séché Environnement's transition challenges and those of our customers.

One example is our ambitious climate strategy, which is aligned with the Paris Agreement and has been certified by the SBTi. It includes short- and medium-term objectives for reducing greenhouse gas emissions for our Group in France and for our customers through the development of our recycling activities.

Séché Environnement can therefore look to 2023 with composure and confidence.

We are more committed than ever to our customers, with an industrial and territorial ecology approach to meeting their challenges in terms of environmental risk prevention and access to strategic resources such as energy, materials, and water. We are strengthening our presence in resilient, high-visibility markets, where we intend to grow by standing apart and offering added value.

The current year will mark a major step forward in Séché Environnement's development, with, in particular, the integration of new high potential activities in growth markets such as the industrial water cycle in France and abroad.

I firmly believe that in 2023, Séché Environnement will once again confirm its profile as a highly profitable, growth company and that our Group will build on its capacity to create lasting value for its shareholders and all its stakeholders, to achieve a more sustainable world.

Joël Séché

Chairman of the Board of Directors



The success of Séché Environnement's ecological transition is a major asset for the success of its customers' ecological transition. ”



01

NON-FINANCIAL PERFORMANCE REPORT

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To remember...



**INITIATION OF THE
ENTREPRENEURIAL
PROJECT
IN THE 1980S**



**OFFERING INNOVATIVE
SOLUTIONS
TO ACCELERATE
THE ECOLOGICAL
TRANSITION**



**DECARBONIZATION
OF THE ECONOMY
WHILE CONTROLLING
RISKS**



**DEVELOPING
VALUE-CREATING
KNOW-HOW**

1.1 OVERVIEW OF THE GROUP AND ITS BUSINESS MODEL

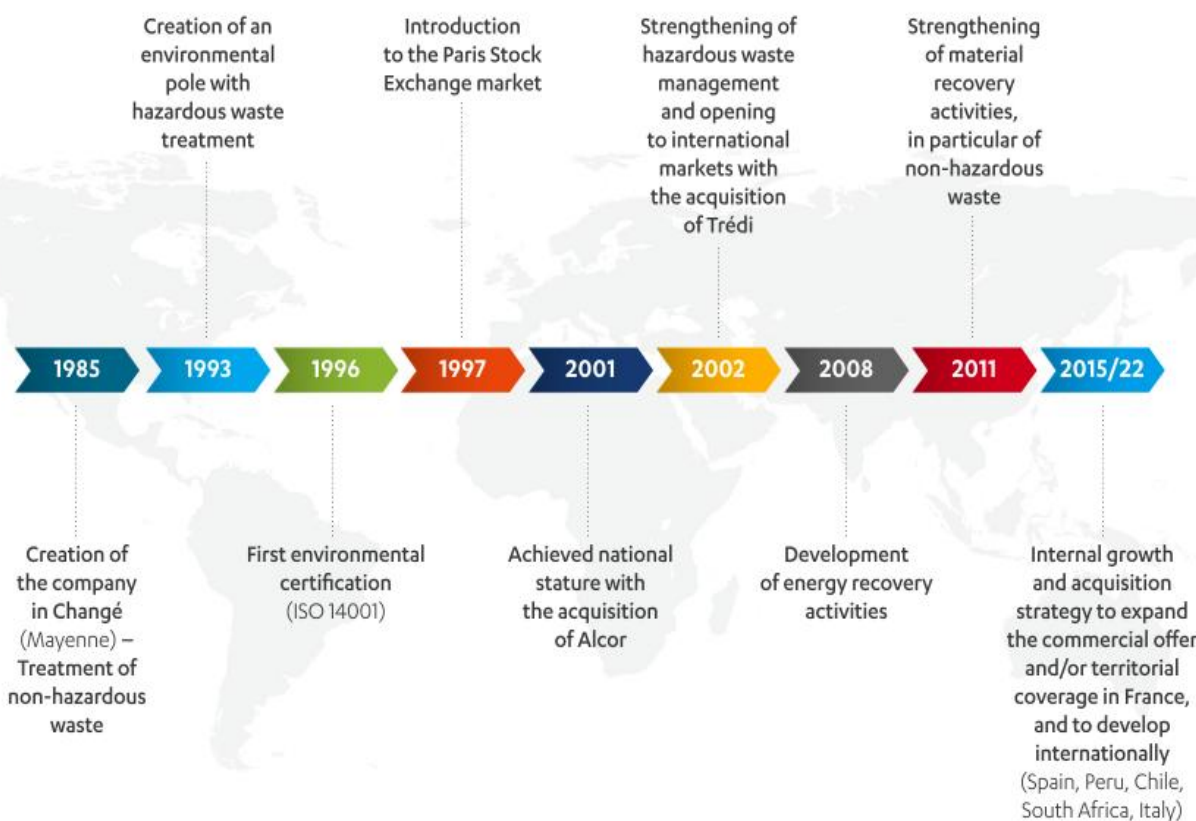
1.1.1 HISTORY

Séché Environnement was founded in the mid-1980s by Joël Séché as an entrepreneurial project in the field of waste management. A growth company in promising markets with high visibility, the family-owned group is a key player in the circular economy and environmental services in France and abroad.

With complementary cutting-edge expertise and technological strengths, Séché Environnement is one of a few integrated operators capable of handling all types of waste. With its businesses serving the environment, the Group provides solutions focused on resource preservation, climate change, and biodiversity protection issues.

A regional company that became a national group in the early 2000s, Séché Environnement has been actively rolling out an organic external growth strategy for several years in France and abroad.

Key dates in Séché Environnement's history



1.1.2 VALUE CREATION – BUSINESS MODEL

Séché Environnement's mission is to offer its clients, both industrial and local authorities, innovative solutions to accelerate their ecological transition. The family-run Group, specialist in hazard containment, is now one of the only French players with an integrated service offering, ranging from the prevention and mitigation of industrial and environmental risks to the management, recovery and treatment of all types of waste, including industrial effluent. This feature makes it one of the major players in the

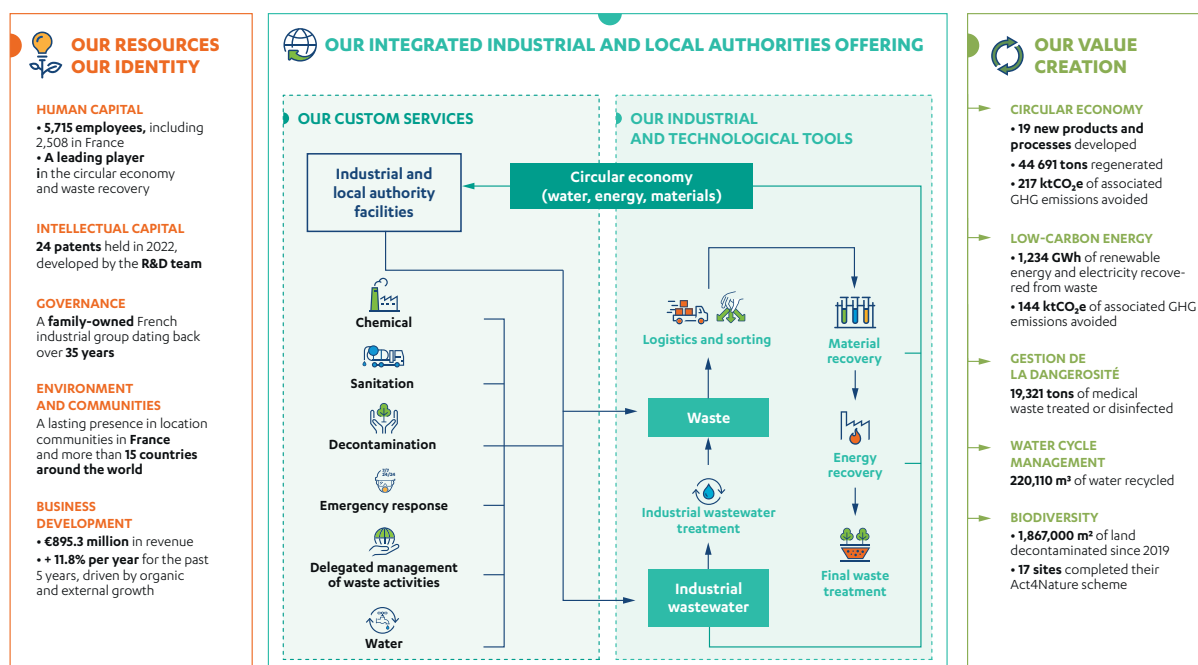
management of the industrial water cycle in France. Strengthened by its ability to anticipate regulations and its certification strategy, which gives it full control of environmental processes and risks, Séché Environnement also stands out through its expertise in circular economy, its ability to produce low carbon resources (materials or energy) and its involvement in preserving biodiversity, which lies at the core of a long-standing industrial ecology policy.

The business model is summarized in the diagram below:



A LEADING PLAYER IN THE CIRCULAR ECONOMY AND WASTE RECOVERY

SÉCHÉ ENVIRONNEMENT PLACES ECOLOGICAL TRANSITION AT THE HEART OF ITS SOLUTIONS



Managing the entire circular economy value chain to address the problems of all types of waste (particularly the most complex, involving chemical, pyrotechnic, and bacteriological risks, etc.), the Group is responding to growing societal concerns through its business lines focused on environmental protection. The Group operates at the forefront of sustainable development through its control of the potential impacts of economic development, in both human (protecting health and well-being) and environmental (hazards, natural resources, climate, biodiversity) levels.

Séché Environnement's core business is the creation of circular economy systems, namely:

- Reducing waste production
- Reusing and recycling materials
- Recovering energy
- Containing the hazards of the final waste

Séché Environnement is therefore an innovative player that has anticipated the transformation of the waste businesses. The Group quickly moved its business model beyond its historical waste disposal management. Over time, Séché Environnement has supplemented its offer with activities for recovering materials (recycling, regeneration, etc.) and energy (heat, biogas, electricity, etc.), as well as through a range of expert services dedicated to its industrial and local authority clients (delegated infrastructure management, industrial water treatment, etc.), together with environmental protection services (decontamination, environmental emergencies, etc.). It has gradually become an international group, providing environmental services to support its industrial and local authority customers in their transition to a more sustainable growth model, with the particular aim of reducing their environmental footprint.

The Group operates both in France (70% of contributed revenue¹ in 2022) and internationally (30%), on the hazardous (63% of contributed revenue in 2022) and non-hazardous (37%) waste markets. The Group serves industrial customers (83% of contributed revenue in 2022) and local authorities (17%).

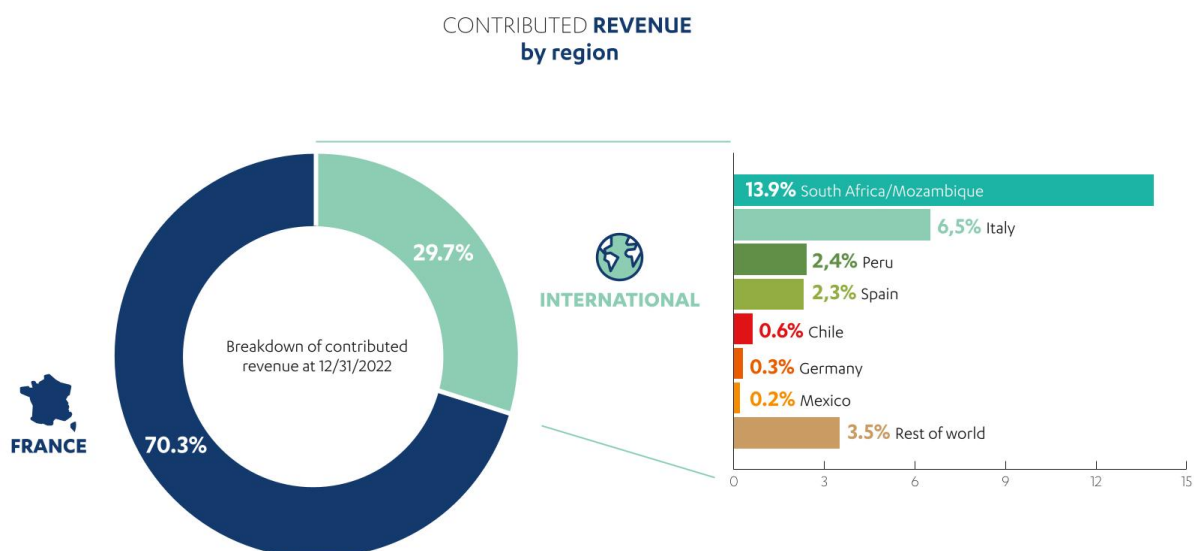
Drawing on its specialist knowledge, particularly in hazardous waste, the Group is committed to accelerating the roll-out of its expertise in high-potential markets abroad. This know-how in hazard containment and treatment is a major competitive advantage in markets where the waste producer bears legal responsibility throughout the entire value chain up to the final holder. Backed by its track record

of excellence in terms of its compliance requirements and keen to associate its local and national stakeholders with its economic development, the Group is able to update its authorizations whenever necessary in order to anticipate regulatory changes or the needs of its customers.

Séché Environnement is also active in the decarbonization of the economy. The Group is attentive to its customers' needs and can provide low carbon resources in the form of recycled raw materials or waste-derived energy, thereby competing with fossil fuels. The Group can lower its customers' carbon emissions thanks to the direct efforts it undertakes. Séché Environnement's decarbonization strategy, in line with the Paris Agreement, aims to reduce the Group's direct emissions by 25% by 2030.

In a bid to minimize both its own impacts and those of its clients, Séché Environnement aims to achieve excellence in its processes. To this end, the Group relies on a certification approach, which enables it to offer services that meet the highest international standards, as well as a dynamic research and development (R&D) approach, which strengthens its position as an expert with high added value.

The economic value generated by Séché Environnement has positive repercussions for the communities surrounding the company. The Group's suppliers and employees are the first beneficiaries of value sharing (see 1.5.4 Community footprint and local development). The Group maintains a high level of transparency and dialog with all its stakeholders (customers, suppliers, elected officials, civil servants, nonprofits) as detailed in 1.6.1.1.2. Stakeholder consultation.



¹ Contributed revenue: see definition on page 112

1.1.3 SÉCHÉ ENVIRONNEMENT'S BUSINESSES

Séché Environnement's know-how and business lines are structured around three areas of expertise related to:

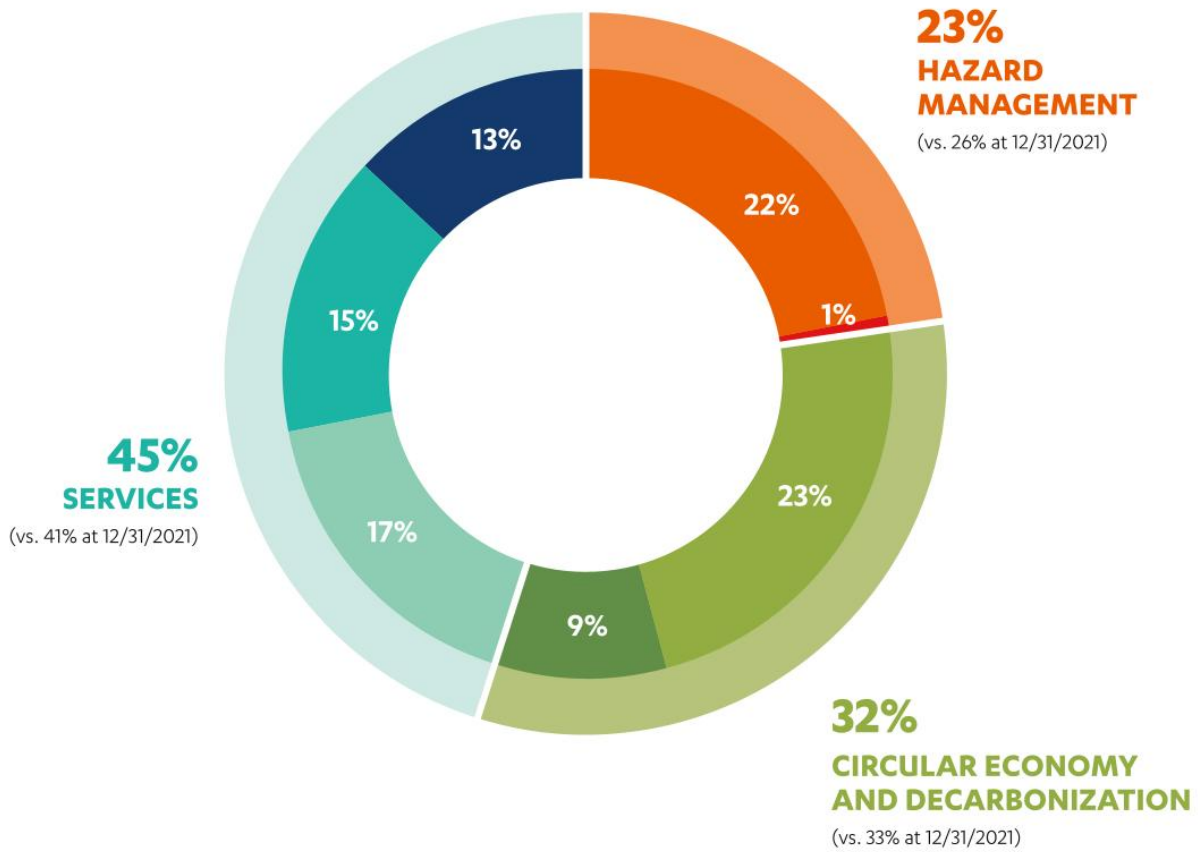
- the circular economy and decarbonization (32% of contributed revenue in 2022, compared with 33% in 2021);
- hazard management (23% of contributed revenue in 2022, compared with 26% in 2021);
- services (45% of contributed revenue in 2022, compared with 41% in 2021).

Séché Environnement is a well-integrated industrial player that combines all the skills needed, all complementary and

inseparable, for the implementation of a circular economy that is economically sustainable and environmentally secure.

As for its service activities, they meet specific needs of certain customers or are aimed at preventing or reducing environmental liabilities. They also cover waste logistics. For the most part, they rely on the Group's other activities and enable synergies, particularly in terms of securing timely supplies to its different facilities.



BREAKDOWN OF **CONTRIBUTED REVENUE AT 12/31/2022**
by activity

Logistics services:
collection, transport, dumpster rentals, etc.

Environmental services: decontamination,
decommissioning, asbestos removal,
environmental emergencies, sanitation, etc.

Key Account Services:
comprehensive services, chemical cleaning,
wastewater management, etc.

Recycling and materials recovery:
sorting centers, platforms, rehabilitation
of facilities, chemical purification, etc.

Local energy systems: electricity,
steam, heat

Thermal treatment of hazardous waste,
landfill

Decontamination:
Medical waste, physical-chemical
treatment, etc.

1.1.3.1 The circular economy and decarbonization of the economy

These activities are at the core of Séché Environnement's growth strategy because they directly address the major environmental challenges of preserving natural resources and combating climate change. The objectives and action plans relating to these subjects are described in more detail in sections 1.4.2. Circular economy and recovery of materials and energy and 1.4.3. Global warming mitigation.

1.1.3.1.1 Recycling activities

The Group plays an important role in the recycling sector, by regenerating materials directly or sorting and preparing waste for recycling elsewhere. The aim of these actions is to create a secondary raw material with the same qualities as a virgin material, through:

- chemical recycling of hazardous waste (chemical purification of complex waste in order to separate high-value products from impurities, and regeneration of industrial solvents). This recycling know-how makes it possible to regenerate used solvents into solvents similar in quality to the original solvent, thus creating circular economy systems with their industrial customers in the pharmaceutical, automotive, and printing sectors, etc.;
- regeneration of rare materials or the custom manufacture of molecules of interest (such as biosourced materials). For example, since 2015, Séché Environnement has been one of the only recyclers of bromine in the world thanks to its particularly efficient process for purifying bromine-containing brine;
- sorting and grouping activities (sorting centers, platforms, etc.);
- recycling of any type of non-hazardous waste (metals, wood, soil, etc.).

Séché Environnement is a leading player in the recycling of industrial and chemical waste, specializing in the most complex recovery technologies.

1.1.3.1.2 Creation and management of local energy systems

Séché Environnement prioritizes energy recovery when re-use or recovery of materials is no longer possible, and is mainly involved in:

- production of heat (steam or hot water) or electricity, by cogeneration in connection with the energy recovery of hazardous and non-hazardous waste for industry or local authorities (urban heating networks). For example, through its Salaise-sur-Sanne site, Séché Environnement supplies energy to Europe's largest chemical platform, Osiris, enabling it to accelerate its energy transition by limiting its use of fossil fuels;
- energy generation through the recovery of fuel from waste sorting (Solid Recovered Fuel - SRF), which is an alternative to the disposal of waste classified as "sorting rejects". The Group was the first to set up this type of facility in 2017 at the Changé site in Mayenne;
- electricity generation through the recovery of waste or biogas. In France, this renewable energy generated by turbines or engines is transferred to the power grid operator or auto consumed;
- the future production of green gas from the breakdown of organic material contained in waste, with a first facility planned for 2023 at the Opale site near Calais.

Against a backdrop of tension regarding energy resources, these local energy systems are economically sustainable and environmentally optimized and make Séché Environnement a low carbon energy producer for local authorities and industrial clients at the core of regional economies. These activities contribute to the ecological transition of these economic players by limiting their use of fossil fuels (coal, fuel oil, natural gas) and providing them with green energy resources derived from waste.

Energy sales contracts, whether with industry or local authorities, are also entered into on a long-term basis and include clauses indexing the sale price of energy.

1.1.3.2 Hazard management

Once the value has been extracted (secondary raw materials or energy) or because the waste must be disposed of due to its nature or the regulations in force, it is important to manage the “final waste”. This final waste often contains concentrated toxins that are dangerous to humans or the natural environment. Séché Environnement specializes in managing these risks.

The group has expertise in treatments that will reduce waste volumes and render the waste inert before the final waste is secured in ad hoc facilities, through:

1.1.3.2.1 Decontamination businesses

In particular, these cover:

- the management of infectious medical waste, mainly from hospital, medical and veterinary activities, through disinfection using sanitization technologies;
- physico-chemical treatment of liquid hazardous waste contaminated with oil or toxic substances (heavy metals, cyanide, arsenic, chromium, etc.), or waste with an extreme pH level (acid or alkaline).

These decontamination operations are a prerequisite for any energy or material recovery operations.

1.1.3.2.2 Waste treatment businesses

These include, for example:

- incineration treatments, in which the thermal oxidation process makes organic matter contained in waste inert and produces limited quantities of final residues with controlled toxicity, such as residues from the purification of incineration fumes from household waste or industrial waste;
- the treatment of complex hazardous gases, which destroys toxic substances. The treatment of gases with high global warming potential, particularly used in air conditioning systems, helps to combat global warming;
- the safe management of final waste, which is the final and indispensable phase of the waste management value chain, particularly for hazardous waste. Séché Environnement provides such expertise and receives residues from all types of treatment. This waste can be stabilized to render it inert before it is stored safely in specially designed landfill facilities.

Hazard management activities are complementary to and inseparable from the circular economy activities preceding them. Séché Environnement’s expertise in both business lines makes it one of the few fully-fledged players in a secure circular economy.

1.1.3.3 Service activities

Service activities are deployed to meet specific customer needs and environmental requirements. They can be based on logistics tools offered to customers or facilitate the transfer of waste between the Group’s facilities.

1.1.3.3.1 Services to key industrial accounts

These include custom services to large industrial clients, such as:

- delegated management of waste activities on behalf of companies and local authorities: Séché Environnement may operate under delegated management agreements (comprehensive services). Waste management delegation is an outsourcing service that includes anticipating customer needs or citizen expectations, with the shared goal of economic performance (providing skills specific to Séché Environnement), industrial performance (providing an integrated process chain, with risks controlled through certifications) and environmental performance (achieving non-financial objectives such as waste minimization, material or energy recovery, and greenhouse gas balance);
- industrial maintenance and chemical cleaning: Séché Environnement offers high-added-value solutions for industrial maintenance and process decontamination using chemical cleaning, thermal cleaning and blowing technologies. These clean thoroughly, dissolving and removing the organic and inorganic elements deposited in the equipment (distillation columns, industrial boilers, tanks, etc.), which are essential for commissioning new facilities (pre-operational chemical cleaning) as well as facility maintenance (operational chemical cleaning);

- industrial wastewater management: drawing on its chemical engineering and water treatment know-how. Séché Environnement offers custom solutions and a wide range of technical solutions for managing and treating industrial wastewater in all business sectors, all over the world. Through physical-chemical treatment, evaporation-concentration, centrifugation, membrane treatments, biological purification and other processes, Séché Environnement supports its industrial clients on their work sites (mobile units) or in the design, construction and operation of their industrial wastewater treatment facilities, providing dedicated personnel where necessary.

These service activities, in particular industrial maintenance activities, are personalized, custom solutions for large industrial clients. They also include international support services for these industrial clients.

1.1.3.3.2 Environmental services

Environmental services address environmental liability management issues as well as the challenges of environmental emergencies, and cover:

- decontamination, dismantling and rehabilitation of industrial sites: Séché Environnement provides industrial clients and local authorities with its technical know-how, drawing on all of its expertise to find the most suitable solution for remediation. Backed by its technical certifications, Séché Environnement incorporates specific business skills through the qualifications of its multidisciplinary teams, and implements ad hoc solutions, including for complex risks such as asbestos or explosives, which are strong areas of expertise for the Group;
- environmental emergency response operations: these services provide critical responses to major hazards caused by pollution resulting from road accidents, natural disasters, or accidents at industrial sites, impacting the environment and its ecosystems. Séché Environnement provides rapid response services across all of its national territories (within a few hours), and around the world, regardless of the pollution situation or hazard, be it chemical, biological, radiological, or pyrotechnic, to secure the affected area, contain the pollution, and control the risks to the environment and to stakeholders;
- sanitation networks in an approach focused on the circular economy and the fight against climate change (electric or natural-gas-powered vehicles, process water recyclers, grease recycling, etc.): Séché Environnement has

broadened its range of expertise to include sanitation, through which it offers its industrial and local authority customers, a range of environmental pollution prevention services related to sanitation networks.

Séché Environnement stands out in these decontamination and environmental response markets, both in France and internationally, through its ability to provide highly technical services involving complex risks or severe logistical and time constraints.

1.1.3.3.3 Logistics activities

Séché Environnement provides its clients with waste logistics services, providing support and implementation of custom local solutions.

- Collection and equipment leasing for local authorities and industry: Séché Environnement can develop collection solutions adapted to the local authorities' regions, be they urban, rural, or semi-rural; and can implement collection services in bulk, in bags, and more, according to the needs of the local area. For its industrial clients, the Group offers tools and technical solutions to characterize, sort and transport their non-hazardous industrial waste: renting dumpsters, supplying suitable containers, identifying collection points as close as possible to production areas, etc. In order to optimize the overall environmental performance of this approach, the collection methods are adapted to reduce the necessary rotations related to transport to waste management units.
- Hazardous and non-hazardous waste transport activities: Séché Environnement is responsible for transporting all types of waste from collection points to its waste management facilities (bulk or packaged, solid, liquid or gas, etc.). It either uses its own resources or subcontracts this service to specialized certified companies offering every guarantee of security and traceability. In order to reduce the overall impact of this activity, Séché Environnement implements multimodal transport services in order to promote, insofar as the nature of the waste allows it, means of transport with lower carbon emissions (railways, rivers, etc.).

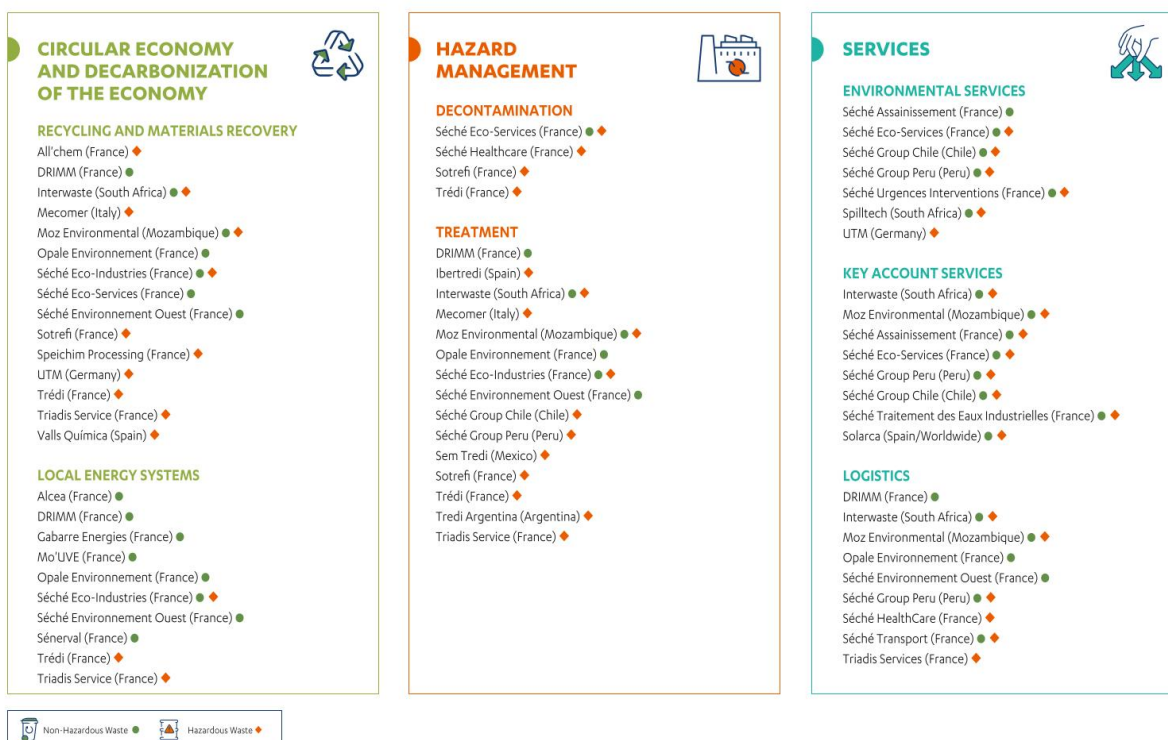
Although they are not Séché Environnement's core business, logistics services are essential for customer support. For internal flows within the Group, complete control of logistics is an essential asset for the proper management of waste scheduling between the various facilities, as well as promoting productivity and industrial efficiency.

1.1.4 FOOTPRINT

The Group has a network of sites located as close as possible to its customers and markets. Service activities are based on Group-owned sites or can be carried out on our clients' sites (comprehensive services, decontamination activities, etc.).

Séché Environnement has its own facilities, with the exception of activities carried out under public service delegations: Alcéa in Nantes, Sénerval in Strasbourg, Solena in Viviez, and Mo'Uve in Montauban, which are consolidated, and lastly Sogad in Agen, which is 50% owned and not

consolidated. Most of the Group's sites are facilities classified for environmental protection purposes (see 1.5.1 Compliance with local operational regulations).



1.2 MARKET ANALYSIS

1.2.1 THE GLOBAL WASTE MARKET

1.2.1.1 Comparison of regulatory standards

In the European Union, the 1975 Directive on Waste (75/442/EEC) defines waste as “any substance or object which the holder disposes of or is required to dispose of”.

Waste has a special legal status, the purpose of which is to reduce environmental and public health risks caused by its abandonment. Qualifying something as waste means that a certain number of necessary rules must be adhered to ensure it is properly managed, covering its collection, transport, recovery, and, as a last resort, disposal in a way that is safe for the environment and human health.

A corpus of laws ranging from 1975 to today organizes waste management in the European Union. These laws are reviewed regularly and supplemented at a national, European, or international level to include new themes such as the circular economy and greater responsibilities for waste producers. At the national level, a number of regulations also set out certain procedures for carrying out waste management operations.

Waste regulation may be less comprehensive in some developing countries. In general, it takes between 10 and 20 years for European regulations to find their equivalent in certain regions. Furthermore, knowledge of waste quantities and treatment choices may be less extensive in developing countries. Given the current level of waste traceability, it is not always possible to accurately estimate the share of waste recovered and recycled worldwide.

Europe's early adoption of recycling is well-established: the legislation governing tire recycling, for example, dates back to 1999 in Europe. The same applies for the classification of waste, which is essential to allow statistical measures; the classification of hazardous waste began in 1994, and of all waste in 2002.

Waste may be subject to international movements which States intend to increasingly control and regulate, particularly for hazardous waste. The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal was adopted by the European Union, South Africa and Peru in 1994. The Stockholm Convention on Persistent Organic Pollutants (POPs) came into force in 2004. Since 2018, many Asian countries have increasingly restricted their imports of waste from Europe and North America, and in particular China, which between 2019 and 2021 prohibited all waste imports into the country.

As such, the waste management market is dependent on regulatory changes and regulations have been increasingly tightened to encourage industry to improve waste sorting. In France, the regulatory framework is ever more focused on establishing a circular economy.

- The 2015 Energy Transition for Green Growth Act (LTECV) aims in particular to combat waste and promote the circular economy, and to gradually decouple economic growth and consumption of raw materials.
- The Circular Economy Roadmap (FREC) of April 2018 sets targets for reducing waste, improving sorting and recycling for all economic players.
- The 2020 Law against waste and for a circular economy establishes new bans on the use of plastic, as well as new obligations, with the creation of several areas of extended producer responsibility (EPR) for consumer products (toys, sports equipment, DIY items, cigarette ends, nappies and wet wipes, industrial and commercial packaging, etc.).

At an international level, there are no restrictive environmental laws with a general scope that are binding on all States, but there are a large number of international conventions and declarations of principles.

- Access to clean drinking water and sanitation is a human right recognized by the United Nations (July 28, 2010).
- A project for a Global Compact for the Environment aims to consolidate the principles of environmental law in a single text (2017).
- The WHO Guidelines on water quality and human health are intended for governments to help them develop national water quality regulations.
- The WHO has published new air quality guidelines (2021).

1.2.1.2 Estimated global waste market

Household waste is the most closely tracked waste worldwide. According to the World Bank's 2021 study "More Growth, Less Garbage", nearly 2.24 billion tons of household waste were produced in 2020 and this figure is expected to continue to grow. In fact, according to the same study, because of increasing urbanization, rising living standards and population growth, annual waste production is likely to increase by 93% compared to the 2016 waste generation estimates in "What a Waste 2.0", to reach 3.88 billion metric tons in 2050.

The study further states that in 2050, global waste production is expected to reach an average of 1.09 kg of waste per capita per day, whereas in 2020, this figure was 0.79 kg of waste per capita per day.

Over the same period, assuming that current waste management practices are maintained, residual waste, i.e. waste that is not recovered, is expected to reach 3.32 billion tons, representing an average of 0.94 kg of residual waste per capita per day.

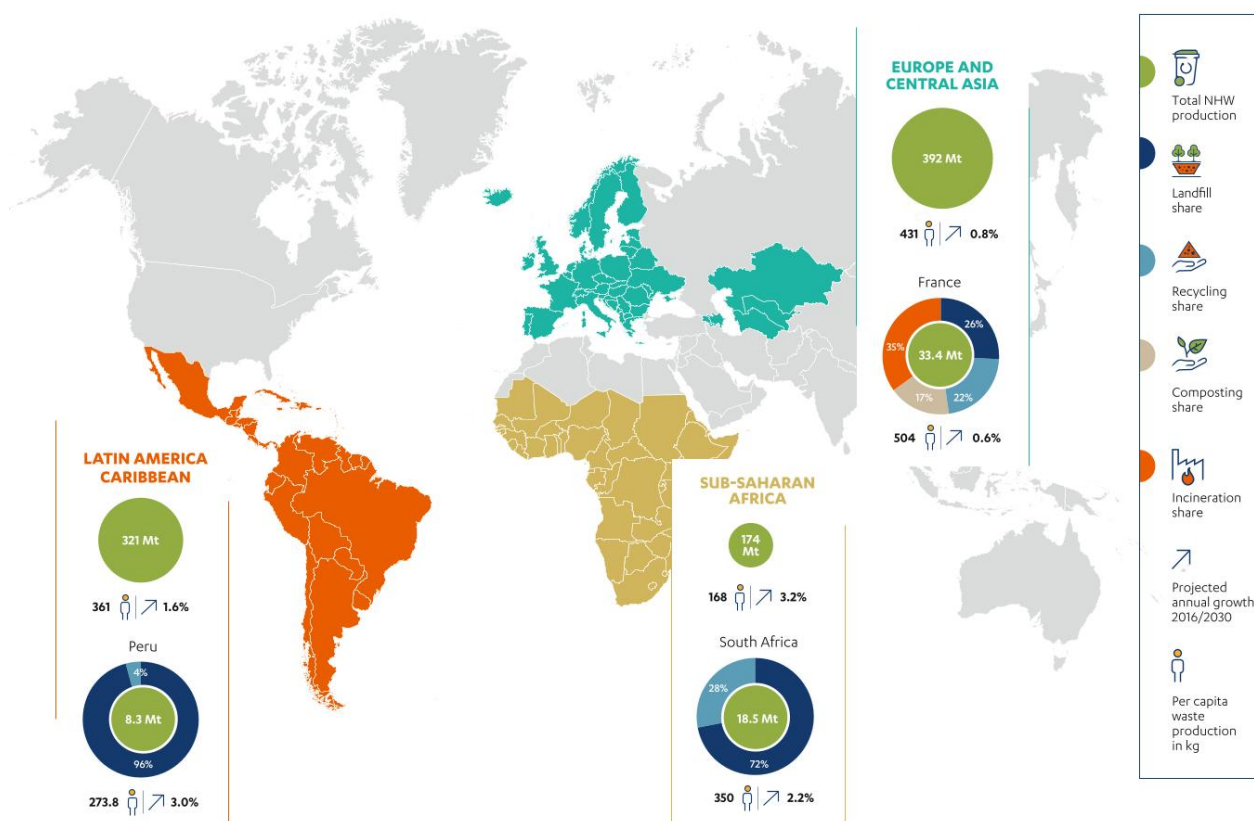
1.2.1.3 Séché Environnement's international growth regions

The World Bank's 2021 study "More Growth, Less Garbage" shows the contrasting situations by geographical region regarding the annual production of household waste. The East Asia and Pacific regions currently produce the most waste, followed by Europe and Central Asia.

By 2050, this situation is expected to change, and the South Asia and Sub-Saharan Africa regions are set to become the world's largest waste producers. The World Bank gives estimates of the total production of household waste in the various geographical areas for the 2020-2050 period. Waste production in South Asia is expected to more than double from 265 million tons in 2020 to 560 million tons in 2050, and waste generation in Sub-Saharan Africa is set to triple from 193 million tons in 2020 to 593 million tons in 2050.

INTERNATIONAL NON-HAZARDOUS WASTE PRODUCTION AND TREATMENT MARKET

Source: World Bank Group – What A Waste 2.0 – Sep. 2018



France, which accounted for 70% of contributed revenue in 2022, remains the Group's main market. International markets now represent a growing share of consolidated business.

Internationally, Séché Environnement targets hazardous waste markets and industrial clients.

The neighboring European countries represent an extension of the French market for the Group in terms of specific hazardous waste target markets (gas in Germany, liquid waste in Italy, solvent regeneration in Spain).

Through its international presence outside Europe, Séché Environnement is exposed to markets with different levels of maturity from France. These markets differ in the growth of waste generation, waste treatment, and legislation.

In these geographical areas, Séché Environnement is expanding with the support of local generalist (South Africa) or specialist (Peru, Chile, etc.) operators, through which the Group intends to implement dynamic and organic growth strategies. The Group seeks to capitalize on its experience and expertise in these markets by transferring technologies and know-how to the new subsidiaries and by incorporating, where appropriate, new activities in synergy with the original business, such as service activities (environmental services, services to key accounts, etc.), in order to implement a relevant integrated offer for local industry.

Two countries can be used to illustrate the Group's international strategy outside Europe: Peru and South Africa.

A medium-sized economy with a GDP of \$223 billion in 2021, Peru produced 8.2 million tons of municipal waste in that year. Waste production has increased sharply since 2014, with growth of nearly 16% over the 2014-2021 period. In 2019, 600,000 tons of hazardous waste were produced. According to the World Bank, by 2025, 36,000 tons of waste will be generated per day, which will result in the Peruvian government proposing robust solutions for waste treatment such as recycling.

South Africa is the second largest economy in Sub-Saharan Africa with a GDP of US\$420 billion in 2021. In 2017, South Africa produced 106 million ton of waste, including 52 million tons of hazardous waste (31 million tons being fly ash and dust). Approximately 0.6% of hazardous waste was sent to landfill, 6.6% was recycled, 0.1% was treated and nearly 93% of hazardous waste was sent to landfill in 2017. More

recently, the South African government has allocated over \$2.8 million to improving the household waste collection system as part of its waste management strategy, which was revised in 2020.

In South Africa, only recycling and landfilling are being used today. In Peru, landfilling is almost the only way to manage waste, particularly non-hazardous waste. Séché Environnement built the country's first incinerator for hazardous waste (including medical waste). The technology mix is set to evolve considerably in the next few years, moving closer to the European model.

Emerging countries have higher predicted per capita waste production than developed countries. As such, the Group's presence in South Africa and Latin America enables it to benefit from this higher growth compared to Europe and to share its know-how and expertise to anticipate regulatory changes and expand its service offer to local industrial clients.

1.2.1.4 Country risk

Country risks are described according to the COFACE classification¹, which comprises eight levels: A1, A2, A3, A4, B, C, D, E (from lowest to highest risk). To allow comparison, France's country risk assessment is A3 (satisfactory) and its

business climate assessment is A1 (very low risk). The economic analyses are those produced by the Directorate General of the Treasury² and the Ministry for Europe and Foreign Affairs³.

South Africa

Country risk assessment	Business climate assessment	2020 estimate	
		GDP growth (%)	Inflation (%)
C	A4	5.1	4.5

With GDP of \$320 billion, South Africa – the only African member of the BRICS countries and the G20 – is the continent's second largest economy, behind Nigeria and ahead of Egypt.

South Africa has the most modern and diversified economy in Africa (despite heavy dependence on the mining sector:

7% of GDP), and a powerful service sector (particularly financial services: 21% of GDP). It is wide open to exports; politically stable; has reliable institutions, particularly judicial; a wealth of natural resources; quality infrastructure; a growing middle class; and financial sophistication. The economy experienced a limited rebound in 2021 due to the global pandemic, July's riots, and power cuts.

1 <https://www.coface.fr/Etudes-economiques-et-risque-pays>

2 <https://www.tresor.economie.gouv.fr/tresor-international>

3 <https://www.diplomatie.gouv.fr/fr/dossiers-pays/>

Chile

Country risk assessment	Business climate assessment	2020 estimate	
		GDP growth (%)	Inflation (%)
A3	A3	11.2	4.5

As Latin America's fourth largest economy, behind Brazil, Argentina, and Colombia, and with an estimated GDP of \$331.3 billion in 2021, in recent years Chile has become one of the continent's strongest economies. However, the country has some weaknesses, in particular its major dependence on commodities (especially copper, which accounts for half of its exports), high energy dependence and recent unrest due to the cost of living and rising social inequality.

In response to the health crisis, the Chilean authorities significantly increased public spending (+11.4 points year-on-year) to 28% of GDP, the highest level for about thirty years. While Chile has a competitive market with high standards, the solidity and strength of its economy and its overall political stability make it an attractive destination for both exporters and investors.

Mexico

Country risk assessment	Business climate assessment	2020 estimate	
		GDP growth (%)	Inflation (%)
B	A4	5.0	5.5

As the world's 15th largest economy, a member of the G20 and the OECD, Mexico is Latin America's second strongest economy. Mexico's moderate but steady growth has slowed sharply following the Covid-19 pandemic and the collapse of international trade. The country has controlled its public spending: it maintained major infrastructure projects and social programs directly helping the most disadvantaged

populations, rather than opting for an expensive stimulus plan. Mexico is attractive to foreign investors, and is a gateway to the North American market, especially since the trilateral agreement between the United States, Canada, and Mexico (USMCA), which replaces NAFTA, came into force in 2020.

Peru

Country risk assessment	Business climate assessment	2019 estimate	
		GDP growth (%)	Inflation (%)
A4	A4	12.5	4.2

Peru is a mid-sized economy, which has maintained strong economic growth since the end of the “golden decade” for commodity exporters (2005-2014), unlike most of its neighbors. The country is dependent on the strength of the mining industry (61% of exports), in particular copper. Despite the disproportionate informal economy and major social, ethnic, and geographical disparities, the country has a high Human Development Index score, and has seen a rapid drop in poverty.

Peru was hit hard by the global Covid pandemic and experienced a very significant economic rebound in 2021. Its economic outlook is good, but the international situation is slightly less favorable (terms of trade, slowdown in global trade, growth of its major trading partners such as China, commodity prices). Overall, Peru’s macroeconomic fundamentals (public debt, budget and current account deficit, currency stability, etc.) remain solid. However, its sovereign rating was downgraded by Fitch & Moody’s in 2021 due to political instability and the lack of transportation, water, health and sanitation infrastructures.

1.2.2 THE WASTE MARKET IN FRANCE

1.2.2.1 Classification of waste

1.2.2.1.1 Specific waste status

The 2008 framework directive on waste, which was amended in 2018, lays out the major guidelines for waste management policy and describes the hierarchy of waste treatment methods to be implemented through the policies of each Member State. In this context, waste is subject to specific legal status.

1.2.2.1.2 Classification of waste

Waste comes in many varieties and may be classified by different criteria, including who or which industry produces it, and its properties. This classification is used to distinguish the rules applicable by waste management players.

Classification by waste producer:

- “Household waste and similar” is waste produced by households and economic activities that can be collected under the same conditions. It includes residual household waste, packaging, glass, bulky waste, electronic waste (WEEE), household hazardous waste, etc.
- Waste from economic activities (WEA) is waste produced by economic operators other than households (industry, manufacturing sector, construction works, services, agriculture, etc.).

Classification according to the properties of the waste:

- Hazardous waste (HW) has one or more of the 15 hazard properties defined for the European Union: flammable, toxic, environmentally hazardous, etc. Hazardous waste requires special management rules due to the risks of health and environmental impacts related to handling them.
- Non-hazardous waste (NHW) has none of the 15 hazard properties defined for the European Union. The management rules are more flexible than for hazardous waste. These include biowaste, glass waste, paper, cardboard, wood, most plastics, etc.
- Inert non-hazardous waste (INHW) is non-hazardous waste that does not undergo significant physical, chemical, or biological changes. It is mostly waste from the construction and public works sector (concrete, bricks, tiles, etc.). Séché Environnement is mainly active on the hazardous waste and non-inert non-hazardous waste markets. However, the Group may be called upon to manage inert waste, for example through its decontamination and decommissioning activities.

1.2.2.1.3 End-of-waste status

Some kinds of waste have recovery potential in the form of new materials. In order to encourage this recovery, the European directive makes it possible, in some specific cases, for waste to achieve an “end-of-waste status”. It lays the outlines for a regulatory process that can allow waste to no longer be considered waste and be considered as a product. To do so, the waste must meet four conditions:

- The substance or object is commonly used for specific purposes.
- There is a market or demand for such a substance or such an object, or it meets the needs of a market.
- The substance or object fulfills the technical requirements for the specific purposes, and complies with the laws and standards that apply to products.
- Use of the substance or object will have no overall harmful effects on the environment or human health.

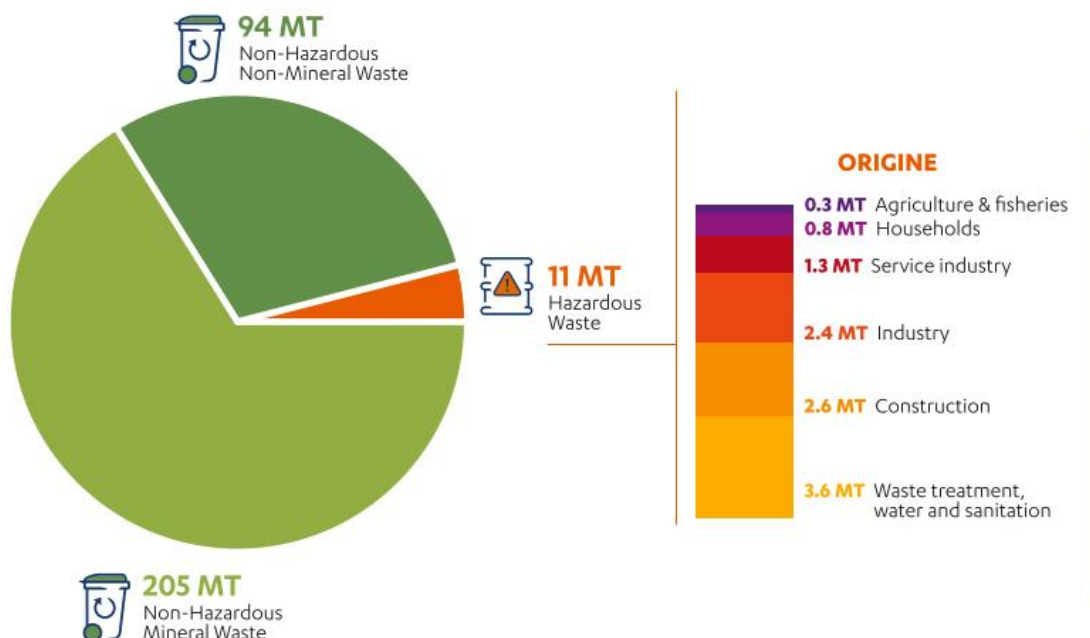
1.2.2.2 Characterization of waste produced

In 2020, waste production in France was 320 million metric tons. Between 2010 and 2017, the amount of waste produced decreased by 8% in line with the objectives of the Energy Transition for Green Growth Act (LTECV) enacted in 2015. This law requires a 30% reduction in non-inert non-hazardous waste volumes held in landfill facilities in 2020 in relation to 2010, and a 50% reduction by 2025. As such, the production of waste was 4.6 tons per capita in 2020. According to Xerfi, waste production in France is expected to reach 340 million tons in 2022, returning to its pre-Covid level.

Waste management methods can involve several operations, such as sorting, pre-treatment, recycling and recovery. These additional steps generate secondary waste, such as sorting refusals (due to the extension of the sorting instructions and a larger population subject to sorting), sludge from waste washing, and residues of combustion from waste incineration.

CHARACTERIZATION OF WASTE PRODUCED IN FRANCE and sectors producing hazardous waste

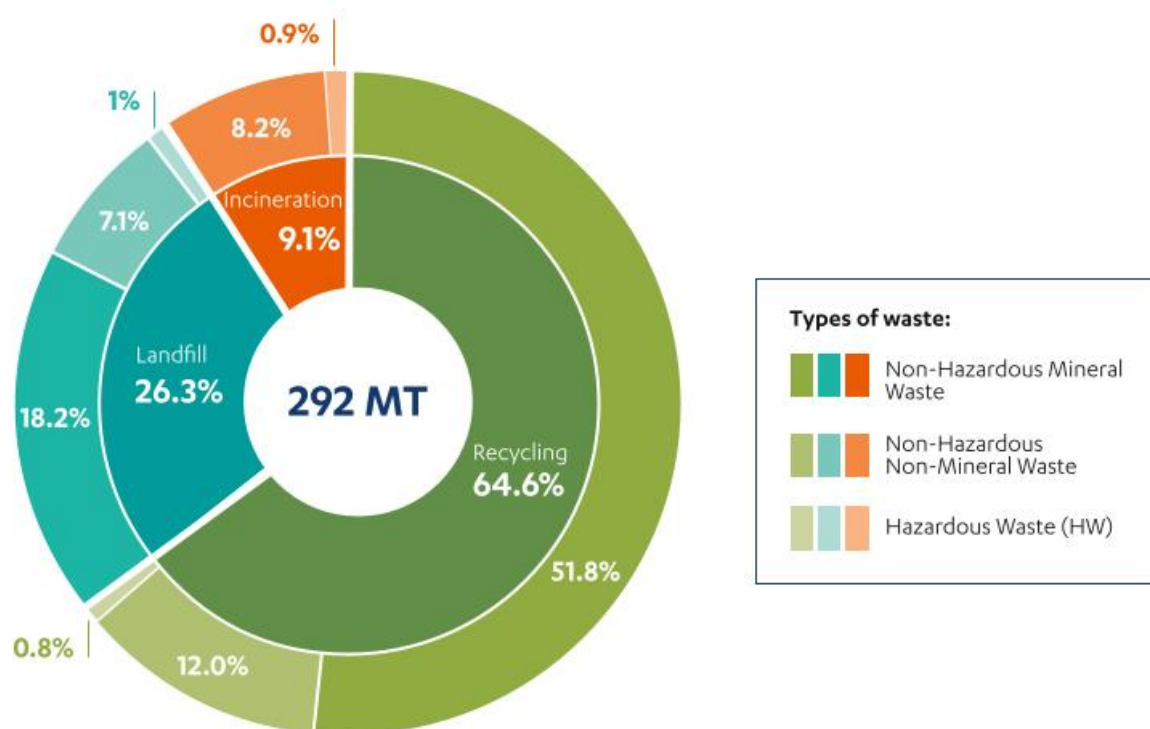
Source: Data and Statistical Research department, French General Sustainable Development Commission (CGDD) – 2022 – 2020 Waste data



1.2.2.3 Waste management methods in France

The volumes treated are around 5% lower than volumes produced for several reasons: the balance of imports/exports, inventory effects, dry or wet weight calculations, the traceability of recovery activities, etc.

WASTE MANAGEMENT MARKET in France



Source: Data and Statistical Research department, French General Sustainable Development Commission (CGDD)
June 2022 - 2020 Waste data

1.2.3 SÉCHÉ ENVIRONNEMENT'S CLIENT BASE

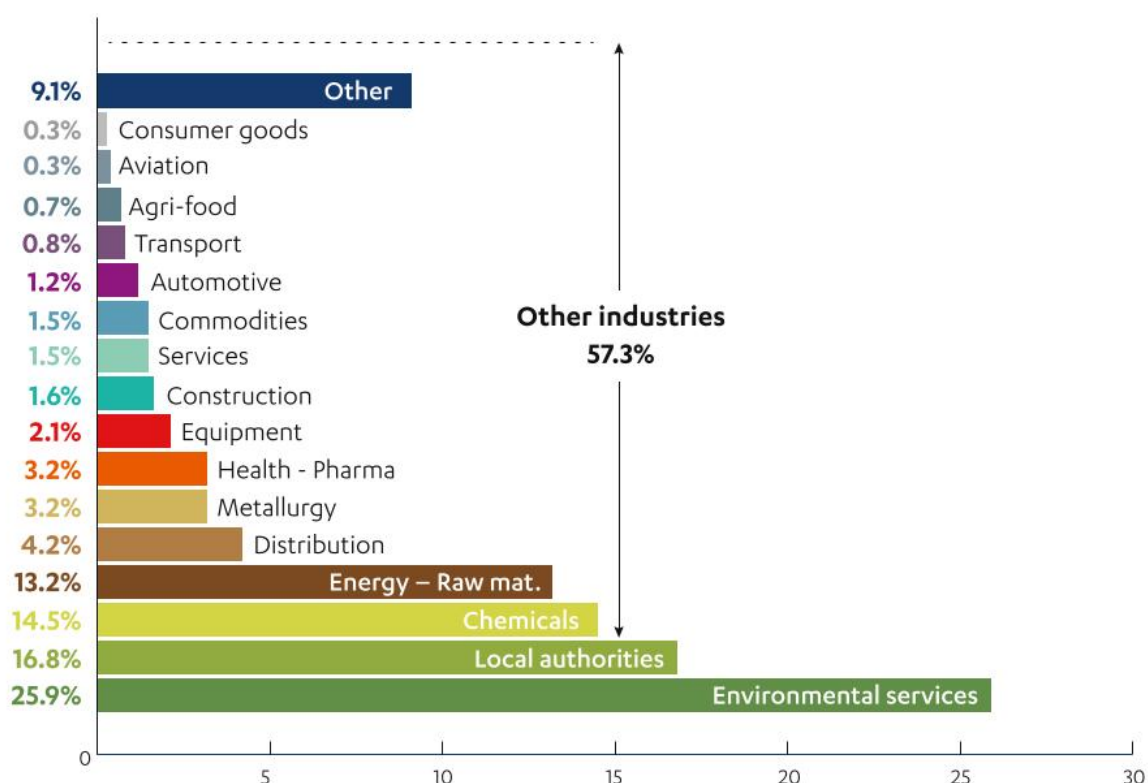
1.2.3.1 Client base and markets

Over the past year, the Group generated around 17% of contributed revenue with local authorities (versus 16% in 2021) and 83% with industrial clients and environmental service companies (waste collectors, recycling companies, end-of-life waste recycling organizations, cleaning

companies, etc.), vs. 84% in 2021. The relative decline in revenue over the period attributable to local authorities can be explained in particular by the Group's development strategy, which specifically targets industrial clients through its external growth operations abroad. For France, local authorities accounted for 23.8% of contributed revenue in 2022, vs. 24.7% in 2021.

1.2.3.2 Types of waste-producing clients

BREAKDOWN OF CONTRIBUTED REVENUE AT 12/31/2022 by business sector



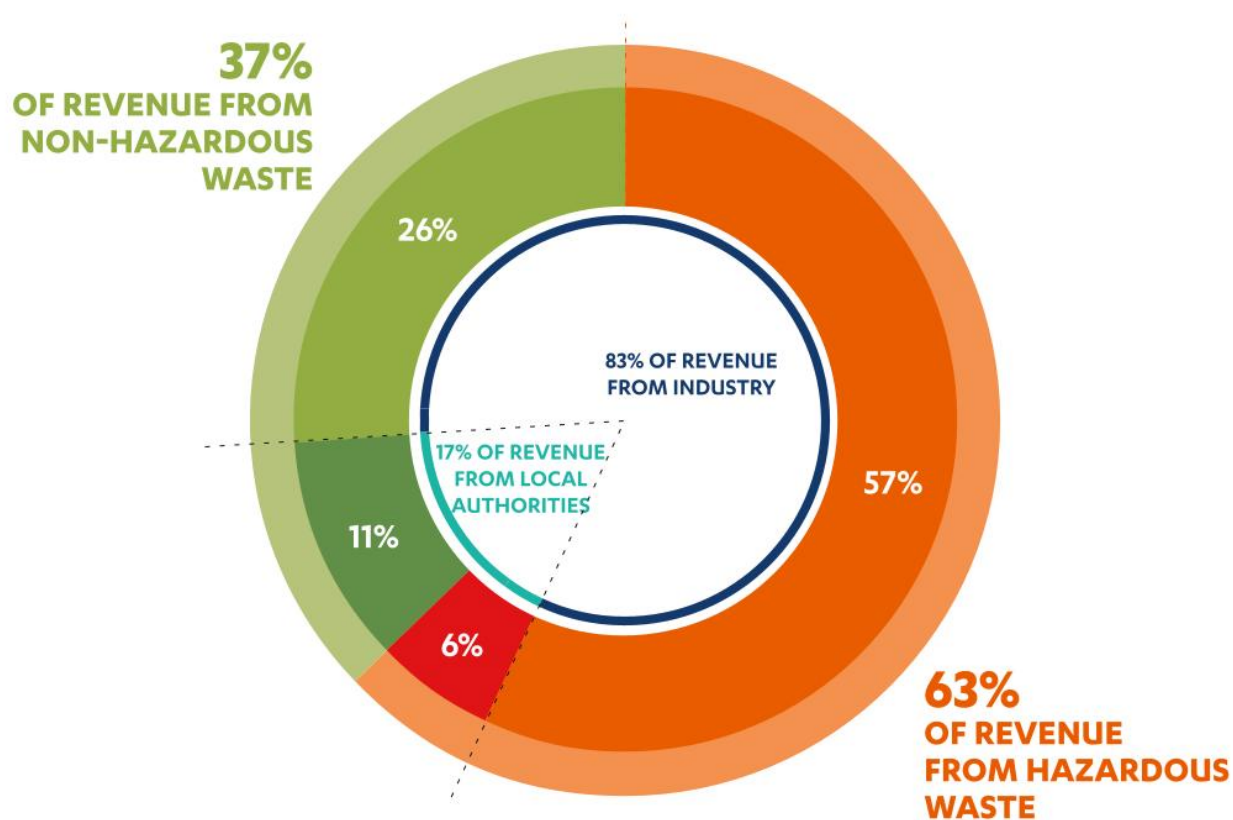
In 2022, Séché Environnement maintained business relations with around 12,000 industrial and local authority clients in France and around 7,000 internationally.

The Group is not dependent on any particular industrial client; on the contrary, it strives to diversify its client base. As such, in 2022, the top 10 clients in the Industry and Environmental Services segments accounted for 13.8% of contributed revenue (vs. 13.7% in 2021) and the 20 biggest clients accounted for 20.1% of contributed revenue (vs. 22.1% in 2021). The Environmental Services sector includes sanitation, waste management and treatment, and hygiene and cleanliness companies.

In 2022, the top 10 clients in the Local Authorities segment accounted for 7.3% of contributed revenue (vs. 7.9% in 2021) and the 20 biggest clients accounted for 9.7% of contributed revenue (vs. 10.4% in 2021). The duration and value of public service delegation contracts vary according to their complexity and purpose. Séché Environnement does not consider itself to be at any significant risk in respect of any contract since its largest contracts with local authorities are public service delegation agreements for the delegated management of waste recovery and treatment facilities covering specified time periods.

Breakdown of client base	Industry and Environmental Services		Local authorities	
	% of contributed revenue	Total	% of contributed revenue	Total
Client 1	2.5%	2.5%	1.4%	1.4%
Client 2	2.2%	4.7%	1.4%	2.8%
Client 3	1.5%	6.2%	0.9%	3.7%
Client 4	1.3%	7.5%	0.8%	4.5%
Client 5	1.2%	8.8%	0.7%	5.2%
Client 6	1.1%	9.9%	0.6%	5.8%
Client 7	1.0%	10.9%	0.5%	6.3%
Client 8	1.0%	11.9%	0.4%	6.7%
Client 9	1.0%	12.9%	0.3%	7.0%
Client 10	0.9%	13.8%	0.3%	7.3%
Client 15	0.6%	17.6%	0.2%	8.7%
Client 20	0.5%	20.1%	0.2%	9.7%

BREAKDOWN OF CONTRIBUTED REVENUE AT 12/31/2022 by division and client



1.2.3.3 Contracts

All contracts signed with industrial clients and local authorities are established under private law, except for the following public service delegation contracts managed by the Group:

- Contract for the delegated management of the Strasbourg-Sénerval incinerator: €400 million over 20 years (2010-2030).
- Contract for the management of the Nantes-Alcéa incinerator: €144 million over 12 years (2012-2024).
- Contract for the management of the Montauban-Mo'UVE incinerator: €140 million over 20 years (2021-2040).
- Contract for the construction and operation of the Solena non-hazardous waste recovery and treatment facility in Viviez (Aveyron): €189 million over 25 years (2020-2045).

On the local authorities market, contracts generally cover several years (3-5 years) and are automatically renewable. During the contract term, service prices may evolve based on an index or a set of indices. These contracts concern non-hazardous waste recovery and treatment activities as well as hazardous waste treatment activities (contaminated soils,

residues from the purification of incineration fumes from household waste, etc.).

With industrial clients, its contracts are generally spot or short-term contracts (less than one year). They can cover hazardous or non-hazardous waste produced by these customers.

In general, Séché Environnement strives to develop more recurrent business relations with its industrial clients via dedicated service offerings, such as its “comprehensive service” contracts – outsourcing service agreements under which Séché Environnement handles all its industrial clients’ waste management issues. These multi-year contracts covering an average of 3-5 years can extend to longer periods depending on the features of each contract (7 years or more).

Furthermore, energy sales contracts, whether with industrial companies or local authorities, are also contracted on a multi-year basis and include clauses indexing the sale price of energy.

The analysis of the contracts, particularly with respect to IFRS 15, is presented in section 3.2.1.16.

1.2.4 COMPETITION

The French waste management sector consists of three main types of players: large diversified environmental players, waste specialists who are exposed to a specific part of the value chain, and small local and regional players that focus mainly on collection activities.

Séché Environnement has all the permits to treat every type of waste from industrial clients and local authorities, enabling it to be present across the entire waste value chain. As a result, it competes with both generalist and specialist operators.

In the French waste markets, the main competitors are comprehensive and generalist players (water, energy, waste) such as Veolia and Suez, or their specialized subsidiaries (Sita, Sarp Industries). In addition, some foreign groups are able to establish themselves on the French market, such as the Belgian group Galloo.

The French hazardous waste market is characterized by two main segments, namely collection and sorting, and

treatment. The first is carried out by a multitude of players whose operating areas are relatively limited. The second relies on a much more limited number of facilities with technical features that require established expertise. Séché Environnement is heavily involved in these two segments, making the Group one of the only players covering the entire hazardous waste value chain.

The French market for non-hazardous waste consists of a set of local markets (because non-hazardous waste must be treated locally). Competition can be fierce on the value chain, with a number of local operators - particularly in the most open markets such as public collection and incineration - but the major historical operators, Veolia and Suez, remain dominant nationally, particularly in activities with higher barriers to market access, such as treatment.

Internationally, Séché Environnement may find itself competing with major French operators with an international scope, like Veolia or Suez, as well as local operators, on both generalist and specialist markets.

1.3 MATERIALITY ANALYSIS, CSR ISSUES AND RISK FACTORS

With the help of an external consulting firm, Séché Environnement updated the double materiality analysis at the end of 2022 in order to identify the main non-financial (sustainability) issues presenting a risk and/or an opportunity that could simultaneously impact its

stakeholders. The aim was to anticipate the EU Corporate Sustainability Reporting Directive (CSRD), for which the double materiality analysis is the cornerstone to evolve the sustainable development strategy of organizations.

As noted, in this materiality analysis, issues include both risks and opportunities. This allowed the Group to identify and analyze non-financial risks. The analysis assessed the level of risk posed by each non-financial (sustainability) issue for the Group. This assessment took into account the level of (gross) potential risk of each issue (which may have an impact on finances, operations or image), the timescale for the occurrence of the risk (immediate, short, medium or long term) and a criticality scale (low, moderate, major and critical). The analysis also identified the most significant

issues/risks for the Group, thus meeting the disclosure requirements in terms of risk factors for the Universal Registration Document (URD), as defined in Article 16 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, known as the European Prospectus Regulation 3, which entered into force on July 21, 2019.

The conclusions of the materiality analysis were presented to the Audit Committee of the Board of Directors at the meeting of December 5, 2022.

The materiality analysis was carried out in four steps:

Step 1: Stakeholder identification

In order to identify the people to be questioned, the stakeholder map was updated; each stakeholder was assessed by impact and relationship level. Representative individuals for each category were selected. The types of stakeholders consulted include clients, employees, financial players, elected officials, competitors, suppliers and organizations with influence on public opinion, among others.

Step 2: Issue identification

After a review of internal and external documents, 21 representative issues for the Group were selected and divided into four themes: environmental, social, societal and governance.

Step 3: Issue assessment

Several consultation methods were used to assess the level of risk and impact, namely focus groups, individual interviews and online questionnaires. This work was carried out with employees and external stakeholders.

Step 4: Calculation method for classifying issues

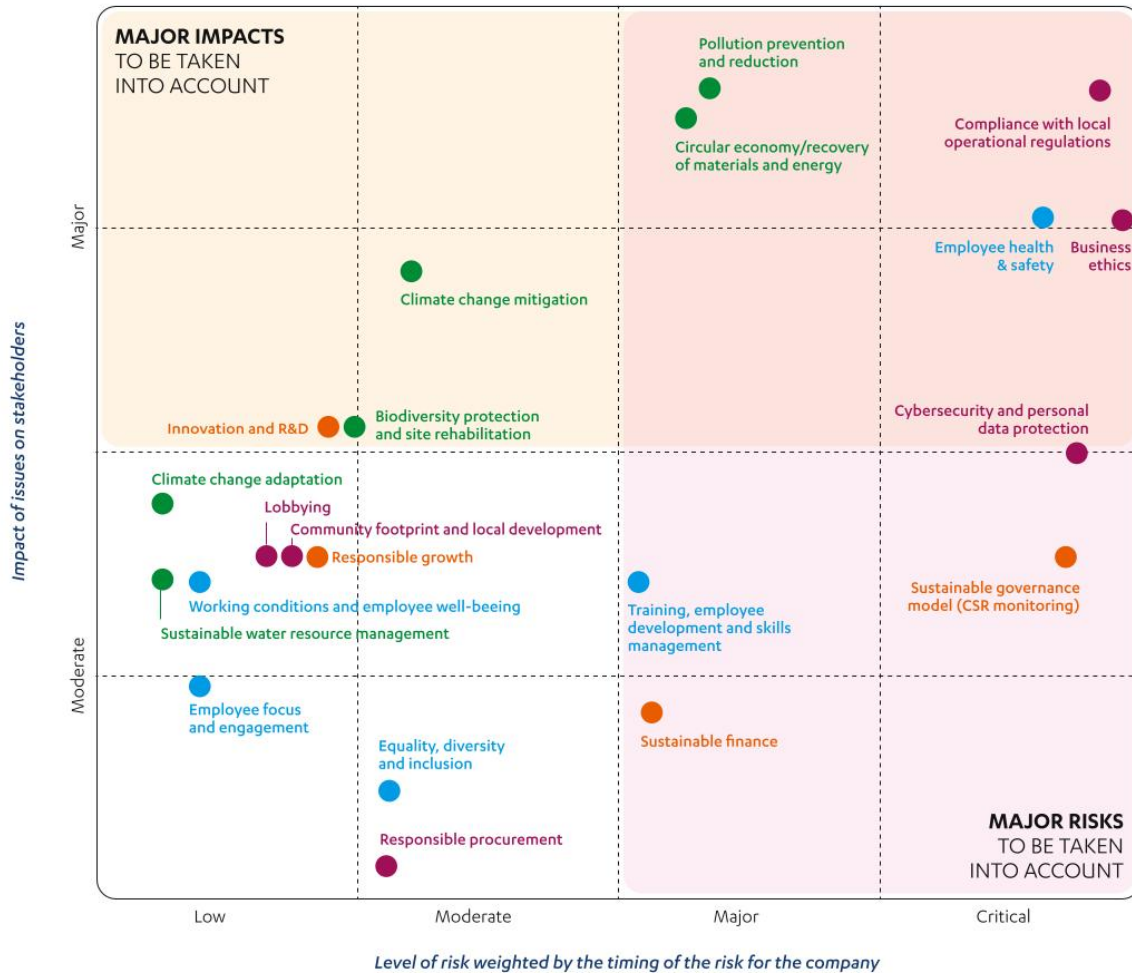
The impact and risk levels of each issue were assessed on a four-level scale (low, moderate, major, critical). The timing of the risk (probability of occurrence) was also assessed on a time scale (no threat, very short-term/immediate, medium term, long term).

The results are presented in the materiality matrix, highlighting the main risks and major impacts to be taken into account as a priority.

Issues classified as "major" and "critical" from the company's point of view (x axis) were identified as risks to be taken into account as a priority by the organization. Issues classified as "major" and "critical" from the point of view of stakeholders (y axis) were also considered as priorities.

Materiality matrix of non-financial risks and issues

MATERIALITY ANALYSIS



Each of the issues identified during this analysis is discussed in a section setting out the state of play regarding this theme, the risk mitigation measures, and the monitoring indicators, goals and action plans initiated or to come, by Séché Environnement. The results of this materiality analysis

will continue to be examined in 2023. Some of the issues identified during this exercise do not yet have associated objectives or key performance indicators. In this case, discussions have been initiated and will continue in 2023 in order to set out representative key performance indicators,

goals and realistic, ambitious action plans. Throughout this analysis, you will also find the Sustainable Development Goals (SDGs) and the targets to which the group contributes (see 1.6.1 Sustainable governance model (CSR monitoring)).

In comparison with the results of the last analysis, the topic of compliance with environmental regulations remains a crucial aspect of our activities. Business ethics and cyber security have become more important, and environmental issues are still very present, together with social issues, represented by health and safety aspects.

Non-financial material issues/risk dashboard

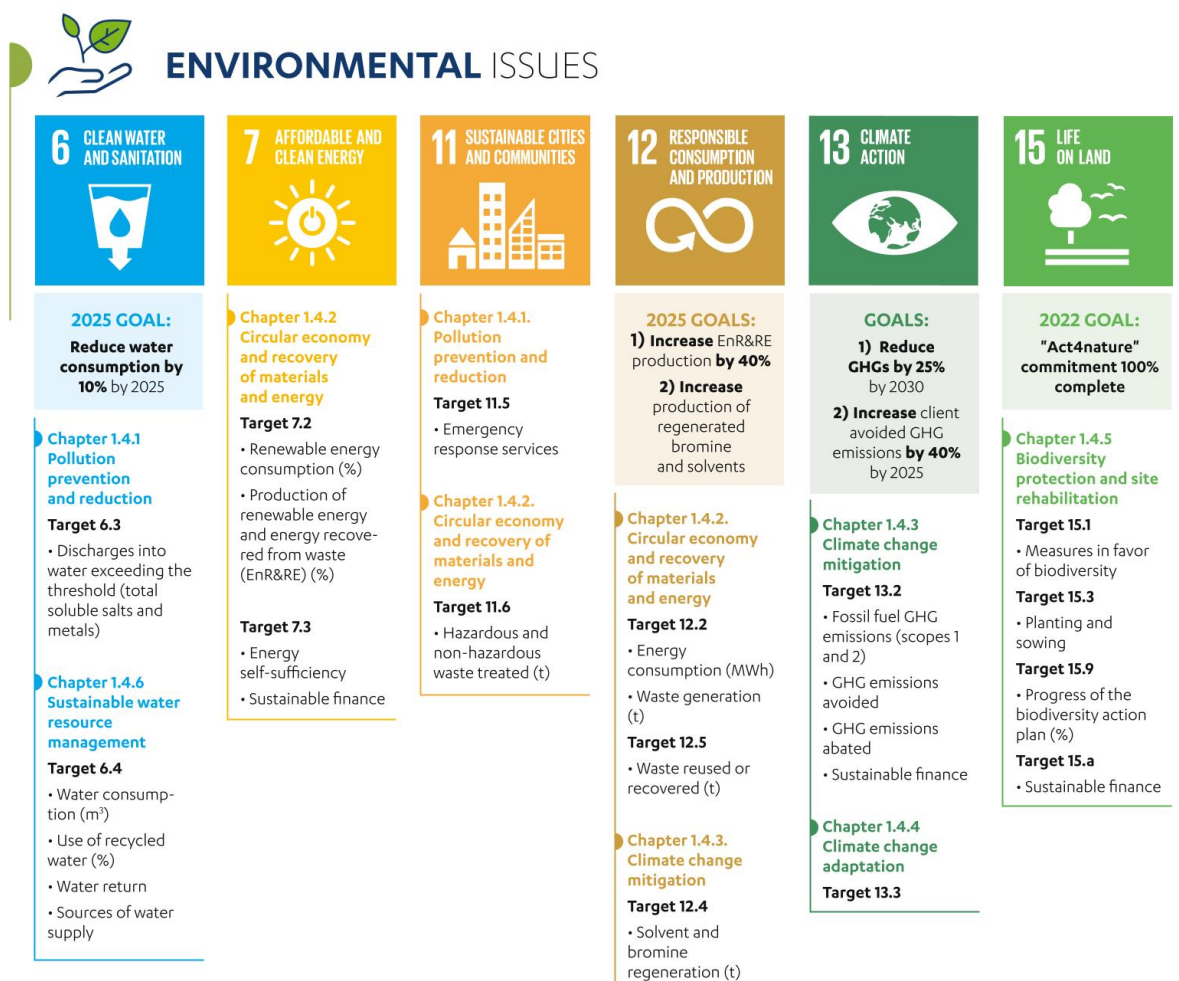
Material non-financial issues/risks	Handling of risk	Key Performance Indicator
Compliance with local operational regulations	Section 1.5.1	Proportion of sites that have not received a formal notice to comply
Pollution prevention and reduction	Section 1.4.1	Discharges into air and water
Circular economy and recovery of materials and energy	Section 1.4.2	Self-sufficiency rate; Waste production (criterion D); Waste recovery (criterion R); Consumption of raw materials
Business ethics	Section 1.5.2	Number of third parties assessed; Number of reports; Amount of taxes paid abroad
Employee health & safety	Section 1.7.1	Accident frequency rate; Severity rate; Safety expenses; Occupational illnesses
Climate change mitigation	Section 1.4.3	GHG balance (scope 1, 2, 3); GHG avoided; GHG abated
Innovation - Research and Development	Section 1.6.2	% Contribution of R&D to the Group's consolidated revenue; Number of patents held
Protecting biodiversity	Section 1.4.5	Biodiversity Commitment progress rate
Cyber security and data protection	Section 1.5.3	Serious incidents
CSR monitoring	Section 1.6.1	Sustainable development awareness-raising; Presentation of the CSR report; Non-financial ratings
Employee training and development	Section 1.7.2	Employees trained as a percentage of the average headcount; Turnover; Proportion of permanent contracts (%); Proportion of women (%); Absenteeism rate; % of workforce covered by a collective bargaining agreement
Sustainable finance	Section 1.6.3	Key Performance Indicators for sustainable finance; European green taxonomy alignment and eligibility

1.4 ENVIRONMENTAL ISSUES

This section identifies the environmental issues in order of importance according to the results of the materiality analysis, and sets out the state of play regarding this theme, the risk mitigation measures, and the monitoring indicators,

goals and action plans launched or planned. It also contains the Sustainable Development Goals (SDGs) and the targets to which the group contributes.

Identification of SDGs and associated targets



1.4.1 POLLUTION PREVENTION AND REDUCTION

1.4.1.1 State of play

Séché Environnement contributes to the prevention and reduction of pollution through its waste management, decontamination and service activities. Its businesses reduce the environmental impact and pollution associated with the waste entrusted to it for recovery or disposal, thus guaranteeing a high level of protection of the environment and human health. These industrial processes do however lead to residual emissions of pollutants (stack emissions, for example), which remain below the emission limit values set.

The prevention and reduction of pollution at source (water and air) is a historic requirement for Séché Environnement, included in its overall prevention of industrial risks. The waste management and treatment, water management, decontamination and emergency response business lines present specific issues relating to the very nature of the waste and substances managed and treated to protect the environment and human health.

The various regulatory frameworks relating to pollution, organized from the most global to the local, are given below:

1) At a European level, the Industrial Emissions Directive (IED) defines an integrated approach to preventing and reducing pollution emitted by industrial and agricultural facilities that fall within its scope. One of the guiding principles of the IED is the use of the Best Available Techniques (BAT) in order to prevent pollution of all kinds. It requires that Member States base the permit conditions for the relevant facilities on the effectiveness of the BATs. Sites comply with BATs through the submission of a review file and the production of a baseline report. When a previously permitted facility permanently ceases operations, the IED directive requires the site to be restored to its earlier state. The operator evaluates the pollution status of the soil and groundwater and compares it to its initial state. If there is significant pollution, the operator is required to restore the site to a condition that is at least similar to the initial state. This obligation applies in addition to the requirement to remediate the site to allow its future use. As such, the regulations in force make it necessary to set aside provisions or bonds for this purpose.

- 2) In France, all industrial facilities capable of creating environmental risks or causing pollution or nuisances are facilities classified for environmental protection purposes. Facilities classified in this way are subject to numerous environmental risk prevention regulations, particularly in terms of permits, standards and monitoring of aqueous waste and atmospheric emissions, and operating conditions. These facilities are also regularly inspected by the competent authorities, mainly the Regional Departments for the Environment, Land Development and Housing (DREAL). They are also subject to internal controls. Caps on contaminant concentrations are set in each site's operating permit, along with penalties in the event of non-compliance (ranging from a formal notice to comply to the withdrawal of operating permits and fines).
- 3) The Seveso status of facilities classified for environmental protection purposes was introduced by the EU Directive of 4 July 2012 known as the Seveso 3 directive. This directive, which is enforced by the Classified Facilities Inspectorate, imposes new requirements on establishments in order to prevent and better manage major accidents involving hazardous chemicals.
- 4) In addition to these regulatory measures, all waste treatment facilities are certified in accordance with ISO 14001 Environmental management or apply its standards, and, where relevant, are ISO 9001 Quality management certified. In addition, most facilities and sites are OHSAS 18001 or ISO 45001 or MASE (chemical environment) certified. A prerequisite to these certifications is the enactment of procedures and methods aimed at reducing activities that could influence safety and the environment. These instructions and terms are detailed in manuals adapted to the characteristics of each site and comply with the Group's HSEQ policy.

Through its decontamination, environmental emergency response and waste management activities, including the most complex waste, Séché Environnement is directly involved in pollution prevention and control.

- Prevention and reduction of pollutant emissions into the air, water or soil.
- Prevention and reduction of to a minimum of any adverse impacts of the production, use and disposal of chemicals on human health and the environment.
- Cleaning up of unauthorized disposal and other forms of pollution.

There are two different types of pollution, for which prevention and mitigation measures have been put in place:

- "Chronic" pollution, which corresponds to the pollution that can result from the accumulation of pollutants beyond a critical load specific to each receiving environment. If it is not detected, despite the systematic measurements performed by the Group and the authorities, it could impact the continuity of the activities in question (at least temporarily). All sites must respect the regulatory obligations set out in their permits and the law. The Group is continually adapting its work methods, from facility design through pollutant measurement to facility management, in accordance with the strictest regulation.
- "Accidental" pollution would be covered by the Group's insurance program (civil liability – environmental harm). All of the Group's sites have a system in place to mitigate the impact of accidents. This system is designed to protect employees, local communities, and the environment. Depending on the size of the site, its location and the applicable regulations, the internal system may be the internal emergency plan or the internal operations plan (POI). In addition to these procedures, external response systems (fire department and prefecture) are in place: the ETARE plan carried out by the local fire department in collaboration with the site and the special intervention plan (PPI) established with the Prefect's Office for Seveso sites. Accident simulation drills are conducted in cooperation with outside emergency services (fire department, paramedics, etc.) for the purposes of mutual training and to optimize the response in the event of an accident. Safety audits are also performed with insurers. The Group has set up a crisis team at general management level which can be activated in the event of a crisis, to

mobilize all the resources needed to ensure a rapid return to order after ensuring the safety of people and property. The crisis team will also manage communications in full transparency.

At the time of writing, Séché Environnement was unaware of any pollution generated by the Group's activities for which the necessary measures have not been taken to ensure its full elimination.

Number of accidents or incidents occurring as a result of the operation of a facility that are likely to harm the surrounding area, human health, public safety or sanitation, or the protection of nature and the environment: 21 in 2022.

The different environments that might be affected by pollution as well as the associated prevention and reduction measures are listed below.

1.4.1.1.1 Atmospheric emissions

Atmospheric emissions are primarily caused by waste-to-energy and combustion facilities. Flue gas (mainly carbon dioxide, water vapor, nitrogen, and oxygen) causes emissions of dust (2 to 5 g/Nm³), carbon monoxide (20 to 80 mg/Nm³), possible dioxins and furans (< 0.1 ng/Nm³), NO_x, SO₂, and heavy metals (90 to 100 mg/Nm³).

Using the Best Available Techniques (BATs) for the treatment of flue gas helps prevent, control, and reduce emissions of pollutants into the air, particularly by means of electrostatic precipitators, bag filters, quenchers, and scrubbers.

The changes between 2021 and 2022 are due to the change in reporting methods in the GERE tool.

Atmospheric emissions

	2020	2021	2022	
	France		France	International
Nitrogen oxides in t NO ₂	526	519	660	15
Sulfur dioxides in t SO ₂	129	140	187	52
Hydrochloric acid in t HCl	5.3	7.2	12	1.4
Dust in t ¹	0	0	0	5.9
Dioxins and furans in grams	0.2296	0.3308	0.4470	0.001

¹ The 2020 and 2021 data have been corrected in line with reporting thresholds.

1.4.1.1.2 Quality of water returned to the environment

No significant accidental discharges have been observed in recent years.

The receiving aquatic environments are purification plants designed for this purpose, then high-flow waterways (e.g. the 100 m³/hour release from Salaise into the Rhone, which has an average flow rate of 3.7 million m³/hour). There is no discharge into sensitive environments or areas.

Contaminants discharged

(in t/year)	2020	2021	2022	
	France		France	International
Soluble salts	6661	5,722	4,310	0.4
Total metals	0.6	0.4	0.1	0.1

1.4.1.1.3 Soil quality and use

An initial inventory of soils and groundwater is carried out at facilities classified for environmental protection purposes before the site becomes operational. This assessment provides a reference point for regular monitoring of soils close to the site for a number of major pollutants, including heavy metals and dioxins and furans, in order to establish that there is no significant fallout. At the same time, Séché Environnement's impact in terms of land use (water cycle, biodiversity, biomass) is being evaluated in order to identify one or more relevant indicators associated with an action plan.

1.4.1.1.4 Substances of concern and measures for health and safety

Séché Environnement contributes to the decontamination of production cycles through its hazardous waste treatment activities, by removing and treating hazardous chemicals. It is involved either upstream, separating hazardous substances from materials that can then be recycled, or directly by producing decontaminated recycled materials.

A ministerial order dated February 22, 2019, sets the criteria to be met for the operator of a facility classified for environmental protection purposes to be able to assign regenerated chemicals end-of-waste status. Regeneration is defined as any waste recycling operation consisting in restoring an equivalent level of performance to that of the chemical or object from which the waste was produced, taking into account its intended use (solvents). Séché Environnement complies with the order, regenerating hazardous waste into decontaminated products that can be

The principal sources of emissions after treatment into the aquatic environment are:

- waste landfilling, which produces purified leachates (partially reused in stabilization);
- the physical-chemical treatment units;
- the wet treatment of incineration gases.

used directly by the chemical industry, thereby fully contributing to the circular economy goals.

In the circular economy, Séché Environnement treats the hazardous properties of the waste entrusted to it and sells regenerated raw materials that meet end-of-waste criteria, namely, products or substances with the following characteristics:

- Common use for specific purposes
- Existence of demand and a market
- Compliance with technical requirements for specific purposes and with the applicable product regulations and standards (precise specifications)
- No harmful overall effects of the use of the product on the environment or human health

To protect consumers' health and safety, in 2015, regeneration subsidiaries Trédi and Speichim Processing signed the Responsible Care Global Charter, a unified commitment by the chemical industry to ensure sound chemicals management throughout their life cycle and to promote the role played by chemicals in improving quality of life and their contribution to the circular economy.

1.4.1.2 Goals and action plan

Séché Environnement aims to anticipate regulations, in particular by voluntarily reducing the pollutant emissions inherent in its waste treatment activity beyond the mandatory thresholds imposed on it.

This work to improve the environmental performance of its industrial sites is part of the Group's DNA. Targeted goals by site and action plans to reduce the main emissions are in effect and will continue over the coming years.

1.4.2 CIRCULAR ECONOMY AND RECOVERY OF MATERIALS AND ENERGY

1.4.2.1 State of play

1.4.2.1.1 Circular economy

The circular economy consists of producing goods and services more sustainably, limiting consumption and waste of resources and the production of final waste. Séché Environnement offers its clients solutions for recovering materials and energy from their waste, while ensuring high levels of traceability during the various stages. As such, the Group supports clients in their ecological transition by providing them with solutions tailored to their needs, moving from a model of impact reduction to a model of social, economic and environmental value creation.

As set out above, Séché Environnement is involved in various areas of the circular economy, most often as part of a larger circular economy chain, with waste producers. The Group works indirectly with waste producers by facilitating the orientation of their waste to channels where they become secondary raw materials. Whenever the Group invests in recycling operations on its own behalf, it is generally to treat a rare material requiring highly technical capabilities and expertise to extract it and ensure that it fulfills the future user's specifications (zinc, nickel, or molybdenum extracted from metal hydroxide sludges, or bromine recovery). Historically, the Group has recycled solvents, copper and magnetic plates after decontaminating transformers.

1.4.2.1.2 Material recovery

1.4.2.1.2.1 Recycling molecules of interest drawn from industrial waste

Some noble materials, although they exist in small quantities, combine high added value and geostrategic importance. Recycling these rare elements (zinc, nickel, lead, molybdenum, rare earths, etc.) provides a response to the depletion of natural resources, and to the difficulty of accessing them for technical or political reasons.

1.4.2.1.2.2 Solvents and synthesis intermediates

Séché Environnement purifies the chemical synthesis intermediates necessary in certain industries through distillation. The Group is one of only a few international players to master the technique of high vacuum rectification. It also regenerates cleaning solvents. As such, Séché Environnement's competitiveness lies in the unique versatility of its production facilities, which employ distillation columns with a variety of diameters and tray numbers.

1.4.2.1.2.3 Thermal bromine recovery

The Research & Development teams have successfully converted a hazardous waste incinerator into a bromine regeneration plant. Chemical firms can now benefit from the resources contained in their waste and incorporate recycled bromine into their manufacturing processes. This unique process, which combines bromine concentration cycles with a technology to thermally purify bromine-containing brine, makes it possible to recover 99% of the bromine.

1.4.2.1.2.4 Physico-chemical treatment of metals

Physico-chemical processing is reserved for liquid hazardous industrial waste, often in mineral form, contaminated with oil and toxic substances (heavy metals, cyanide, arsenic or chromium), which is harmful due to extreme pH levels or the presence of hydrocarbons. A series of chemical reactions transforms the soluble pollutants in solution into precipitates. Sludge derived from treating waste rich in zinc or nickel is concentrated and then recovered in the form of matte in the pyrometallurgical industry.

1.4.2.1.2.5 Metals from transformer decontamination

Polychlorobiphenyls or PCBs, more commonly known as Pyralene or Askarel, were widely used as dielectric agents in transformers and capacitors. Due to their health and environmental impacts, production was phased out in the 1980s. After the removal of transformers with a PCB concentration greater than 500 ppm, since 2011 concentrations of less than 500 ppm, representing the majority of contaminated transformers, have been targeted.

The Group recovers PCB-contaminated transformers in two ways: reuse (restoring transformers after diagnosis) or recycling (selling copper from the coils, magnetic plates, and steel from tanks of decontaminated electrical transformers on the secondary commodities market).

1.4.2.1.2.6 Plastic recycling

Séché Environnement is developing capabilities for recovering material from soiled plastics that are currently destroyed through its various sorting and grouping platforms.

1.4.2.1.2.7 Recycling household waste

Through selective collection, Séché Environnement's sorting centers are equipped with the latest available technologies, combining the mechanical preparation of waste, ballistic separation, and optical sorting, in order to automatically separate the various components for recycling. Their modular design could make it possible in future to sort materials that are not currently recovered, such as food trays, yogurt pots, and plastic wrap.

1.4.2.1.2.8 Slag recovery

At three of its sites (La Dominelais, La Croix Irtelle and Sénerval), Séché Environnement operates slag recovery facilities to remove ferrous materials and allow the maturing of slag produced in household waste incinerators. The recovered materials are used in steelmaking or in roadbeds as a substitute for quarry aggregates.

1.4.2.1.3 Energy recovery

1.4.2.1.3.1 Energy recovery: one of the Group's key strengths

Energy recovery is more desirable than disposal, which is reserved for waste that cannot be reused or recycled. The Group is active in renewable energy and energy recovered from waste in the form of heat (steam or hot water) and electricity.

Solid recovered fuel (SRF)

Energy recovery from non-recyclable waste (SRF: Solid Recovered Fuel) is inseparable from the target to reduce landfill by 50% by 2025, set by the French law on Energy Transition for Green Growth (LTECV).

The goal is to take advantage of the calorific value of certain waste that cannot be recovered in material form, while reducing the environmental impact of its thermal oxidization in light of its chemical composition. SRF can only be prepared after preliminary waste sorting with a view to recovering materials in order to adhere to the hierarchy of waste processing methods set by the Waste Framework Directive.

As such, the waste streams eligible for SRF preparation are sorting by-products of economic activity waste or residual household waste and homogeneous industrial waste, that cannot be recovered in material form, are not an identified source of pollution, and have calorific potential. This waste

mainly consists of sorting rejects, but also very mixed waste that is too small for recycling (wood, paper, cardboard, plastic wrap), or multilayer materials, dark plastics, etc.

Since 2017, the Changé site has had the first unit in France dedicated to recovering heat from SRF, which meets the energy needs of a district heating system. It was designed and built with an industrial ecology approach. To optimize the use of the SRF, the furnace is used alongside biogas recovery to cover the needs of the agricultural cooperative Déshyouest in summer and to heat water for Laval's district heating system in winter via a 10 km pipe that runs between Changé and Laval.

Energy recovery from waste through incineration in cities and industrial areas

Incinerators are used to eliminate toxicity (particularly for hazardous waste) and reduce the volume (about 70% of the mass of the incoming waste and 90% of the volume, for household waste) of waste, while producing energy. The technical design of the Group's plants depends on the type of waste to be incinerated at each site. In particular, the type and size of the furnace (rotary, fluidized bed or grate technology) depend on the solid-to-liquid ratio and their calorific value.

The principle of this energy recovery is based on the self-combustion of waste (no extra fossil fuels burned during operation, only during the ignition phase) with a very high flue gas temperature (850 to 1,100 °C for 2 seconds) to destroy toxic molecules. The heat of the flue gas is then recovered through heat exchange in a boiler, while the flue gas is cleaned using various technologies. This results in the recovery of both electricity (through turbines and a generator that use the superheated steam produced in the boiler) and heat (by sending the steam coming out of the turbines to industrial or district heating systems, or to agricultural cooperatives).

Methane recovery in rural facilities

Landfilling of household waste and similar is only used for final waste, that is the portion from which materials cannot currently be recycled or recovered.

Biogas resulting from the fermentation of the organic fraction of the stored waste is captured over time and recovered in the form of renewable energy. It is converted into electricity using turbines (Changé, Montech) and generator sets (Calais, Le Vigeant, La Croix Irtelle, and Montech) while the heat is recovered using a boiler.

Energy use and production

Growth prospects stem from the volume and mix of waste to be received from customers.

In GWh/year	2020	2021	2022		
	France		France	International	Worldwide
Energy generation	1046.7	1,232.4	1,234.2	0.1	1,234.3
Outside energy sales	874.3	1,067.8	1,069.0	-	1,069.0
Own use	172.4	164.6	165.2	0.1	165.3
Percentage of renewable energy (*)	34.1%	34.3%	32.6%	100%	32.6% <input checked="" type="checkbox"/>
Percentage of recovered energy (unavoidable)	65.9%	65.7%	66.9%	0%	66.9%
Energy consumption¹	481.9	488.8	500.6	97.7	598.3
Own use	172.4	164.6	165.2	0.1	165.3
Energy purchased	309.5	324.2	335.4	97.6	433.0
Self-sufficiency rate as a %	217%	252%	247%	0%	206% <input checked="" type="checkbox"/>

(*) Energy from biomass is considered to be renewable and is interpreted in the industry as being energy produced from biogas or 50% from household waste incineration (percentages set by the French Environment and Energy Management Agency "ADEME").

The drive to increase the energy produced in France is real, but these techniques are still emerging in the countries where it operates internationally. This trend will change in the medium term as these countries develop and waste recovery techniques improve.

The Group produces final waste, which is merely what remains after the treatment of 2,961 kt of waste, since it does not itself generate waste, but rather extracts value from it, reduces its volume and concentrates its hazardous nature into "waste of waste", which is then placed in a secure landfill, insulated from any contact with the biosphere.

1.4.2.1.4 Management of waste generated from our activities

Statistics are based on the European distinction in waste terminology (R = Recycling and D = Disposal).

Production of secondary raw materials and waste:

Waste production

In kt (criterion D)	2020	2021	2022		
	Worldwide		France	International	Worldwide
Hazardous waste (HW)	123.8	125.4	127.6	7.9	135.5
Non-Hazardous Waste (NHW)	78.5		61.8	0.4	62.2
o/w tonnage transferred to another Group center					
Hazardous waste (HW)	89.0	84.1	90.4	1	91.4
Non-Hazardous Waste (NHW)	21.9	15.5	13.9	-	13.9

Waste recovery

In kt (criterion R)	2020	2021	2022		
	Worldwide		France	International	Worldwide
Hazardous waste (HW)	24.1	25.8	16.4	6.0	22.4
Non-Hazardous Waste (NHW) ²	153.1	186.2	178.4	0.4	178.8
Total	177.2	212.0	194.8	6.4	201.2

¹ The 2020 and 2021 data have been modified because additional consumption and sites that are not facilities classified for environmental protection purposes have been added to the consolidation scope.

² Data entry errors in 2020 and 2021 has been corrected.

1.4.2.1.5 Material consumption

The operations with the highest material consumption per metric ton of waste are landfilling and stabilization, followed by treatment (physico-chemical and incineration). Consumption of raw materials varies based on the nature of the waste being treated (reagents or “chemicals”) or the work being done (landfill facilities under construction or

“public works materials”). Some of the raw material needs are covered by the Group’s internal recycling of sorted and treated waste that can be used as raw materials for its own operations.

The list of materials comprising this consumption incorporates products involved in calculating Scope 3 greenhouse gas emissions.

Consumption in kt	2020	2021	2022		
	France		France	International	Worldwide
Raw materials purchased (chemicals)	30	28	29	19	48
Raw materials purchased (public works)	145	186	170	336	506
Total raw materials purchased	174	214	199	355	554
Secondary raw materials used (chemicals)	3	4	4	-	4
Secondary raw materials used (public works)	80	140	106	1	107
Total secondary raw materials used	83	144	110	1	111
Total material consumption	257	358	309	356	664
Percentage from waste	32.2%	40.3%	35.6%	0.2%	16.6%
Share of waste in materials used for chemical purposes	9.7%	13.3%	12.8%	0.2%	8.2%
Share of waste in materials used for public works	35.5%	43.0%	38.4%	0.1%	17.4%

1.4.2.2 Goals and action plan

Séché Environnement aims to increase its contribution to the transition to a circular economy by recycling more waste, improving its energy performance and recovering more energy from waste. All of these actions also help to achieve the climate change mitigation goals (see action plan in section 1.4.3 Climate Change Mitigation).

1.4.2.2.1 Energy recovery and material recovery

In line with the decarbonization strategy, Séché Environnement plans to increase the quantities of material recovered from waste as well as the energy produced on its sites.

By producing and placing recycled material on the market, Séché Environnement enables its customers to drastically reduce their CO₂ emissions. Given the scarcity of resources, the recovery of used raw materials from products that are

directly reusable by the industry means that the Group is part of a circular economy approach and offers solutions adapted to its customers’ decarbonization initiatives. Séché Environnement’s goal in terms of material recovery for 2025 is to increase the tonnage of regenerated products by 40% compared to 2020.

The electricity, steam and biogas produced by industrial activity enable Séché Environnement’s customers, both companies and local authorities, to reduce their fossil fuel consumption and, as a result, their carbon footprint. Several energy recovery units operated by the Group will also increase their heat, steam or hot water recovery capacity. The recovered energy will then be injected into district or industrial heating systems. The Group is also working to recover biogas in the form of biomethane. Finally, the Group is increasing its solid fuel recovered fuel (SRF) production capacity. Séché Environnement aims to increase its renewable and recovered energy production by 40% in 2025 compared to 2020.

1.4.2.2.2 Energy performance

Séché Environnement has set a target to reduce its energy consumption by at least 10% by 2025 compared to 2020, in addition to initiatives to increase self-consumption, replace fossil fuels with lower-carbon energy, and improve energy efficiency.

Firstly, the Group's precise ambition is to achieve a 10% reduction in energy consumption on each site through behavioral changes and investments. With regard to industrial and service buildings, these changes focus on heating, lighting and office equipment. For industrial processes, they target air production, cooling, heat production, leachate and biogas management, as well as the optimization of the use of production and transportation vehicles.

Secondly, the Group is prioritizing the use of energy recovered at its sites, which has a lower emission factor than other purchased energy. At the same time, the Group is seeking to replace the fossil fuels it uses with less carbon-intensive energies (from fossil or non-fossil sources). It is implementing an electrification policy aimed at replacing fossil fuels with electricity as soon as possible. Furthermore, the Group is replacing fossil fuels such as fuel oil with lower-carbon fuels like liquefied petroleum gas and natural gas. It also uses biofuels for its vehicle fleet.

In addition to its energy reduction plan and substitution initiatives, the Group is seeking to increase its energy efficiency. Séché Environnement aims to balance energy consumption and energy expenditure, which can be optimized through the use of more efficient technologies.

1.4.3 CLIMATE CHANGE MITIGATION

1.4.3.1 State of play

It is essential that Séché Environnement knows about all of its greenhouse gas emissions in order to reduce them. The Group continues to add to the knowledge gathered about its carbon footprint in the past, and submits its climate data to the Carbon Disclosure Project (CDP). The CDP aims to facilitate companies' transparency and improved performance with regard to reducing their environmental impacts. For this first questionnaire, the Group received a C rating on a scale from A to F. This initial rating recognizes the accuracy and transparency of the climate data produced and submitted by Séché Environnement, and should improve over time.

1.4.3.1.1 History

Séché Environnement's greenhouse gas (GHG) emissions have been monitored for some time. Since 2011, its greenhouse gas emissions reports (BEGES) have been carried out by an independent service provider using a methodology aligned with the GHG Protocol and Bilan Carbone®. The reports are calculated automatically from activity data collected on a site-by-site basis via a continually updated non-financial reporting tool.

In accordance with regulatory requirements, the operating scope used is all direct GHG emissions (Scope 1) and indirect emissions related to energy (Scope 2). The Group calculates the main indirect emissions (Scope 3), emission reductions

outside its scope (avoided emissions), and the emissions abated as a result of its activity (abated emissions). The geographical scope is international.

1.4.3.1.2 Consolidation

The Group is pursuing a policy of continuously deepening its knowledge of its direct and indirect GHG emissions. Across the Group, this policy is reflected in the systematic incorporation of new sites into the scope of the BEGES calculation. At site level, the Group aims to gradually extend the calculation of its indirect emissions to all Scope 3 items and increase the calculation of certain indirect emissions items that have historically been calculated.

The same logic applies to the calculation of emissions avoided through the recovery of materials and energy from waste. Firstly, the Group is gradually extending this calculation to new sources of avoided emissions. Secondly, in the absence of a benchmark for calculating avoided emissions for the waste management sector, the Group seeks a detailed view of these emissions by submitting its calculation methodologies to independent experts.

This policy is supported by the third-party expertise of Carbone 4. Its critical review of the BEGES in 2021 identified its strengths and areas for improvement. In addition, the Group conducts investigations into specific emissions sources, such as emissions linked to hazardous waste incineration.

1.4.3.1.3 Direct emissions (Scope 1) and indirect emissions related to energy (Scope 2)

The Group accounted for around 1,113,845 metric tons of CO₂e fossil fuel emissions (Scopes 1 and 2) in 2022, of which 88% came from France. Fossil fuel emissions are those corresponding to the “long carbon cycle” and come from

reserves formed on geological time scales. The additional GHGs emitted are biogenic carbon, derived from biodegradable materials over short cycles (time scale <100 years). Their effect on the climate is considered neutral, as CO₂ emissions were offset by an equivalent prior assimilation.

In ktCO ₂ e ¹	2020			2021			2022		
	France	International	Group	France	International	Group	France	International	Group
Bilan Carbone® – fossil	618.8	84.6	703.4	646.8	93.1	740.0	617.8	86.1	703.9
Bilan Carbone® – biogenic	376.0	6.6	382.6	388.0	6.3	394.3	404.5	5.5	410.0
Bilan Carbone® – total	994.8	91.2	1,086.0	1,034.8	99.4	1,134.3	1,022.3	91.6	1,113.9

The Group’s fossil fuel emissions (Scopes 1 and 2) stem mainly from the incineration of hazardous waste and the incineration of non-hazardous waste.

1.4.3.1.4 Indirect emissions (Scope 3)

Item	In KtCO ₂ e ^q	2020	2021	2022
		France		
8	Emissions related to energy not included in items 1 to 7	N/A	14	12
9	Purchases of products and services ²	103.1	84.7	164.8
11	Waste	N/A	117.6	79, 2
12	Inbound freight	N/A	N/A	9
13	Business travel	N/A	N/A	0.22
19	End-of-life of products sold	N/A	N/A	21.6
22	Commuting	N/A	N/A	11.3

1.4.3.1.4.1 Purchase of products and services

As of this year, the Group calculates emissions related to all purchases of goods and services in France. In total, this item amounts to 164,778 tCO₂e^q.

Within this item, the Group more precisely calculates emissions related to the purchase of raw materials for public works, mainly used for the construction of landfill facilities (clay, stones, etc.) and to inert hazardous waste (hydraulic binders), as well as the emissions related to the purchase of chemical raw materials, which primarily include reagents for incinerator flue gas treatment, water treatment plants, or physico-chemical treatments. Overall, raw materials for chemical use and for public works are estimated to emit 144,599 tCO₂e^q (France).

1.4.3.1.4.2 Waste

As of this year, the Group calculates the greenhouse gas emissions generated by the end-of-life of the waste it produces itself. This item corresponds to approximately 79,225 tCO₂e^q (France).

1.4.3.1.4.3 Energy

The Group calculates energy-related emissions not included in items 1 to 7. In 2022, these emissions amounted to approximately 11,919 tCO₂e^q (France).

1.4.3.1.4.4 End-of-life of products sold

As of this year, Séché Environnement calculates emissions related to products sold (solvents, synthesis intermediates, bromine, chemicals). In 2022, they were estimated at 21,566 tCO₂e^q (France).

1 As part of a continuous improvement process, the 2020 and 2021 BEGES have been recalculated by improving certain input data (some activity data has been corrected and the emission factors have been updated).

2 Redefinition of the item to include goods and services

1.4.3.1.4.5 Business travel

As of this year, Séché Environnement calculates emissions related to business travel by train, plane and car. These emissions totaled 224 tCO₂eq in 2022.

1.4.3.1.4.6 Commuting

As of this year, Séché Environnement calculates emissions related to employee commuting. These emissions totaled 11,395 tCO₂eq in 2022.

1.4.3.1.5.1 Avoided GHG emissions

In ktCO ₂ eq ¹	2020			2021			2022		
	France	International	Group	France	International	Group	France	International	Group
GHG emissions avoided by energy recovery activities	98.4	0	98.4	144.2	0	144.2	143.5	0	143.5 ²
GHG emissions avoided by material regeneration activities (solvents, bromine, HGWP gases)	159.4	64.1	223.5	177.8	57.0	234.8	175.8	41.6	217.4 ²
Total	257.8	64.1	321.9	322.0	57.0	379.0	319.3	41.6	360.9²

In 2022, the Group accounted for 360,959 metric tons of avoided emissions. The main sources of avoided emissions are energy recovery and high value-added recycling.

1.4.3.1.5.2 Emissions abated

The Trédi site in Saint-Vulbas has a plant that processes industrial gases with high global warming potential. These gases include liquid refrigerants used in industrial air conditioning systems such as chlorofluorocarbons (CFCs), halons, or gases such as sulfur hexafluoride (SF₆), used in the energy industry, as an insulator.

1.4.3.1.5.3 Abated GHG emissions

In ktCO ₂ eq ²	2020	2021	2022
GHG emissions abated from industrial gases treated	3,952	4,457	3,706

Among the various gases, a higher proportion were alkanes. However, databases contain no abatement factor (global warming potential) for these gases, so they are not counted

1.4.3.1.5 Avoided emissions

Séché Environnement's circular economy activities result in avoided emissions for its customers, as they allow them to replace fossil fuels with low-carbon resources. They are measured against a baseline scenario and are accounted for separately.

Industrial and specific gases processed by Trédi Saint-Vulbas have global warming potential (GWP) that can range from 5,000 to 25,000 times that of CO₂. For example, SF₆ has a GWP of around 25,000 times that of CO₂ over 100 years, potentially making it the most powerful greenhouse gas.

In 2022, the thermal treatment of these gases reduced emissions by 3,706 ktCO₂.

as avoided GHGs. These figures vary from year to year depending on the volumes abated and the type of gases treated.

1 As part of a continuous improvement process, the 2020 and 2021 BEGES have been recalculated by improving certain input data (some activity data has been corrected and the emission factors have been updated).

2 As part of a continuous improvement process, the 2020 and 2021 BEGES have been recalculated by improving certain input data (some activity data has been corrected and the emission factors have been updated).

1.4.3.2 Goals and action plan

Séché Environnement has set goals for reducing its emissions and the emissions of its industrial and local authority clients.

1.4.3.2.1 Reducing our emissions

Séché Environnement has set two goals for reducing its GHG emissions in line with the Paris Agreement, which aims to limit the increase in temperatures to a maximum of 2°C. The achievement of these goals is based on a quantified action plan.

The first commitment of Séché Environnement's decarbonization strategy is to reduce its fossil fuel emissions by 25% by 2030 compared to 2020, and by 10% by 2025 compared with 2020. This goal relates to 2020 fossil fuel emissions (Scopes 1 and 2) in France, which accounted for 95% of the Group's emissions in 2020. Séché Environnement's ambition is to turn its sites into low-carbon waste recovery solutions.

These two reduction goals were jointly identified by Séché Environnement and Carbone 4 to ensure that they are in line with the science. In the absence of a reference framework for the waste management sector within the Science Based Targets initiative (SBTi), the reduction goals were set based on proprietary scenario analyses and global (IPCC, IEA, etc.), national (French National Low Carbon Strategy) and local scenarios (Regional Sustainable Development and Territorial Equality Programs, Regional Waste Prevention and Management Plans). In January 2022, the SBTi certified the aim to reduce GHG emissions by 25% by 2030 compared to 2020.

From an economic and climate point of view, the Group's actions to reduce emissions include, for example, improving its energy performance through energy reduction, energy efficiency and the use of renewable and recovered energy (see action plan in section 1.4.2. Circular economy and recovery of materials and energy) and combating diffuse greenhouse gas emissions.

In this latter area, Séché Environnement implements a policy to combat diffuse biogas emissions. Biogas is derived from the natural fermentation of organic waste within its non-hazardous waste landfill facilities. The first priority of this policy is to improve the Group's knowledge of its biogas-emitting facilities. The objective is both to identify biogas leaks using mapping tools and to measure them through diffuse emission quantification programs. The second priority is to reduce these biogas leaks by continuously taking corrective action and adapting operations.

Séché Environnement also manages waste in the form of gas. Some of the special gases (e.g. SF₆, HFC, CFC) processed and regenerated by the Group have very high global warming potential (GWP). The thermal treatment of gases in a contained environment can occasionally result in leaks, which the Group actively works to combat.

1.4.3.2.2 Helping society to avoid emissions

Alongside reducing emissions caused by the Group's activity, Séché Environnement is committed to reducing emissions outside its operations. The Group's goal is to increase avoided emissions by more than 40% by 2025 in France. To achieve this, Séché Environnement has set itself targets to increase the recovery of materials from waste (bromine, solvents, plastics) and the recovery of energy from waste (see action plan in section 1.4.2. Circular economy and recovery of raw materials and energy).

1.4.4 CLIMATE CHANGE ADAPTATION

1.4.4.1 State of play

Climate change adaptation is a recent focus of the Group's sustainable development policy. A preliminary analysis of climate risks has enabled it to outline initial climate resilience solutions.

Recent exploration of climate change adaptation

Although the subject had already been identified in its previous materiality analyses, the Group's participation in the OCARA (Operational Climate Adaptation Resilience Assessment) program in 2021 enabled it to make progress in assessing its resilience. In 2022, Séché Environnement was selected to be part of the cohort of beta testers for the Act for Adaptation Road Test, a methodology assessing adaptation strategies. As a result of this external input and background work, the Group has established an "internal proto-strategy" on climate change adaptation.

Analysis of exposure and vulnerability to climate risks

First of all, the analysis focused on exposure to physical and transition risks, at Group level and site level. The identification of both physical and transition climate risks was based on a review of the literature, existing tools on the subject, and initial testimonials from the field. This was set out in a map of the main physical risks to which the industrial sites are exposed.

Séché Environnement supplemented this exposure analysis with a study of the sites' vulnerability to the physical risks, cross-referencing the data related to risk exposure with sensitivity and resilience parameters specific to the Group and its business lines. Particular attention was paid to the risk of drought, as a result of the desire to protect sites from an already noticeable risk that will increase in the future.

Ultimately, the Group has put in place a system for monitoring short- and long-term climate risks, as a function of a number of risk characteristics, such as type (physical/transition), nature (acute/chronic), and cause (ground movement, change in regulations, market developments, drought, cultural upheaval, heat, etc.), as well as the resources affected (financial, human, intangible, etc.), the position in the value chain (supply, operations, etc.), and the solutions available internally to deal with them. In addition,

an assessment of the financial impacts of certain climate risks was conducted, based on concrete scenarios, together with the identification of business opportunities related to climate change. This first step was essential for the initiation of an adaptation process, in order to work towards mitigating risks and seizing climate opportunities.

1.4.4.2 Goals and action plan

The Group's first area of climate change planning relates to combating the risk of drought, with the aim of reducing both overall consumption and dependence on water consumption, which is subject to restrictions during periods of drought. The objective of the plan is to achieve a 10% decrease in mains water consumption on each industrial site.

These initial actions are accompanied by the creation of an overall climate change adaptation strategy based on four pillars:

- **Knowledge.** Our goal is to increase overall knowledge of risks by ranking them (according to criteria of probability, frequency, impact and degree of importance for our stakeholders) and quantifying them in order to set aside budgets dedicated to adaptation and climate risks. In addition, the space-time aspect of the analysis must be strengthened through climate scenario projections.
- **Sharing.** This pillar relates to raising awareness, that is, disseminating best practices and knowledge at different levels, via a dual communication policy - general for all employees and more specific for the Operations division.
- **Governance.** Internally, a governance system must be developed for climate change adaptation so that the subject of adaptation, risks, and opportunities is better incorporated into decision-making processes, action plans, and regulatory risk mapping. Externally, the aim is to make progress in involving external stakeholders in the strategy.
- **Action.** The goal is to improve real-time monitoring of the main risks and develop adaptation solutions aimed at reducing the dependence of sites on certain climatic conditions, increasing the robustness of infrastructures, and ensuring the overall redundancy of our activities. As such, adaptation actions are gradually being added to the Group's decarbonization action plan.

1.4.5 BIODIVERSITY PROTECTION AND SITE REHABILITATION

1.4.5.1 State of play

1.4.5.1.1 Protecting biodiversity

For Séché Environnement, biodiversity relates to the protection of the environment around the Group's sites, the management of ecosystems and the preservation of endemic and threatened species.

A double materiality analysis was conducted to measure how dependent the Group's activities are on the environment and the impacts they have on biodiversity. Through the prism of the five factors of pressure on biodiversity, this approach highlights both the Group's impacts on the living environment, such as its land use, and the Group's contributions to the environment. These include the policies that Séché Environnement promotes internally and the environmental services it offers to its clients. Séché Environnement thus exerts local and global pressure due to its activities, but also contributes to reducing its own impacts and those of its customers by managing and recovering waste, decontaminating and rehabilitating sites, and responding to environmental emergencies.

Séché Environnement takes into account its impact on biodiversity at all stages of the Group's development. This ranges, for example, from the creation of "ecologically sensitive areas" to support for internal operators and external customers, and the setting up of rehabilitation and rewilding projects.

Going beyond regulatory requirements, this historical approach represents a strong value within the Group and is linked to a corporate culture that Séché Environnement has consolidated over the years. The Group must therefore set an example in these areas in order to maintain its environmental excellence and increase the added value linked to its services. The Group has also decided to link its voluntary biodiversity protection commitments to green finance, which means that non-compliance with our commitments could have consequences for our financial footprint as well as our reputation.

1.4.5.1.2 Structure of the Biodiversity unit

The Biodiversity unit reports to the Sustainable Development department. It is made up of a team of six ecologists with various backgrounds enabling the development of a range of skills from field diagnostics to the coordination of biodiversity and landscape projects. The team also has an operational remit through the arrangements made to maintain and rewild sites according to the biodiversity issues identified, as well as the ecological potential defined internally, linking landscape, ecological infrastructure and biodiversity. The ecologists are responsible for monitoring the biodiversity of the sites by means of indicators and protocols issued by the French National Museum of Natural History (MNHN), and they also work on data mapping (SIG) to produce georeferenced reports.

The biodiversity unit works to meet regulatory requirements and also implements voluntary commitments to promote biodiversity. In conjunction with the sites, the ecologists draw on advice from internal support services (safety, communication, environment, etc.) as well as external stakeholders in order to increase the areas of expertise and receive support from experts in the scientific community at a local, national or international level, such as the League for the Protection of Birds (LPO), France Nature Environnement (FNE), and the MNHN.

The fact that the biodiversity unit is attached to the Sustainable Development department means that the biodiversity strategy is firmly anchored at senior management level, as part of a cross-functional approach to strengthen this long-standing corporate culture and develop it in line with the other challenges of the ecological transition.

1.4.5.1.3 Longstanding commitments and organization

Séché Environnement's act4nature voluntary biodiversity commitments provide tools for organizing and measuring biodiversity preservation in the local areas around 17 of its operating sites (2019-2022 cycle). Act4nature is the organizational extension of the Group's voluntary involvement in France's National Biodiversity Strategy, which was recognized by the Ministry of Ecology for the 2013-2016 period.

The link which unites the Group with the biodiversity surrounding its sites is all the stronger because, as a significant landowner, the Group is able to implement coherent actions for the preservation and monitoring of animal and plant species. The Group has used its own indicators to measure its performance for several years:

- Monitoring of amphibians, birds, and bats according to MNHN protocols, and of odonates according to a simplified dragonfly and damselfly monitoring protocol (STELI).

Bird count results

	Changé	Montech	Le Vigeant	La Bistade	La Dominelais	La Vraie Croix
2022	42	47	66	40	38	44
2021	43	46	60	45	40	37
2020	46	nc	63	48	41	37

nc: not counted

- inventory of hedge planting, afforestation and/or sowing (which includes mandatory and non-mandatory

compensation) for rehabilitation of sites with reporting on georeferenced map;

Planting and sowing in France

	Trees planted
2022	1,292
2021	110
2020	1,010

- Photographic monitoring of the integration of all landfill facilities into the surrounding landscape.
- Measurement of the ecological footprint since 2015 as part of the ECOCERT Biodiversity Commitment certification, including annual mapping of the footprint.

This monitoring allows the Group to identify trends in biodiversity in certain areas following compensatory measures or voluntary adjustments to protect biodiversity.

These actions are implemented in line with the initial inventory and ecological potential (blueprints linking landscape and biodiversity) established jointly by the operator and the local ecologist.

The actions implemented include:

- alternative management initiatives such as grazing by cattle, goats, and sheep, and the adjustment of grass-cutting and/or wood chipping periods;
- creation or restoration of ponds and wetlands;
- development of micro-habitats, construction of insect hotels, encouraging the conservation of dead wood;
- installation of birdhouses and bird feeders;
- creation of pockets of unmanaged areas in forests;
- preservation of wildlife refuge areas (internally known as ecologically sensitive areas).

Adjustments to land use according to the biodiversity issues identified in advance thus encourage biodiversity. The flora and fauna inventories produced may also be used as communication materials for building awareness of local biodiversity preservation.

Séché Environnement is committed to working alongside nature and to recognizing and preserving its wealth, while adapting locally with a territorial ecology approach.

This approach involves all members of staff and local stakeholders. It is reflected in both real conservation actions and in initiatives to raise awareness in schools of the importance of biodiversity, through simple educational actions such as sponsoring the League for the Protection of Birds' 2022 "Ephéméride de la biodiversité" resource.

1.4.5.1.4 Confirmation and reiteration of public commitments

Séché Environnement has been involved in the "act4nature" scheme overseen by the EpE association, which has given companies the opportunity to act to promote biodiversity. In 2018, 65 companies committed to incorporating biodiversity into their overall strategy, with 10 shared commitments, as well as voluntary individual commitments.

In 2019, "act4nature" was split into two organizations:

- EEN – act4nature France, overseen by the French Ministry of Ecological Transition and financed by the French Office for Biodiversity, whose remit is limited to France.
- Act4nature international, sponsored by EpE, with the support of MEDEF and AFEP, associations of French companies of all sizes.

Séché Environnement joined both schemes, which provide support in rolling out the initiatives in both France and around the world.

1.4.5.1.5 Review of 2022 action - act4nature

Séché Environnement's voluntary commitments are defined Group-wide, but action plans are co-developed in a decentralized way, to promote field initiatives for better adaptation to local issues and high levels of appropriation by the players involved. Coverage is international, with 15 sites in France, one site in Peru and one in Spain.

The Sustainable Development department and the biodiversity unity provide the link between local initiatives and senior management. Each of the sites committed to the initiative has a biodiversity ambassador whose role is to implement four commitments, under the responsibility of the local management team.

1 - Place biodiversity actions on a space-time continuum of improvement: actions with medium- to long-term impact on the basis of the biodiversity inventory of the site.

2 - Make biodiversity a cause that will bring people together within the Group: encourage employees to become more interested in biodiversity.

3 - Use biodiversity as a lever to inspire stakeholders: implement projects with an external stakeholder.

4 - Develop awareness of how peoples' lifestyles can impact our planet's biodiversity: raise employee awareness on a topic in three stages 1) tell, 2) show and 3) act.

Séché Environnement's act4nature commitment started in 2019 on a renewable four-year cycle. The objective was to achieve an average of 25% of the various commitments each year until 2022. This year, for the finalization of the commitment cycle, the Group managed to achieve its objectives as planned.

All of the committed sites actively contributed to the successful completion of the commitments. Throughout this cycle, different levels of maturity on the sites have been observed, which will make it possible to improve the organization of voluntary initiatives by taking inspiration from exemplary sites. During this period, non-committed sites interested in reproducing voluntary actions to protect biodiversity were identified; as proof of the enthusiasm that its actions have generated, Séché Environnement is ready to embark on a new cycle of commitments with more sites involved for the 2023-2027 period.

1.4.5.1.5.1 The new cycle (2023-2027)

The goal for the new cycle is to continue with the positive approaches identified by increasing the quantity and quality of initiatives: increasing the number of sites involved, focusing more on the setting up educational facilities and micro-habitats, and strengthening local ties. A good example of this is the inclusion of Commitment 3 in the new cycle in the form of the creation of a collaborative project with stakeholders.

In all, 30 sites (25 in France and 5 abroad) are joining this voluntary initiative, based around three commitments, which involve tangible, multi-faceted actions:

1 - Knowledge and Action

This involves designing and creating habitats that are favorable to biodiversity on the sites, based on a preliminary biodiversity diagnosis. Possible actions include creating main habitats (e.g. ponds, hedges, wooded areas, wetland meadows, etc.), microhabitats and amenities (e.g. piles of dead wood for microfauna and insects, rockeries favorable to reptiles, aromatic spirals, etc.); adapting the maintenance schedule - in other words implementing sustainable management; conserving areas accompanied by educational materials, etc.

2 - Education and Awareness

This commitment aims to drive transformative change by raising awareness among employees and/or stakeholders of the challenges of protecting nature - in their garden, on the site, regionally or even globally. Action under Commitment 2 consists of a cycle of at least five awareness-raising activities that develop biodiversity issues in a scientific, fun, and hands-on manner. This can take various forms, such as videos, presentations, workshops, exhibitions, local partnerships with associations specializing in environmental education, etc.

3 - Commitment at every level

As in the first cycle, this last commitment promotes biodiversity on a regional level through collaborative projects carried out by the sites, with local stakeholders such as municipal councils, nonprofits, companies, and schools, on the subject of biodiversity. Examples include the creation of a nature area or discovery trail, an exhibition, a film, a multi-company scheme to manage green space, a volunteer day, etc.

A biodiversity ambassador on each site and the team of ecologists support the project, creating a collaborative dynamic with employees and local people. The actions implemented will be audited annually.

1.4.5.1.5.2 Biodiversity: one of the criteria of the ESG impact loan

By incorporating biodiversity into its business strategy, Séché Environnement was able to use the execution of its biodiversity action plan as one of the three ESG (environmental, social, and governance) criteria used to set the interest rate reduction/penalty applied to its ESG impact loan taken out in 2018. This is an example of "green finance".

The criterion to be met is progress of 25% in terms of the Act4Nature commitments each year from 2019 to 2022. The achievement of this goal was confirmed in an audit by an independent third party, which issued a certificate to this end.

We completed the cycle with 17 committed sites (15 in France, one in Spain and one in Peru), of which only the French sites are subject to the ESG impact loan. The Béarn Environnement site was removed from the scope in 2020. In 2022, more than 85 actions were taken to promote biodiversity as part of these voluntary actions.

Rate of progress on Act4Nature commitments	50%	75%	100%
Number committed 1			19
Number committed 2			32
Number committed 3			17
Number committed 4			17

1.4.5.1.6 Patronage of science and nonprofits

Since 2019, Séché Environnement has signed various partnership and patronage agreements, reflecting a shared commitment to preserve diversity by three types of players - scientists, NGOs, and business:

- With the MNHN, relating to reducing pollution, and marine pollution in particular, and with the Marinarium in Concarneau, through sponsorship of its educational program. This sponsorship has been extended until the end of 2023; then in 2022, a patronage agreement to support the first "Living World and Earth Days" run by the Biogé association with Marc André Sélosse, president of the association, on the subject of soils and nature in towns. The days were held from May 20 to 22, 2022 in Rouen, France. The total amount spent on these patronage agreements in 2022 was €25,000.
- With France Nature Environnement, to address concerns relating to biodiversity in the Group's policies and the definition of concrete solutions to preserve biodiversity applicable locally, regionally, and nationally. The theme for 2022 is light pollution. Séché Environnement's commitment this year is €20,000.
- With Robin des bois, by contributing €38,000 for the publication of the quarterly newsletter "A la Trace", which provides information and analysis regarding the poaching and smuggling of endangered animal species around the world.

- With the French League for the Protection of Birds (LPO), through the “Des terres et des ailes” program. This program, initiated by the LPO in partnership with the chambers of agriculture at the end of 2018, calls for farmers to take part in a collective project and publicize their efforts to preserve biodiversity. In 2022, Séché Environnement also supported the launch of the 1st “Ephéméride de la biodiversité” designed by the LPO for primary schools in particular. This tool enables teachers to raise awareness of a different biodiversity topic every week, with a practical and concrete application to carry out with the young people. The LPO also supports Séché Environnement in its voluntary commitments and its biodiversity action plan. The shared objective is to advance the preservation and regeneration of biodiversity in industrial and associated activities and to disseminate biodiversity best practice and knowledge. This amount spent on this patronage in 2022 was €25,000, plus €30,000 on the action plan.

1.4.5.1.7 Biodiversity management certification by ECOCERT Environnement

In 2015, Séché Environnement was awarded Biodiversity Commitment certification for all its landfill facilities by ECOCERT Environnement. This certification defines and structures a framework for meeting the needs and expectations of the “biodiversity” challenge in standards (ISO 14001, ISO 26000), non-financial rating systems, and other regulations (Article 225 of the French Commercial Code). It allows the Group to measure its ecological footprint and to take a proactive approach of continuous improvement to promote biodiversity at the six certified sites that occupy the largest land area.

The six characteristics of Biodiversity Commitment certification are as follows:

- i. Universal certification that can be adjusted to all types of organizations worldwide (small or large company, local authority, territory, natural park, or conservation area).
- ii. Certification that treats local biodiversity as the biodiversity affected along the organization’s entire value chain, in places directly and indirectly related to its operations.
- iii. Certification that strives to encourage awareness of the role and dependency that organizations have with respect to biodiversity.
- iv. Certification that gets stakeholders involved in order to connect the organization with its local area to share information and learn from experience.
- v. Certification focused on measuring the biodiversity footprint through regular evaluation of the pressure exerted on biodiversity by the organization’s activities rather than focusing solely on the biodiversity inventory at a given moment. This approach encourages ecosystem resilience

and helps to strengthen the durability of those ecosystems’ ecological functions. Certification that prioritizes avoiding and reducing the pressure exerted on biodiversity when carrying on business, by anticipating impacts from as early as the project design phase, not to mention ecological development of infrastructure.

- vi. Certification that promotes continuous improvement in biodiversity performance, enabling each organization, based on its own analysis, to grow more mature and take greater routine action on tools for reducing pressure on ecosystems while generating positive impacts in local areas.

1.4.5.1.8 Decontamination is one of the Group’s core businesses, contributing to the preservation of biodiversity

Through its subsidiary Séché Eco Services, which specializes in environmental services, the Group offers solutions for the decontamination and rehabilitation of industrial wasteland and former landfill sites. Séché Environnement’s technical know-how, skills and high environmental standards enable it to fully support companies and local authorities in the management of contaminated soils, particularly during the phase of responses to invitations to tender and then in the operational phase. Over the last four years, the subsidiary has decontaminated soil on around one hundred sites as part of rehabilitation for new use. Due to its industrial history, there are over 9,000 contaminated sites and soils in France (ADEME, 2021).

In addition to combating pollution, these actions contribute to the recovery of wasteland, thus allowing activity to return to brownfield sites. In the four years from 2019 to 2022, Séché Eco Services rehabilitated around 200,000 m² of land, thus making the equivalent of around 270 football pitches available for new use. This helps to combat two interdependent factors of biodiversity erosion: land take and urban sprawl. This issue is being addressed at government level, via the “Zero net land take” target set for 2050.

In addition, these rehabilitation and redevelopment actions can contain a biodiversity component. What’s more, decontamination doesn’t just allow for industrial rehabilitation; when there is no planned reuse as part of a project, this can lead to rewilding over time. This topic is being developed within the Group with the support of our subsidiary Séché Eco Services, the Biodiversity unit and the Sustainable Development department.

1.4.5.2 Goals and action plan

The Group is conscious of the expectations associated with its biodiversity performance and is working on a Biodiversity strategy and an action plan to create a framework for all actions already in place on its sites.

This strategy, which aims to consolidate the existing actions, will also help drive new initiatives and practices on French and international sites.

Séché Environnement also seeks to bolster its clients' biodiversity actions by offering them support in their

approach and thus share its biodiversity protection and preservation expertise.

The Group plans to announce and formalize its new biodiversity policy in 2023.

1.4.6 SUSTAINABLE WATER RESOURCE MANAGEMENT

1.4.6.1 State of play

Séché Environnement controls its water consumption so as not to increase the pressure on this natural resource, which is already or could later be affected by high levels of water stress. Solutions such as in-house water recycling and collecting rainwater or industrial water on site and on clients' premises offer opportunities for sustainable resource management. This diversification of water sources helps to reduce the impact of the Group's water consumption, reduce its environmental impact, and avoid operating problems for its activities.

The freshwater resource is essential for human life and the well-being of ecosystems, which is why the amount of water collected and consumed, as well as the quality of an organization's discharges, can have significant impacts on the ecosystem and human health. Water mismanagement can lead to regulatory or reputational risks that might hinder the acceptance of activities by the authorities, local populations, and civil society.

1.4.6.1.1 Review of water resources and consumption

Beyond simple sanitary use, some treatment techniques and processes consume significant amounts of water. This is particularly the case for waste treatment or recovery systems. Large-scale water-saving and recycling programs have been implemented over the last few years, leading to a decrease in the volume of water used on the majority of sites.

Withdrawals in France, which accounts for the most of the Group's water consumption

The water comes either from water supply or impoundment systems or is pumped from wells. None of the water sources for our sites is situated in a RAMSAR protected wetland area.

In the absence of an industrial water recycling solution, withdrawing water from aquifers under these conditions has less environmental impact than using water from the public supply system, which has been treated for consumption, which is not always necessary for industrial uses.

Recovery projects have been started at some sites, such as recycling rainwater or using process water for other purposes after treatment. Concerning the management of water (runoff and process water), working areas are watertight, and water is collected and treated on site or at an off-site wastewater treatment plant. Some of the treated water will be re-used on site, either as process inputs, for washing trucks, or for cleaning the site or watering landscaped areas.

The water consumed in France mainly comes from groundwater, which represents 3,207,541 m³, or 85.9%, of total annual water consumption.

1.4.6.1.2 Water returned to the natural environment

Apart from sanitary water, which is systematically taken from the public supply system, some sites are self-sufficient (La Dominelais, for example). In addition, some landfill facilities return more water to the natural environment than they consume. This is mainly due to the fact that they treat rainwater that passes through the site.

A portion of the water released is in the form of steam used in thermal processes. Other water is released (in liquid form) from the Group's various facilities after treatment and specific monitoring for its chemical content. The parameters taken into account include heavy metals, chemical oxygen demand (COD) and suspended solids (see section 1.4.1 Pollution prevention and reduction). The Group closely monitors all facilities subject to E-PRTR regulations.

1.4.6.1.2.1 Water used and returned to the natural environment

In thousands of m ³	2020	2021	2022	
	France		France	International
Consumption by origin				
Withdrawals from groundwater	3,089	3,304	3,162	46
Purchased from public water supply system	477	337	335	44
Other (surface water + demineralized water purchased + closed circuits)	182	128	183	-
Total water consumption	3,747	3,768	3,679	90
Proportion from groundwater	82.4%	87.7%	85.9%	51.0%
Consumption by use				
Incineration	3,613 ¹	3,639	3,514	3.1
Other business lines	134	129	165	86.9
Total water consumption	3,747	3,768	3,679	90
Recycled water (avoiding withdrawals)	147	92	159	11
Return to natural environment				
Total return via wastewater treatment site	2463	2,563	2,339	45
Proportion relative to consumption	65.7%	68.0%	66.5% <input checked="" type="checkbox"/>	59.9% <input checked="" type="checkbox"/>
Net consumption (consumed – returned)	1284	1,205	1,233	36

1.4.6.2 Goals and action plan

Against the backdrop of the current water crisis, and in response to the periods of high temperatures and drought experienced in Europe last summer, Séché Environnement decided to launch a water sobriety plan in 2022 in order to strengthen certain existing measures, but also to share best practices and encourage new initiatives aimed at effectively reducing the impact of the Group's activities.

The water sobriety plan began in September with a macro review of water consumption on our sites. The review was initially carried out at sites consuming more than 1,000 m³ per year (public supply system water, groundwater and surface water). The first objective was to produce a precise picture of water usage and sources, with the intention of obtaining a concrete idea of needs and uses. The second objective was to disseminate best practices, already encouraged by certain sites. Their commitment to this transition facilitated the identification of techniques allowing significant reductions in water withdrawal. The consolidation of the results of this analysis will enable the Group to drive the implementation of an action plan by site, with reductions expected in the short to medium term.

Séché Environnement has set a target to reduce water consumption by at least 10% by 2025 across the Group, applicable on every site. The teams involved in this approach want to focus their efforts on reducing withdrawals from the public water supply system and encourage solutions focused on recovery and reuse.

1.4.6.2.1 Associated performance indicators

Due to the detailed review of all the Group's consumption, we will be able to monitor certain performance indicators associated with the water sobriety plan. All of these indicators will be monitored annually. They will allow the Group to measure its progress under the sobriety plan, as well as its impact on the resource more generally.

The first indicator to be monitored is the one that will determine whether the goal has been achieved: the total water consumption of each site.

The second indicator is the proportion of recycled water use. Water recycling in a closed loop system on sites is a major driver of self-sufficiency. It makes it possible to significantly reduce both impact and dependence on water resources: in the event of water stress, it means that sites will not be caught short by restrictions that might compromise business continuity.

The third indicator selected is water returned to the natural environment in relation to total water consumption.

And finally, as the fourth indicator, the Group will monitor water sources. Sustainable water management involves drawing on the source with the lowest possible impact. Water from the public supply is the most stretched resource because it requires more than one treatment to make it safe for consumption. This potability criterion is often not necessary for our purposes. In these cases, it is therefore entirely possible to replace it with an alternative source that requires little or no treatment (groundwater, surface water, collected water, etc.).

¹ Data entry error corrected

1.5 SOCIETAL ISSUES

This section identifies the societal issues in order of importance according to the results of the materiality analysis, and sets out the state of play regarding this theme, the risk mitigation measures, and the monitoring indicators,

goals and action plans launched or planned. It also contains the Sustainable Development Goals (SDGs) and the targets to which the Group contributes.

Identification of SDGs and associated targets



1.5.1 COMPLIANCE WITH LOCAL OPERATIONAL REGULATIONS

1.5.1.1 State of play

1.5.1.1.1 Regulatory compliance risk

The European Union has put in place a general framework governing the main industrial activities. This framework aims to promote waste reduction at source and prudent management of natural resources and takes into account, where appropriate, the economic circumstances and specific local features of the location where the industrial activity takes place. This European regulatory framework has been transposed into the various national laws of the Member States.

In France, almost all of the Group's waste management sites are facilities classified for environmental protection purposes and are subject to operating permits granted by prefects. At December 31, 2022, Séché Environnement managed 39 classified facilities, including 37 subject to permits. Of these, 16 were subject to the most stringent regulations on industrial risk management (Seveso regulations), and nine were classified as a Seveso upper tier site. Globally, the sites are subject to similar regulations, but under the local laws of the countries where they operate.

The purpose of these regulations is to increase the performance of technology to limit pollution emissions (discharges into the air or aquatic environments), control authorized stocks of hazardous substances, and constantly monitor equipment involving risks through strict standards relating to dust, heavy metals, nitrogen monoxide and dioxins, depending on the techniques implemented (landfilling, incineration, etc.).

The management of hazardous and non-hazardous waste is also subject to a number of European regulations, including Directive 2008/98/CE on waste, known as the Waste Framework Directive, Directive 1999/31/CE on the landfill of waste, Regulation (EC) No 1907/2006 on chemicals, known as the REACH Regulation, and Regulation (EC) No 850/2004 on persistent organic pollutants.

In France, numerous regulatory changes relating to waste management were introduced by the entry into force of the Law against waste and for a circular economy of February 10, 2020, including conditions for the disposal of non-hazardous waste, increased, paperless traceability, the creation of new sectors with extended producer responsibility (EPR), and reform of the EPR regime.

1.5.1.1.2 Risks related to regulatory change

In the event of changes to regulations or case law, the competent authorities have the power to amend the requirements that apply to facilities classified for environmental protection purposes, as well as to the operation of a previously authorized site. If those sites cannot meet those requirements or if the operator violates them, the authorities have the power to issue penalties in the form of administrative or legal and criminal proceedings. Administrative penalties range from fines to the suspension or withdrawal of permits, which may unfavorably affect the Group's image, activities, financial position, earnings, and outlook. Regulatory changes are an opportunity for Séché Environnement in that all players must come into line with best practices: this raises standards in the sector and eliminates non-compliant operators.

1.5.1.1.3 Illustration through the application of the regulation on facilities classified for environmental protection purposes

- Article L.512-7-5 of the French Environmental Code: The prefect may impose additional requirements beyond those that appear in permits already issued, in order to protect the vicinity, health, safety, sanitation, agriculture, nature, the environment, or preservation of the sites.
- Article L.514-6 of the Environmental Code: The towns concerned, groups of towns or third parties may, through legal proceedings, refer a permit to operate a classified facility issued by the prefect to the administrative courts given the disadvantages and expenses that the running of a classified facility entails.

In such a situation, the Group would be exposed to the risk of:

- Increased obligatory regulatory requirements (which could lead to significant costs and investments that hinder the profitability of the business, insofar as the Group might not always be able to pass on these costs by raising its prices). One example is the expansion of financial guarantees for classified facilities from 2014.
- Tighter conditions on operating permits granted by the Prefect's office, and consequently increases in the cost of monitoring these increasingly stringent obligations, as well as stronger administrative controls, which could lead to a risk of operating permits being suspended, revoked, or not renewed.

- A lengthening of the procedures for renewing or modifying operating permits, increasing their costs (in a context of hardening opposition from local populations and nonprofits), without any guarantee of ultimate success.

1.5.1.1.4 Anticipating regulatory developments – application times

Regulatory change usually stems from directives or other European rules which set a deadline for their enactment into national law by member states to give operators time to make the necessary changes.

For example, Directive 2010/75/CE on industrial emissions, known as the IED, imposes a review of the conditions for granting permits for facilities in a given sector when the Official Journal publishes the conclusions of the Best Available Techniques (BAT) for that sector. This occurred following the publication of Commission Implementing Decision 2019/2010 of November 12, 2019, setting out the conclusions on the Best Available Techniques (BAT) for waste incineration (WI BREF). The conclusions follow those applicable to waste treatment published in August 2018.

After over five years of work involving representative industry organizations, the conclusions revise the BAT Reference document on waste incineration, which was published in August 2006. They serve as a strict benchmark for setting emission limit values (ELV) for the facilities concerned (see 1.4.1 Pollution prevention and reduction).

The publication of these conclusions led to a review of the conditions applied to existing permits. Facilities have one year from the publication of the conclusions to submit a review file to the prefect. Facility upgrades to bring them into line with new requirements must be completed within four years of the publication date, i.e. before December 4, 2023. These deadlines allow the company time to complete the necessary studies well ahead of the effective date of the new regulation, including R&D work (see 1.6.2.1.3.1 and 1.6.2.1.3.2 on the NanoCap project for nanomaterials and the ESSAVA project for mercury).

It should be noted that the IED is being revised, in particular to incorporate the carbon neutrality and zero pollution targets announced by the European Commission as part of the "Fit for 55" package of July 2020. This revision will lead to stricter regulatory requirements for classified facilities in the coming years.

1.5.1.2 Goals and action plan

Séché Environnement aims not to receive any formal notice to comply, notice of non-compliance or notice of failure to meet emission limit values defined in its operating permits, where applicable.

A regulatory audit unit (Progrès) comprised of a qualified, independent team reporting directly to the Operations Division, ensures that all parties observe the obligations applying to the Group. It conducts a series of internal audits to identify potential non-compliances and implement corrective actions, with the aim of continuous improvement.

By keeping a constant watch on regulatory developments, the Group seeks to anticipate such developments and often sets more stringent requirements regarding the terms of acceptance of waste and how it is managed, the technical design of each site (continuous improvement), and the conduct of operating units (constant monitoring and measurement).

The Group applies the controls needed to detect any accidental or chronic pollution that could breach regulations. All the Group's sites monitor the impact and effects of their liquid, solid and gaseous discharges.

To facilitate the acceptance of sites by local communities, studies of local wildlife and flora are regularly carried out, either when permits are renewed or extended, on request by government authorities, or to meet legitimate requests by local information and monitoring committees set up by law or on the Group's initiative. This aspect overlaps with the reputation risk management policy (see 1.5.4 Community footprint and local development).

The Group's sites are subject to regular and/or unannounced checks by the competent authorities (in particular by the DREAL, regional environment agencies), which allow it to keep in touch with government departments. In addition, Séché Environnement recommends that its sites be audited by various NGOs, locally or nationally, to ensure compliance with the decrees and the proper management conditions.

Drawing on its track record of excellence in terms of its compliance requirements and keen to associate its local and national stakeholders with its economic development, the Group is able to update its permits whenever necessary in order to anticipate regulatory changes or the needs of its customers. This original approach is an additional guarantee of the sustainability of its activities and the visibility of its model, as demonstrated by the extensions of permits - both in number and duration - obtained by its sites since its creation.

How work is organized has been adapted to meet certain environmental regulations:

- **Noise:** all sites concerned obey prevention rules designed to ensure effective protection of local residents. Noise limit values have been set at the boundary of properties and in noise aggravation zones. Employees are also protected through a map of “working situations/zones”, produced using instantaneous and dynamic noise measurements (using dosimeters);
- **Odors:** for the benefit of local populations, adjustments have been made such as working with the wind direction,

on a limited surface area covered with anti-odor tarpaulins featuring active carbon filters at nights and on weekends, and masking odors from the landfilling of household waste; closed rooms and air suction for waste bunkers.

To ensure compliance with the regulations relating to facilities classified for environmental protection purposes, Prefects may issue formal notice to implement provisions at classified facilities within a set period. Formal notices to comply can relate to all of the regulatory requirements, including installing pedestrian crossings, access control, and changes to how waste streams are managed on site.

	2022		
	France	International	Group
% of sites that did not receive a formal notice to comply in 2022	92%	88%	91%

It should be noted that over 70% of the formal notices received during 2022 had been lifted by the end of February 2023 following the acknowledgment of work carried out on site. As a result of this work, the percentage of sites in France that have not received formal notice to comply will increase

from 92% at the end of December to 98% at the end of February 2023.

The definition of the formal notice indicator changed between 2021 and 2022 to cover all such occurrences, and not just the most significant. An analysis of the change in these indicators is not therefore meaningful.

1.5.2 BUSINESS ETHICS

1.5.2.1 State of play

Corporate ethics is the application of ethical principles or values when doing business. In addition to the regulations related to business ethics, it concerns all unregulated, discretionary decisions and behavior. Corporate ethics apply to individual behavior by a company's employees and the behavior of the company itself, as a legal person, in its strategy and conduct on a daily basis, both of which are interlinked.

In addition to sanctions for breaches of various laws related to business ethics, ethical risk also involves a reputational risk as the company's brand image could be tarnished by scandals, particularly relating to its financial, social and environmental practices. This reputational risk has an impact on all of the company's stakeholders and therefore also represents a financial risk. While ethical risk is difficult to measure due to the absence of objective elements that can be used to calculate the value of a brand or the real impact a scandal would have on a company, the risk is nonetheless sufficiently tangible to be one of the main reasons why companies take preventive measures.

The main ethical risks to which the Group is exposed are:

- Corruption
- Compliance with competition rules
- International sanctions and embargoes
- Respect for human rights
- Lobbying

Although the French Competition Authority does not require the creation of a competition-related compliance program, the Group has proactively chosen to formalize such a prevention, detection and remediation program. The aim is to support the Group's growth and changes in the competitive environment in its sector.

The risk related to compliance with international sanctions and embargoes increased significantly in 2022 due to the international sanctions imposed by the European Union and United States in response to the conflict in Ukraine. It is therefore subject to increased attention.

1.5.2.1.1 Governance of the compliance program

The Group is particularly attentive to sharing and respecting ethical values. Adherence to the values expressed in its Codes of Ethics, the first edition of which dates from 2003, is essential both in the company's own internal relations and in its relationships with its clients, suppliers, authorities, local communities, and more generally speaking, all of its outside stakeholders.

Compliance involves applying procedures within the company to comply with hard rules (local and international laws and regulations) and soft rules (Universal Declaration of Human Rights, ILO conventions, rules specific to the company's business sector, etc.). As such, the Group has developed a compliance program to put its values into practice and meet legal obligations regarding business ethics.

The compliance program has been governed and implemented by the Board of Directors and its Audit Committee, Executive Management and, since 2019, the Head of "Group Compliance" appointed by the Board of Directors of Séché Environnement. The Head of Group Compliance reports to Executive Management. His duties are to ensure the Group observes compliance obligations in terms of its civil and/or criminal liability and to protect its reputation. His remit covers all activities and all geographical areas. He is responsible for ensuring compliance with regulations and the ethics and rules of conduct set by the company. He is supported by a network of compliance officers in the various support departments and international subsidiaries to ensure the compliance program is correctly implemented across the Group.

1.5.2.2 Goals and action plan

As a family-owned company, Séché Environnement has a long-term perspective, and respect for business ethics contributes to its durability and the preservation of its reputation, which it sees as a differentiating factor in a sector where stakeholder confidence represents a competitive advantage. As such, the action plan aims not only to ensure compliance with the various regulations relating to business ethics but also to anticipate changes while respecting the Group's values.

The Groups' compliance program currently focuses on three main themes: prevention of corruption, compliance with competition law rules, and compliance with economic sanctions and embargoes. It follows changes in the regulatory environment and the intensity of business ethics risks, as well as the emergence of new risks.

1.5.2.2.1 Corruption

To prevent corruption and influence peddling, the Group has taken a series of measures to comply with the requirements of the Sapin II law, which took effect in June 2017. Inspired by the best international standards, and in particular the recommendations of the French Anti-Corruption Agency, the program is structured around three pillars: the commitment of the management bodies, risk identification, and risk management through prevention, detection and remediation.

1.5.2.2.2 Commitment of management bodies

Séché Environnement's management bodies reiterated their commitment to fighting corruption in a message from the Chairman to all the Group's employees, including international subsidiaries, which set out their strict obligation to respect the Anti-Corruption Code of Conduct and the Group's zero-tolerance policy regarding such behavior, and invited them to use the whistleblowing procedure with confidence.

In addition, the new version of the Group's website, which will go live in 2023, includes a section dedicated to business ethics, with a message from the Executive Management reiterating its commitment to these issues, respect for which is an integral part of the Group's business model and ensures the durability of its business.

1.5.2.2.3 Risk map

In 2019, the Group updated its corruption risk map by holding interviews with over 20 managers representing various activities and subsidiaries and reviewing procedures and methods to determine the residual risk specific to the Group. This update of the identification and ranking of residual risks aimed to set new targeted priorities and to adapt the anti-corruption program to the Group's development, in particular to take into account the new scope following our acquisitions. The subsidiaries' risk map was updated in 2021 in Peru and Italy and in 2022 in Mexico and France, within subsidiaries Séché Assainissement and All'Chem.

1.5.2.2.4 Risk management: prevention, detection and remediation

An anti-corruption code of conduct, appended to the internal rules, applies to all Group employees, reiterating the expected behaviors, illustrating the risks and highlighting the zero tolerance applied by a disciplinary policy. This code of conduct has been translated and implemented in all the Group's subsidiaries, including internationally.

Business ethics training is available for all Group employees across its entire scope. Since 2019, classroom-based training has been organized at international subsidiaries to roll out the anti-corruption program. This approach also aimed to identify local regulations on corruption applicable in its international subsidiaries and to create a network of compliance officers serving as local contacts for the Head of Compliance, for example to implement the third-party assessment procedures laid out by the head office. In 2020, in France, the sales, human resources and communications teams also received training – remotely due to the health crisis – followed by a quiz to test their knowledge. In 2021, a classroom-based training course, followed by a quiz, was attended by 15 employees at the subsidiary in Mexico. The training system is supplemented by a “Séché Environnement

Group Ethics” application on the intranet, providing employees with resources on the compliance program's policies and tools. In 2022, some 2,000 employees across the Group's entire scope received business ethics training in different formats. Classroom-based training sessions were organized for all staff at Tredi Argentina, Valls Quimica and Ibertredi and for executives at Interwaste. Some key employees also received individual training when they joined the Group. An e-learning format has been rolled out at Mecomer and Interwaste. Finally, channels such as the *management meeting* for the France scope were used to disseminate awareness messages. Starting in 2023, annual training for all employees will be introduced.

A third-party assessment system aims to ensure the probity of top-tier third parties: customers, suppliers and intermediaries. The level of third-party analysis depends on their category according to the risk mapping nomenclature, their geography, the volume of business or the type of relationship in view. The assessment procedure includes consulting a specialized database (Refinitiv WorldCheck) and sending an in-depth assessment questionnaire. Within the Purchasing Department, the tools for digitizing supplier assessments developed in 2022 will be rolled out on February 1, 2023. This new system makes it possible to ensure the systematic assessment of any new supplier with a joint risk assessment by the Purchasing, Compliance and Sustainable Development Departments, and digitizes the collection of assessment documents required before entering into a business relationship (see 1.5.6 Responsible procurement). In 2022, periodic reviews were conducted on more than 200 third parties in the WorldCheck database. Nearly 200 individual searches have been performed in the database for potential customers, suppliers and partners. In-depth analyses based on a compliance questionnaire were carried out on 100 third parties. Finally, in-depth investigations were carried out by external providers specializing in economic intelligence regarding a new client before a relationship was established and a new executive before he took up his position.

Number of third parties assessed	2020	2021	2022
Open sources and databases	0	406	387
Due diligence questionnaires	90	50	84
In-depth integrity investigation	0	2	3

1.5.2.2.5 Compliance with competition rules

In 2021, the Group launched a project to implement a competition compliance program. The first step of mapping the risks related to anti-competitive practices is complete: interviews with more than 30 employees from various functions identified the main risks in order to draft policies and procedures and prepare a training campaign. In 2022, a competition code of conduct was rolled out at all French subsidiaries in the form of an appendix to the internal regulations, and now applies to all employees in the France scope. All employees were informed about the code of conduct in an e-mail from the Chairman, who reiterated the Group's commitment to compliance with the rules and zero tolerance for any behavior contrary to these principles.

1.5.2.2.6 Sanctions and embargoes

Compliance with international sanctions and embargoes is ensured by the third-party assessment system. Against the changing backdrop of international sanctions in 2022, a law firm performed a detailed analysis of certain major international contracts in order to confirm full compliance with the applicable new sanctions.

1.5.2.2.7 Whistleblowing procedure

All members of staff or external service providers may use the internal whistleblowing procedure to report any problems with the interpretation of rules set out in the Codes of Ethics or the Anti-Corruption and Competition Codes of Conduct, or doubts regarding the application of said rules in any given situation which could mean the Group is held liable or which could harm its reputation and/or image.

The whistleblowing procedure covers acts that violate laws and regulations, acts which seriously imperil the company's operational rules in general, or the rules of a particular local authority to which the whistleblower belongs. This whistleblowing system has been strengthened to adapt to the requirements of the Sapin II law, particularly in the event of reports that relate to actions considered to involve corruption or influence peddling.

More generally, the whistleblowing system makes it possible to report information or any illegal or fraudulent behavior relating to a crime, offense, threat or damage to the general interest, or the breach or attempt to conceal the breach of an international obligation ratified by France, EU law, legislation or regulations. As such, incidents that can be reported include, but are not limited to, discrimination, harassment, conflicts of interest, insider trading, and serious harm to the environment or fundamental human rights.

Employees can make reports openly or anonymously. Reports are treated confidentially, and whistleblowers are protected from any kind of reprisal. The whistleblowing procedure meets the criteria set out by the Sapin II law, in particular regarding the protection of whistleblowers as defined by the Wasserman law, which came into force on September 1, 2022. The EthicsPoint whistleblowing system allows employees to make reports via an online form hosted by an independent service provider or via a free helpline available 24/7 in all the Group's languages. South African subsidiaries have an outsourced system managed by Deloitte that meets the same requirements. The subsidiary in Peru uses an internal system.

A new procedure for collecting and processing internal reports, offering increased protection for whistleblowers in accordance with the latest regulatory changes, will come into effect in the first quarter of 2023 after consultation with the social dialog bodies.

In 2022, across the Group, eight reports were escalated by line management or the reporting system, of which six led to internal investigations, and three required disciplinary measures.

Number of reports	2020	2021	2022
Number of reports	0	12	8
Number of reports handled	0	9	6

1.5.2.2.8 Tax evasion¹

In accordance with French law no. 2018-898 regarding the combating of fraud, Séché Environnement declares that it does not practice tax evasion and does not employ tax havens, but rather pays its taxes in the countries where it does business, primarily France. In 2022, its international subsidiaries paid a total of €6,867,000 in income tax in their countries of operation².

1.5.2.2.9 Human rights

The Group promotes and complies with the provisions of the International Labor Organization's conventions on:

- Freedom of association and the right to collective bargaining.

The Group is concerned by respect for human rights in its different forms (right to collective bargaining, elimination of forced labor and/or the abolition of child labor and respect for indigenous peoples).

However, it regards itself as having little experience of or exposure to these risks, since the Group conducts its activities largely in France, where all employees are covered by a collective bargaining agreement and where trade union meetings and the representation of employees take place under regulations governing industrial relations, and where the application of the law prohibits behaviors that violate human dignity. Internationally, six subsidiaries are covered by collective bargaining agreements and have employee representation bodies. Elimination of discrimination in employment.

The Group prohibits discrimination of any kind (racial, ethnic, religious, sexual or other) against its employees, in the recruitment or hiring process, during or at the end of their employment contract. The Group observes the rules set out in the French Equality and Citizenship law of January 27, 2017, which requires companies with over 300 employees to train recruitment managers in non-discrimination in the hiring process.

Séché Environnement is committed to respecting privacy and has never received a complaint in this area, either from its employees or from any other parties.

- Elimination of forced labor and abolition of child labor.

Séché Environnement prohibits child labor, forced or mandatory labor, either directly or indirectly through subcontractors working in Group facilities. It does not purchase supplies or receive investments from countries that fail to meet this rule.

- Neutrality in public life.

The Group's position is expressed in Point 4 of its Code of Practice, which was updated in 2013:

- Séché Environnement, as a key participant in society, strictly respects political, religious and philosophical neutrality.
- The Group refuses to contribute financially to candidates, elected representatives, or political parties.
- Any employee may, of course, take part individually in political life, outside the workplace and outside working hours, but no employee may make use of the Group's image in support of his or her commitment.
- The Group restricts its participation to the financing of associations or foundations, or to patronage operations under current legislation, provided that such operations respect the framework of values and priorities defined by the Group.

¹ Additional paragraphs will be added for the 2023 URD.

² Calculation from section 3.2.4.19 Taxes

1.5.3 CYBER SECURITY AND PERSONAL DATA PROTECTION

1.5.3.1 State of play

In order to handle typical IT production incidents, the Group has two data centers with redundant resources that can take over from each other (Business Continuity Plan).

Significant investment has been made in computer security, particularly in the 2020-2022 period. New Microsoft 365 E5 Security solutions have been rolled out, including cutting-edge EDR (Endpoint Detection and Response) antivirus software. EDR protects terminals and detects threats that go beyond malicious software through behavioral analysis of malware actions.

Furthermore, because monitoring has become cumbersome and complex, all security software logs are sent to the Security Operations Center (SOC) for continuous analysis and monitoring. In particular, the SOC makes it possible to continuously monitor and improve the security of the organization while preventing, detecting, analyzing and responding to cyber security incidents, with priority given to sensitive locations such as Seveso sites.

Initially for security compliance reasons, the Group follows external Security ratings, in particular the Security Score Card. As such, due to its significant investment in cyber security, Séché Environnement was independently awarded the highest A rating as of April 2022. This rating is continuously recalculated based on new weaknesses identified in commercially available software used by the Group, requiring continuous updates and patches.

In addition, the Group ensures that its stakeholders' personal data is collected, stored and used in accordance with the regulations in force (GDPR, etc.).

1.5.3.2 Goals and action plan

The three-year cyber security plan ended at the end of 2022 and led to the implementation of various actions, which can be grouped into three categories. These actions are implemented in France and extended internationally as and when relevant.

1.5.3.2.1 Analysis and assessment

An analysis component makes it possible to measure and qualify the behavior of attack systems, as well as the level of security of equipment or processes. For example, the installation of EDR Antivirus (Microsoft Defender for Endpoint) enables a behavioral analysis of attacks and correlates the successive actions of a cyber-attack in order to block it. In addition, the Security Operation Center (SOC) consists of an outsourced analysis of the data gathered by the security systems by a team of cyber defense specialists. The AI of the analysis systems and the team of experts identify the behaviors of cyber-attacks on the IS very early in the attack sequence, in order to counter it. The SOC advises on infrastructure changes according to developments in cyber-attacks. Finally, penetration and configuration tests are conducted to determine whether security can be compromised and if so, whether this would jeopardize the infrastructure.

1.5.3.2.2 Security

A security component increases the overall safety of infrastructures and data. The actions taken in this regard can be classified by different objectives:

1.5.3.2.2.1 Increasing login and account security

As most attacks go through the service accounts, it is vital to protect them. This particularly takes place via the use of the MSA functionality, provided that it is compatible with third-party software. In addition, the development of Multi Factor Authentication (MFA) allows authentication with a third code under certain conditions (outside the Séché network), for all, to access Cloud applications. Furthermore, through the use of Microsoft LAPS, which make it possible to secure local administrator access to PCs, each workstation has a different, theoretically unknown, administrator password. If an administrator account for one PC or server is compromised, the others remain unknown, and this prevents a hacker from being able to move from workstation to workstation with the same privileged account. Finally, the Privileged Access Workstation (PAW) solution is used to protect servers. It blocks server administration from PC, only allowing it from secure, dedicated bastion workstations, while server security is split into three levels.

In the last six months of 2022, around 3 billion events were detected, triggering some 3,000 alarms (positive or false positive). 264 investigations were launched, resulting in a total of 66 incidents and zero serious incidents, which is our target.

1.5.3.2.2.2 Ensuring data protection

Data protection is obviously very important for Séché Environnement. As such, the Group uses Microsoft for Identity, which makes it possible to secure directories and identities, and a name protection system, DNS.

1.5.3.2.2.3 Protecting equipment from cyber attacks

Equipment is protected against cyber-attacks principally through the use of a firewall (Microsoft Defender for Endpoint) and the Always On VPN connection, making it possible to secure PCs wherever they are located, and the gradual upgrading of servers from Windows 2012 to Windows 2019, depending on the compatibility of business applications. In addition, USB ports are blocked in order to prevent malware from being installed via a removable device (USB sticks, external hard drives, etc.).

1.5.3.2.2.4 Developing recommended security practices

This component is based in particular on the rapid application of the baseline security policy proposed by ANSSI

and Microsoft, through the development of Group Policy Objects (GPO). These baselines apply to both Windows and Microsoft Office.

1.5.3.2.3 Raising awareness

Raising awareness and training users is a key area of the security strategy. Safety nets are pointless if users are not trained and made aware of the risks and techniques used during attacks. For example, regular fake phishing campaigns make it possible to alert users to the hazards and best practices. Awareness tutorials are made available in connection with the results of these fake attacks.

In the next year, the evaluation of the results of these actions will enable us to measure the effectiveness of these solutions, in order to then strengthen them or develop new ones.

1.5.4 COMMUNITY FOOTPRINT AND LOCAL DEVELOPMENT

1.5.4.1 State of play

This issue relates to Séché Environnement's initiatives aimed at local stakeholders to promote the economic and/or social development of the regions where the Group operates. Séché Environnement gets involved in local life and activities in order to provide communities and populations with direct or indirect economic benefits (jobs, taxes, etc.), and participate in development projects (partnerships and patronage) involving local players.

Building relationships of trust with local stakeholders makes it easier for the Group to meet environmental, social and societal expectations, which has a positive impact on the development of the business. Relationships based on transparency and awareness of circular economy and waste

recovery and management activities make it possible to anticipate and better respond to concerns about the development of this type of activity and the associated nuisances. Poor management of the relationship with our local stakeholders can result in reputational risk. Reputation represents a competitive advantage for the company, making it a strategic asset that must be protected in the long term. Reputational risk has become a major issue and corresponds to the impact a management error could have on a company's image. A company's reputation is highly dependent on its relations with its stakeholders. Adopting an ethical approach inspires confidence among clients (economic capital), suppliers (industrial capital), employees (human capital), shareholders (financial capital) and society in general (corporate capital).

1.5.4.1.1 Communications policy

Welcoming visitors to our sites is not just a way of getting to know the people and communities we work with, it is also about openness, which drives Séché Environnement's culture. It is also a concrete information and awareness-raising initiative. Showing the pride that employees have in their workplace and how waste is processed, and the resources it contains provided it is correctly sorted in advance, are examples of education in action.

Visitors are invited to see the methods used and the specific steps taken to protect public health, the environment as a whole and biodiversity at waste landfill facilities which, often being in the countryside, tend to be most suitable for this purpose. Séché Environnement is not currently aware of any controversy concerning it.

	2020	2021	2022	
	Worldwide	Worldwide	France	International
Number of visitors	N/A	N/A	2,201	891

Since 2017, strict regulations on Seveso sites and restrictions under France's Vigipirate national security alert system have led to a drop in visitor numbers. In 2020 and 2021, the health measures implemented to combat Covid-19 ruled out site visits, and this indicator was therefore considered irrelevant for these two years.

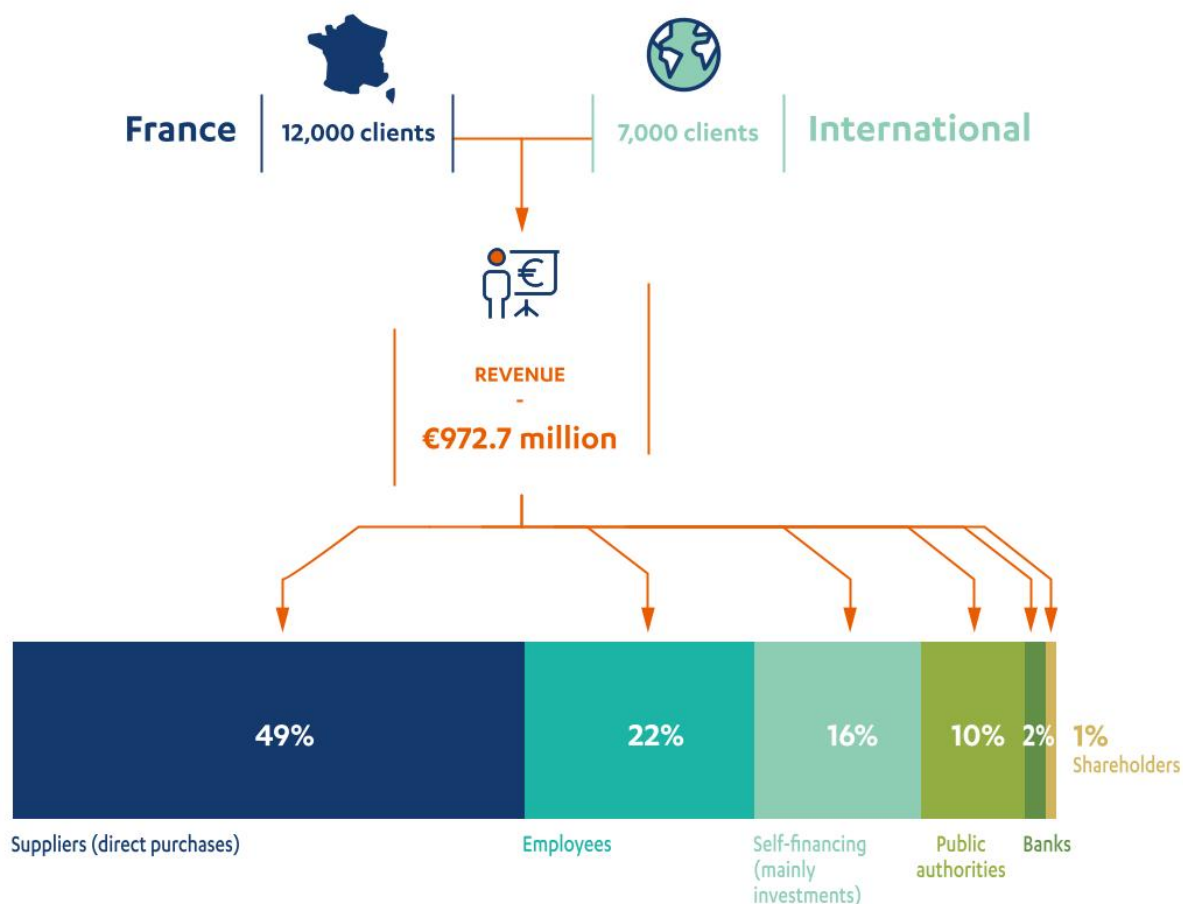
1.5.4.1.2 Local value creation in its regions

Séché Environnement creates value in the regions where it operates by strengthening the regional industrial ecology, particularly through its circular economy activities. Waste is the ultimate local resource, and the recovery of materials and energy allows for the creation of district heating systems that can supply cities or industrial neighbors with steam and/or energy.

The Group is pursuing initiatives for the creation of local and green employment and improving skills in all of the regions where it operates, in particular by participating in forums and trade fairs, developing the employer brand and promoting employment in local areas. With regard to skills development, the Group establishes partnerships with institutional investors to encourage emerging professions (see 1.7.2 Training, employee development and skills management).

The value generated by Séché Environnement's activities contributes to the development of the local economic fabric, with nearly half of revenue being passed on to material suppliers and service providers. The majority of Séché Environnement's suppliers, both in France and abroad, come from the regional and national markets of the countries where the Group operates.

BREAKDOWN OF VALUE



1.5.4.1.2.1 Patronage

In addition to patronage related to biodiversity actions (see 1.4.5 Biodiversity protection and site rehabilitation), the Group also invests in initiatives in a variety of areas, put forward by employees or through other channels.

1.5.4.2 Goals and action plan

In light of the results of the updated materiality analysis, the "Community footprint and local development" has been identified as less material, but we see it as an opportunity that deserves an in-depth analysis to determine which actions need to be strengthened.

1.5.5 LOBBYING

1.5.5.1 State of play

1.5.5.1.1 Lobbying

Séché Environnement mainly operates through the professional associations and federations of which it is a member. Declarations of interests of the Group and these bodies have been made to France's High Authority for the Transparency in Public Life (www.hatvp.fr/le-repertoire). Expenditure is less than €10,000 and no lobbying action was carried out in 2022.

Séché Environnement shares its experience within professional associations and think tanks that interact with its activities. The highly technical nature of the subjects covered and the diversity of their areas of operation entail great specialization.

The topics covered are very technical and require the involvement of experts. The purpose of this work is to reduce this complexity to make it understandable to all people from all backgrounds without distorting it, in order to enable them to have an informed opinion and make decisions with full knowledge of the facts.

This work is essential in order to be able to clearly communicate to decision makers in an informed way so as to establish a transparent, lasting dialog aimed at influencing future regulations that encourage sustainable growth in a preserved environment.

1.5.5.1.2 Taking public positions

Because changes in regulations are largely the result of consultations by national or European authorities, professional representatives in the environmental sector participate in numerous working groups to help draft future provisions.

While promoting themselves and defending their positions to government authorities and elected leaders, these professional organizations contribute their expertise and technical knowledge to the debate, positioning themselves as sources of ideas, out of a spirit of transparency and dialog with all stakeholders, with an eye to sustainable development.

1.5.5.2 Goals and action plan

At the same time, all employees engaged in (or likely to engage in) lobbying activities have been made aware of the dual objective of complying with the rules of ethics and declaration obligations.

1.5.6 RESPONSIBLE PROCUREMENT

1.5.6.1 State of play

Responsible procurement takes into account the need for high standards and transparency with regard to the environment, ethics, social dialog, quality and socio-economic performance along the Group's entire value chain. The implementation of a responsible procurement policy makes it possible to create a lever to encourage and support the transformation of suppliers. This collaborative approach allows for value creation throughout the supply chain.

Séché Environnement incorporates these high standards into purchasing decisions, identifies existing or potential risks, and ensures that it limits its negative impacts on stakeholders in the areas listed above. The Group also helps to guide suppliers towards more responsible practices.

By ensuring that its suppliers operate responsibly, the Group has better control over its social, environmental, and reputational risks and at the same time responds to changes in the market. Working collaboratively on strengthening responsible practices in the supply chain also enables value creation in regional economic networks.

1.5.6.1.1 Responsible procurement structure and policy

Since its creation in 2019, the central purchasing function has taken on a strategic role for the Group. It is structured around the harmonization and implementation of best practices aimed at raising the awareness of order originators about purchasing issues and providing them with support and concrete tools for more responsible procurement.

There are many issues in the purchasing process. While value creation through cost reduction was already a fundamental principle for all sites, the notion of "Responsible Procurement" was not uniformly applied across the Group. It was clear that the deployment of a common Responsible Procurement Policy should be one of the priorities of this central function.

This policy is structured around three main pillars: ethics, societal impacts and environmental protection. Séché Environnement Group is aware that purchasing decisions have major socio-economic and environmental implications. Purchases must be made in a safe and environmentally friendly manner. In its Policy, the Group undertakes to:

- comply with regulatory and legislative frameworks;
- take into account the costs over the entire life cycle of products and services;
- move towards the systematic inclusion of environmental criteria in the awarding of contracts;
- ensure that opportunities to improve energy performance are taken into account when designing facilities, equipment, systems, etc.;
- take into account the environmental standards implemented by suppliers during selection processes;
- encourage suppliers to improve social goals;
- work with internal and external staff to explore opportunities to reduce consumption, increase recovery and reuse end-of-life products;
- stimulate innovation and R&D activities;
- comply with economic best practices.

In keeping with its codes of ethics and in accordance with market good practices, Séché Environnement Group maintains transparent and fair relationships with its suppliers.

1.5.6.2 Goals and action plan

1.5.6.2.1 Analysis

Risk management and compliance with regulatory frameworks take priority in a Responsible Procurement approach, which is why the Group's first step was to map supplier risks to identify potentially sensitive categories of suppliers.

At the same time, in order to ensure compliance with the requirements of the Sapin II law, relating to the duty of vigilance, transparency and corruption prevention, Séché Environnement has invested in a supplier compliance inspection solution (for individuals and legal entities). The process has been initiated for all suppliers and will be fully rolled out before the end of the first quarter of 2023. Additional screening of the integrity and financial health of suppliers identified as sensitive via the risk map is also carried out through a specialized third party.

In addition, in order to raise awareness of the cost of *ownership* approach and ensure that environmental and social criteria are taken into account, a supplier proposal evaluation grid will be deployed for use in purchasing decisions through the national subsidiaries. The Group is thus moving towards suppliers with more responsible practices and capitalizing on their positive actions.

1.5.6.2.2 Actions in 2023

The structural measures to manage supplier risks already implemented will be supplemented by the roll-out of compliance, ethics, and sustainable development questionnaires to "sensitive" suppliers. The responses to these questionnaires will be used to manage "responsible" performance indicators with suppliers. The aim of this process is to take a collaborative approach by encouraging suppliers to adopt responsible practices.

A new supplier listing procedure will be implemented. Prospective suppliers must go through an approval process before taking part in an invitation to tender for the Group. This process includes different stages depending on the supplier's category and potential flow of business, and aims to verify its legal compliance, financial health, and CSR impacts in order to establish its alignment with the Group's Responsible Procurement Policy. Séché Environnement will ask suppliers to formalize this alignment by signing a Responsible Procurement Charter.

To further raise awareness and change practices, the Group is envisaging a "life-cycle approach" project to rank and categorize purchasing families by degree and type of CSR impact. The teams will use it to produce a roadmap to address and rethink these purchases, continuously working to reduce the impact of the response to requirements. A pilot project will be launched before the end of 2023.

1.5.6.2.3 Medium-term actions

Classifying suppliers by impact category will enable the Group to define and implement "Responsible Procurement" strategies adapted to the various business lines of suppliers in the medium term. This will result in better management, targeted performance indicators and a more accurate evaluation of proposals. Through this "business line" approach, Séché Environnement aims to adopt a

cooperative, collaborative relationship with key suppliers in order to create value throughout the supply chain.

The medium-term action plan will ultimately lead the Group to more responsible procurement by creating greener, more inclusive, more ethical and fairer purchasing strategies, while adopting a realistic and appropriate methodology to guarantee its success.

1.6 GOVERNANCE AND ECONOMIC DEVELOPMENT ISSUES

This section identifies the governance and economic development issues in order of importance according to the results of the materiality analysis, and sets out the state of play regarding this theme, the risk mitigation measures, and

the monitoring indicators, goals and action plans launched or planned. It also contains the Sustainable Development Goals (SDGs) and the targets to which the group contributes.

Identification of SDGs and associated targets



1.6.1 SUSTAINABLE GOVERNANCE MODEL (CSR MONITORING)

1.6.1.1 State of play

Sustainable corporate governance refers to all of the rules and practices implemented to guide the Group by incorporating sustainability issues. Séché Environnement maps its CSR risks and periodically assesses their criticality in order to implement continuous improvement policies. The Group must therefore ensure that CSR issues are known and managed at the highest level of governance, and that they are communicated transparently to the relevant stakeholders.

The expectations of both internal and external stakeholders are many and varied (economic, environmental, and social). Not listening to their expectations and not communicating transparently about the Group's positive and negative impacts, as well as failing to show willingness to improve, can involve risks. These risks can be reputational or operational; the ability to attract new talent and investors can be affected, and there is also the possibility of loss of competitiveness in the market.

Having a clear, organized CSR strategy can contribute positively to the Group's reputation and to building strong ties with stakeholders. This strategy also helps to support the transformation towards more sustainable practices. To report on CSR monitoring, the Group relies, among other things, on its reporting activities. The uses of this tool go far beyond communication. It helps to improve management and data collection systems, as well as the mapping of impacts and risks in order to make timely corrective decisions or seize opportunities.

1.6.1.1.1 Structure of the team

Séché Environnement has a Sustainable Development department, which reports directly to the Group's Executive Management and participates in the decision-making process and regular monitoring of the activities of the French and international subsidiaries both at the half-yearly management meetings and in the regular sustainable development review during Audit Committee meetings.

The team includes people dedicated to topics that are important for the company, such as combating climate change, the biodiversity protection and preservation and non-financial reporting.

The department also works closely with other Group departments to coordinate and implement action plans and goals that meet stakeholders' expectations. At the same time, the department regularly updates its materiality matrix to account for these expectations in its strategy.

1.6.1.1.2 Stakeholder consultation

Séché Environnement regularly consults its stakeholders in order to guide its sustainable development strategy. During 2022, the Group updated its 2019 materiality analysis, and the results of this analysis will guide action plans and processes to improve the incorporation of stakeholder expectations (see 1.3 Materiality analyses to identify CSR issues and risk factors).

In addition to the fixed consultation mechanisms, the Group is constantly listening to its stakeholders, and has set up a number of communication channels (see 1.5.4 Community footprint and local development) and dialog bodies with employees to gather their opinions (see 1.7.5 Employee focus and engagement).

Séché Environnement also actively carries out monitoring by participating in various national and international working groups, associations and think tanks on issues relating to sustainable development, CSR and its core business, the circular economy, which enable it to implement best practices and anticipate and adapt to social, societal and regulatory needs and expectations.

1.6.1.1.3 Raising awareness

The Group conducts its CSR policy and corporate culture through the sustainable development team. In addition to producing its regulatory report, Séché Environnement produces a summary integrated report to share the Group's

commitments in terms of sustainable development and its changes. These reports are made available on the website for free consultation by all interested parties and distributed in-house at all of the Group's subsidiaries. In 2022, 12% of employees worldwide attended the presentation of the integrated report.

	2021	2022
	Worldwide	
Number of employees made aware of the integrated report	500	557

Séché Environnement understands the need to raise employee awareness of CSR issues and to this end, it has set up regular sessions in webinar format to discuss sustainable

development. At the end of 2021 and in 2022, three webinars were held on decarbonization, energy saving, the ADEME transition plan, and health and safety.

Webinar	Attended by
Decarbonization strategy	194
EEC system	176
ADEME transition plan	136
World Day for Health and Safety at Work	187

1.6.1.1.4 Incorporation of Sustainable Development Goals (SDGs) into strategy

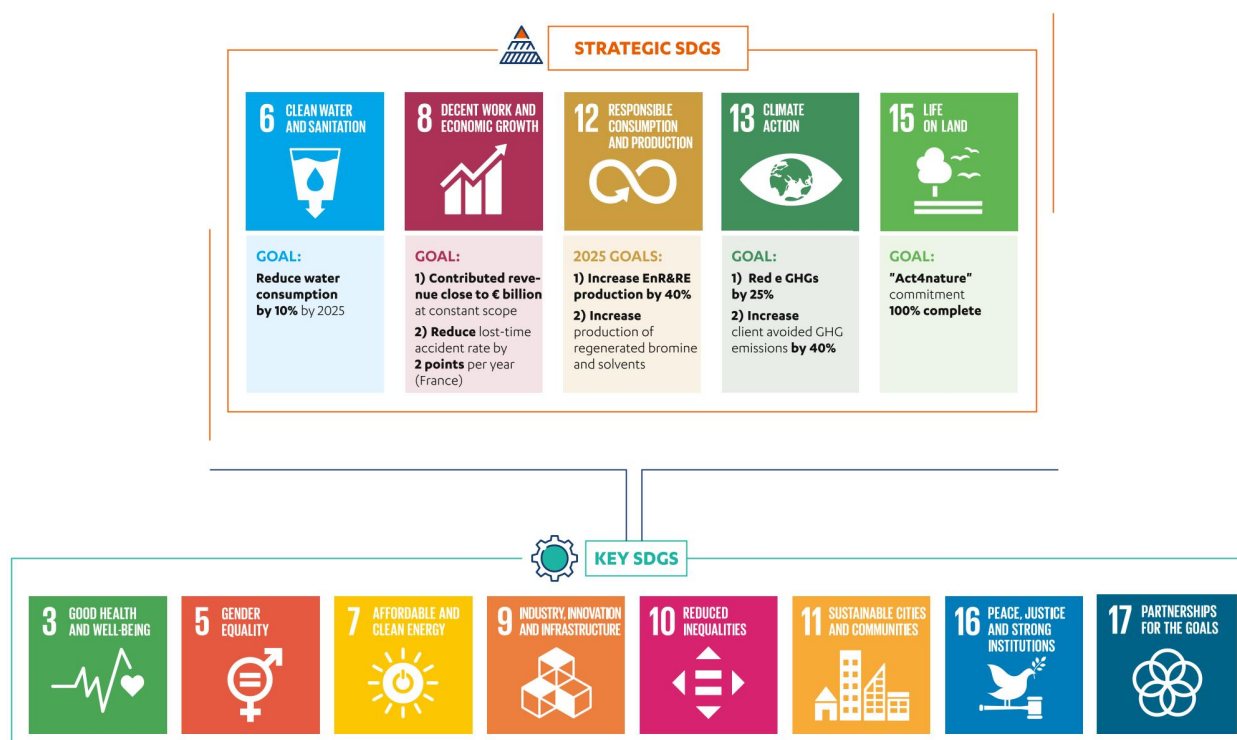
Séché Environnement has been a signatory to the 10 principles of the Global Compact since 2003 and has held "Advanced" status since 2013. The Global Compact is a United Nations initiative that encourages private companies to incorporate into their strategies the principles of respect for human rights, labor law, the environment and anti-corruption.

This initiative is directly linked to the SDGs. These 17 inclusive, interconnected goals and 169 targets represent the global ambition for a fairer world. The SDGs aim to transform societies by eradicating poverty and ensuring a just transition to sustainable development by 2030.

Séché Environnement is fully aware of the importance of the SDGs and the role that companies are called upon to play. The Group has identified the goals and targets to which it contributes directly or indirectly in relation to its business. This analysis has identified indicators or policies that contribute positively to the different targets, and will also be used to increase internal engagement with and monitoring of the SDGs. This continued approach also includes the opportunity to improve and limit our current and/or potential impacts.

The Group's choice of SDGs, and its direct commitment to achieving them, are broken down into two main categories:

PRIORITY RANKING IN RELATION TO GROUP STRATEGY



In light of its commitment to the SDGs, the Group has announced targets with indicators to measure how they are being met and has linked them to sustainable financial instruments. (see 1.6.3 Sustainable finance).

1.6.1.1.5 ESG ratings

For transparency purposes with respect to its environmental and social performance, the Group is assessed and rated by two recognized organizations: EcoVadis and Ethifinance. The ratings presented below relate to data for years N-1. We have included Humpact rating as we have received the notion for 2022.

1.6.1.1.5.1 ÉthiFinance

Séché Environnement was rated in 2022 on the basis of 2021 data by Ethifinance analysts according to the Gaïa Index. The

rating has improved over the last three years from 59/100 to 62/100.

	2020	2021	2022
Gaïa Index Rating	59	60	62

In addition, as part of its sustainable finance procedures (see 1.6.3 Sustainable finance), Séché Environnement is rated annually by Ethifinance using the same method and non-

financial assessment questionnaire as in 2018. The overall rating has risen from 74/100 in 2017 to 78/100 in 2022.

	2020	2021	2022
Ethifinance rating (based on 2018 questionnaire)	78/100	80/100	78/100

1.6.1.1.5.2 ÉcoVadis

Following the latest Ecovadis evaluation, Séché Environnement received a gold medal for its CSR performance; with a rating of 68/100 in 2022 Séché Environnement is one of the top 6% of companies assessed by EcoVadis in the "Waste treatment and disposal" business

sector. EcoVadis is a platform that facilitates the responsible management of partners upstream and downstream by sharing and monitoring CSR performance with all stakeholders involved in value chains.

	2020	2021	2022
Ecovadis rating	N/A	67/100	68/100

1.6.1.1.5.3 Humpact

Humpact has produced an "employment" score based on the group's social data, collected through a questionnaire and a review of the 2021 Universal Registration Document. Séché Environnement was ranked 29th out of 299 in its annual

ranking. Humpact is an ESG rating agency that provides indicators and scores on the contribution of the main listed companies to societal issues in Europe and France.

	2022
Humpact Employment Ranking France	29/299

1.6.1.2 Goals and action plan

The sustainable development department takes into account the main issues identified in the materiality matrix to establish its strategy. Each issue is associated with existing or future action plans, details of which are given in the different sections of this document.

Executive Management's goal is to have a realistic, ambitious, consistent action plan for each identified issue, accompanied by KPIs and SMART goals.

Some action plans have already been launched in previous years, including the health and safety strategy, which has a

target of zero accidents (see 1.7.1 Employee health and safety), the cyber security and personal data protection program (see 1.5.3) and the decarbonization strategy (see 1.4.3 Climate change mitigation). Some were launched in 2022, such as the energy reduction plan (see 1.4.3.2) and water reduction plan (see 1.4.6 Sustainable water resource management) and others require further analysis and implementation will take more time. To this end, the Group will work closely with the various departments to implement action plans that meet the expectations of stakeholders.

1.6.2 INNOVATION - RESEARCH AND DEVELOPMENT

1.6.2.1 State of play

Research and Development embodies a company's ability to use its knowledge and tools to generate innovations aimed at providing a lasting competitive advantage that will support its business. Séché Environnement particularly invests in improving processes to meet the global challenges of the circular economy and monitor technological advances while anticipating future regulatory changes.

In a highly competitive and ever-changing market, innovation enables the Group to stay competitive in order to better assimilate the needs of the market and increasingly demanding regulatory and societal developments. Innovation not only enables us to reduce the impact of our

activities by improving our performance, but also to offer our clients more responsible solutions.

1.6.2.1.1 Research & Development Strategy

Scientific goals and partnerships

Since its creation, Séché Environnement has applied a strategy of anticipation and technological innovation in order to reaffirm and strengthen its positioning as a specialist in waste markets, particularly hazardous waste, which has strict technical constraints. This culture of innovation means that Séché Environnement is able to consolidate its performance, while driving the implementation of the circular economy.

The multidisciplinary R&D approach applied within the Group aims to:

- Ensure constant improvements to existing processes in terms of productivity, safety, and regulatory compliance;
- provide a response to clients' specific requirements in terms of waste recovery and treatment by drafting and implementing ad hoc procedures;
- anticipate new regulations and changing expectations in society by exploring new areas of eco-development.

Besides its own projects, Séché Environnement also pursues a collaborative R&D strategy with partners in industry and the academic world. In 2022, it worked with GRTgaz and Enosis to develop a regional green energy production solution (Plainénergie project). The Group has also developed partnerships with IMT Atlantique, INSA Lyon, INSA Toulouse, and the Universities of Pau, Bordeaux, Littoral Côte d'Opale, and Liège. These collaborative projects related to the fate and speciation of antimony in aqueous environments, the recycling of methyl methacrylates (European MMATwo project led by ARKEMA), and the behavior of leachates and biogas in the bioreactors of a Non-Hazardous Waste Landfill Facility through electrical resistivity monitoring.

1.6.2.1.2 Research resources and results

To maximize synergies between its different areas of development, since 2018, Séché Environnement has centralized its R&D activities within a single division, which has a new Research and Development Center equipped with the most recent facilities at its site in Saint-Vulbas. This site currently employs a dozen highly qualified experienced scientists (graduates from universities or engineering schools) with expertise in chemicals, chemical physics, biology and scientific processes.

Séché Environnement estimates that in 2022, 5% of consolidated revenue was directly or indirectly generated by its R&D activities, via the implementation of new processes and industrial applications and innovation brought to existing processes. The Research and Development Department is currently working on 28 projects, holds more than 24 patents and has published 50 expert reports. The Group received research tax credits totaling €970,000 in 2022 for several development projects that are not yet mature enough to envisage industrial application in the short-term.

No R&D expenses were booked under assets in the Group's financial statements. The Group may be awarded operating or investment subsidies to develop its waste treatment activities.

1.6.2.1.3 R&D's contribution to industrial risk management

1.6.2.1.3.1 Two research programs to assess the performance of a spray scrubber to remove nanoparticles from flue gases

An increasing number of manufactured nanomaterials (MN) is present in industrial products and convenience goods. Given the lack of regulations regarding their end-of-life, MNs are generally treated by incineration as they are potentially hazardous. In order to limit particulate emissions at incineration plants, a combination of technologies for purifying combustion gases such as cyclone separators, electrostatic precipitators, bag filters and scrubbers are used. Scrubbers are primarily designed to treat acid gas pollutants, but also act to collect particles.

IMT Atlantique and Séché Environnement wished to develop two research projects in this area, aimed at assessing the performance of a spray scrubber in removing nanoparticles from incinerator flue gases.

The first project (NanoCap) sought to examine the influence of three operating parameters on the efficiency of nanoparticle collection by a pilot-scale scrubber designed and operated under conditions representative of a full-scale scrubber. Experimental results have shown that small droplets and an increase in liquid flow rate promote the collection of nanoparticles. For a given liquid flow rate, the increase in gas flow rate leads to an increase in collection efficiency up to a limit gas flow rate value beyond which collection efficiency decreases due to a phenomenon of entrainment/evaporation of the droplets into the air stream influenced by the droplet size.

The aim of the second project (NanoPro), which was launched at the beginning of 2022, is to present an original methodology, based on the theoretical particle collection efficiency, for the design of a pilot-scale scrubber that will be operated on an industrial site and supplied with real flue gases. This pilot will be used to test the collection efficiency for particles ranging from 10 to 1,000 nm contained in combustion gases at 200°C.

1.6.2.1.3.2 Study on the measurement, behavior, and treatment of mercury in Energy Recovery Centers

Well before the publication of the conclusions of the new Incineration BREF, which, from 2023 onwards, increases the requirements relating to mercury emissions, Séché Environnement had decided, with the support of ADEME, to launch several studies to improve its knowledge of continuous mercury measurement, assess the origin and behavior of mercury in energy recovery centers, and determine the means of capturing this chemical element using flue gas treatment systems. The MIMOSA and ESSEVA projects were part of this initiative, and it is now important to give all of the Group's relevant sites the feedback obtained so that they can confidently apply the future daily average ELV of 20 µg/Nm³ under normal operating conditions.

1.6.2.1.4 R&D's contribution to the circular economy and decarbonization

1.6.2.1.4.1 Regeneration of bromine-containing brine

Dibromine (Br₂) and its derivatives, such as hydrobromic acid (HBr), are used to manufacture a variety of chemicals. They are produced from solutions rich in bromide (Br⁻), extracted from natural resources (seawater, groundwater) with very significant environmental and energy impacts. It is in this context that Séché Environnement has developed technology based on the use of bromide-rich waste from the pharmaceutical and chemical sectors, to replace extraction from natural resources. The operation consists of destroying the organic fraction of the waste to produce a raw material suitable for the synthesis of bromine, Br₂. This development aims to create a life cycle of the bromine atom with a view to preserving resources. This process, developed on the Séché Environnement site in Saint-Vulbas, is unique in the world and is based on the thermal purification of bromine contained in industrial waste, contaminated by organic substances, using a static furnace. The innovative nature of the process lies in the manufacture of purified, concentrated aqueous solutions of bromide salts, without caking into solid particulate form. This point is a key part in the first stage of the furnace flue gas treatment, which makes it possible to recover more than 99% of the bromine contained in the waste, in the form of brine that can be used in the synthesis of Dibromine Br₂.

Against a backdrop of constant growth in demand at European level for the regeneration of bromine-containing brines and the saturation of the current unit after commissioning in 2015, together with an increase in global demand for bromine of more than 35% between 2015 and 2019, the Group has decided to increase bromine production. This development was carried out without revamping the existing tool, and is based on oxygen-enriched air combustion technology enabling its optimization and decarbonization. This solution limited the amount of investment required, maintained the availability of the tool and reduced the environmental footprint of the site and our customers.

1.6.2.1.4.2 PMMA recycling, a major societal issue: MMATwo

Polymethyl methacrylate (PMMA) is a polymer widely used for its optical properties. Approximately 300,000 metric tons of PMMA worth around €1 billion are produced each year in Europe. It is currently estimated that only 30,000 tons of PMMA waste are collected for recycling each year in Europe, or 10% of annual production, although PMMA can be transformed into its monomer by thermal depolymerization, thereby saving precious resources and avoiding CO₂ emissions.

The majority of PMMA recycling in Europe currently uses a lead-based process that does not allow the treatment of low-grade PMMA. The MMATwo project aims to transform post-industrial PMMA waste and end-of-life waste into a high quality raw material and thereby contribute to the circular economy.

MMATwo was completed in October 2022 and has generated many results, including six patent applications. Several hundred kilograms of raw and regenerated (purified) MMA were generated with purities of up to 99.8% by weight, several times due to the combination of depolymerization technology and purification processes. A life cycle analysis demonstrated that rMMA (regenerated) has a 70% smaller carbon footprint compared to virgin MMA.

MMATwo will ultimately be in a position to create a viable competitive company while saving resources.

1.6.2.1.4.3 Transforming residual waste into renewable gas, an innovative project at the core of the circular economy and the energy transition: PLAINÉNERGIE

The Communauté de Communes de la Plaine de l'Ain (CCPA), Syndicat Mixte du Parc Industriel de la Plaine de l'Ain (SMPIPA), GRTgaz, Séché Environnement, ENOSIS, PROVADEMSE (technological innovations platform of INSAVALOR), and laboratories DEEP and LISBP at INSA Lyon and Toulouse signed a partnership agreement to carry out the PLAINÉNERGIE project. This is the first project in Europe to transform non-recovered waste into a renewable source of gas by combining pyro-gasification and biological methanation. This innovative project lies at the core of the energy transition and the circular economy.

PLAINÉNERGIE aims to produce an experimental industrial facility to allow the treatment and conversion into energy of a wide range of residual waste collected by the CCPA community of towns and the PIPA industrial park to produce renewable gas that will ultimately be injected into the existing gas network.

The first phase launched in 2019 was aimed at characterizing deposits of non-recycled waste available in the region, validating their suitability for transformation via pyro-gasification, and carrying out tests on the portion relating to biological methanation. These material deposits were prepared and then successfully treated by pyro-gasification. Tests were also carried out by the DEEP and ENOSIS laboratory on biological methanation and enabled the production of gas from waste that can be used as a substitute for natural gas.

On the basis of these results, the partners decided to launch the second phase of PLAINÉNERGIE, which aims to combine pyro-gasification and biological methanation on a semi-industrial scale.

The performance of the entire waste recovery chain will then be evaluated by all partners.

1.6.2.1.4.4 ReICI: Regeneration of industry critical inputs

Speichim Processing, a subsidiary of Séché Environnement, is an international specialist in purification by distillation of complex mixtures, mainly synthetic intermediates, and the regeneration of used solvents.

The ReICI project aims to develop an ambitious Research and Development program at its main site in Saint-Vulbas, while also creating new production capacities, in order to meet the needs of the pharmaceutical and chemical industries as production is being increasingly brought back within national borders and the circular and low-carbon economy continues to develop.

In light of these goals, the project was named winner of the "Relocalization" call for projects, which is part of France's Recovery Investments Plan. This will give Speichim Processing additional resources that it can use to continue to drive growth at the Saint-Vulbas site. To this end, the development of the industrial pilot for the production of synthesis intermediates is currently underway.

1.6.2.1.4.5 ValCatBio: Catalytic Recovery of Biogas

The management and recovery of household waste is a considerable economic, environmental and energy issue. Currently, biogas from waste landfill facilities or anaerobic digestion centers is usually recovered in the form of either heat or electricity production. However, with the energy transition, it is becoming beneficial to diversify and find new ways to recover biogas. The ValCatBio project aims to structure the processing of fermentable waste for biogas by proposing a new recovery method for energy production. The combination of biogas production with catalytic processes will make it possible to convert it into higher value-added chemical compounds such as hydrogen or synthetic gas that can be seen as green energy sources. Little research has been done into this process on an industrial scale due to the existence of technological obstacles such as the presence of impurities in the biogas or the limited-service life of catalysts. This can be solved by proposing appropriate catalytic formulations to avoid the deactivation linked to the main impurities.

This work will be carried out in conjunction with Littoral Côte d'Opale University and supported by the Hauts de France Region.

1.6.3 SUSTAINABLE FINANCE

1.6.3.1 State of play

Investors, like society, require companies to make CSR commitments. Sustainable finance (green bank loans, interest rates linked to CSR objectives, etc.) makes it possible to accelerate the funding of development projects to support the ecological and social transition of companies with loans at favorable interest rates.

Since 2018, Séché Environnement's has mainly been funded through sustainable finance:

- In 2018, Séché Environnement took out a €150 million revolving credit line incorporating cross-functional sustainability performance criteria. This credit line was replaced at the beginning of 2022 and all of the goals were met in 2022:

	2020 - Actual	2021 - Actual	2022 - Actual	Goals
Ethifinance rating (2018 methodology)	78/100	80/100	78/100	>77/100
Self-sufficiency rate in France ¹	228%	265%	270%	>220%
Act4Nature progress	50%	75%	100%	2020 = 50% 2021 = 75% 2022 = 100%

- In March 2021, Séché Environnement obtained a loan of €50 million, the interest rate of which was reduced based on the achievement of goals relating to energy self-

sufficiency, reduction in lost-time workplace accidents rate and progress on the Act4Nature biodiversity strategy.

	2021 - Actual	2022 - Actual	Goals
Self-sufficiency rate in France	265%	270%	>220%
Act4Nature progress	75%	100%	100% progress
Reduction in lost-time workplace accidents rate (TFI) compared to 2020	15.63	13.03	2021: < 19.71 2022: < 13.63

- In November 2021, a €300 million bond was issued, accompanied by targets to reduce greenhouse gas (GHG) emissions and increase avoided greenhouse gases.

	2020 Actual	2021 Actual	2022 Actual	Compare d with 2020	2025 - Goal Compared with 2020
Reduction of GHG emissions (Scope 1&2) by 10% in 2025 compared to 2020 ² (in ktCO ₂ eq)	618.8	632.7	604.0	-2.4%	-10%
Increase in avoided GHG linked to material recovery by 40% by 2025 compared to 2020 (in ktCO ₂ eq)	158.2	177.0	175.3	10.8%	40%

- In March 2022, a €200 million credit facility with a pool of banks was granted, based on three sustainability performance criteria: reducing GHG emissions, increasing

GHG emissions avoided linked to recycling, reducing lost-time workplace accidents rate (TFI) and keeping the severity rate below 1.

¹ At 2020 France scope including facilities classified for environmental protection purposes

² As part of a continuous improvement process, the 2020 and 2021 BEGES (GHG emissions and GHG emissions avoided) have been recalculated by improving certain input data (certain activity data have been corrected and the emission factors have been updated).

	2020	2021	2022	2022 - Goal
	Actual	Actual	Actual Compared with 2020	Compared with 2020
Reduction of GHG emissions (Scope 1&2) by 10% in 2025 compared to 2020 ¹ (in ktCO ₂ eq)	618.8	632.7	+604.0	-2.4%
Increase in avoided GHG linked to material recovery by 40% by 2025 compared to 2020 (in ktCO ₂ eq)	158.2	177.0	175.3	10.8%
Reduction in lost-time workplace accidents rate (TFI) compared to 2019	21.71	15.63	13.03	< 15.75
Severity rate (TG)	0.91	0.64	1.22	<=1

This sustainable finance makes it possible to fund Séché Environnement's investments and developments in the circular economy at competitive rates. It also makes it possible to add a financial issue to the achievement of the objectives of the Group's CSR policy.

1.6.3.2 Goals and action plan

Séché Environnement's goals are to continue to fund itself through sustainable finance and, for finance already obtained, to meet the goals set in order to guarantee financing at the best rates and improve non-financial performance.

1.6.4 RESPONSIBLE GROWTH

1.6.4.1 State of play

Responsible growth aims to take all of the Group's stakeholders into account in its strategy when assessing its impacts. The Sustainable Development Department, which is responsible for incorporating the issues and expectations of all stakeholders, is involved in defining Séché Environnement's strategy (see 1.6.1 Sustainable governance model (CSR monitoring)). All of the CSR goals and action plans contribute to the creation of shared environmental and social values for employees, customers, suppliers, the government, citizens and society.

Séché Environnement's model is based on the growth of the ecological transition business lines (see 1.1.3 Séché Environnement's businesses) both internally (development of existing activities) and externally (acquisition of green activities). The need for responsible growth, particularly in environmental matters, is particularly important when it comes to setting up operations in new countries. For example, Séché Environnement favors the development of its activities in countries where the regulations make it possible to operate under the best possible environmental and social conditions.

1.6.4.1.1 The regulatory obligations of the European green taxonomy

The EU taxonomy for sustainable activities or Taxonomy Regulation establishes a list of economic activities considered to be environmentally sustainable, based on ambitious and transparent technical criteria. Since the adoption of the Regulation (EU) 2020/852 of June 18, 2020, known as the Taxonomy Regulation, listed companies must include the results of the analysis relating to the eligibility and alignment of their activities with the taxonomy when they publish their non-financial performance report. The aim of the EU taxonomy is to direct investments towards "sustainable" activities. Séché Environnement is publishing its results in accordance with regulatory criteria for the second year in a row.

The environmental objectives considered under the Taxonomy Regulation are as follows:

- No 1: Climate change mitigation
- No 2: Climate change adaptation
- No 3: The sustainable use and protection of water and marine resources
- No 4: The transition to a circular economy
- No 5: Pollution prevention and control
- No 6: The protection and restoration of biodiversity and ecosystems

¹ As part of a continuous improvement process, the 2020 and 2021 BEGES (GHG emissions and GHG emissions avoided) have been recalculated by improving certain input data (certain data have been corrected and the emission factors have been updated).

An activity is considered to be aligned with one of the six objectives if it:

- Contributes substantially to one or more of the six environmental objectives;
- does not cause significant harm to the other five environmental objectives (Do no significant harm principle);
- meets the minimum social requirements (OECD and United Nations guidelines, human rights or labor law, etc.).

As mentioned in point 1.4.4 Climate change adaptation, Séché Environnement has conducted a review of all its activities aimed at determining the physical climate risks that could affect them and initiated an action plan aimed at adapting its activity to the risks caused by climate change. This adaptation strategy aims to limit the impact of the Group's activities on the environment, as well as to limit its dependencies. This topic is described in more detail in section 1.4.4 Climate change adaptation.

Minimum safeguards

Meeting the minimum social requirements is essential for Séché Environnement. It is a small Group that ensures respect for human rights by its activities and partners, as well as respect for the rights of employees at each of its subsidiaries. Since 2003, Séché Environnement has been a signatory of the 10 principles of the Global Compact (see 1.6.1.1.4), a United Nations initiative that aims to incorporate principles of respect for human rights, labor law, the environment and anti-corruption into corporate strategies. The Group publishes its Codes of Ethics, a document regularly updated to reflect the group's growing ambitions in this area.

In addition, in September 2022, the Group issued a fair competition code of conduct, in order to establish the desire for an ongoing commitment to respect the rules of business ethics and compliance with competition rules. This document has been communicated to all Group employees, regardless of the hierarchical level, business line or geographical area in which they operate. Similarly, it has been made available to business partners and the professional associations in which the Group participates.

Séché Group thus complies with the minimum safeguards set out by the sustainable finance platform. These subjects are as follows:

- Human rights, including workers' rights
- bribery/corruption
- taxation
- fair competition

The subjects listed above are addressed in section 1.5.2 Business ethics.

1.6.4.2 Séché Environnement's activities in the green taxonomy

The financial information presented below corresponds to the definitions provided in Article 8 of the Regulation, specifying how to calculate KPIs and the additional information to be published. It has been subject to joint analysis and control by the Sustainable Development, Financial Control and Business teams. The financial information extracted from the Group's information systems (monitoring of investments, consolidation) was analyzed and checked to ensure consistency with consolidated revenue, OPEX and CAPEX at December 31, 2022.

In order to reflect the sustainability of all of the Group's activities, Séché Environnement has published information on the level of eligibility and alignment of its activities with regard to the two regulatory environmental objectives, climate change adaptation and mitigation, but has also anticipated this analysis for the other four objectives, based on the latest information published for consultation by the platform of experts on sustainable finance.

KPI calculation method

The Finance Department has identified and isolated the revenue of each business unit including the consolidated entities at all of the Group's sites and subsidiaries. Revenue was analyzed at a relatively fine resolution by cross-referencing the management types (a more detailed level than the ledger account) as well as the activity associated with each stream. The same was done with the CAPEX and OPEX deployed. The analysis was conducted in accordance with IFRS, in a manner consistent with financial reporting.

The Group then compared the taxonomy eligibility criteria established by the European Union with each of the Group's activity codes in order to isolate ineligible and non-aligned activities.

Once the eligibility and alignment of all activities had been analyzed and determined, the data was compared with the financial information in order to obtain the percentage of revenue, CAPEX and OPEX aligned with the taxonomy.

An estimation method was used to calculate OPEX consisting of analyzing the share of revenue per site and extrapolating the share of OPEX (these two KPIs are particularly linked given the Group's business).

Where applicable, subsidies are recognized in the income statement and therefore do not constitute a revenue or CAPEX item.

In order to avoid double counting of data at site level, consistency tests are performed in order to eliminate interconnections.

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Breakdown of revenue alignment

Economic activities	Activity codes	Total revenue (€)	Share of revenue	Substantial contribution criteria					Absence of significant harm criteria (DNSH - Do no significant harm)					Minimum guarantees	Share of revenue aligned with the taxonomy Years N	Share of revenue aligned with the taxonomy years N-1	Category (enabling activity)	Category (transitional activity)*
				Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy					
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																		
A.1 Environmentally sustainable activities (activities aligned with the taxonomy)																		
4.1 Electricity production using photovoltaic solar technology	4.1	2,731,879	0.31%	100%								YES	YES	YES	YES	YES	0.31%	
4.25 Heat production/cooling through use of waste heat	4.25	30,555,544	3.41%	100%								YES	YES	YES	YES	YES	3.41%	
4.8 Electricity production from bioenergy	4.8	14,006,187	1.56%	100%								YES	YES	YES	YES	YES	1.56%	
5.5 Collection and transport of non-hazardous waste sorted at source	5.5	4,622,331	0.52%	100%								YES	YES	YES	YES	YES	0.52%	
5.9 Recovery of materials from non-hazardous waste	5.9	6,025,961	0.67%	100%								YES	YES	YES	YES	YES	0.67%	
7.5 Emergency response services - Hazardous materials response	7.5	62,789,497	7.01%		100%					YES		YES	YES	YES	YES	YES	7.01%	
9.6 Remediation activities	9.6	110,569,184	12.35%					100%		YES	YES	YES	YES		YES	YES	12.35%	
10.1 Non-life insurance: climate risk cover	10.1	6,428,440	0.72%		100%					YES		YES	YES	YES	YES	YES	0.72%	
13.2 Hazardous waste collection and transport	13.2	45,133,929	5.04%					100%		YES	YES	YES	YES		YES	YES	5.04%	
13.3 Hazardous waste treatment	13.3	233,902,122	26.13%					100%		YES	YES	YES	YES		YES	YES	26.13%	
13.4 Hazardous waste treatment for material recovery	13.4	47,336,709	5.29%				100%			YES	YES	YES		YES	YES	YES	5.29%	
13.7 Decontamination and dismantling of equipment at the end of life	13.7	5,303,497	0.59%				100%			YES	YES	YES		YES	YES	YES	0.59%	
13.8 Non-hazardous waste sorting and material recovery	13.8	25,316,991	2.83%				100%			YES	YES	YES		YES	YES	YES	2.83%	
Revenue from environmentally sustainable activities (aligned with the taxonomy)		594,722,272	66.43%	6.47%	7.73%		8.71%	43.52%									66.43%	
A.2 Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)																		
3.14 Manufacture of basic organic chemicals	3.14	8,709,052	0.97%															
5.5 Collection and transport of non-hazardous waste sorted at source	5.5	61,064,606	6.82%															
9.6 Remediation activities	9.6	78,870	0.01%															
13.2 Hazardous waste collection and transport	13.2	14,634,919	1.63%															
13.3 Hazardous waste treatment	13.3	44,240,334	4.94%															
13.4 Hazardous waste treatment for material recovery	13.4	17,498,066	1.95%															
13.8 Non-hazardous waste sorting and material recovery	13.8	25,066,622	2.80%															
Revenue from activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)		171,292,469	19.13%															
TOTAL (A.1 + A.2)		766,014,741	85.56%															
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																		
Revenue from activities not eligible for the taxonomy		129,243,117	14.44%															
TOTAL (A + B)		895,257,858	100.00%															

Breakdown of CAPEX alignment

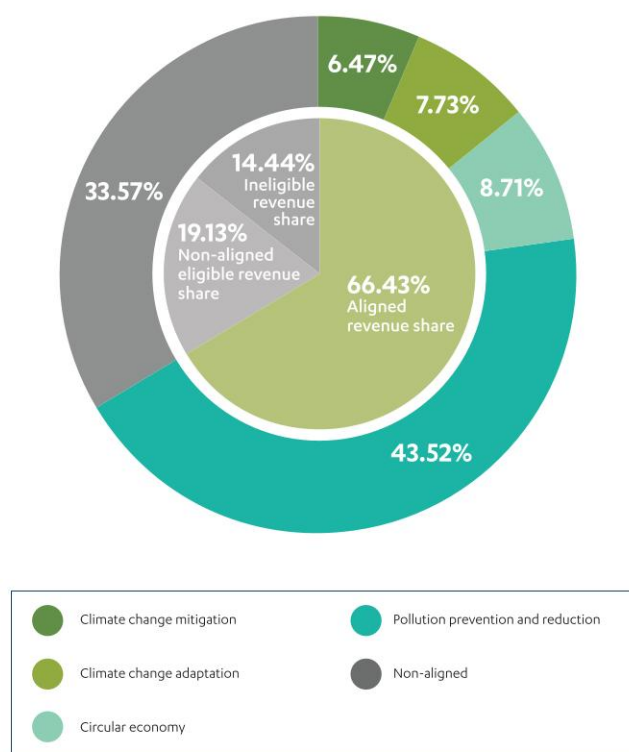
Economic activities	Activity codes	Total CAPEX (€)	Share of CAPEX	Climate change mitigation	Substantial contribution criteria				Absence of significant harm criteria (DNSH - Do no significant harm)								Minimum guarantees	Share of CAPEX aligned with the taxonomy Years N	Share of CAPEX aligned with the taxonomy years N-1	Category (enabling activity)	Category "(transition al activity)"
					Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems						
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																					
A.1 Environmentally sustainable activities (activities aligned with the taxonomy)																					
4.25 Heat production/cooling through use of waste heat	4.25	377,016	0.36%	100%								YES	YES	YES	YES	YES	YES	0.36%			
4.8 Electricity production from bioenergy	4.8	83,929	0.08%	100%								YES	YES	YES	YES	YES	YES	0.08%			
5.5 Collection and transport of non-hazardous waste sorted at source	5.5	172,015	0.16%	100%								YES	YES	YES	YES	YES	YES	0.16%			
5.9 Recovery of materials from non-hazardous waste	5.9	367,162	0.35%	100%								YES	YES	YES	YES	YES	YES	0.35%			
7.5 Emergency response services - Hazardous materials response	7.5	3,235,544	3.08%		100%						YES		YES	YES	YES	YES	YES	3.08%			
8.2. Programming, consulting and other IT activities	8.2	232,300	0.22%		100%						YES		YES	YES	YES	YES	YES	0.22%			
9.6 Remediation activities	9.6	8,521,057	8.11%					100%			YES	YES	YES	YES		YES	YES	8.11%			
13.2 Hazardous waste collection and transport	13.2	525,567	0.50%					100%			YES	YES	YES	YES		YES	YES	0.50%			
13.3 Hazardous waste treatment	13.3	32,072,215	30.54%					100%			YES	YES	YES	YES		YES	YES	30.54%			
13.4 Hazardous waste treatment for material recovery	13.4	10,987,415	10.46%				100%				YES	YES	YES			YES	YES	10.46%			
13.7 Decontamination and dismantling of equipment at the end of life	13.7	481,626	0.46%				100%				YES	YES	YES		YES	YES	YES	0.46%			
13.8 Non-hazardous waste sorting and material recovery	13.8	1,269,197	1.21%				100%				YES	YES	YES		YES	YES	YES	1.21%			
CAPEX from environmentally sustainable activities (aligned with the taxonomy)		58,325,043	55.53%	0.95%	3.30%		12.13%	39.15%									55.53%				
A.2 Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)																					
3.14 Manufacture of basic organic chemicals	3.14	857,168	0.82%																		
5.5 Collection and transport of non-hazardous waste sorted at source	5.5	2,565,260	2.44%																		
9.6 Remediation activities	9.6	14,009	0.01%																		
13.3 Hazardous waste treatment	13.3	1,819,694	1.73%																		
13.4 Hazardous waste treatment for material recovery	13.4	5,073,919	4.83%																		
CAPEX from activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)		10,330,050	9.84%																		
TOTAL (A.1 + A.2)		68,655,093	65.37%																		
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																					
CAPEX from activities not eligible for the taxonomy		36,376,669	34.63%																		
TOTAL (A + B)		105,031,763	100.00%																		

Breakdown of OPEX alignment

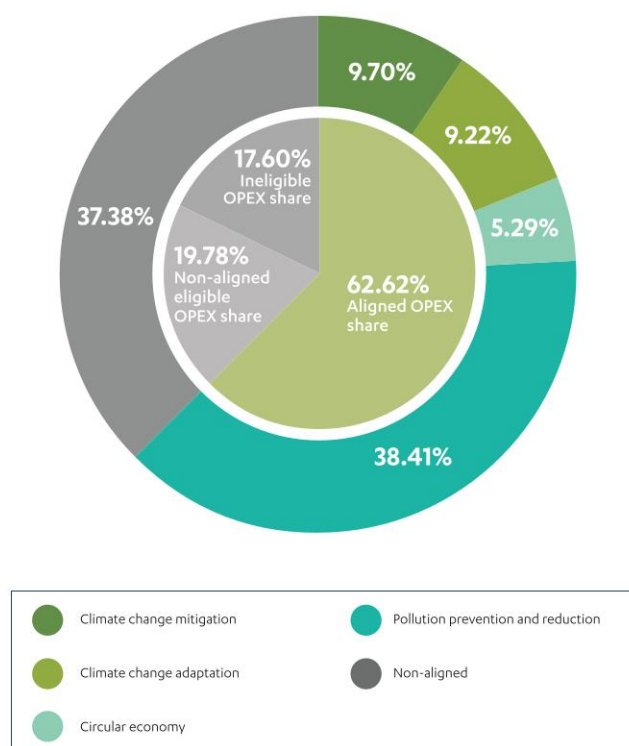
Economic activities	Activity codes	Total OPEX (€)	Share of OPEX	Substantial contribution criteria					Absence of significant harm criteria (DNSH - Do no significant harm)							Minimum guarantees	Share of OPEX aligned with the taxonomy Years N	Share of OPEX aligned with the taxonomy years N-1	Category (enabling activity)	Category "(transitional activity)"		
				Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems							
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY																						
A.1 Environmentally sustainable activities (activities aligned with the taxonomy)																						
4.1 Electricity production using photovoltaic solar technology	4.1	362,727	0.32%	100%							YES	YES	YES	YES	YES	YES	0.32%					
4.25 Heat production/cooling through use of waste heat	4.25	6,802,914	6.08%	100%							YES	YES	YES	YES	YES	YES	6.08%					
4.8 Electricity production from bioenergy	4.8	2,953,054	2.64%	100%							YES	YES	YES	YES	YES	YES	2.64%					
5.5 Collection and transport of non-hazardous waste sorted at source	5.5	419,849	0.38%	100%							YES	YES	YES	YES	YES	YES	0.38%					
5.9 Recovery of materials from non-hazardous waste	5.9	305,044	0.27%	100%							YES	YES	YES	YES	YES	YES	0.27%					
7.5 Emergency response services - Hazardous materials response	7.5	10,308,634	9.22%		100%					YES		YES	YES	YES	YES	YES	9.22%					
9.6 Remediation activities	9.6	17,302,080	15.47%					100%		YES	YES	YES	YES		YES	YES	15.47%					
10.1 Non-life insurance: climate risk cover	10.1	803	0.00%		100%					YES		YES	YES	YES	YES	YES	0.0007%					
13.2 Hazardous waste collection and transport	13.2	3,216,693	2.88%					100%		YES	YES	YES	YES		YES	YES	2.88%					
13.3 Hazardous waste treatment	13.3	22,435,063	20.06%					100%		YES	YES	YES	YES		YES	YES	20.06%					
13.4 Hazardous waste treatment for material recovery	13.4	3,567,791	3.19%				100%			YES	YES	YES		YES	YES	YES	3.19%					
13.7 Decontamination and dismantling of equipment at the end of life	13.7	358,031	0.32%				100%			YES	YES	YES		YES	YES	YES	0.32%					
13.8 Non-hazardous waste sorting and material recovery	13.8	1,994,520	1.78%				100%			YES	YES	YES		YES	YES	YES	1.78%					
OPEX from environmentally sustainable activities (aligned with the taxonomy)		70,027,202	62.62%	9.70%	9.22%		5.29%	38.41%									62.62%					
A.2 Activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)																						
3.14 Manufacture of basic organic chemicals	3.14	875,412.19	1%																			
4.1 Electricity production using photovoltaic solar technology	4.1	0.00	0%																			
4.25 Heat production/cooling through use of waste heat	4.25	0.00	0%																			
4.8 Electricity production from bioenergy	4.8	0.00	0%																			
5.5 Collection and transport of non-hazardous waste sorted at source	5.5	11,178,292.44	10%																			
5.9 Recovery of materials from non-hazardous waste	5.9	0.00	0%																			
7.5 Emergency response services - Hazardous materials response	7.5	0.00	0%																			
9.6 Remediation activities	9.6	7,642.45	0%																			
10.1 Non-life insurance: climate risk cover	10.1	0.00	0%																			
13.2 Hazardous waste collection and transport	13.2	1,363,667.56	1%																			
13.3 Hazardous waste treatment	13.3	4,934,733.39	4%																			
13.4 Hazardous waste treatment for material recovery	13.4	1,462,916.45	1%																			
13.7 Decontamination and dismantling of equipment at the end of life	13.7	268.73	0%																			
13.8 Non-hazardous waste sorting and material recovery	13.8	2,296,500.30	2%																			
OPEX from activities eligible for the taxonomy but not environmentally sustainable (not aligned with the taxonomy)		22,119,433.49	19.78%																			
TOTAL (A.1 + A.2)		92,146,636	82.40%																			
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY																						
OPEX from activities not eligible for the taxonomy		19,680,360	17.60%																			
TOTAL (A + B)		111,826,996	100.00%																			

Analysis of the results of the alignment of S  ch   Environnement's activities with the EU taxonomy:

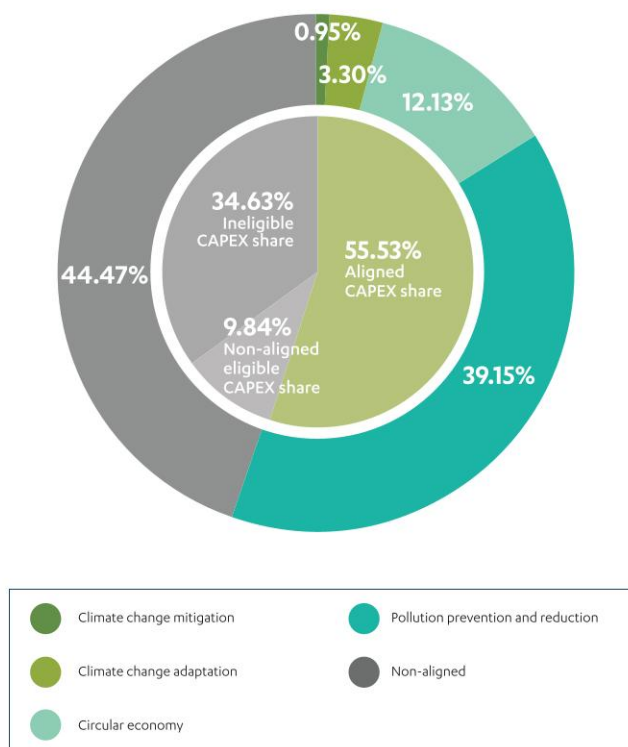
REVENUE SHARES ALIGNED WITH GREEN TAXONOMY OBJECTIVES



OPEX SHARES ALIGNED WITH GREEN TAXONOMY OBJECTIVES



CAPEX SHARES ALIGNED WITH GREEN TAXONOMY OBJECTIVES



This year, for the two climate objectives of the taxonomy:

- 22% of revenue, 7.52% of CAPEX and 29.91% of OPEX are eligible;
- 14.2% of revenue, 4.25% of CAPEX and 18.92% of OPEX are aligned.

In anticipation of future reporting requirements based on the other four objectives of the taxonomy, Séché Environnement's activities are aligned with the EU taxonomy:

- 85.56% of revenue, 65.37% of CAPEX and 82.40% of Opex are eligible;
- 66.43% of revenue, 55.53% of CAPEX and 62.62% of OPEX are aligned.

The criteria regarding contribution to the circular economy and pollution prevention and reduction are the two objectives of the taxonomy with which our activities are most aligned.

It should be noted that the European Commission published draft Frequently Asked Questions (FAQs) on December 19, 2022, on the interpretation and implementation of certain legal provisions relating to the EU taxonomy. In this draft document, the European Commission considers that the "Recovery of material from non-hazardous waste" activity in section 5.9, which meets the climate change mitigation objective, does not cover waste sorting centers. Although this document has no regulatory value, Séché Environnement has chosen to analyze the alignment of its

waste sorting facilities under the "Non-hazardous waste sorting and material recovery" activity in section 13.8, which meets the transition to a circular economy objective.

Hazardous waste management and treatment activities:

Almost all of our hazardous waste management activities are aligned with the EU taxonomy. The activities relating to collection and transport of hazardous waste sorted at source, hazardous waste treatment for material recovery (i.e. solvent and bromine regeneration), hazardous waste treatment for pollution prevention and control (i.e. incineration of hazardous waste, stabilization, physico-chemical processing, sanitization of infectious medical waste, sorting and pre-treatment), and the dismantling of equipment at the end of life (i.e. management of hazardous gas cylinders and electrical transformers contaminated with PCBs) are therefore aligned.

The final disposal of hazardous waste in landfill facilities activities and most of the hazardous waste management activities carried out outside the European Union are not aligned with the sustainability criteria of the EU taxonomy. These activities do not refer to the European regulations (EURO standard, industrial emissions directive, etc.), compliance with which is necessary for the alignment of activities.

Non-hazardous waste management and treatment activities:

Few of Séché Environnement's non-hazardous waste management activities are eligible and aligned with the EU taxonomy. The eligible and aligned activities relating to the management of non-hazardous waste are thus limited to: the resale of recycled materials, the sorting and recovery of non-hazardous waste, and the a portion of the collection and transport of non-hazardous activities, specially those related to the sorting at the place of production.

Non-hazardous waste incineration activities, including recovery activities, and the final disposal of non-hazardous waste in landfill facilities, are not eligible and aligned. Similarly, the production and recovery of solid recovered fuels (SRF) is neither eligible nor aligned with the taxonomy, together with the incineration of non-hazardous waste. Finally, most of the non-hazardous waste management activities carried out outside the European Union are not aligned with the taxonomy. These activities do not refer to the European regulations (EURO standard, industrial emissions directive, etc.), compliance with which is necessary for the alignment of activities.

Activities relating to the manufacture of other basic organic chemicals:

The activities related to the purification of used products with a view to releasing basic organic chemicals onto the market are fully eligible, but they are not aligned because no life cycle analysis (LCA) has been performed for these products, and this is an essential condition for their alignment.

Environmental services and decontamination activities:

The activities of Séché Environnement's environmental services subsidiaries are, for the most part, eligible and aligned with the EU taxonomy, be they remediation activities (i.e. asbestos removal, demolition, decontamination, sanitation and chemical cleaning), transport activities or environmental damage insurance services.

Renewable energy production from waste activities:

Séché Environnement's renewable energy production activities are mostly eligible and aligned with the sustainability criteria of the EU taxonomy, in particular electricity production and cogeneration using biogas, the production of renewable and recovered heat, in particular from the incineration of hazardous waste, and electricity production using photovoltaic solar panels.

However, the production of heat and electricity by cogeneration and the production of electricity from the incineration of non-hazardous waste are not eligible for the EU taxonomy.

1.6.4.3 Strategic decisions driven by the EU taxonomy

None of the Group's activities falls within the category of transition activities or enabling activities. As mentioned above, the great majority of the Group's environmental services activities come under the contribution criteria that should be published in 2023.

It must be noted that service activities require less CAPEX than circular economy, decarbonization, and hazard management activities. Séché Environnement is developing these activities significantly, diversifying its decontamination services. The orientation of its activities towards the development of expertise in decontamination and emergency response services stems from thorough knowledge of the harmful effects that accidents can have on soil, water and biodiversity pollution and degradation.

This significant share of activities, operating expenses and capital expenditure aligned with the green taxonomy illustrates the Group's strong positioning in activities related to the ecological transition.

Having already published information for the four substantial contribution criteria that will be required in 2023 publications, Séché Environnement will review its methodology and eligibility and alignment analysis as and when the Taxonomy regulations are implemented, based on changes in the listed activities and technical review criteria.

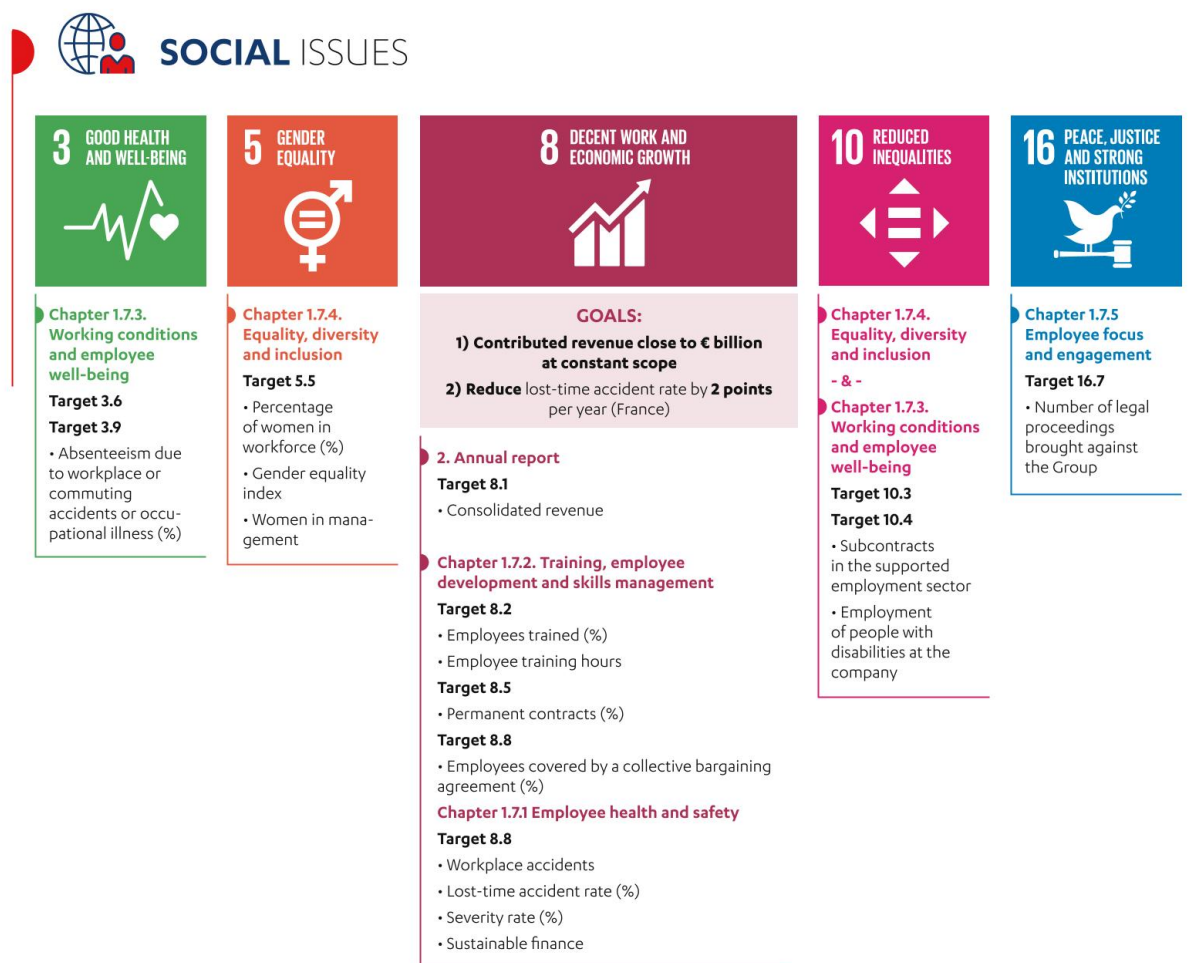
Drawing on this position and aware of the predominance of green finance, Séché Environnement will also apply an EU taxonomy alignment analysis criterion to all of its subsidiaries and to its investment decisions above a certain amount.

1.7 SOCIAL ISSUES

This section identifies the social issues in order of importance according to the results of the materiality analysis, and sets out the state of play regarding this theme, the risk mitigation measures, - and the monitoring

indicators, goals and action plans launched or planned. It also contains the Sustainable Development Goals (SDGs) and the targets to which the Group contributes.

Identification of SDGs and associated targets



1.7.1 EMPLOYEE HEALTH AND SAFETY

1.7.1.1 State of play

The prevention of occupational risks involves all actions taken to protect employees' health and safety, improve working conditions, ensure well-being in the workplace, and move towards zero accidents. It is a regulatory requirement for the employer, and the main obligations in this area are set out in the French Labor Code.

It forms part of companies' corporate social responsibility aimed at eliminating or at least reducing workplace accidents and occupational illness and limiting the human, social and economic consequences thereof.

In order to meet the performance obligation, the employer must adapt the risk prevention policy to the nature of the activity and organizational structure of the company, and also anticipate future changes.

The occupational risks of the Group's business lines are identical to the usual risks inherent in industrial operations. In addition, some of the Group's activities require the handling of products that pose potential health risks (toxic waste, asbestos, PCBs) and that could give rise to workplace accidents or occupational illnesses.

1.7.1.1.1 Organization of occupational risk prevention at Group level

The Group has a central HSEQ department consisting of:

- one Group Head of HSEQ;
- three Business Line Safety Coordinators (Hazardous Waste, Non-Hazardous Waste, Services and Industrial Chemicals);
- four Incident Prevention Officers (two more are currently being recruited);
- one Group Chemical Risk Officer;
- one Group HSEQ Policy Officer.

The objective is to support each site in the management of health & safety and to implement the Group's improvement plan aimed at strengthening the safety culture and therefore moving towards zero workplace accidents.

In addition, around this central structure dedicated in particular to occupational health and safety, it should be noted that the head of each site is responsible for their management system and relies on the site's internal resources, namely:

- a HSEQ manager who applies the Group's policy to the site;
- safety coordinators, depending on the size and activities of the site;
- an Economic and Labor Relations Council (CSE).

1.7.1.1.2 Tools and resources for the prevention of occupational risks

The occupational risk prevention approach is based at least on the fundamental regulations.

The Group has tools for harmonizing and standardizing practices for:

- **Occupational risk assessments.** The single risk assessment document makes it possible to identify hazardous situations and the prevention means to be implemented to eliminate or at least reduce risks. All sites are provided with a tool for monitoring, updating analyses and actions, as well as reminders. It can also be used to produce maps by risk, by business line, etc.
- **Chemical risk assessments.** The Group Chemical Risk Officer, assisted by the local HSEQ team and the site manager, prepares a report for each site summarizing how operator risk exposure is managed. These reports summarize all of the results of the static and dynamic measurements. A map of the site is drawn up and used to review whether each work situation is exposed to risks. Finally, an improvement action plan is implemented and the report is regularly updated as set out above. These reports are presented to the Economic and Labor Relations Council and to the occupational physician.
- **Regulatory monitoring and compliance assessments.** Each site has a regulatory monitoring tool tailored its activities. All of the regulations applicable to the site (including operating permits issued by local prefects) are assessed at least every three years. Where applicable, an action plan is implemented and monitored.
- **Periodic Verifications.** Each site has a tool and/or CMMS for planning and carrying out Periodic Verifications and monitoring the lifting of reservations. This tool automatically manages reminders and new schedules for each Periodic Verification and stores all of the verification reports.

With the support of the HSEQ manager and/or the Safety coordinator, each site establishes an occupational risk prevention approach aimed at continuous improvement of the company's occupational health and safety performance.

In addition, the Group is committed to continuing to roll out the **MASE standard** on its sites. This standard is already implemented at several sites in response to the expectations of our clients, and because it is relevant to our business lines.

At the same time, the Group is developing a proprietary **safety standard** that will harmonize and standardize practices.

Training courses form an integral part of the action plan to strengthen the safety culture, and cover all of the mandatory safety training set out in the French Labor Code, as well as an action plan and training on the prevention of musculoskeletal disorders (MSDs) produced by the Group.

1.7.1.2 Goals and action plan

1.7.1.2.1 Action Plan

Once a year, the Group HSEQ Department produces and puts forward a health and safety management program. It is approved by the Executive Management representatives and presented to all heads of sites and subsidiaries at the end of the year.

This occupational risk prevention program takes into account the needs of the sites and is produced with the aim of strengthening the safety culture. Some of the items addressed in 2022 include:

- Harmonized Safety Communication:
 - Safety mascot for French and International entities
 - Event for World Day for Health and Safety at Work
 - Safety communication for French and International entities
 - Biosafety posters
- Safety standards:
 - Group safety standard
 - Tools for assessing site maturity
 - "VITAL" rules that save (operational control)
 - Paperless prevention plans and protocols
- Prevention of musculoskeletal disorders:
 - Training of ergonomics officers
 - Posters about MSDs

In December 2022, Séché Environnement organized a Health & Safety Challenge in France aimed at strengthening the health & safety culture and preventing musculoskeletal disorders (MSDs). For nearly a month, over 1,000 employees met daily challenges, including individual and team physical activities (walking, running, cycling), with a collective distance of nearly four times round the world covered, and information and awareness-raising quiz, and photo challenges highlighting best practices in health, safety and ecology.

1.7.1.2.2 Associated performance indicators

Safety monitoring and performance indicators are analyzed once a month and the analysis is distributed to all stakeholders.

The main indicators monitor:

- workplace accidents;
- lost-time accident frequency rate, non-lost-time accident frequency rate, near accident frequency rate;
- severity rate;
- occupational illnesses.

Regarding the lost-time accident frequency rate for the French scope, the Group has set a target of five in the medium term. The target is thus based on a reduction in the lost-time accident frequency rate of at least two points per year.

	2020	2021	2022	
	France	France	France	International
Number of lost-time accidents - Employees and temporary staff	76	57	50	46
Number of days lost - Employees and temporary staff	3,178	2,373	4,675	1,177
Lost-time accident frequency rate - Employees	20.89	14.19	10.42	7.08
Lost-time accident frequency rate - Employees and temporary staff	21.71	15.63	13.03	5.49
Severity rate - Employees	0.97	0.70	1.3	0.18
Severity rate - Employees and temporary staff	0.91	0.65	1.22	0.14

It should be noted that the lost-time accident frequency rate and severity rate for year N-1 can be changed as a result of refusal to recognize the occupational nature of the accident during year N+1 by the primary health insurance fund (CPAM).

The increase in the number of lost days for the French scope relates to the transfer of lost days from entities acquired in 2022 and therefore reflects an increase in the Severity Rate.

The table below shows the occupational illnesses reported and recognized by the CPAM. Some of them are contested and are therefore subject to further investigations.

Occupational illnesses	2020		2021			2022		
	Reported	Recognized	Reported	Investigations in progress	Recognized	Reported	Investigations in progress	Recognized
	7	7	8	4	4	5	4	1
			4 excluding occupational illness table 4 relate to musculoskeletal disorders			3 excluding occupational illness table 2 relate to musculoskeletal disorders		

The safety expenses below only relate to the supply and cleaning of workwear and Personal Protective Equipment. The cost of Collective Protective Equipment (CPE), equipment, workstation adjustments, organization of work

or any other items contributing to the elimination or reduction of risk are directly included in the operating costs of the sites.

Safety expenses (€k)	2020	2021	2022
Worldwide	4387	3,847	4,426
France	3,694	3,011	3,345
International	693	836	1,081

1.7.2 TRAINING, EMPLOYEE DEVELOPMENT AND SKILLS MANAGEMENT

1.7.2.1 State of play

The Group's activities use many increasingly diverse tools requiring special technical and regulatory skills that are regularly updated in order to adapt to business changes.

The waste management sector is less attractive than the environment sector overall. As a result, there is a risk that the Group could lose skilled workers and not be able to replace them rapidly, despite its policy of individual monitoring and career management, mentoring, training and the identification of talented employees within the Group.

Furthermore, the Group's international growth requires new forms of expertise and high staff mobility, particularly in executive positions.

1.7.2.1.1 Recruitment policy

Since November 2021, the Group has a dedicated recruitment team to support its growth and meet its skills requirements. The recruitment team is in charge of implementing a proactive policy based on three areas: attracting talent, recruiting, and developing the Employer brand.

In a climate marked by increased difficulty in recruitment, particularly in areas where talent is in short supply (chemists, maintenance technicians, haulage contractors, business managers, drivers, etc.), the recruitment team uses various recruitment channels, such as the careers page on the Séché Group website, various job boards (APEC, Hellowork, FigaroClassifieds, etc.), social media (LinkedIn, etc.), relationships with schools, and recruitment fairs.

To support recruitment, in 2022 the Group introduced a co-opting policy in France for all subsidiaries that aims to involve and reward our employees who become ambassadors by sharing job offers in their networks.

The Group has invested in an ATS (Application Tracking System), a recruitment tool that will be operational in March 2023, in order to modernize how we attract and recruit candidates, automate our recruitment process (100% digital), and promote internal mobility with a portal dedicated to internal job ads.

Applicants have the opportunity to:

- join an international Group offering a wide range of posts and which places sustainable development and its corporate responsibility at the center of its corporate strategy;
- work with small teams who share the same drive for excellence, where everyone can work autonomously, with increasing responsibilities and short decision-making processes;
- share a common ambition to meet the highest standards and foster well-being for all.

The relationship developed with schools and the Group's participation in student jobs fairs allow it to promote jobs related to the environment and chemistry: for example, it attends the Mondial des Métiers fair in Lyon, and other regional jobs fairs organized in partnership with the MEDEF employers' association, local chambers of commerce and the FACE nonprofit.

1.7.2.1.2 Employee retention

The company's talent management policy is based on acknowledging employees' expectations and their performance. Séché Environnement conducts professional development reviews in accordance with French regulations (Labor Code Article L.6315-1). An essential managerial tool, the professional development review is a chance for the company to:

- touch base with the employee about their work;
- coordinate the company's plans and the employee's individual plans;
- discuss the employee's needs and expectations in line with their professional development or career plans;
- determine what actions are needed to achieve those plans;
- inform the employee about how they can access on-the-job training.

This review is a discussion with the employee about their current and future professional status within or outside the company that gives a sense of their long term career plans. It leads to concrete actions related to the employee's training or professional development.

It is held every two years, and is also offered to employees returning to work after certain types of leave (maternity

leave, parental leave, adoption leave, sabbatical leave, secure voluntary mobility, long-term sick leave, etc.).

1.7.2.1.3 Training

	2020	2021	2022		
	Worldwide		France	International	Worldwide
Number of employees trained	2,989	3,440	1,879	2,821	4,700
Number of hours of training	60,368	80,353	48,154	55,936	104,090
Employees trained as a percentage of the average headcount	67.6%	74.2%	90.4%	80.4%	86.1%
Average number of hours per FTE employee per year	13.7	17.3	20.6	17.9	19.0 ☑

1.7.2.2 Goals and action plan

At the end of 2021, the Group set up a recruitment team to assist and support operational staff in business lines where recruitment is a challenge as well as with the hiring of management level staff.

Séché Environnement develops its brand awareness by contributing to the training of upcoming generations by developing special relationships via industry/academic exchanges, and encouraging managers to host conferences or provide teaching. It also hosts apprentices, which also boosts its attractiveness as an employer (52 work-study contracts in France in 2022).

The continual improvement of its employees' skills is central to the Group's human resources policy. It draws on an ambitious training policy that aims to allow each member of staff to acquire an appropriate level of knowledge, expertise and behavioral skills. On-the-job training remains a key part of professional development. Through this training, the Group seeks to:

- contribute to the development of professional practices;
- provide employees with all the knowledge they need to optimally carry out their assigned tasks;
- boost business expertise, for example with e-learning courses available since 2019. Since the start of the pandemic, the Group has used more online training whenever the subject matter allows.

The skills development plan, based on the strategic objectives of the Group and each of the entities, takes into account:

- collective needs, as changes to the issues facing the company require that its teams and their responsibilities continually adapt;

- individual needs, by identifying special requests and actions. Employees now all have a personal training account (CPF), which can be used at any point in their career, including during any periods of unemployment, to take a certified training program.

The Group is also rolling out annual performance reviews for managerial and non-management staff. These reviews provide employees with a structured framework by including targets for the year ahead, and are also an opportunity to review the past year. The performance review template has been redesigned. The design of the new template was overseen by HR experts and co-constructed with operational staff from the Industrial Operations and Sales divisions and the support functions.

The professional development review and the performance review are rounded out with career reviews, which are important for careers and skills management, especially for management-level staff. Career reviews bring together HR and management to review employees, assess skills and performance and to measure capacities for development from different points of view. They can also be used to identify talented employees or draw up pools of candidates with a view to succession planning and to make decisions regarding mobility, promotions, compensation, etc.

The Group is also developing an internal mobility policy for France and abroad by prioritizing the advertisement of job vacancies within the Group, to allow employees to continue their careers within the Group.

1.7.3 WORKING CONDITIONS AND EMPLOYEE WELL-BEING

1.7.3.1 State of play

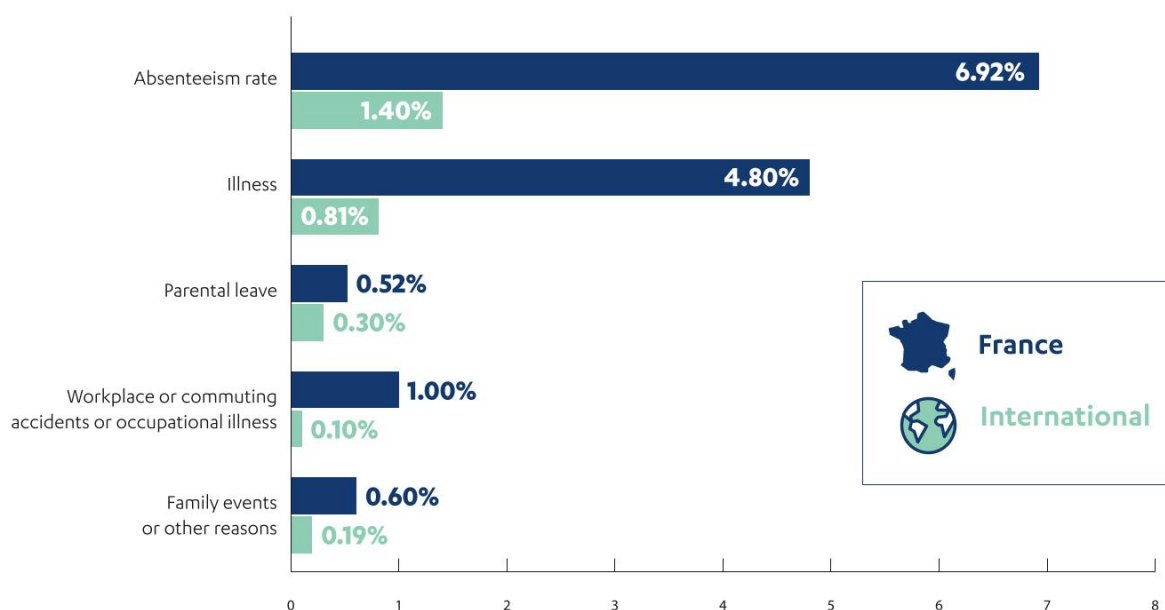
1.7.3.1.1 Absenteeism

Absenteeism causes a number of problems in the organization of work within the company (delays, disorganization, decline in quality).

Number of days of absence

	2020	2021	2022		
	Worldwide		France	International	Worldwide
Total	62,876	56,204	59,033	15,970	75,003
Per employee (of average FTE headcount)	14.2	12.1	25.3	5.2	13.7
Absenteeism rate as a % ¹	3.9%	3.3%	6.92%	1.4%	3.8%

ABSENTEEISM as a % of days due to be worked



¹ Indicator calculation method for 2020, 2021, and 2022: (Number of days lost/(365*Average FTE headcount))*100.

1.7.3.1.2 Company-wide agreements

The economic impacts and consequences on working conditions were taken into account during the negotiation and signing of the agreements in France.

	2021	2022
Number of agreements signed during the year		
Gender equality	8	7
Mandatory annual negotiations	8	13
Strategic Workforce Planning	1	0
Incentives - Profit-sharing	6	7
Other subjects	2	60
Number of subsidiaries covered by an agreement		
Strategic Workforce Planning	2	2
Mandatory annual negotiations	8	13
Profit-sharing and incentive schemes	23	28
Prevention of exposure to occupational risks	2	3
Gender equality	11	12
Frequency of agreements	3	2
The right to disconnect after hours	17	18
Other	11	83

Collective agreements

% of workforce	2020	2021	2022
Union des Industries Chimiques (UIC)	30	29	26
Waste activities	56	56	50
FG3E	5	6	5
Road transport	7	7	6
Public works	2	2	2
Sanitation			9
3D			2

1.7.3.1.3 Profit-sharing and incentive schemes

The Group fosters employees' commitment to delivering results with incentive bonus schemes negotiated with labor unions at most of its subsidiaries.

For most people, employee savings schemes are an essential complement to individual rainy-day savings and long-term investments.

- profit-sharing bonuses are mainly calculated based on each company's tax profits.

- incentive bonuses depend on each subsidiary's net income, operating income or current operating income calculated under IFRS accounting rules. Trigger levels and maximum limits also apply, based on criteria related to the company's results and/or performance (safety, environment, industrial performance, management, etc.) adjusted depending on the issues facing the subsidiaries in question.

In €k or number of employees - France	2020	2021	2022
Total profit-sharing pool	1,793	2,242	2,708
Number of beneficiaries	1,176	1,212	1,475
Total incentive bonus pool	685	536	1,182
Number of beneficiaries	839	967	1,059

The Group does not distribute free shares, nor award stock options. The Group savings plan allows employees to invest in the Séché Croissance employee savings plan and to share

in their company's growth. Outstanding amounts held in these plans are as follows:

Séché growth employee savings plan

	2020	2021	2022
Number of Séché Environnement shares held	42,338	44,344	51,278
Share of Séché Environnement's capital	0.54%	0.56%	0.65%
Share of Séché Environnement's voting rights	0.66%	0.68%	0.71%

1.7.3.2 Goals and action plan

1.7.3.2.1 Organization and working hours

In 2021, open-ended agreements on tGOALhe implementation of regular working from home were signed within the Group. In addition, in 2022, six subsidiaries entered into open-ended agreements on the organization of working hours.

1.7.3.2.2 Exceptional purchasing power bonus and Value-sharing bonus

In January 2022, Séché Environnement Group paid an exceptional purchasing power bonus (PEPA) at all of its subsidiaries. In addition, a value-sharing bonus (PPV) was granted in September and December, by unilateral decision of the employer, for all of the Group's subsidiaries.

1.7.3.2.3 Employee health initiatives

A number of initiatives have been put in place at the various Séché Environnement Group subsidiaries, such as:

- the Health & Safety Challenge, to promote physical activity and raise awareness of safety rules (see 1.7.1.2.1);
- posters aimed in particular at administrative staff about stretching and warming up;
- physical coaching before the start of each shift to promote muscle activation and prevent MSDs on some sites;
- "Ergonomics Officer" training to analyze workstations and suggest improvement actions in order to prevent MSDs;
- a carpooling campaign on the head office site.

1.7.3.2.4 Rotating schedule

There are initiatives to improve the organization of working hours at various subsidiaries in order to take into account the needs of the business while paying particular attention to work/life balance (new work cycles, etc.).

1.7.3.2.5 Site/office development

The Group is working on the construction of the new head office in Laval.

1.7.3.2.6 Work/life balance

The Group plans to renew and accept all requests to work from home at all of its subsidiaries for 2023.

1.7.4 EQUALITY, DIVERSITY AND INCLUSION

1.7.4.1 State of play

1.7.4.1.1 Total worldwide headcount at December 31

	2020	2021	2022
Constant scope	4,354	4,401	5,386
Change in consolidation scope (acquisitions net of disposals)		266	329
Current scope	4,354	4,667	5,715
Percentage of international staff	53.6%	55.4%	56.1%

1.7.4.1.2 Changes in headcount

This table shows changes in headcount (permanent and fixed-term contracts), including transfers.

	2020	2021	2022		
	Worldwide		France	International	Worldwide
Hires	973	1,377	740	1,894	2,634
Departures	1254	1,336	422	1,228	1,650

1.7.4.1.3 Providing the staff needed to ensure the Group can function correctly in all regions

This table shows the total worldwide headcount at December 31, differentiated by region.

	2020	2021	2022
France	2,020	2,083	2,508
Europe	281	295	323
Americas	321	350	863
Africa	1,732	1,939	2,021
Total worldwide	4,354	4,667	5,715
Percentage of international staff	53.6%	55.4%	56.1%

It is important to recognize that weekly working hours vary between countries: 35 hours in France, 39 hours in Italy, 40 hours in Spain, Germany, and Argentina. They vary between

40 and 45 hours in South Africa, 45 hours in Chile, and 48 hours in Mexico and Peru.

1.7.4.1.4 Adjusting employment levels throughout the year

	2020	2021	2022		
	Worldwide		France	International	Worldwide
Full time equivalent headcount	4299	4,649	2,494	3,203	5,697
Average FTE headcount	4,420	4,633	2,336	3,120	5,456
Headcount at December 31	4,354	4,667	2,508	3,207	5,715

The headcount at a given date (the most frequently used) is the headcount defined in Article R.225-102-1 of the French Commercial Code to calculate the threshold for applying rules relating to non-financial reporting; the full time equivalent headcount is used to calculate thresholds for mandatory energy audits (Articles L.233-1 to 233-4 of the French Energy Code) and greenhouse gas emission reviews

(Article 75 of law no. 2010-788 of July 12, 2010 setting out the national commitment to the environment)¹.

The difference between the full time equivalent headcount and the headcount at December 31 is due to part time workers.

¹ See 1.4.2 Circular economy and recovery of materials and energy and 1.4.3 Climate change mitigation.

The average headcount (average of the total at the end of each month) compared with the headcount at December 31 shows any variation (activity peaks or troughs) and

represents the average volume of work completed during the year. It is used, for example, to calculate the average number of training hours per employee per year.

Seeking stability by limiting fixed-term contracts

This table shows the types of employment contract within the Group.

	2020	2021	2022		
	Worldwide		France	International	Worldwide
Permanent contracts	3986	4,174	2,361	2,304	4,665
Fixed-term contracts	368	493	147	903	1,050
Total	4,354	4,667	2,508	3,207	5,715
Percentage of permanent contracts	91.6%	91.3%	94.1%	71.4%	91.3%

Stability in the workforce facilitates the acquisition of experience, which has a positive impact on the company, particularly in terms of preventing accidents. Prioritizing

permanent employment contracts contributes to workforce stability.

1.7.4.1.5 Gender diversity

Many positions relate to heavy industry with specific features such as shift work or night work. Women account for a smaller portion of the headcount in these positions than in laboratory, sales and/or administrative positions. However,

women account for 27.9% of management level staff (managers and supervisors). At December 31, 2022, 40% of the members of Séché Environnement's Board of Directors were women.

Percentage of women	2020	2021	2022		
	Worldwide		France	International	Worldwide
In management	20.9%	28%	27.8%	26.9%	27.5% <input checked="" type="checkbox"/>
On the Board of Directors ¹	50%	50%			40% <input checked="" type="checkbox"/>

It should be noted that the one-off decrease in the percentage of women on the Board of Directors is linked to the resignation of Anne-Sophie Le Lay at the end of 2022.

Gender equality is a major pillar of Séché Environnement's human resources policy.

This table shows the headcount at December 31, broken down by the number of men and women in the Group.

	2020	2021	2022		
	Worldwide		France	International	Worldwide
Men	3395	3,611	1,913	2,588	4,501
Women	959	1,056	595	619	1,214
Total	4,354	4,667	2,508	3,207	5,715
Percentage of women	22%	22.6%	23.7%	19.3%	21.2% <input checked="" type="checkbox"/>

In order to measure and compare companies' commitments in this area, the French Law of September 5, 2018 on the freedom to choose one's future career established a

mechanism for reducing the gender pay gap: the gender equality index, which measures four or five indicators to give a score out of 100:

¹ The scope for calculating the percentage of women on the Board of Directors covers all directors except for the director representing employees. The percentage of women on the Board of Directors in 2020 and 2021 was recalculated for methodological consistency.

The indicators used to calculate the Index score are as follows:

- 1 - the gender pay gap;
- 2 - differences in the distribution of individual pay rises;
- 3 - differences in the distribution of promotions (only in companies with more than 250 employees);
- 4 - the number of employees receiving a pay rise on their return from maternity leave;
- 5 - gender equality in the top 10 highest earners.

The Group's 2022 index is 83/100 with scores ranging between 75/100 and 98/100 for subsidiaries for which an index can be calculated.

This Group score is calculated by taking into account, for entities for which an index can be calculated, the average of the score obtained for each of the indicators weighted by headcount.

This is a fairly significant change in the overall score for the 2022 index, significantly up on 2021 (77/100).

In any case, the Group continues to implement improvement measures in order to:

- ensure fairness at the level of classification, identical job, equivalent experience and skills;
- encourage access to training for skills development in order to support professional development within the Group;
- develop knowledge and raise managers' awareness of gender equality.

	2021	2022
Gender equality index	77	83

1.7.4.1.6 Retaining people with disabilities in the workforce

Local initiatives to promote the integration and retention of people with disabilities are organized throughout the year (SEEPH, CapEmploi, Disability Officer, etc.). In addition, the subsidiaries regularly use industrial rehabilitation centers.

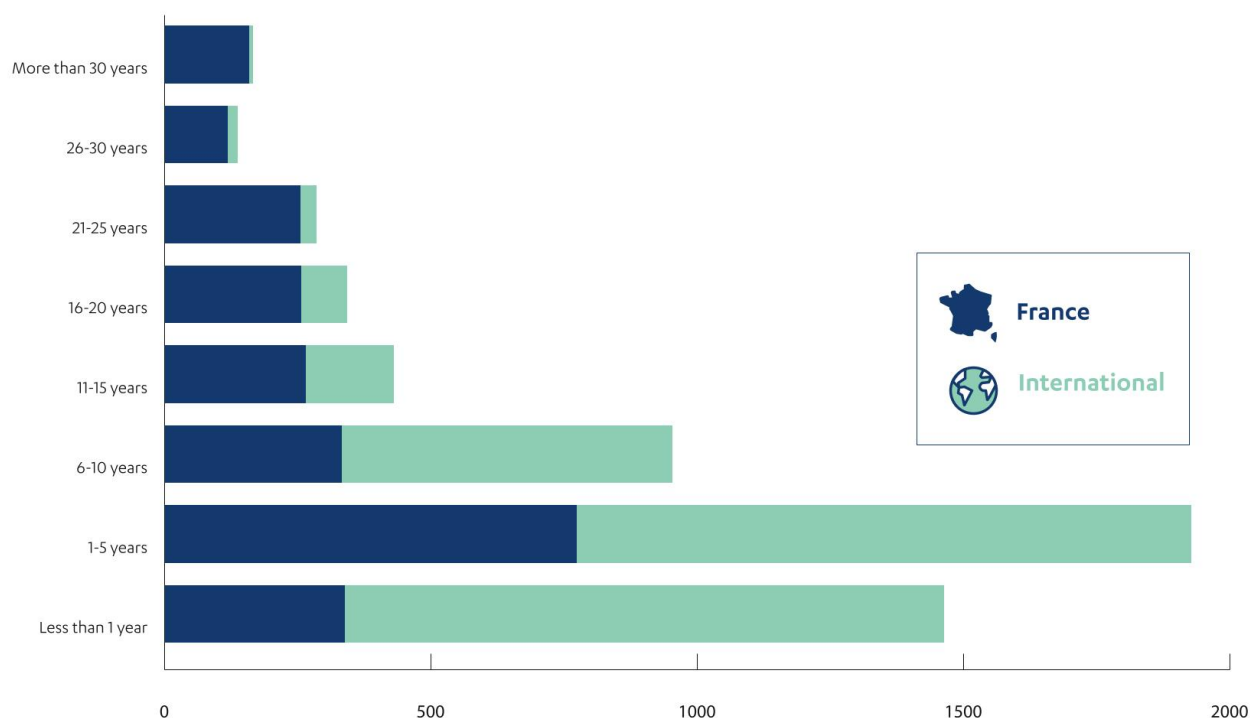
Since 2021, the declaration relating to the obligation to employ workers with disabilities has been made at company level (and not at entity level). It is made through the electronic reporting system for employers (DSN). The 2022 declaration is due between March 5 and 15, 2023.

<i>In full-time equivalents</i>	2019	2020	2021
Within the company	64.8	82.8	
Subcontracted from specialized associations	8.6	9.5	
Number of beneficiaries	73.4	92.3	81.2

1.7.4.1.7 Integration of young people and retention of older employees

Certain international structures are relatively recent, as reflected in the seniority pyramid:

SENIORITY PYRAMID



1.7.4.1.8 Overseeing management¹

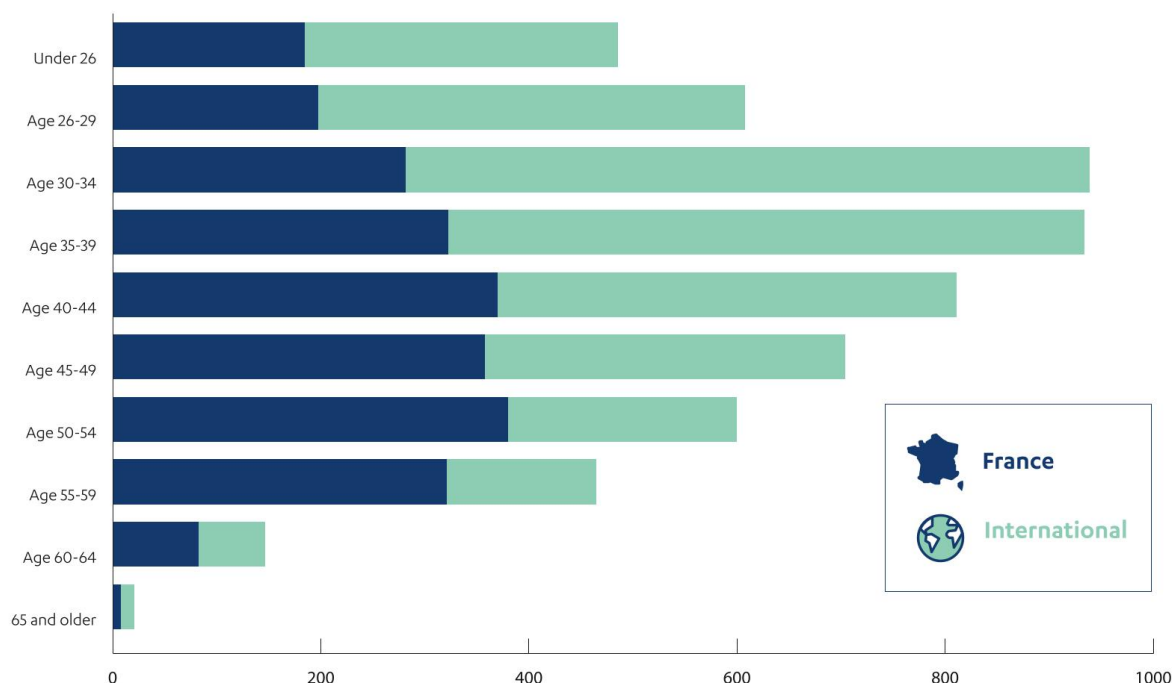
This table shows the headcount at December 31.

	2020	2021	2022		
	Worldwide		France	International	Worldwide
Executives	603	654	560	141	701
Supervisors	791	832	605	346	951
Employees	621	1,208	364	1,046	1,410
Workers	2,339	1,973	979	1,674	2,653
Total	4,354	4,667	2,508	3,207	5,715
Percentage managers + supervisors	32.0%	31.8%	46.5%	15.2%	28.9%

¹ AS of 2021, a change in the accounting methodology for employee categories in one of the Group's subsidiaries may be the cause of differences.

1.7.4.1.9 Ensuring a balance between generations – the age pyramid

AGE PYRAMID



It is useful to note that there may be a correlation between age and exposure to certain types of workplace accident.

1.7.4.2 Goal and action plan

1.7.4.2.1 Gender diversity

Séché Environnement has an active policy of promoting a culture of gender diversity to raise interest in our business lines among both men and women. All or some of the measures described below are in place or currently being rolled out in our subsidiaries:

- publishing ads that target and represent women as much as men and which do not promote gender stereotypes;
- proposing improvements to facilities to ensure equal access for men and women;
- identifying talented women and provide support through training, where appropriate;
- suggesting improvements to limit physical efforts (example: taking into consideration differences in body shape or size regardless of gender);
- limiting evening or early morning meetings, scheduling meetings in advance, managing meeting times, preferring regular time slots, taking into account part-time employees' working hours;
- developing meetings via Teams to avoid travel;
- scheduling a professional development review after parental leave;
- deferring the start of the working day by one hour for parents wishing to accompany their children to school on the first day after the summer holidays;
- reviewing written requests to work part time and accepting in writing if part time hours are compatible with the department's needs;
- supporting employees via the personal training account (CPF) by carrying out a skills assessment after parental leave;
- allowing employees to donate leave days to family carers (the fifth week of paid annual leave, days off in lieu of the 35 hour week, time savings account days);
- paying a supplement to employees on maternity or adoption leave, at the employer's expense;
- allowing employees to take leave to care for a sick child.

Since 2020, a review has been performed to monitor the effects of the Group's actions and consider the steps to be taken and/or continued for the years to come in terms of

gender equality in the workplace. Séché Environnement is committed to the principle of non-discrimination. In France, all subsidiaries had already incorporated this principle in their agreement on gender equality, which applies to hiring, mobility and training.

In line with the commitments taken under this agreement on gender equality, Séché Environnement has reaffirmed that it will foster equal opportunities, fair treatment, and diversity.

Regarding recruitment, Séché Environnement ensures the traceability of applications from internal and external candidates. Candidates are selected based on objective criteria (training, professional experience, technical and behavioral skills, etc.). At the end of the recruitment process, the chosen candidate is offered a position. If necessary, Séché Environnement diversifies its recruitment channels during the recruitment process.

In addition, the Group ensures that all employees have equal access to professional training.

1.7.4.2.2 Retaining people with disabilities in the workforce

Séché Environnement and all of its subsidiaries have been committed since 2010 to a policy to assist people with disabilities. A survey was conducted to highlight the strengths and weaknesses of each subsidiary. A Disability officer is present within each scope in order to optimize best practices for the inclusion of staff with disabilities. Multiple disability awareness documents have been put together as part of this policy, and the Group enlists service providers specialized in this field when hiring (CAP Emploi, a temp agency with an inclusion focus, etc.). In November each year, the Group actively participates in European Week for the Employment of People with Disabilities, particularly by organizing job awareness days.

1.7.4.2.3 Social integration

Local actions have been put in place to promote the integration of people excluded from the labor market, including collaboration with the organization Trait d'Union at the sorting center in Changé.

1.7.4.2.4 Respect for diversity of sexual orientation/Consideration of diversity of career paths/Non-discrimination based on origin

The Group has launched an initiative to raise awareness of non-discrimination among recruiters.

1.7.4.2.5 Harassment

The introduction of Sexual Harassment and Gender-Based Harassment officers at the various subsidiaries of Séché Environnement Group helps to combat harassment at work.

1.7.5 EMPLOYEE FOCUS AND ENGAGEMENT

1.7.5.1 State of play

1.7.5.1.1 Social dialog

The quality of social dialog within the company between Executive Management and employee representatives is

both an ethical requirement and a guarantee of efficiency and performance. It improves the way in which employees are heard, motivated and engaged. In this regard, the Group encourages the negotiation and signing of company-wide agreements that meet needs and expectations in the field to the greatest extent possible.

	2020	2021	2022
Number of legal proceedings brought against the Group in France	2	5	4

1.7.5.1.2 Compensation policy

Séché Environnement is committed to rewarding employees for their responsibilities while remaining attentive to the market. Each subsidiary of Séché Environnement Group has a specific salary policy in order to meet legal and contractual requirements, but also to be as relevant as possible to the needs of each entity.

1.7.5.1.3 Employee engagement

The Group is developing its employer brand through friendly local events and a co-opting scheme.

1.7.5.2 Goals and action plan

1.7.5.2.1 Social dialog

Each Séché Environnement Group subsidiary will set up and renew employee representative bodies. In addition, the Group intends to maintain high quality social dialog by continuing to meet representatives and negotiate collective agreements within the various subsidiaries.

1.7.5.2.2 Compensation policy

Each year, the Group reviews employee compensation in order to stay in line with the economic parameters of the time.

1.7.5.2.3 Employee engagement

The Group aims to develop an induction program to promote the commitment of new employees to its culture and values.

1.8 METHODOLOGY

1.8.1 REFERENCE REGULATORY TEXTS

Séché Environnement has been listed on the Euronext Paris exchange since 1997, and as such publishes non-financial performance indicators in accordance with the requirements derived from:

- article 116 of the French Commercial Code requiring consolidated environmental and social indicators from publicly traded companies (2002);
- articles L.225-102-1 and R.225-104 to R.225-105-3 of the French Commercial Code initially instituted by Article 225 of law no. 2010-788 of July 12, 2010 relating to a national commitment for the environment, and its 2012 application decree including societal information;
- decree no. 2016-1138 of August 19, 2016, adding to the system by rephrasing items related to the circular economy and also incorporating food waste and an expanded definition of measurements of climate change impacts;
- ordinance no. 2017-1180 of July 19, 2017 and decree no. 2017-1265 of August 9, 2017 relating to the enactment into French law of the European directive of October 22, 2014 on the disclosure of non-financial information. The latter texts have applied to Séché Environnement since its 2018 fiscal year.

1.8.2 LAWS NOT APPLICABLE TO THE GROUP'S SCOPE OF ACTIVITY

French law no. 2018-938 governing the balance of trade relations in the agricultural and food sector and for healthy, sustainable, universally accessible food, adopted on October 30, 2018 and enacted on November 1, calls for the disclosure of information regarding the company's societal commitments to fighting food insecurity, respect for animal welfare, and responsible, fair, sustainable food (art L.225-102-

1 of the French Commercial Code). Likewise, French law no. 2016-138 of February 11, 2016 governing food waste calls for reporting on it as part of the circular economy. As Séché Environnement is not active in this sector and the Group has no company restaurant, it is not concerned by this regulation and such indicators are irrelevant.

1.8.3 DEFINITION OF SCOPES

1.8.3.1 Legal scope

The consolidation scope consists of the parent company Séché Environnement SA and its majority-controlled French and international subsidiaries that were fully consolidated at year-end 2022.

The rules for adding entities to the scope or removing them are based on consolidation definitions (IFRS 10/IFRS 5). The reporting scope is updated in line with the consolidation scope governed by the Group's consolidation service. The collection of environmental and social data is annual (calendar year). Nearly all of the subsidiaries in France are facilities classified for environmental protection purposes subject to operating permits (including 16 Seveso or Seveso upper tier sites). No subsidiary is subject to individual reporting because their permanent average headcount is less than 500 people and they are all consolidated in Séché Environnement's global reporting.

1.8.3.1.1 Special scopes for environmental indicators

The scope for tracking environmental indicators – unlike social ones – is defined for Séché Environnement as being all facilities classified for environmental protection purposes of which it is the operator, meaning those for which it holds the locally granted operating permit (whether directly or by means of a subsidiary). This rule based on accountability to the authorities has been applied within the Group since 2013. As of and including 2022, certain additional sites of less significant size (offices or waste platforms), which are not facilities classified for environmental protection purposes, have been incorporated into the group consolidation scope with the aim of continuous improvement in our reporting. Companies accounted for by the equity method are not included in Séché Environnement's consolidated non-financial reporting.

In the case of public service delegations, environmental data:

- are, in principle, reported with those of Séché Environnement whenever the legal structure that received the public service delegation and is a subsidiary of the Group holds the local permit: this is true for Alcéa, Mo'UVE, and Sénerval. Gabarre Énergies (Guadeloupe) is an exception as it is only the energy recovery portion of the biogas produced by the non-hazardous waste landfill facility, which in turn is owned by the delegating local authority that holds the main operating permit. As a result, Gabarre Énergies is excluded from environmental data reporting.
- are not consolidated when the local permits are in the name of the local authorities concerned.

For the same reason, the facilities operated by Séché Éco-Services (in France) and Solarca (internationally) at industrial sites are not included in Séché Environnement's environmental reporting data because they are reported by the industrial firms in question, which hold the operating permits.

Regarding the disclosure of discharges of various contaminants into the air and water, Séché Environnement fully applies the ministerial order of December 26, 2012, which requires that all facilities classified for environmental protection purposes disclose their discharges into the air and water of all pollutants listed in Appendix II of the order, when such discharges exceed the thresholds also set out in that Appendix. Moreover, some data, including data reported in RSDE statements on discharges of hazardous substances into water, are expressly required for certain sites. International data are collected using the same method and in accordance with local legislation.

1.8.3.1.2 Particular case of international work

In recent years, decontamination work was performed outside of national borders, without specific local structures, primarily with international funding (FAO, UNEP, etc.). This

work led to the importing of waste after it was made safe, to be treated in France. The environmental impacts are therefore included in the “France” scope, as are the corresponding staff.

1.8.4 MEASUREMENTS AND DATA PROCESSING

1.8.4.1 Types of indicators

The Group uses three types of indicators:

- Structural or stock data derived from documented work (for example, land surface areas or counting company-wide agreements signed).
- Simple operational indicators produced from direct measurements, divided into two sub-categories:
 - standardized data such as pollutant flows based on official measurement protocols recognized by government agencies for the reporting of facilities classified for environmental protection purposes;
 - Group-specific definitions like the use of lichens for air quality, biodiversity wealth measurements, etc.
- Complex indicators derived from calculations that involve choices in terms of scope assumptions, conversion factors, consolidation protocols, etc., such as energy, greenhouse gases, or the Bilan Carbone®, to name a few examples.

1.8.4.2 Origin of data

Human resources data are taken from the Human Resources Department’s database, based on definitions commonly used in France, particularly when preparing social audits (for legal structures that require them). They correspond to the regulatory disclosures made to various government agencies and human resources organizations.

Environmental data in this report are extracted from declarations (including GERE reporting) made regularly by industrial sites to the competent government agencies (DREAL, Regional Health Agencies, Water Agencies) that oversee and control them. These data are either produced from internal measurements (self-audits) or by certified agencies, and are collected and consolidated via a SaaS solution (Tennaxia).

At the international level, environmental and social data are collected by the appropriate departments. Since the 2020 reporting process, they have entered their data into a SaaS solution (Tennaxia).

Economic data come from accounting figures and are prepared in accordance with professional standards and audited as such by the Statutory Auditors. Accounting data related to environmental aspects in companies’ individual and consolidated accounts are presented based on recommendation no. 2003-r02 of the French National Accounting Council (CNC) of October 21, 2003.

1.8.4.3 Consolidation techniques

The consolidation of entities or sites is treated similarly to accounting data, i.e. using the full consolidation method, in this case the arithmetic sum of the elementary data for the sites that were part of the scope all year-round. For entities that enter the scope of consolidation during the year:

- social data are fully integrated as of the end of the year (headcount at year-end by age, gender, duties, status, etc.);
- environmental flow indicators (consumption, discharges) and social indicators (training hours, wage pyramid, etc.) are not counted, as data for less than twelve months are not significant.

1.8.4.4 Comparability

For several years, the results of environmental measurements have regularly been recorded in environmental reporting software (Tennaxia) and are monitored for each site and nationwide. The methodologies for inputting information and for consolidation use the same definitions across the entire period.

Since 2023, GHG emissions have been calculated by the research firm Ekodev, using methodologies aligned with the Bilan Carbone® and the GHG Protocol. The emission factors used come mainly from the recognized databases of ADEME, the Intergovernmental Panel on Climate Change (IPCC), the International Energy Agency (IEA), and the consulting firm Carbone 4, as well as internal emission factors specific to Séché Environnement’s activities.

1.8.4.5 Representativeness

Environmental indicators deemed relevant in light of the activity carried out are those retained in the requirements set out in operating permits issued by local prefects.

Certain inaccuracies or reporting errors in previous years (particularly for environmental indicators) have been

detected during completion of the current year reporting. A materiality threshold of 5% of the value of the indicator is used by default for adjustments to data from past years identified during the year under review. Above that threshold, a comment explains the correction.

In the particular case of the greenhouse gas emissions report (BEGES) and water consumption, which are complex indicators derived from calculations, an uncertainty calculation is performed based on the elementary data sources:

- 1% data recorded by legal measurements (metrology control);
- 10% data from invoices;
- 30% data obtained by calculation/extrapolation;
- 80% data estimated because they are unavailable.

For biodiversity-related indicators, besides the special protection status granted to certain sites (Natura 2000, ZNIEFF, ZICO, etc.), the Group has for several years deployed monitoring programs for various species at its sites, particularly birds and amphibians, species which are bio-indicators of air and runoff water quality. The counting particles are derived from the work of participatory science by the French National Museum of Natural History (Natural Wealth Inventory – IPN).


1.8.4.6 Traceability

Numerous controls may be implemented as needs dictate as early as the input step in order to avoid input errors and facilitate traceability using a set of features that manage the process of collecting and validating the quality of the information included in reporting: controls at source, approval, data blocking, alert management, proof request management.

Environmental data for France are validated internally by the Group's regulatory audit unit (Progrès unit) for integration into the Group's reporting (Tennaxia tool) before final transmission to the government (GEREP reporting of polluting emissions and waste). The operators' declarations are then validated by the inspection department with authority over the facility in question (DREAL/DDASS: local environmental/health authorities, police, water inspectors, Nuclear Safety Authority, etc.). Thus, this mandatory declaration under government oversight serves for the Group's environmental reporting.

Until 2019, international data were reported using electronic spreadsheets, which were consolidated by the International division. From 2020 onwards, with a view to harmonizing non-financial reporting, environmental and social data have been reported in Tennaxia, with the possibility of requiring internal validation of the data collected by the relevant departments and then a second consistency check by the Sustainable Development Department.

1.8.4.7 Transparency – data auditing

In accordance with the ministerial order stating the terms of audit set out by law no. 2010-788, Séché Environnement has assigned KPMG the task of verifying all environmental, social, and societal information presented in this chapter, beginning in 2013. Since 2014, KPMG has verified a selection of indicators marked by the symbol  to a reasonable assurance level.

1.9 REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE CONSOLIDATED NON-FINANCIAL PERFORMANCE REPORT PUBLISHED IN THE MANAGEMENT REPORT¹.

Séché Environnement SA

Registered office: Les Hêtres - CS20020, 53811 Changé Cedex 09

Year ended December 31, 2022

To the shareholders,

In our capacity as Statutory Auditor of your company (hereinafter “entity”), appointed as an independent third party and accredited by COFRAC under number 3-1884², we applied procedures to form a reasoned conclusion of moderate assurance on the historical information (as observed or extrapolated) included in the consolidated non-financial performance report, prepared in accordance with the entity’s procedures (hereinafter the “Guidelines”) for the year ended December 31, 2022 (hereinafter respectively the “Information” and the “Report”), presented in the Group management report pursuant to the provisions of Articles L.225-102-1, R.225-105 and R.225-105-1 of the French Commercial Code.

We have also, at your request, carried out work to express a conclusion of reasonable assurance on the information selected by the entity and identified by the symbol √.

Conclusion of moderate assurance

Based on the procedures that we have implemented, as described in the “Nature and scope of our work” section, and the information we have collected, we have not found any material misstatements likely to call into question the fact that the Report complies with the applicable regulatory provisions and that the Information, taken as a whole, is presented, truthfully, in accordance with the Guidelines.

Conclusion of reasonable assurance on a selection of non-financial information

In our opinion, on the basis of the procedures that we have implemented, as described in the sections “Nature and scope of our work” and “Nature and scope of additional work on the information selected by the entity and identified by the symbol √”, and the information we have collected, the information selected by the entity and identified by the symbol √ in the Report has been prepared, in all significant aspects, in accordance with the Guidelines.

Preparation of the Non-Financial Performance Report

The absence of a generally accepted and commonly used reference framework or established practices to be used to assess and measure the Information allows the use of different, but acceptable, measurement techniques that may affect comparability between entities and over time.

Consequently, the Information must be read and understood by referring to the Guidelines, the material parts of which are presented in the Report or are available on the website or on request from the entity’s registered office.

Limitations inherent in the preparation of the Information

As indicated in the Report, the Information may be subject to uncertainty inherent in the state of scientific or economic knowledge and the quality of external data used. Some information is sensitive to the methodological choices, assumptions and/or estimates used in its calculation and presented in the Report.

¹ This is a free English translation of the Statutory Auditor’s report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

² Cofrac Inspection accreditation, no. 3-1884, scope available at www.cofrac.fr.

Responsibility of the entity

Management is responsible for:

- selecting or establishing appropriate criteria for the preparation of the Information;
- producing a Report in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks and the results of these policies, including key performance indicators and the information provided for in Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- producing the Report by applying the entity's Guidelines as mentioned above; and
- implementing the internal control procedures that it deems necessary for the preparation of Information that does not contain material misstatements, whether due to fraud or error.

The Report was produced by the Board of Directors.

Responsibility of the Statutory Auditor appointed as an independent third party

It is our responsibility, based on our own work, to issue a reasoned opinion expressing a conclusion of moderate assurance as to:

- the Report's compliance with the provisions set out in Article R.225-105 of the French Commercial Code;
- the fairness of the historical information (as observed or extrapolated) provided pursuant to part 3 of sections I and II of Article R.225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks.

As it is our responsibility to issue an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of such Information, as this could compromise our independence.

At the request of the entity and outside the scope of the accreditation, it is also our responsibility to express a conclusion of reasonable assurance that the information selected by the entity¹ and identified by the symbol √ has been established, in all material respects, in accordance with the Guidelines.

We are not required to issue an opinion on:

- The entity's compliance with other applicable legal and regulatory provisions (particularly with regard to information provided for in Article 8 of Regulation (EU) 2020/852 (green taxonomy) and the fight against corruption and tax evasion);
- The fairness of the information required under Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- The compliance of products and services with applicable regulations.

Applicable regulatory provisions and professional guidance

We performed our work as described below in accordance with Articles A.225-1 et seq. of the French Commercial Code and the professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes, CNCC) relating to this engagement, in particular the CNCC technical opinion relating to the Engagement of the Statutory Auditor and the engagement of the independent third party with respect to the Non-financial performance report, and with ISAE 3000 (revised)².

Independence and quality control

Our independence is defined by the provisions set out in article L.822-11 of the French Commercial Code and our professional Code of Ethics. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the applicable legal and regulatory requirements, rules of ethics, and the professional guidance of the Compagnie Nationale des Commissaires aux Comptes.

Means and resources

Our work was performed by a team of seven people over a period of five weeks between January and March 2023.

To aid us in carrying out our work, we enlisted our specialists in the areas of sustainable development and social responsibility. We conducted about ten interviews with the people responsible for preparing the Report.

¹ Total headcount at December 31 and breakdown by age, Average number training hours per FTE employee per year, Percentage of women in the total headcount, Percentage of women managers, Percentage of women on the Board of Directors, Water returned to nature as a percentage of total water consumption, Renewable energy produced as a percentage of total energy production, Energy self-sufficiency rate, Greenhouse gas emissions (Scopes 1 and 2), GHG emissions avoided due to energy recovery and material regeneration activities.

² ISAE 3000 (revised) - Assurance engagements other than audits or reviews of historical financial information.

Nature and scope of our work

We planned and carried out our work taking into account the risk of material misstatement of the Information.

We believe that the procedures that we applied in exercising our professional judgment allow us to issue a conclusion of moderate assurance:

- we reviewed the activity of all the entities included in the scope of consolidation and the report on the main risks;
- we assessed the suitability of the Guidelines in terms of their relevance, completeness, reliability, neutrality and clarity, taking into account, where appropriate, best practices within the sector;
- we verified that the Report covers each category of information stipulated in section III of Article L.225-102-1 governing social and environmental affairs, the respect for human rights and the fight against corruption and tax evasion;
- we verified that, when relevant to the main risks or policies presented, the Report presents the information stipulated in section II of Article R.225-105 and that, where appropriate, it includes an explanation of the reasons why information required under the second paragraph of section III of Article L.225-102-1 is not presented;
- we verified that the Report presents the business model and describes the main risks relating to the Group's business activity, including, where relevant and proportionate, the risks generated by its business relations, products or services as well as policies, measures and outcomes, including key performance indicators for the main risks;
- we consulted documents and conducted interviews to:
 - assess the process of selecting and validating the main risks and the consistency of the results and key performance indicators used with regard to the main risks and policies presented;
 - corroborate the qualitative information (action and results) we deemed to be the most significant¹. For some risks², we performed our work at the level of the consolidating entities, while for other risks, we carried out our work at the head office of the entity and a selection of entities³.

- we verified that the Report covers the consolidated scope, i.e. all companies within the consolidation scope in accordance with Article L. 233-16, with the limits specified in the Report;
- we reviewed the internal control and risk management procedures implemented by the entity and assessed the collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that in our judgment were of most significance⁴, we carried out:
 - analytical procedures to verify that the data collected were correctly consolidated and that changes were consistent;
 - detailed tests based on surveys or other methods of selection, consisting of verifying the proper application of the definitions and procedures, and of reconciling the data with the supporting documents. These procedures were conducted for a selection of contributing entities³ and covered between 43% and 78% of the data selected for these tests;
- we assessed the overall consistency of the Report in relation to our knowledge of the entity.

The procedures implemented to establish moderate assurance are less extensive than those required to establish reasonable assurance carried out in accordance with the professional guidance of the Compagnie Nationale des Commissaires aux Comptes; a higher level of assurance would have required more extensive verifications.

¹ Actions to promote employee safety, Talent attraction systems, SBTi commitments, Scope 3 greenhouse gas emissions, Actions to protect biodiversity, Actions to raise awareness of CSR issues among employees, Responsible procurement policy, Actions to promote innovation and R&D, Measures taken to increase cyber security and data protection, Number of employees trained (business ethics).

² Compliance with local operational regulations, Business ethics, Employee health and safety, Innovation and R&D, Biodiversity protection and site rehabilitation, Cyber security and personal data protection, Sustainable governance model (CSR monitoring), Training employee development and skills management.

³ SEI Changé (France), Trédi Saint Vulbas (France), Trédi Salaise (France), Drimm (France), Sénerval Incinération (France), Triadis Rouen (France)

⁴ Reasonable assurance: see footnote no. 1 on the previous page of this report.

Moderate assurance: lost-time accident frequency rate, Absenteeism rate, Number of reports, Number of third parties assessed, Proportion of sites that have not received a formal notice to comply.

Nature and scope of the additional work on the information selected by the entity and identified by the symbol √

For the information selected by the entity and identified by the symbol √ in the Report, we performed work of the same type as described in the paragraph entitled “Nature and scope of our work” above, for information we judged to be the most significant as well as a more detailed review, in particular in terms of the number of tests.

As such, the selected sample represents between 43% and 78% of the CSR information identified by the symbol √.

We believe that this work allows us to express reasonable assurance as to the information selected by the entity and identified by the symbol √.

Paris-La Défense, March 3, 2023

KPMG SA

Anne Garans

ESG Expert

Gwenaël Chédaleux

Partner



02

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2.1 COMMENTS ON ACTIVITY AND RESULTS

2.1.1 HIGHLIGHTS OF THE PERIOD

For the year ended December 31, 2022, Séché Environnement reported consolidated revenue of €895.3 million, up +21.7% compared to 2021.

The Group pursued a dynamic external growth policy in 2022, with the acquisition of around €90 million in revenue over the full year. It also expanded its offering by integrating new activities in the circular economy and environmental services.

Over the period, Séché Environnement posted sustained organic growth in France and a strong rebound in its international activities, generating a further significant rise in its consolidated results.

As such, the Group has strengthened its financial position and established new financial resources to sustain its growth momentum.

2.1.1.1 Continuation of a dynamic acquisition policy

Expansion in the sanitation markets: integration of Séché Assainissement and additional acquisitions in France

The operations of the eight Osis-IDF branches, which were wholly acquired as announced in Q3 2021¹, were consolidated under the name Séché Assainissement from January 1, 2022. With this acquisition, Séché Environnement rounded out its range of environmental services with new promising business activities on its target markets (industrial and public sector clients), while extending its geographical coverage in France.

With more than 200 highly qualified employees and a fleet of the most innovative technical equipment, Séché Assainissement has established itself as a specialist in the maintenance of sanitation networks and facilities and a leading operator on extremely technical markets.

Séché Assainissement will leverage its existing portfolio of secure, recurring contracts and further acquisitions of local companies to expand its sanitation activity across France.

As such, on July 6, 2022, Séché Environnement acquired Assainissement 34, a regional player in sanitation, property hygiene and network maintenance. This new service activity strengthens Séché Environnement's footprint in the region, where it is already present in Villeneuve-lès-Béziers through Triadis Services, a specialist in hazardous waste sorting and consolidation. With annual revenue of around €4 million, this new entity was consolidated with effect from July 1, 2022. This acquisition involved the disbursement of approximately €6 million, financed from the Group's available cash. The company was renamed Séché Assainissement 34.

Deployment in the circular economy and chemical purification markets with the acquisition of All'Chem

Séché Environnement acquired All'Chem, a French specialist in fine chemicals for the pharmaceutical, agrochemical and veterinary industries.

With some sixty employees, the company operates at a versatile production site in Montluçon (Allier) and produces around fifty products for top-tier clients including BASF, Boehringer Ingelheim and Sanofi.

Its know-how and production capabilities complement Speichim Processing's expertise and production facilities on the dynamic fine chemicals markets, particularly in high value-added niche activities with high technological content for the manufacture of active ingredients and fine chemicals.

With this acquisition, the Group bolstered its Regeneration-Purification division by increasing its capacity to propose solutions incorporating pre- and post-distillation reactions. It also strengthened its capacity to implement dedicated circular economy solutions for chemicals with the possibility of transforming products for subsequent recovery through distillation.

The company is wholly owned by Speichim Processing and was included in the consolidation scope on June 10, 2022.

¹ See press release of August 2, 2021

Acquisition of a major position in industrial water cycle markets: purchase of a portfolio of Industrial Water businesses

On November 30, 2022, Séché Environnement finalized the acquisition from Veolia Group of a portfolio of Industrial Water activities under the unilateral purchase agreement signed in May 2022¹.

With this acquisition, Séché Environnement strengthened its expertise in the industrial water cycle and expanded its range of services for industrial clients, fully complementing its industrial effluent management businesses.

The assets acquired include a portfolio of contracts signed with more than 120 manufacturers and a network of twenty branches in France. The acquisition of this portfolio led to the transfer of some 350 employees specialists in the industrial water cycle.

These activities have strong technological content and draw on scarce expertise. They enhance Séché Environnement's outsourcing offering as part of its Comprehensive Service offering for industrial clients.

The contracts cover all aspects of the industrial water cycle (effluent treatment, supplying of recycled process water, facility management - including waste management - and maintenance operations), allowing Séché Environnement to fully meet the requirements of large industrial clients in terms of delegated water and waste management.

This acquisition gives Séché Environnement a leading position in recurring markets in France with high barriers to entry and strong potential.

Around €38 million in full-year revenues was transferred to Séché Environnement at December 31, 2022. Other contracts will be transferred in the first half of 2023.

At the date the acquisition was finalized, the amount paid by Séché Environnement initially amounted to approximately €31 million.

Increase in the interest in Solarca SLU

On June 15, 2022, Séché Environnement exercised its purchase options to acquire the remaining 9% stake in Solarca SLU for €2.8 million. The Group's ownership interest increased from 91% to 100%.

2.1.1.2 A new revolving credit facility with sustainability performance criteria

On March 31, 2022, Séché Environnement refinanced its revolving credit facility (RCF) maturing in 2023 with a pool of French and international banks.

With a maturity extended to 2027, this new RCF will finance the Group's general needs. It includes improved refinancing conditions and more flexible terms of use, as well as offering a significantly higher amount than the previous facility, of €200 million compared with €150 million.

The RCF has three sustainability performance criteria:

- 10% reduction in greenhouse gas emissions by 2025, compared with 2020 (scopes 1 and 2, in France and at constant scope);
- 40% increase in greenhouse gases avoided by the Group's clients thanks to recycling activities by 2025, compared with 2020 (in France and at constant scope);
- decrease in the frequency of workplace accidents by 7 points by 2025 (versus 2019), with the severity rate maintained at or below 1 over the period (in France).

The interest margin on the RCF will be adjusted according to the number of criteria achieved in 2025 in the following proportions:

- 5 basis points if all three criteria are met.
- 2.5 basis points if two criteria are met.
- +2.5 basis points if only one criterion is met.
- +5 basis points if no criteria are met.

€33.0 million was drawn down in connection with the acquisition of the "Industrial Water" business portfolio from Veolia.

¹ See press release of May 24, 2022

2.1.1.3 Solid organic growth for all scopes

In 2022, Séché Environnement posted sustained growth in revenue of +14.4% at constant scope and exchange rates compared to 2021. In France, this growth was driven by robust sales in buoyant markets, while International revenue was up sharply in all the regions in which the Group is present, accentuated by the rebound in the activities of certain subsidiaries that were still affected by the consequences of the pandemic in 2021.

France: robust sales in buoyant markets

In France, Séché Environnement, an integrated operator in the circular economy and environmental services businesses, is active on markets driven by regulatory changes fostering the circular economy and efforts to combat climate change.

In 2022, the energy and commodities crisis supported growth by making the Group's recovery solutions more attractive in terms of the major challenges facing industrial and local authority clients in accessing available resources, materials, and energy at a competitive price.

The Group's organic growth was also bolstered by market opportunities and major one-off contracts in the decontamination and environmental emergencies business lines, totaling around €10 million, which accelerated growth over the first half of the year in particular.

Overall, in France, Séché Environnement posted very strong organic growth of 10.9% compared with the previous year, illustrating the relevance of its commercial offering in light of long-term societal challenges and short-term imperatives in terms of access to resources, materials and energy.

International: strong performance in all regions

In 2022, the international markets saw very favorable trends in all regions, underpinned by the good performance of local economies and/or strong levels of activity for local industrial clients, which benefited from their exposure to the commodities and energy sectors.

In addition, growth during the period was partially due to the strong rebound in Solarca's activities and subsidiaries in Latin America (Peru and Chile), which were still heavily penalized by the consequences of the pandemic in 2021.

Lastly, international growth included the contribution of major spot contracts in the decontamination and environmental emergencies businesses, particularly in Peru (Kanay) and South Africa (Spill Tech). These one-off contracts contributed approximately €15 million to growth.

International activities posted very strong growth of +23.4% at constant scope and exchange rates.

2.1.1.4 Significant growth in operating results

The 2022 financial year showed a further increase in consolidated operating income and continued improvements in gross and current operating margin at constant scope.

EBITDA rose sharply, by +18.4% year on year, to €201.6 million, or 22.6% of contributed revenue (vs. €170.3 million, or 23.1% of contributed revenue, a year earlier).

At constant scope, this was up +15.2 % (at constant exchange rates) €197.5 million, or 23.3% of contributed revenue.

This improvement in gross operating margin at constant scope compared to the previous year reflects the solid contribution of the France scope and the sharp improvement in gross operating margin for the International scope:

- **EBITDA in France** rose by 11.0% to €146.9 million, or 24.9% of contributed revenues, with a margin identical to last year. It benefits from favorable commercial effects (positive volume effects, mix effects and price effects) and from the positive effects of the industrial efficiency policy on capacity availability. However, it contributed approximately -€6.0 million to the capping of infra-marginal profits of electricity producers implemented retroactively by the Finance Act for 2023. Excluding this impact, and all other things being equal, EBITDA in France would have amounted to 25.9% of contributed revenue (vs. 24.9% a year earlier), demonstrating the resilience of the gross operating margin in an inflationary environment.
- **International EBITDA** increased +29.7% (at constant exchange rates) and came to €50.6 million, or 19.7% of contributed revenue (vs. €37.9 million or 18.6% of contributed revenue in 2021), driven by the improvement in activity levels (volume and mix effects) across all regions, particularly in Latin America and for Solarca.

Current operating income totaled €91.3 million, or 10.2% of contributed revenue, representing a sharp increase of +27.7% in reported data on the previous year (€71.5 million, or 9.7% of contributed revenue).

At constant scope, growth remained very strong (+26.0% at constant exchange rates) and brought COI to €90.7 million, or 10.7% of contributed revenue. This increase is the result of the good performance of the French and International scopes:

- **in France, current operating income** stood at €63.1 million, or 10.7% of contributed revenue, reflecting organic growth in EBITDA minus, in particular, the increase in depreciation related to recent investments, particularly in Hazard Management businesses.
- **international current operating income** came to €27.6 million, 10.7% of contributed revenue (vs. €16.8 million, or 8.2% of contributed revenue, in 2021). This sharp improvement (+59.5% at constant exchange rates) corresponds to the growth in EBITDA for this scope and includes the increase in depreciation due to the ramp-up of new capacity for Interwaste and Mecomer.

Operating income totaled €87.0 million, or 9.7% of contributed revenue, up +26.6% at constant exchange rates compared to the previous year. This increase reflects the increase in current operating income less the effects of business combinations, in the amount of -€4.5 million, vs. -€0.9 million in 2021.

2.1.1.5 Sharp increase in profit of the period (attributable to the owners of the parent) - Increase in dividend

Net financial income

At December 31, 2022, net financial income came to -€18.5 million, compared to -€24.1 million at the end of 2021.

This improvement reflects a slight fall in the cost of net debt to -€17.8 million, compared with -€18.4 million in 2021, with the cost of gross debt at 2.56% (vs. 2.76% in 2021), and in particular the significant reduction in "Other financial income and expenses" to -€0.9 million vs. -€4.7 million in 2021. In 2021, this item included early repayment penalties on the senior bank debt and certain euro-PPs maturing in 2023, amounting to -€4.4 million.

Income tax

At December 31, 2022, the "Income tax" item was -€19.2 million, vs. -€14.1 million in 2021, i.e. an effective tax rate of 28.1% vs. 31.5%.

Consolidated net income for the year

After recognizing the share of profit of equity-accounted investees in the amount of -€1.3 million at December 31, 2022, vs. -€0.9 million one year earlier, profit of the period before non-controlling interests came to €47.9 million, vs. €29.6 million in 2021.

Net of the share attributable to non-controlling interests totaling -€3.3 million, **net income of the year (attributable to the owners of the parent)** amounted to €44.6 million, representing 5.0% of contributed revenue at December 31, 2022 (vs. €28.4 million, or 3.9% of contributed revenue, in 2021).

Net income for the year per share amounted to €5.72 vs. €3.64 for the year ended December 31, 2021. The **dividend** was increased from €1.00 to €1.10 per share. The ex-dividend date is set at July 7, 2023 and the dividend will be paid from July 11, 2023.

2.1.1.6 Solid financial position

In 2022, **industrial investments** amounted to €105.0 million, or 11.7% of contributed revenue (vs. €92.4 million, or 12.6% of contributed revenue, in 2021):

- maintenance investments were carefully managed, at €57.4 million, representing 6.4% of contributed revenue (vs. €50.4 million, or 6.8% of contributed revenue, in 2021), mainly due to the effects of the industrial efficiency policy;
- development investments totaled €47.6 million, or 5.3% of contributed revenue (vs. €42.0 million, or 5.7% of contributed revenue in 2021), and mainly related to growth investments in Services activities and thermal treatment tools (Hazard Management).

Free operating cash flow amounted to €78.4 million (vs. €77.8 million in 2021), producing a ratio of free cash flow to EBITDA of 39% (vs. 46% one year earlier). This change is linked in particular to the change in the working capital requirement, adversely affected in 2022, in the amount of -€5.8 million, by the consolidation and development of the "Sanitation" activities.

The cash balance amounted to €126.2 million, vs. €172.2 million one year earlier, reflecting the financing of acquisitions made in 2022. The **liquidity position** was €313.1 million for the year ended December 31, 2022 vs. €342.2 million at year-end 2021. **Net financial debt** stood at €587.4 million (vs. €474.9 million for the year ended December 31, 2021). This change reflects, in the amount of around +€100 million, the scope effects (disbursements of the fair value of securities, WCR and financial leases of acquired companies) and in the amount of around +€27 million, the non-cash variation – at constant scope – related in particular to leases (IFRS 16).

2.1.2 COMMENTS ON 2022 ACTIVITY AND RESULTS

2.1.2.1 Selected financial information on the Group's results

Excerpts from the consolidated primary financial statements

<i>In millions of euros</i>	2021	2022	Gross change
Revenue (reported)	790.1	972.7	+23.1%
o/w contributed revenue	735.8	895.3	+21.7%
EBITDA	170.3	201.6	+18.4%
Gross operating margin as % of contributed revenue	23.1%	22.6%	
Current operating income	71.5	91.3	+27.7%
Current operating margin as % of contributed revenue	9.7%	10.2%	
Operating income	68.7	87.0	+26.6%
Net financial income	(24.1)	(18.5)	-23.2%
Income tax	(14.1)	(19.2)	+36.2%
Share of profit of equity-accounted investees	(0.9)	(1.3)	
Profit of the period before non-controlling interests	29.6	47.9	+61.8%
o/w attributable to non-controlling interests	(1.2)	(3.3)	
o/w attributable to the owners of the parent	28.4	44.6	+57.0%
Earnings per share (€)	3.64	5.72	+57.0%
Recurring operating cash flow	139.5	179.1	+28.4%
Net paid industrial investments	87.4	95.7	+9.5%
Free operating cash flow	77.8	78.4	+0.8%
Cash and cash equivalents	172.2	126.2	-26.7%
Net financial debt under IFRS	474.9	587.4	+23.7%
Financial leverage ratio	2.7x	2.8x	+0.1x

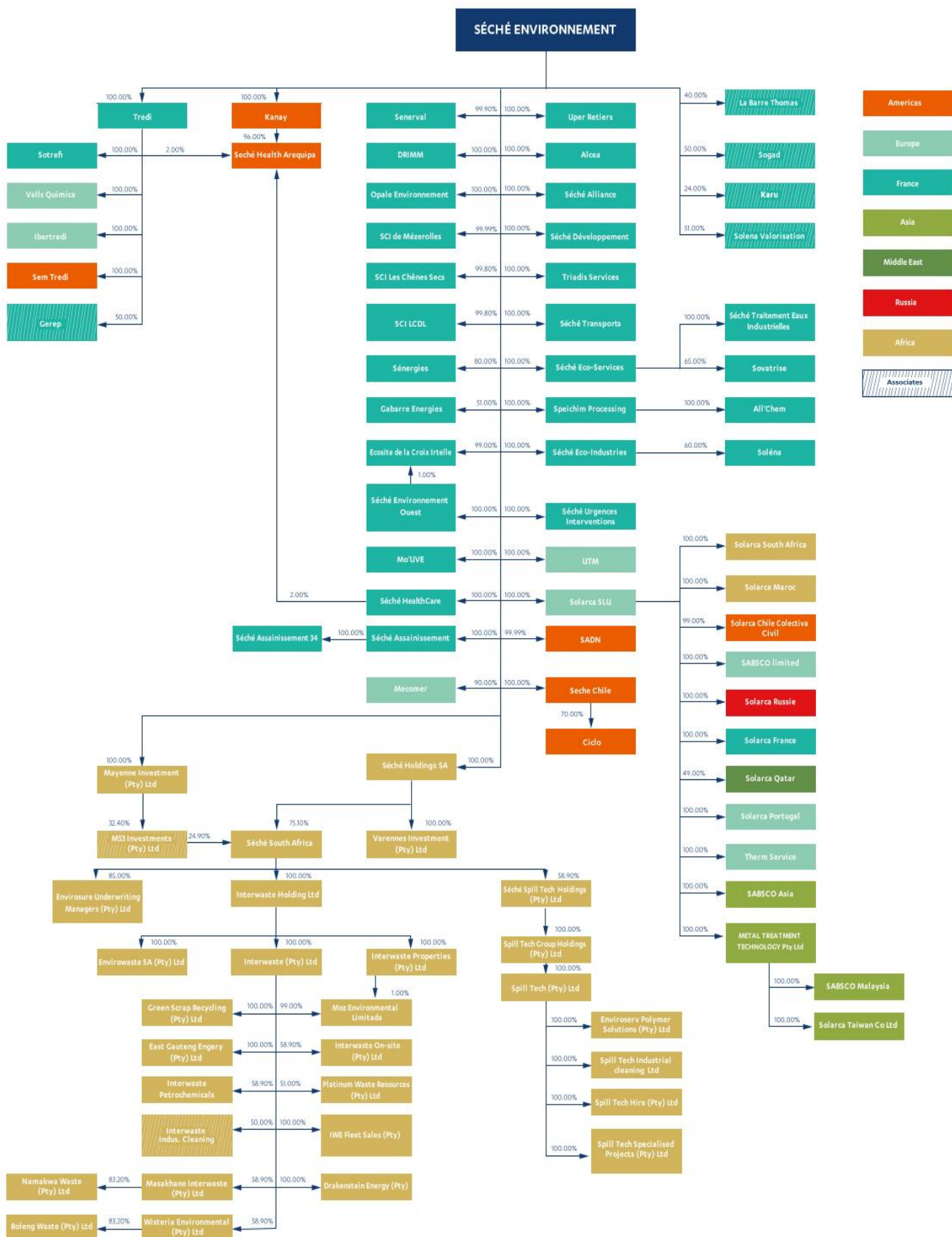
Definitions

Contributed revenue: reported consolidated revenue net of 1/ IFRIC 12 revenue representing investments in assets under concession arrangements, which are recognized as revenue in accordance with IFRIC 12; 2/ the impact of the general tax on polluting activities (TGAP) paid by the waste producer and collected on behalf of the State by waste treatment operators.

Recurring operating cash flow: EBITDA plus dividends received from equity investments and the balance of other cash operating income and expenses (including net foreign exchange gains or losses) less rehabilitation and maintenance expenses for waste treatment sites and assets under concession arrangements (including major maintenance and renewal contracts).

Free operating cash flow: recurring operating cash flow less changes in working capital requirements, tax expenses, net interest payments (including interest on finance leases) and recurring industrial investments (maintenance), and before development investments, financial investments, dividends and financing.

Consolidation organizational chart



2.1.2.2 Comments on business activity in 2022¹

Reported revenue and contributed revenue - Scope effect

For the year ended December 31, 2022, Séché Environnement reported **consolidated revenue** of €972.7 million, vs. €790.1 million a year earlier. This includes non-

contributed revenue of €77.4 million (vs. €54.3 million at December 31, 2021) broken down as follows:

At December 31	2021	2022
IFRIC 12 investments ²	8.7	21.7
TGAP ³	45.6	55.7
Non-contributed revenue	54.3	77.4

Consolidated figures in millions of euros

Net of non-contributed revenue, **contributed revenue** totaled €895.3 million for the year ended December 31, 2022, up by +21.7% at constant exchange rates from December 31, 2021 (€735.8 million).

This increase includes a **scope effect** of €48.3 million, broken down as follows:

- Spill Tech (South Africa), consolidated from March 1, 2021: €8.5 million;
- Séché Assainissement (France), consolidated from January 1, 2022: €26.8 million;
- All'Chem (France), consolidated from June 10, 2022: €8.8 million;
- Séché Assainissement 34 (France), consolidated from July 6, 2022: €2.0 million;
- Séché Traitement Eaux Industrielles (France), consolidated from November 30, 2022: €2.3 million.

At December 31, 2022	France	International	Total
Hazardous Waste division	11.1	8.5	19.6
Non-Hazardous Waste division	28.7	-	28.7
Total scope effect	39.8	8.5	48.3

At constant scope, contributed revenue amounted to €847.0 million, up sharply by +15.1% on December 31, 2021 (reported data), and +14.4% at constant exchange rates.

Breakdown of contributed revenue by geographic region

At December 31	2021		2022		Gross change
	In €m	As a %	In €m	As a %	As a %
Subsidiaries in France	531.7	72.3%	629.3	70.3%	+18.4%
o/w scope effect	-	-	39.8	-	-
International subsidiaries	204.1	27.7%	266.0	29.7%	+30.3%
o/w scope effect	34.0	-	8.5	-	-
TOTAL CONTRIBUTED REVENUE	735.8	100.0%	895.3	100.0%	+21.4%

Consolidated data at current exchange rates. At constant exchange rates, contributed revenue for the year ended December 31, 2021 came to €740.3 million, reflecting a positive foreign exchange effect of +€4.5 million.

¹ Unless explicitly stated otherwise, the comments below relate to contributed revenue.

² Investments made for assets under concession arrangements, recognized as revenue and operating expenses in EBITDA in accordance with IFRIC 12. In 2022, they mainly represented investments in the Mo'UVE incinerator in Montauban.

³ General Tax on Polluting Activities, paid by the waste producer and then transferred to the government by Séché Environnement in respect of some of its activities in France.

In 2022, the Group confirmed its high level of activity in France and internationally, where it also saw a sharp rebound in revenue on markets that were still affected by the fallout from the Covid crisis in 2021:

- **in France**, contributed revenue rose sharply (+18.4%) to €629.3 million, vs. €531.7 million at December 31, 2021. This increase includes a scope effect of €39.8 million (see above).

At constant scope, contributed revenue generated by the French subsidiaries amounted to €589.5 million, an increase of +10.9% year on year.

Séché Environnement benefited from industrial and local authority markets driven by the circular economy and services activities. This sales momentum enabled the Group to enjoy favorable volume and price effects, while Service activities saw strong growth, bolstered by exceptionally large contracts in the environmental emergencies business lines, amounting to around €10 million.

Revenue earned in France accounted for 70.3% of contributed revenue at December 31, 2022 (vs. 72.3% one year earlier);

- **internationally**, contributed revenue totaled €266.0 million, vs. €204.1 million for the year ended December 31, 2021, an increase of +30.3% (reported data).

International revenue included a scope effect of +€8.5 million (see above). It also recorded a positive exchange rate effect of €5.0 million mainly due to the appreciation of the South African rand and, to a lesser extent, the Peruvian sol.

At constant scope and exchange rates, international revenue increased by +23.4% (at constant exchange rates) over the period, reflecting the return to strong growth in most geographical regions:

- Europe, excluding Solarca (revenue: €81.4 million, up +15.6%), recorded a significant increase in revenue for Mecomer (hazardous waste platform activity in Italy), which benefited from the ramp-up of its new capacities, and the strong performance of Valls Quimica (solvent regeneration in Spain), which is positioned on the circular economy applied to chemicals;
- South Africa (revenue: €116.3 million, up +11.6% at constant exchange rates): Interwaste confirmed its solid performance on its waste management markets, while Spill Tech continued its strong growth on the environmental emergencies markets with exceptionally large contracts. Note the positive foreign exchange effect of +€3.2 million linked to the appreciation of the rand against the euro over the financial year;
- Latin America (revenue: €28.7 million, up 85.6% at constant exchange rates) has shown a rebound in an improved market environment after two years adversely affected by the consequences of the pandemic. The region is also benefiting from the momentum of the environmental emergencies activities with exceptionally large contracts (Peru);
- Solarca - Europe and the Rest of the World (revenue: €31.1 million, up +66.3%) experienced a strong and lasting recovery in its activity after two years heavily affected by the Covid crisis.

Revenue earned by international subsidiaries accounted for 29.7% of contributed revenue for the year ended December 31, 2022 (vs. 27.7% one year earlier).

Breakdown of contributed revenue by activity

At December 31	2021		2022		Gross change
	In €m	As a %	In €m	As a %	As a %
Services	301.4	41.0%	405.9	45.3%	+34.7%
o/w scope effect	34.0	-	39.5	-	
Circular economy and decarbonization	243.1	33.0%	286.0	32.0%	+17.6%
o/w scope effect	-	-	8.8	-	
Hazard Management	191.3	26.0%	203.4	22.7%	+6.3%
o/w scope effect	-	-	-	-	
TOTAL CONTRIBUTED REVENUE	735.8	100.0%	895.3	100.0%	+21.4%

Consolidated data at current exchange rates.

Service activities and those related to the circular economy and decarbonization drove growth in 2022.

Service activities posted revenue of €405.9 million for the year ended December 31, 2022, an increase of +34.7% (reported data).

This increase includes a scope effect of €39.5 million linked to the consolidation of new sanitation and industrial effluent management activities as well as Spill Tech's contribution over two additional months in 2022.

At constant scope, Service activities achieved strong growth of +18.9% (at constant exchange rates) year on year.

They benefited from:

- in **France** (revenue: €196.6 million, up +13.0%), the contribution of Key Account Services, in particular "comprehensive services", which meet clients' growing long-term needs to outsource their sustainable development issues, and the good performance of Environmental Services (decontamination, emergency response), in particular in the first part of the year, which recorded exceptionally large contracts worth around €10 million;
- **internationally** (revenue: €169.8 million, up +26.0% at constant scope), the return to growth for Solarca and the dynamism of the environmental emergencies business in South Africa and Peru, which also recorded exceptional contracts of around €15 million in the first half of 2022.

Service activities accounted for 45.3% of contributed revenue at December 31, 2022 (vs. 41.0% one year earlier).

Activities related to the circular economy and decarbonization posted €286.0 million in revenue at December 31, 2022, an increase of +17.6% (reported data).

At constant scope, growth came to +14.0% for the period.

This increase reflects:

- in **France** (revenue: €198.8 million, up +12.8%), the strong performance in material recovery activities, driven by the implementation of regulations for the circular economy, and in energy recovery activities, underpinned by high energy prices. Revenue from energy sales includes, for around €10 million, the proceeds from sales of electricity at prices of more than €175/MWh, which were subject to an exceptional tax recorded under "Taxes" the amount of around -€6.0 million;
- **internationally** (revenue: €78.3 million, up +17.2% at constant exchange rates), the good performance of Valls Quimica (chemical regeneration in Spain).

Activities related to the circular economy and decarbonization accounted for 32.0% of contributed revenue at December 31, 2022 (vs. 33.0% one year earlier).

Hazard Management activities generated revenue of €203.4 million, up +6.3% year on year (reported data) and +7.3% at constant exchange rates:

- in **France**, hazard management activities increased by +6.9% to €194.0 million. They were boosted by volume effects and, above all, by positive price effects on markets with high capacity utilization;
- **internationally**, at €9.4 million, these activities increased +14.6% at constant exchange rates, reflecting the good performance of the markets in Latin America in particular.

Hazard Management activities accounted for 22.7% of contributed revenue at December 31, 2022 (vs. 26.0% one year earlier).

Breakdown of contributed revenue by division

At December 31	2021		2022		Gross change
	In €m	As a %	In €m	As a %	As a %
Hazardous Waste division	483.9	65.8%	568.8	63.5%	+17.5%
o/w scope effect	34.0	-	19.6		
Non-Hazardous Waste division	251.9	34.2%	326.5	36.5%	+29.6%
o/w scope effect	-	-	28.7		
TOTAL CONTRIBUTED REVENUE	735.8	100.0%	895.3	100.0%	+21.7%

Consolidated data at current exchange rates.

The **Hazardous Waste (HW)** division, which accounted for 63.5% of consolidated contributed revenue (vs. 65.8% a year earlier), generated revenue of €568.8 million, up +17.5% compared to December 31, 2021. The impact of changes in scope was €19.6 million (see above).

At constant scope, this division's revenue was up +10.4% (at constant exchange rates), driven by momentum in industrial markets in most of the regions in which the Group operates:

- in **France**, this division generated €364.0 million in revenue, an increase of +9.2% from 2021. Over the period, the division was driven by circular economy activities (material and energy recovery) and its services activities (comprehensive services, environmental emergencies).
- **internationally**, the division's revenue amounted to €185.1 million at December 31, 2022, an increase of +12.8% at constant exchange rates, illustrating the strong dynamics of the Services (environmental emergencies) and Hazard Management markets over the period.

The **Non-Hazardous Waste (NHW)** division, which accounted for 36.5% of contributed revenue (vs. 34.2% a year earlier), generated contributed revenue of €326.5 million, up +29.6% year on year in reported data.

This increase includes a scope effect of €28.7 million (see above).

At constant scope, growth in this division came out at +22.4% (at constant exchange rates), reflecting:

- in **France** (revenue of €225.4 million, up +13.6%), strong growth in activities related to the circular economy (particularly energy recovery), and the good performance of Hazard Management activities.
- **internationally** (revenue at €72.4 million, up +61.2% at constant exchange rates), the good performance in South Africa and Chile.

2.1.2.3 Comments on 2022 results

EBITDA

At December 31, 2022, EBITDA was up sharply, by +18.4% in reported data year on year, to €201.6 million, or 22.6% of contributed revenue (vs. €170.3 million, or 23.1% of contributed revenue, a year earlier).

This increase includes a scope effect of +€4.1 million linked to the consolidation of Spill Tech over an additional two months in 2022 and the pro rata contribution of the companies added to the scope of consolidation in 2022. The foreign exchange effect was positive at +€1.1 million.

At constant scope, EBITDA increased by 15.2% (at constant exchange rates) over the period to €197.5 million, or 23.3% of contributed revenue.

The increase in EBITDA (+€27.2 million) mainly reflects:

- positive volume and mix effects in both France and the International scope, amounting to +€77.8 million, thanks to very strong sales momentum and the industrial efficiency policy, which optimizes waste treatment capacity.
- positive price effects, for +€67.9 million, in line with the high capacity utilization in France.

This increase was partially offset by trends in:

- variable operating expenses (+€74.2 million), reflecting the impact of the rebound in international business (+€37.8 million) and the rise in energy costs (+€18.7 million).
- fixed costs (+€38.8 million), due in particular to higher maintenance costs and increased personnel costs.
- various expenses (+€5.5 million), including, for around €6.0 million, the impact of measures introduced by the 2023 Finance Act in France, which retroactively caps electricity producers' inframarginal profits. Excluding this impact, and all other things being equal, EBITDA would have amounted to 24.0% of contributed revenue (vs. 23.1% a year earlier), demonstrating the strong resilience of the gross operating margin in an inflationary environment.

Breakdown of EBITDA by geographic scope

At December 31	2021			2022		
In millions of euros	Consolidated	France	International	Consolidated	France	International
Contributed revenue	735.8	531.7	204.1	895.3	629.3	266.0
EBITDA	170.3	132.4	37.9	201.6	148.7	52.9
% of contributed revenue	23.1%	24.9%	18.6%	22.6%	23.6%	19.9%

Consolidated data at current exchange rates.

For each geographic scope, the main changes were:

- **in France**, EBITDA totaled €148.7 million, or 23.6% of contributed revenue (vs. €132.4 million, or 24.9% of contributed revenue, in 2021).

This increase includes a scope effect of €1.8 million corresponding to the pro rata contribution of newly consolidated entities in 2022.

At constant scope, EBITDA in France amounted to €146.9 million, or 24.9% of contributed revenue, at the same level as the previous year, mainly due to:

- favorable commercial effects (volumes and mix), amounting to +€18.1 million, in connection with the good market trends in France and the positive effects of the industrial efficiency policy on capacity availability and the efficiency of processes (logistics in particular);
- positive price effects, for +€63.6 million, illustrating the high capacity utilization.
- the €63.6 million increase in variable operating expenses, part of which reflects higher energy and raw materials costs.
- the increase in fixed expenses (+€25.3 million), in line with the increase in maintenance costs and higher payroll costs.
- the €5.5 million increase in various expenses, including the measures introduced by the 2023 Finance Act in France, which retroactively caps electricity producers' inframarginal profits, which impacted this item in the amount of around €6.0 million. Excluding this impact, and all other things being equal, EBITDA in France would have come to nearly 25.9% of contributed revenue, demonstrating the strong resilience of the EBITDA margin for this scope in an inflationary environment.

- **Internationally**, EBITDA totaled €52.9 million, or 19.9% of contributed revenue. This increase includes a scope effect of +€2.3 million due to the consolidation of Spill Tech over two additional months in 2022. The foreign exchange effect was positive at +€1.1 million.

At constant scope, EBITDA rose sharply by 29.7% (at constant exchange rates), amounting to €50.6 million, or 19.7% of contributed revenue (vs. €37.9 million, or 18.6% of contributed revenue, in 2021).

This change (+€12.7 million) mainly reflects:

- favorable volume and mix effects of +€59.8 million reflecting the increase in business compared with 2021, particularly in Latin America and at Solarca.
- positive price effects for +€4.3 million.
- an increase in variable operating expenses of €37.8 million, in line with activity.
- the increase in fixed expenses of +€13.6 million, mainly due to personnel expenses.

Current operating income

For the year ended December 31, 2022, current operating income was €91.3 million, or 10.2% of contributed revenue, up by +27.7% in reported data on the previous year (€71.5 million, or 9.7% of contributed revenue).

This includes a scope effect of €2.0 million, linked to the consolidation of Spill Tech over an additional two months and the pro rata consolidation of the newly-acquired businesses in 2022. The foreign exchange effect came to approximately +€0.5 million.

At constant scope, current operating income rose sharply (+26.0% at constant exchange rates), amounting to €90.7 million, or 10.7% of contributed revenue. This improvement mainly reflects the organic increase in EBITDA (+€28.4 million) and the moderate increase in depreciation in France and internationally.

Breakdown of current operating income by geographic scope

At December 31	2021			2022		
In millions of euros	Consolidated	France	International	Consolidated	France	International
Contributed revenue	735.8	531.7	204.1	895.3	629.3	266.0
Current operating income	71.5	54.7	16.8	91.3	61.7	29.6
% of contributed revenue	9.7%	10.3%	8.2%	10.2%	9.8%	11.1%
Consolidated data at current exchange rate						

For each geographic scope, the main changes were:

- **in France**, current operating income totaled €61.7 million, or 9.8% of contributed revenue (vs. €54.7 million, or 10.3% of revenue one year earlier), representing an increase of +12.8% compared to 2021. This increase includes a scope effect of -€1.4 million relating to the pro rata contribution of newly consolidated activities in 2022.

At constant scope, current operating income in France amounted to €63.1 million or 10.7% of revenue. This good performance reflects the organic growth in EBITDA in France (+€14.5 million) minus the increase in depreciation linked to the start-up of new facilities in the Hazard Management business;

- **internationally**, current operating income was up significantly by +76.2% in reported data, to €29.6 million or 11.1% of contributed revenue. This increase incorporates a €2.0 million scope effect related to the contribution of Spill Tech over two additional months in 2022 and a positive currency effect of +€0.5 million.

At constant scope, current operating income rose sharply (+59.5%), amounting to €27.6 million, or 10.7% of revenue (vs. €16.8 million, or 8.2% of revenue, in 2021).

This performance mainly reflects the improvement in International EBITDA at constant scope and exchange rates (+€11.6 million), less the increase in depreciation due to new capacity at Mecomer and Interwaste.

Operating income

Operating income totaled €87.0 million, or 9.7% of contributed revenue, up +26.6% at constant exchange rates compared to the previous year.

This increase mainly reflects the increase in current operating income less the effects of business combinations, in the amount of -€4.5 million, vs. -€0.9 million in 2021.

Net financial income

At December 31, 2022, net financial income came to -€18.5 million compared to -€24.1 million in 2021.

This improvement reflects in particular:

- a slight fall in the **cost of gross net debt** to -€17.8 million (vs. -€18.4 million a year earlier, since although average gross financial debt increased over the period, the cost of borrowing was reduced to 2.56% (vs. 2.76% in 2021), mainly due to the bond issue carried out at the end of 2021.
- the significant decline in **"Other financial income and expenses"**, to -€0.9 million vs. -€4.7 million in 2021. In 2021, this item included early repayment penalties on the senior bank debt and certain euro-PPs maturing in 2023, for -€4.4 million.

Income tax

At December 31, 2022, the "Income tax" item was -€19.2 million, vs. -€14.1 million a year earlier. It breaks down as follows:

- **for France**, -€12.1 million, including -€5.6 million in deferred tax, vs. -€9.7 million, including -€2.2 million in deferred taxes, a year earlier.
- **for the International scope**, -€7.1 million, including €1.2 million in deferred tax, vs. -€4.4 million euros, including +€2.1 million in deferred tax, a year earlier.

The effective tax rate was 28.1% (vs. 31.5% for the year ended December 31, 2021).

Share of profit of equity accounted investees

The share of profit of equity accounted investees was primarily composed of the Group's share in the income of Gerep and Sogad. It stood at -€1.3 million for the year ended December 31, 2022, vs. -€0.9 million a year earlier.

Consolidated profit of the period

For the year ended December 31, 2022, profit of the period before non-controlling interests came to €47.9 million vs. €29.6 million a year earlier.

After recognizing net income attributable to non-controlling interests, in the amount of -€3.3 million vs. -€1.2 million in 2021, **profit of the period (attributable to the owners of the parent)** came to €44.6 million at December 31, 2022, or

5.0% of contributed revenue (vs. €28.4 million, or 3.9% of contributed revenue, a year earlier).

Profit of the period per share amounted to €5.72 vs. €3.64 for the year ended December 31, 2021.

2.2 CONSOLIDATED FINANCIAL POSITION

Simplified consolidated balance sheet

In millions of euros

	2021	2022
	Actual	Actual
Non-current assets	809.8	963.3
Current assets (excluding cash and cash equivalents)	242.8	315.0
Cash and cash equivalents	172.2	126.2
Assets held for sale	-	-
Share capital (including non-controlling interests)	274.9	317.4
Non-current liabilities	634.6	660.8
Current liabilities	315.3	426.4
Liabilities held for sale	-	-

2.2.1 NON-CURRENT ASSETS

Total non-current assets increased by €153.5 million in relation to December 31, 2021, mainly due to changes in:

- "Property, plant and equipment and intangible assets": totaling €880.3 million, an increase of +€132.5 million, including:
 - the +€68.1 million increase in intangible assets, mainly related to the rise in goodwill following the acquisition of Sarp-Osis-IDF and Assainissement 34 and the recognition of provisional goodwill on the Industrial Waters business acquired from Veolia.
 - the +€64.4 million increase in property, plant and equipment, which includes a scope effect of +€27.4 million due to the full recognition at fair value of the assets of Sarp-Osis IDF and Assainissement 34, as well as the provisional recognition at fair value of the assets of the Industrial Water business.
- "Investments in equity accounted investees": +€1.1 million due to the consolidation of Solena Valorisation under the equity method following the loss of control in December 2022.
- "Other non-current financial assets": +€21.9 million; this item includes, among other items, the increase in operating receivables related to assets managed under concession arrangements (+€18.9 million) for works carried out to modernize the Mo'UVE energy recovery facility in Montauban.
- "Other non-current assets": +€3.3 million. This item mainly consists of the loan due by Eurométropole de Strasbourg (EMS) to Sénerval.
- deferred tax assets, which declined by €6.0 million.

2.2.2 CURRENT ASSETS (EXCL. CASH AND CASH EQUIVALENTS)

Current assets excluding cash and cash equivalents amounted to €315.0 million, up by €72.3 million in relation to December 31, 2021.

This change essentially reflects changes in Inventories and Client accounts receivable, as well as VAT receivables.

2.2.3 SHAREHOLDERS' EQUITY

The change in equity attributable to company shareholders in 2022 breaks down as follows¹:

(In millions of euros)	Group	Attributable to non-controlling interests	Total shareholders' equity
Equity at January 1, 2022	269.5	5.4	274.9
Other comprehensive income	6.3	ns	6.3
Profit attributable to company shareholders	44.6	3.3	47.9
Capital increase	-	0.6	0.6
Dividends paid	(7.8)	(1.0)	(8.8)
Treasury shares	0.1	-	0.1
Business combinations	-	-	-
Transactions between shareholders	(2.6)	(1.0)	(3.6)
Other changes	ns	-	ns
SHARE CAPITAL AT DECEMBER 31, 2022	310.1	7.3	317.4

2.2.4 CURRENT AND NON-CURRENT LIABILITIES

Current and non-current liabilities are shown in Note 3.2.4.6 of this document and break down as follows:

(In millions of euros)	2021			2022		
	Non-current	Current	TOTAL	Non-current	Current	TOTAL
Hedging instruments	-	-	-	10.3	-	10.3
Provisions	46.9	1.8	48.7	53.1	2.7	55.8
Other liabilities	4.7	248.5	253.2	4.8	311.2	316.0
Income tax payable	-	0.9	0.9	-	1.1	1.1
Total (excl. financial debt)	51.6	251.2	302.8	68.2	315.0	383.2
Financial debt	583.0	64.1	647.1	592.6	111.5	704.1
TOTAL	634.6	315.3	949.9	660.8	426.5	1087.3

Current and non-current liabilities excluding financial debt amounted to €383.2 million, up +€80.4 million, reflecting mainly:

- for +€11.0 million, the change in "Liabilities on the acquisition of fixed assets", corresponding to the earnout on the Chilean company Ciclo for €4.2 million, and the increase in liabilities related to investment projects in France, for the remainder.
- for +€8.1 million, the increase in "Social security payables" due to the recognition of the employee liabilities of the acquired companies.
- for +€13.4 million, the increase amounts payable to the State (excluding income tax), including €7.0 million in VAT, and approximately €6.0 million for the tax aimed at capping the inframarginal profits of electricity producers introduced by the French Finance Act for 2023.
- the balance reflects changes in other liabilities and more specifically in current liabilities such as "Trade payables" (+€27.8 million).

Changes in the Group's net financial debt are presented in chapter 2.3.2.

¹ See Note 3.2.4.13 of this document

2.3 CASH, FINANCING AND CAPITAL

2.3.1 CASH FLOW

2.3.1.1 Summary consolidated statement of cash flows

<i>In millions of euros</i>	2021	2022
Cash flow from operating activities	142.3	148.1
Cash flows from investments	(117.6)	(189.5)
Cash flows from financing activities	47.0	(5.2)
<i>Change in cash from continuing operations</i>	71.6	(46.6)
<i>Change in cash flow from discontinued operations</i>	-	-
CHANGE IN CASH AND CASH EQUIVALENTS	71.6	(46.6)

During the period, cash and cash equivalents fell from +€71.6 million to -€46.6 million.

This contraction of -€118.2 million essentially reflects:

- the increase in cash flows generated by operating activities: +€5.8 million.
- the increase in cash flows related to investments: +€71.9 million.
- changes in cash flows related to financing activities: -€52.2 million.

2.3.1.2 Cash flows from operating activities

In 2022, the Group generated €148.1 million in cash flows from operating activities (vs. €142.3 million one year earlier), an increase of +€5.8 million.

This change reflects the combined effect of:

- cash flows from operating activities before taxes and financing costs: +€35.8 million to €188.9 million (vs. €153.1 million in 2021).
- the working capital requirement: -€25.0 million vs. -€0.6 million in 2021.
- taxes paid: -€15.8 million vs. -€10.1 million in 2021.

2.3.1.3 Cash flows from investments

<i>(In millions of euros)</i>	2021	2022
Industrial investments (excl. IFRIC 12 investments)	92.4	105.0
Financial investments	1.2	0.2
INVESTMENTS RECORDED	93.6	105.2
Industrial investments	87.4	95.7
Financial investments	0.8	3.0
Acquisition of subsidiaries - Net cash flow	29.4	77.7
INVESTMENTS PAID OUT	117.6	176.4

Industrial investments amounted to €105.0 million in 2022 (vs. €92.4 million in 2021), breaking down as follows:

- **maintenance investments** totaling €57.4 million, representing 6.4% of contributed revenue (vs. €50.4 million, or 6.8% of contributed revenue, in 2021), mainly due to the effects of the industrial efficiency policy.

- **development investments** totaling €47.6 million, or 5.3% of contributed revenue (vs. €42.0 million in 2021, or 5.7% of contributed revenue). These mainly concern growth investments in Services activities and thermal treatment tools (Hazard Management).

By type, industrial investments can be broken down as follows¹:

- €9.8 million in category two expenses for major maintenance and renewal (vs. €14.0 million in 2021).
- €18.0 million for energy storage and production facilities (vs. €18.7 million in 2021).
- €16.8 million for thermal treatment systems (vs. €16.1 million in 2021).
- €6.2 million for recovery facilities (vs. €3.9 million in 2021).
- €17.7 million for eco-service systems, including the vehicle fleet (vs. €11.5 million in 2021).
- €20.9 million for holding company activities, covering information systems, regulatory investments, and development investments in subsidiaries (vs. €16.9 million in 2021).
- €15.6 million in miscellaneous recurring investments (vs. €11.3 million in 2021).

By division, industrial investments (excluding IFRIC 12 investments) can be broken down as follows:

	2021		2022	
	€m	%	€m	%
Hazardous Waste division	51.4	55.6%	69.7	66.4%
Non-Hazardous Waste division	41.0	44.4%	35.3	33.6%
Total	92.4	100.0%	105.0	100.0%

By geographic region, the breakdown of industrial investments (excluding IFRIC 12 investments) demonstrates the preponderance of investments made in France and

abroad and by the main subsidiaries in Italy, South Africa and Spain:

	2021		2022	
	€m	%	€m	%
France	74.3	80.4%	78.7	75.0%
Germany	0.1	0.1%	0.1	0.1%
Spain ²	0.8	0.9%	5.5	5.2%
Italy	8.5	9.2%	9.9	9.3%
Argentina	ns	ns	ns	ns
Chile	0.7	0.8%	0.9	0.9%
Mexico	ns	ns	ns	ns
Peru	0.5	0.5%	0.9	0.9%
South Africa	7.5	8.1%	9.0	8.6%
International total	18.1	19.6%	26.3	25.0%
Consolidated total (excl. IFRIC 12)	92.4	100.0%	105.0	100.0%

In terms of future investments, management only makes firm commitments for investments in concessions, which are

financed by bank loans take out by the entity that holds the public service delegation.

¹ Certain categories of investments were subject to a scope adjustment in 2022 compared to 2021.

² Investments by Solarca are entirely recorded under "Spain".

The Group's use of cash to self-finance its investments (excluding investments in concessions, which are fully funded by bank loans) is presented below:

(In millions of euros)	2021	2022
EBITDA	170.3	201.6
Rehabilitation and maintenance expenses for waste treatment sites and assets under concession arrangements	(10.7)	(11.0)
Other operating income and expenses (including foreign exchange gain/loss)	(6.9)	(1.7)
Cash flow before tax and financial expenses	152.7	188.9
Change in WCR	(0.6)	(25.0)
Tax paid	(10.1)	(15.8)
Operating cash flow (A)	142.0	148.1
Net investments paid out (B)	(87.4)	(95.7)
Operating balance	54.6	52.4
(B)/(A)	61%	65%
Financial investments (C)	(30.2)	(80.7)
Balance after investments	24.4	(28.3)
(B+C)/A	83%	128%

N.B. Investments in concessions (IFRIC 12 investments) are financed by specific secured financing lines.

2.3.1.4 Cash flow from financing activities

Total net cash relating to financing activities amounted to -€5.2 million in 2022, reflecting:

- **flows from new borrowings:** €104.8 million vs. €385.6 million in 2021. In 2021, this line included a €50 million euro-PP issue carried out in March 2021 and a €300 million senior bond issue in November 2021.
- **flows from loan repayments:** -€60.7 million vs. -€293.8 million in 2021. In 2021, these flows mainly included the early repayment of the senior bank loan and of certain euro-PP bonds maturing in 2023.
- **the interest expense:** -€14.6 million vs. -€15.3 million in 2021.
- **flows from dividends** paid to the owners of the parent and non-controlling interests: -€8.8 million vs. -€8.5 million in 2021.
- **cash flows without gain of control:** -€3.0 million vs. -€2.1 million in 2021, mostly representing the impact of the acquisition of an additional 9% interest in Solarca.
- **changes in treasury shares** in the amount of €0.1 million, vs. €0.2 million in 2021.
- **the payment of lease liabilities** for -€23.5 million, including lease interest payments for -€2.4 million, vs. -€19.2 million, with interest payments on leases of -€1.3 million, in 2021.

2.3.2 DEBT AND FUNDING STRUCTURE

The table below shows the change in net debt:

<i>(in millions of euros)</i>	2021	2022
Bank debt (excl. non-recourse bank loans)	139.1	186.5
Non-bank debt	27.0	24.3
Bonds	425.3	415.8
Lease liabilities	45.7	65.4
Derivatives	-	9.6
Other financial debt	2.3	2.3
Factoring liabilities	5.4	7.0
Short-term bank borrowings and overdrafts	2.3	2.7
TOTAL FINANCIAL DEBT (current and non-current)	647.1	713.6
Cash balance	(172.2)	(126.2)
NET FINANCIAL DEBT	474.9	587.4
<i>o/w due in less than one year (1)</i>	<i>(108.1)</i>	<i>(14.8)</i>
<i>o/w due in more than one year</i>	<i>583.0</i>	<i>602.2</i>

(1) The cash balance is considered over less than one year

Gross financial debt amounted to €713.6 million at December 31, 2022, compared with €647.1 million one year earlier. This +€66.5 million increase mainly reflects:

- the **scope effect** related to the consolidation of companies acquired in 2022: +€16.6 million, including €15.1 million in lease liabilities.

And **at constant scope**, mainly changes in:

- bank debt (excl. non-recourse bank loans): +€47.4 million.
- bond debt: -€9.5 million.
- lease liabilities: +€4.6 million.
- factoring liabilities: +€1.6 million. To enable the comparison of accounts, the line "Short-term bank borrowings and overdrafts" for 2021 has also been restated for the amount of factoring liabilities at December 31, 2021, i.e. €5.4 million.

For the year ended December 31, 2022, 73% of gross financial debt, including lease liabilities and after recognizing hedging instruments, was hedged at fixed rates (vs. 94% in 2021).

The breakdown of gross financial debt (excluding financial instruments) by currency is as follows:

At December 31	2021		2022	
	€m	%	€m	%
Euros	614.7	95.0%	679.5	95.2%
ZAR (South Africa)	15.9	2.5%	15.5	2.2%
PEN (Peru)	12.6	1.9%	14.3	2.1%
USD (USA)	1.2	0.2%	2.1	0.1%
SGD (Singapore)	1.4	0.2%	1.3	0.2%
QAR (Qatar)	0.4	<0.1%	0.3	<0.1%
GBP (UK)	0.3	<0.1%	0.3	<0.1%
CLP (Chile)	0.5	0.1%	0.2	<0.1%
Other currencies	0.1	<0.1%	0.1	<0.1%
CONSOLIDATED TOTAL	647.1	100.0%	713.6	100.0%

For the year ended December 31, 2022, the **cash balance** amounted to €126.2 million (vs. €172.2 million a year earlier). This line was mainly impacted by disbursements for the acquisitions made in 2022.

At this same date, the Group's **net financial debt** amounted to €587.4 million (vs. €474.9 million one year earlier), an increase of +10.3%.

Over the period, it changed as follows:

In millions of euros	12/31/2021	12/31/2022
Net financial debt at opening	450.3	474.9
Cash flows from operating activities	(142.3)	(148.1)
Net industrial investments	87.4	95.7
Net financial investments	1.9	(0.1)
Dividends	8.5	8.8
Net interest payments (including interest on lease liabilities)	16.6	17.0
Change in other financial loans and receivables	0.8	16.1
Capital increase or reduction	-	0.6
Change in net debt at constant scope (before non-cash effects)	423.2	464.9
Scope effect	36.1	80.7
Non-cash change in debt	15.6	41.8
Net financial debt at closing	474.9	587.4

2.4 EXPECTED DEVELOPMENTS, FUTURE PROSPECTS AND SIGNIFICANT POST-BALANCE SHEET EVENTS

2.4.1 POST-BALANCE SHEET EVENTS

2.4.1.1 Acquisition of Assainissement Rhône-Isère (ARI)

On January 16, 2023, Séché Environnement completed the acquisition of Assainissement Rhône-Isère (ARI), since renamed Séché Assainissement Rhône-Isère.

Based in Bonnefamille (Isère) and present throughout the Auvergne-Rhône-Alpes region, this company provides sanitation, industrial cleaning and high-pressure hydrocleaning services. With its two highly qualified employees, it is licensed to work on Seveso sites and generated revenue of around €2 million in 2022.

The acquisition price of around €0.7 million was financed by the Group's cash.

This acquisition complements Séché Environnement's operations in the Rhône-Alpes region.

2.4.1.2 Validation of the decarbonization strategy by the SBTi

In January 2023, the *Science Based Target initiative* (SBTi) approved Séché Environnement's goal of reducing its greenhouse gas emissions. The SBTi acknowledged that Séché Environnement's target is based on scientific criteria and in line with the Paris Agreement on combating global warming.

Séché Environnement's decarbonization strategy targets an absolute reduction of 25% in direct greenhouse gas emissions (Scope 1) and indirect emissions related to energy consumption (Scope 2) between 2020 and 2030.

2.4.1.3 Other material post-balance sheet events

At the time of writing, the Group was not aware of any other significant event occurring after the closing date likely to have a significant impact on its assets, financial position or operating income.

As far as the Group is aware, there were no legal disputes, arbitration or exceptional events occurring after the closing date that are liable to have or to have had in the recent past a significant effect on the financial position, earnings, activity or assets of the Company or the Group.

2.4.2 OUTLOOK FOR 2023

Presence on markets offering strong visibility and lasting positive trends

Positioned on buoyant markets offering strong visibility in the circular economy and the decarbonization of the economy, as well as the protection of the environment, human health and biodiversity, Séché Environnement offers industrial and local ecology solutions aimed at providing its clients with local, sustainable, low-carbon resources and solutions to their challenges of managing industrial and environmental risks.

It addresses the long-term issues of industrial and territorial sustainability, and meets regulatory constraints that require – in France and increasingly around the world – the implementation of restrained industrial and territorial economic policies in terms of material or energy use and the consideration of local living conditions.

In addition, faced with these clients' short-term challenges in managing the energy crisis, the sharp rise in commodity prices, and the already noticeable effects of climate change, Séché Environnement's services meet the urgent need for these clients to find local, low-carbon solutions to ensure the security of their supplies of strategic resources such as energy, raw materials, and water.

Continued organic growth at a steady pace

Contribution from newly consolidated activities

For its **historical scope**¹, after financial year 2022 saw strong organic growth, exceptional environmental emergencies contracts in France and internationally, and the post-Covid rebound in Solarca's activities and Latin America, Séché Environnement anticipates for financial year 2023:

- in **France**, a return to a more normal pace of growth, in line with its sustainable growth levels over the medium term.
- **internationally**, the continuation of significant growth in the main scopes, such as Mecomer and Interwaste, which should continue to benefit from the ramping-up of their new capacities, while Latin America and Solarca are expected to return to pre-pandemic growth rates.

In its **new scope**, the Group will also benefit from the full-year contribution of the subsidiaries consolidated in 2022 and the pro rata contribution of acquisitions made at the beginning of 2023. In these new scopes, it will also benefit from sales momentum resulting from the roll-out of these activities, particularly in sanitation and industrial water management services, and the implementation of their commercial and industrial synergies with the rest of the Group.

Overall, Séché Environnement's contributed revenue is expected to be close to €1 billion in fiscal year 2023.

Solid margins for the historical scope

Increase in profitability for the recently consolidated activities

In its **historical scope**¹, the Group is confident in its ability to continue to grow its EBITDA margin (EBITDA/contributed revenue) compared to 2022:

- in **France**, Séché Environnement will benefit from positive commercial effects on positively oriented markets, as well as the impact of its industrial efficiency strategy based on highly selective investments, improvements in its industrial capacity availability rates and the optimization of its organization;

- **internationally**, the Group should confirm the improvement in its operating margin, driven by the anticipated growth of its main subsidiaries.

For the **new scope** consolidated in 2022, particularly in the sanitation and industrial water businesses, Séché Environnement will work to integrate these activities and implement industrial and commercial synergies with the Group's other business lines in order to gradually bring their EBITDA margin up to Group standards, starting in 2023.

Overall, the EBITDA margin is expected to be close to 22% of consolidated contributed revenue.

Controlled industrial investments

Free cash flow generation and financial flexibility confirmed

Industrial investment is expected to be in line with 2022, in the region of €100 million, or around 10% of contributed revenue, illustrating the Group's return to its target levels of industrial investment after making significant investments in growth in the 2021 and 2022 financial years.

In addition, the Group will focus on maximizing its free operating cash flow generation, for example by aiming to return to a zero change in working capital requirement (excluding acquisitions made in 2023). This will help it meet the goal of achieving a ratio of free cash flow to EBITDA of above 35% and, more broadly, of recording a financial leverage ratio (net financial debt/EBITDA) of 2.7x, excluding acquisitions.

¹ Excluding the scope consolidated in 2022 and 2023

2.4.3 MEDIUM-TERM OUTLOOK

2.4.3.1 Financial outlook

Séché Environnement's financial achievements in 2022 boost the Group's confidence that it will deliver on its objectives by 2025¹.

However, given the significant changes in the scope of consolidation in 2022 and early 2023 – as of the date of writing of this document – the Group expects to update its medium-term outlook in 2023 to take into account the contribution of the new scopes in its three-year forecasts (through to 2026).

2.4.3.2 Non-financial performance outlook

Séché Environnement maintains its **2030 Climate strategy**, which is aligned with the objectives of the 2017 Paris Agreement, under which it will reduce its own greenhouse gas emissions by 10% by 2025 and increase the greenhouse gases avoided by its clients by 40% thanks to its recycling activities.

The achievement of these objectives will draw on an action plan with **three complementary drivers**:

- **energy restraint**: the Group aims to reduce the amount of energy consumed at each site by at least -10% between 2020 and 2025. With regard to industrial and tertiary buildings, energy reduction actions focus on heating, lighting and office tools. For industrial processes, they target air production, cooling, heat production, leachate and biogas management, as well as the optimization of the use of production and transportation vehicles.
- **energy substitution**: the Group favors low-carbon energy consumption. It primarily seeks to use the energy produced from waste at its sites (biogas, heat, electricity), which has a lower emission factor than energy it purchases. In addition, the Group is stepping up its efforts to replace the fossil fuels it uses with less carbon-intensive energies (from fossil or non-fossil sources).
- **combating fugitive emissions**: Séché Environnement implements policies to combat diffuse biogas emissions and to detect and reduce biogas emissions by continuously carrying out corrective actions and adapting its operations.

¹ See press release of March 8, 2022

2.5 PARENT COMPANY FINANCIAL STATEMENTS AND APPROPRIATION OF INCOME

2.5.1 PRESENTATION OF SÉCHÉ ENVIRONNEMENT SA'S INCOME STATEMENT

(In thousands of euros)	2021	2022	Change
Revenue	13,557	17,834	+31.5%
Operating income	(10,280)	(8,086)	+21.3%
Net financial income	27,349	45,581	+66.7%
Non-recurring income	110	16	-85.5%
Income tax (incl. tax consolidation)	(13,701)	(14,364)	+4.8%
Profit of the period	30880	51875	+68.0%

Séché Environnement SA's profit of the period came to €51.9 million for the year ended December 31, 2022, up by €21.0 million from the previous year (€30.9 million).

This increase was mainly due to the €18.3 million rise in net financial income.

2.5.2 PAYMENT TERMS

Pursuant to the provisions of Article 441 of the French Commercial Code, information about client and supplier payment deadlines is as follows:

	Invoices received and due but not settled at the balance sheet date						Invoices issued and due but not settled at the balance sheet date					
	0 days (indication)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)	0 days (indication)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Late payment details												
Number of invoices concerned	0					29	0					81
Amount incl. tax of invoices concerned (€k)	0	44	37	0	96	176	0	181	116	111	1,679	2,087
Percentage of total amount of purchases incl. tax made during the year	0	0.1%	0.1%	0.0%	0.3%	0.5%						
Percentage of revenue incl. tax for the year	0.0%						0.0%	0.8%	0.5%	0.5%	7.8%	9.7%
(B) Invoices excluded from (A) concerning disputed liabilities or receivables or those not recognized												
Number of invoices excluded				10							None	
Total amount of invoices excluded (€ thousands)				72							None	
The payment deadlines used as reference are those set out in contracts or legal deadlines.												

2.5.3 APPROPRIATION OF INCOME

After noting the profit for the period of €51,874,968.00, the Board of Directors will propose the following appropriation to the General Meeting of Shareholders on April 28, 2023:

- dividend payout of €8,643,505.20.

The dividend payment for the year would therefore be €1.10 per share.

The ex-dividend date is set at July 7, 2023 and the dividend will be paid from July 11, 2023.

When paid to natural persons domiciled in France for tax purposes, the gross dividend amount is subject to a withholding tax at the flat rate of 12.8% (Article 200 A of the French Tax Code) and social security contributions at the rate of 17.2%.

This flat rate withholding tax does not discharge the income tax liability but constitutes an interim income tax, charged to the tax due the following year. On the taxpayer's express, irrevocable request, applicable to all dividends, the dividend may be taxed according to the progressive income tax scale after application of a 40% allowance (Article 200 A, 2, and 158 3-2° of the French Tax Code).

- allocation of €43,231,462.80 to retained earnings, taking the total amount of retained earnings to €148,433,115.81. The amount corresponding to the dividend not paid on shares held by the Company on the ex-dividend date will be allocated to retained earnings on the payment date.

2.5.4 FIVE-YEAR FINANCIAL SUMMARY

(In euros)	2018	2019	2020	2021	2022
Share capital at year-end					
Share capital	1,571,546	1,571,546	1,571,546	1,571,546	1,571,546
Number of ordinary shares outstanding	7,857,732	7,857,732	7,857,732	7,857,732	7,857,732
Operations and income for the year					
Pre-tax revenue	12,152,145	12,434,447	11,466,046	13,557,238	17,833,949
Income before tax, employee profit-sharing, depreciation, impairment and provisions	15,227,544	19,280,638	31,341,958	18,730,057	38,409,558
Income taxes	(9,041,219)	(9,153,472)	(10,385,595)	(13,700,689)	(14,363,802)
Income after tax, employee profit-sharing, depreciation, impairment and provisions	12,461,360	33,387,735	45,515,574	30,880,011	51,874,968
Dividend paid to shareholders	7,464,845	7,464,845	7,464,845	7,857,732	8,643,505
Earnings per share					
Income before tax, employee profit-sharing, depreciation, impairment and provisions	3.09	3.62	5.31	4.13	4.89
Income after tax, employee profit-sharing, depreciation, impairment and provisions	1.59	4.25	5.79	3.93	6.60
Dividend per share	0.95	0.95	0.95	1.00	1.10
Payroll					
Average headcount for the period	29	28	28	29	29
Payroll for the period	3,227,442	3,183,525	3,062,385	3,149,564	3,264,843
Amounts paid for employee benefits during the period (social security, social works)	1,281,416	1,307,225	1,244,415	1,286,437	1,336,634

2.6 INFORMATION ON DIVIDENDS

Dividends are paid annually at the time and locations stipulated by the Annual General Meeting, within nine months of the close of the fiscal year. No recovery of dividends can be demanded from shareholders, except in the event of the distribution of fictitious dividends or fixed or

interim interest, which is prohibited by law. Dividends remaining unclaimed within five years of their allocation for payment are transferred to the State.

Dividends per share paid in respect of the past three years and the corresponding tax credit are shown below:

Year	Income eligible for the 40% allowance		Income not eligible for the 40% allowance
	Dividends	Other distributed income	
2019	€7,464,845.40* or €0.95 per share	None	-
2020	€7,464,845.40 or €0.95 per share	None	-
2021	€7,857,732.00 or €1.00 per share	None	-

2.7 RISK FACTORS

This presentation of risk factors in this Universal Registration Document is made pursuant to the provisions of Article 16 of the European Regulation 2017/1129, known as "Prospectus Regulation 3". The risk mapping only takes into account the risks that appear specific to Séché Environnement. Risks are weighted and ranked to produce a list of risks broken down by severity, frequency and time frame (expected future impact), which is included in this section of the Universal Registration Document.

At the end of 2022, with the assistance of an external consulting firm (TENNAXIA), Séché Environnement conducted a revision of its materiality analysis and its map of non-financial risks to plan ahead for the European Directive known as CSRD. The analysis of non-financial risk factors is detailed in Chapter 1 of this Universal Registration Document (see § 1.3 Materiality analysis, CSR issues and risk factors).

This section of the Universal Registration Document therefore presents the financial risk factors.

The map of financial risks is based on the conduct by Séché Environnement in 2019, according to a standardized methodology and with the assistance of an external third-party consultant TENNAXIA, of a materiality analysis covering both financial and non-financial risks. At the beginning of 2023, an internal update of the financial risk map was carried out.

The gross and net financial risk summary table with the comparison between 2019 and 2022 are shown below. The Prospectus Regulation 3 covers net risks, i.e. the residual risk remaining after applying prevention and mitigation policies.

01

02

03

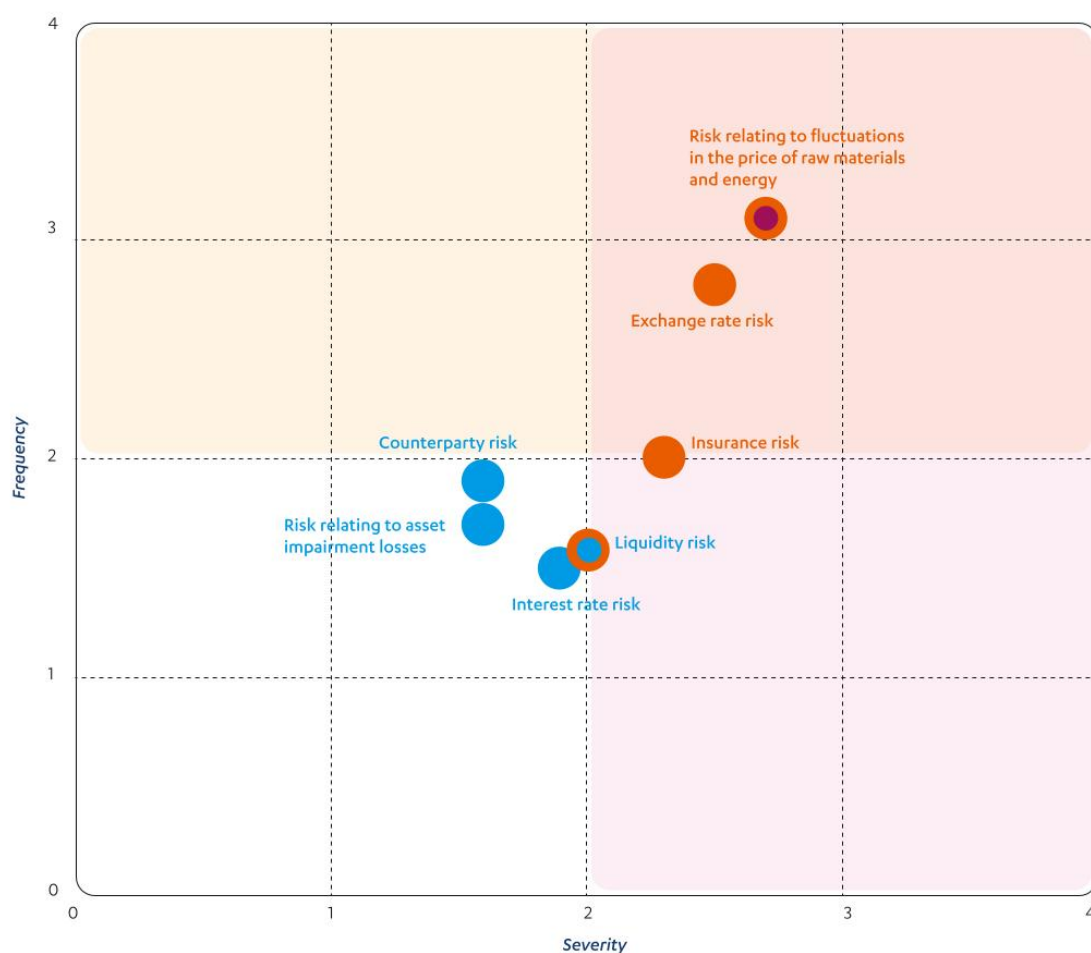
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GROSS					
Risk		Typical severity		Frequency	
		2019	2022	2019	2022
A1	Interest rate risk	1.9	1.9	2	1.5
A2	Foreign exchange risk	2.1	2.5	2.8	2.8
A3	Liquidity risk	1.9	2	1.6	1.6
A4	Counterparty risk	1.4	1.6	1.9	1.9
A5	Risk relating to fluctuations in the price of raw materials and energy	1.7	2.7	2.4	3.1
A6	Risk relating to asset impairment losses	1.6	1.6	1.7	1.7
A7	Insurance risk	2.3	2.3	2	2

GROSS FINANCIAL RISKS 2022



DÉFINITION SEVERITY

Minor (0 - 1) - it will be easy to manage the consequences of the risk.

Moderate (1 - 2) - it will take time to mitigate the consequences of the risk.

Major (2 - 3) - the risk will have significant consequences and may cause long-term harm.

Critical (3 - 4) - the risk will have truly harmful consequences and it will probably be difficult to recover.

DÉFINITION FREQUENCY

Rare (0 - 1) - there is little chance of this risk occurring.

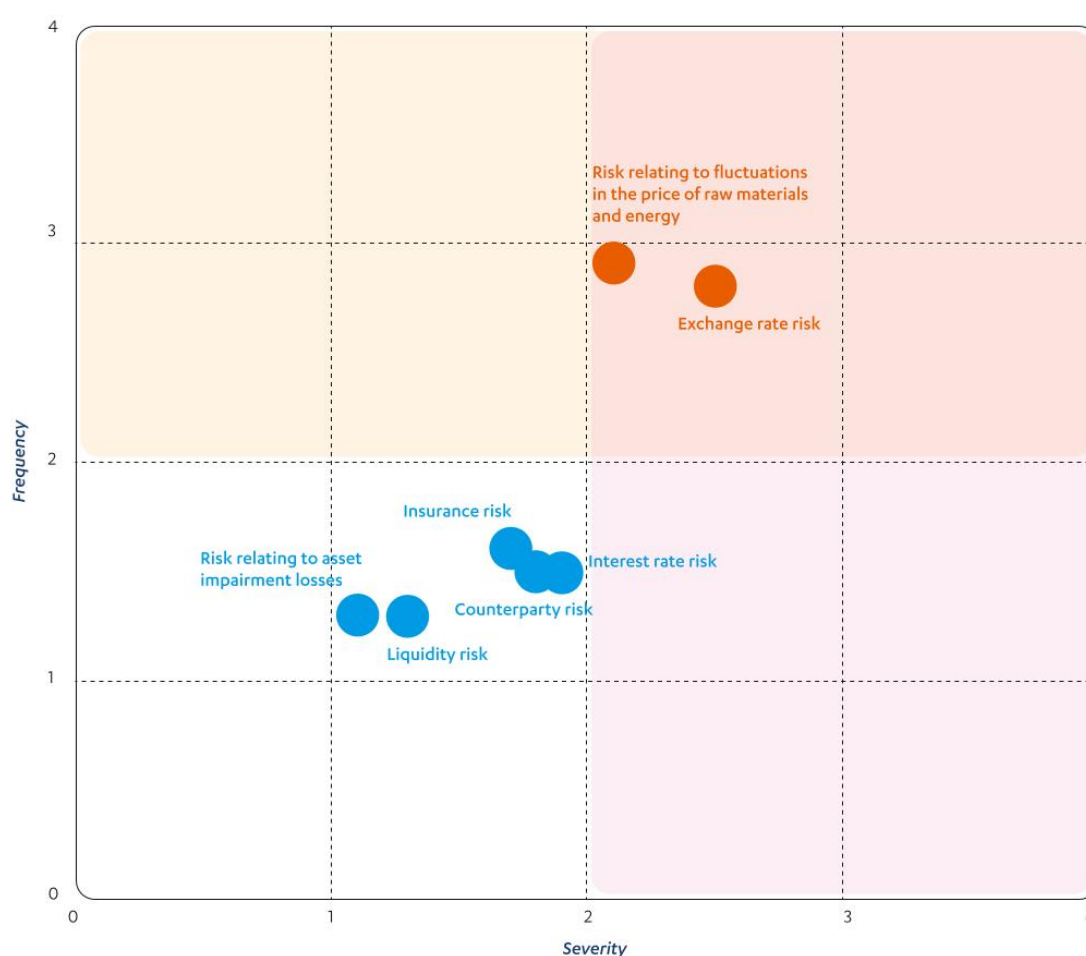
Occasional (1 - 2) - this risk could occur, but not necessarily.

Regular (2 - 3) - there is a good chance that this risk will occur.

Frequent (3 - 4) - this risk will most certainly occur.

NET		Typical severity		Frequency	
Risk		2019	2022	2019	2022
A1	Interest rate risk	1.4	1.9	1.5	1.5
A2	Foreign exchange risk	1.7	2.5	2.3	2.8
A3	Liquidity risk	1.3	1.3	1.3	1.3
A4	Counterparty risk	1.2	1.8	1.1	1.5
A5	Risk relating to fluctuations in the price of raw materials and energy	1.3	2.1	1.9	2.9
A6	Risk relating to asset impairment losses	1.1	1.1	1.3	1.3
A7	Insurance risk	1.7	1.7	1.6	1.6

NET FINANCIAL RISKS 2022



DÉFINITION SEVERITY

Minor (0 - 1) - it will be easy to manage the consequences of the risk.

Moderate (1 - 2) - it will take time to mitigate the consequences of the risk.

Major (2 - 3) - the risk will have significant consequences and may cause long-term harm.

Critical (3 - 4) - the risk will have truly harmful consequences and it will probably be difficult to recover.

DÉFINITION FREQUENCY

Rare (0 - 1) - there is little chance of this risk occurring.

Occasional (1 - 2) - this risk could occur, but not necessarily.

Regular (2 - 3) - there is a good chance that this risk will occur.

Frequent (3 - 4) - this risk will most certainly occur.

A1- Interest rate risk

This risk is detailed in Chapter 3 (Consolidated financial statements) in section 3.2.4.8 (d) "Interest rate risk exposure".

A2 - Foreign exchange risk

This risk is detailed in Chapter 3 (Consolidated financial statements) in section 3.2.4.8 (e) "Foreign exchange risk exposure".

A3 - Liquidity risk

This risk is detailed in Chapter 3 (Consolidated financial statements) in section 3.2.4.8 (b) "Liquidity risk exposure".

A4 - Counterparty risk

This risk is detailed in Chapter 3 (Consolidated financial statements) in section 3.2.4.7 "Net cash – Counterparty risk".

A5 - Risk relating to fluctuations in the price of raw materials and energy

Since the beginning of 2022, the economic context has changed significantly, including inflation in energy and raw material costs.

For energy: 2022 was characterized by a very strong increase in 2023-2024-2025 futures prices, as well as on the spot market during the summer of 2022.

The Séché Environnement Group participates in a natural gas and electricity buying organization for the supply of energy to all its subsidiaries in France. The members of this organization pool their needs to streamline costs and mitigate the risks of consumption variations linked to the contracting of forward volumes. Suppliers are selected through a tender process with the aim of selecting the best performing supplier and the most advantageous contractual framework possible. The 2023 procurement strategy has therefore been adapted accordingly. The buying organization is also considering longer-term supply solutions (10-20 years) to be able to free itself from market volatility.

Concerning the electricity consumed in 2022, more than 75% of the volumes were able to be purchased at fixed prices and the remainder was purchased on the spot market. The risk was therefore incurred on the purchase price of this remainder. For 2023, the Group has secured over 50% of its volumes at fixed prices, with the remainder to be supplied on the SPOT market.

Concerning the natural gas consumed in 2022, over 60% of the volumes were able to be purchased on the futures market at advantageous times. The risk incurred was on the purchase price of the remainder.

Concerning raw materials, in 2022 the Group's approach was to secure its raw materials supplies by expanding its supplier base, particularly regarding the most critical materials. For 2023, the Group plans to continue this redundancy process to use inflation fluctuations to contain or reverse cost increases.

A6 - Risk relating to asset impairment losses

This risk is detailed in Chapter 3 (Consolidated financial statements) in section 3.2.4.1 (c) "Intangible assets - Impairment test".

A7 - Insurance risk

Séché Environnement is insured by several well-known insurance companies, as part of a global program covering all the Group's companies provided that it owns at least 50% of their voting rights and/or share capital (directly or indirectly) and manages them. The terms and conditions of this insurance program are revised and adjusted each year in negotiations in the Group's interests.

The main policies taken out are:

- property damage/operating loss insurance, with a maximum coverage of €150 million based on the value of each site, and limits and/or sub-limits for coverage extensions.
- civil liability and environmental damage insurance with an €65 million coverage limit for all damages and each insurance period, and limits and/or sub-limits for coverage extensions.

Séché Environnement's activities include industrial risks that are comparable to the majority of those encountered in industry, though with an additional risk of pollution based on the nature of the substances being treated, which may cause serious harm to people or the environment. Of particular note is the risk of fire related to the "materials mix". This risk is well known in the profession, particularly at sorting centers and packaging platforms.

The risk of an "accidental" case of pollution is covered by the Group's insurance program (civil liability – environmental harm).



03

CONSOLIDATED FINANCIAL STATEMENTS

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3.1 CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2022

3.1.1 STATEMENT OF CONSOLIDATED FINANCIAL POSITION

<i>(in thousands of euros)</i>	12/31/2021	12/31/2022	Notes
Goodwill	324,156	395,992	3.2.4.1
Concession intangible assets	36,846	30,861	3.2.4.1
Other intangible assets	41,901	44,151	3.2.4.1
Property, plant and equipment	344,847	409,251	3.2.4.2
Investments in associates	50	1,067	3.2.4.3
Other non-current financial assets	11,054	32,955	3.2.4.4
Non-current derivatives - assets	-	777	3.2.4.8
Other non-current assets	29,516	32,805	3.2.4.6
Deferred tax assets	21,447	15,475	3.2.4.11
Non-current assets	809,816	963,335	
Inventories	17,321	25,556	3.2.4.5
Trade and other receivables	186,035	245,727	3.2.4.5
Other current financial assets	3,218	3,306	3.2.4.4
Current derivatives - assets	-	-	
Other current assets	36,220	40,473	3.2.4.6
Cash and cash equivalents	172,201	126,166	3.2.4.7
Assets held for sale	-	-	
Current assets	414,996	441,229	
TOTAL ASSETS	1,224,812	1,404,564	
Share capital	1,572	1,572	
Additional paid-in capital	74,061	74,061	
Reserves	165,452	189,861	
Net income of the year	28,384	44,608	
Equity attributable to owners of the parent	269,469	310,102	
Equity attributable to non-controlling interests	5,426	7,286	
Total equity	274,895	317,388	3.2.4.13
Non-current financial debt	552,173	547,878	3.2.4.8
Non-current lease debt	30,833	44,680	3.2.4.8
Non-current derivatives - liabilities	-	10,341	3.2.4.8
Employee benefits	17,178	18,029	3.2.4.9
Non-current provisions	24,314	30,181	3.2.4.10
Other non-current liabilities	4,722	4,761	3.2.4.6
Deferred tax liabilities	5,383	4,893	3.2.4.11
Non-current liabilities	634,603	660,763	
Current financial debt	49,102	90,553	3.2.4.8
Current lease debt	14,977	20,882	3.2.4.8
Current derivatives - liabilities	-	-	
Current provisions	1,810	2,681	3.2.4.10
Trade payables	137,343	165,086	3.2.4.5
Other current liabilities	111,161	146,119	3.2.4.6
Tax liabilities	922	1,092	
Liabilities held for sale	-	-	
Current liabilities	315,314	426,412	
TOTAL LIABILITIES	1,224,812	1,404,564	

The notes are an integral part of the consolidated financial statements.

3.1.2 CONSOLIDATED INCOME STATEMENT

(in thousands of euros)	12/31/2021	12/31/2022	Notes
Revenue	790,117	972,675	
Other business income	1,207	2,279	
Income from ordinary activities	791,324	974,954	3.2.4.14
Purchases consumed	(97,760)	(140,844)	
External expenses	(280,042)	(339,287)	3.2.4.15
Taxes and duties	(59,021)	(76,166)	3.2.4.15
Employee expenses	(184,218)	(217,099)	3.2.4.15
EBITDA	170,282	201,558	
Expenses for rehabilitation and/or maintenance of sites under concession arrangements	(10,692)	(10,954)	
Depreciation, impairment, and provisions	(86,624)	(98,400)	3.2.4.16
Other operating items	(1,469)	(938)	3.2.4.16
Current operating income (loss)	71,496	91,267	
Other non-current items	(2,813)	(4,288)	3.2.4.17
Operating income (loss)	68,684	86,979	
Cost of net financial debt	(18,184)	(17,053)	3.2.4.18
Other financial income and expenses	(5,941)	(1,484)	3.3.4.18
Net financial income (loss)	(24,126)	(18,537)	
Share of net income (loss) of equity-accounted entities	(908)	(1,341)	3.2.4.20
Income tax	(14,051)	(19,232)	3.2.4.19
Net income (loss) for the year	29,599	47,870	
o/w attributable to non-controlling interests	(1,215)	(3,262)	
o/w attributable to owners of the parent	28,384	44,608	
Basic earnings per share (in euros)	3.64	5.72	
Diluted earnings per share (in euros)	3.64	5.72	

The notes are an integral part of the consolidated financial statements.

3.1.3 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(in thousands of euros)</i>	12/31/2021	12/31/2022
Other comprehensive income not subsequently reclassified to profit or loss:		
Revaluation of net liabilities (assets) of defined benefit plans ⁽¹⁾	416	3,661
Income tax effects	(304)	(946)
Amount before income tax (A)	112	2,715
<i>o/w share of equity-accounted entities</i>	2	-
Other comprehensive income subsequently reclassified to profit or loss:		
Change in net investments ⁽²⁾	(2,538)	136
Change in fair value of derivatives	354	774
Tax effect on the items listed above	120	(217)
Translation reserve ⁽³⁾	(529)	2,970
Amount before income tax (B)	(2,594)	3,664
<i>o/w share of equity-accounted entities</i>	-	-
TOTAL OTHER COMPREHENSIVE INCOME	(2,481)	6,379
Net income (loss) for the year	29,599	47,870
TOTAL COMPREHENSIVE INCOME	27,118	54,249
<i>o/w attributable to owners of the parent</i>	26,000	50,950
<i>o/w attributable to non-controlling interests</i>	1117	3,298

(1) Corresponds to the impact of the change in the discount rate at December 31, 2022 (see Note 3.2.4.9).

(2) At December 31, 2021, this was mainly the impact of the appreciation of the South African and Chilean exchange rates for -€1.5 million and -€0.6 million, respectively.

(3) Impact resulting from the appreciation of the Peruvian sol, and to a lesser extent the Chilean peso and US dollar (see Note 3.2.4.13 c).

The notes are an integral part of the consolidated financial statements.

3.1.4 STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

(in thousands of euros)	Share capital	Additional paid-in capital	Treasury shares	Consolidated reserves	Foreign exchange translation reserves	Fair value reserves	Attributable to owners of the parent	Attributable to non-controlling interests	Total equity
At December 31, 2020	1,572	74,061	(3,602)	196,778	(15,621)	(254)	252,927	4,302	257,230
Other comprehensive income	-	-	-	112	(2,749)	254	(2,383)	(98)	(2,481)
Net income for the year	-	-	-	28,384	-	-	28,384	1,215	29,599
Total comprehensive income	-	-	-	28,495	(2,749)	254	26,000	1,117	27,118
Third-party share in share capital increases of subsidiaries	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	(7,409)	-	-	(7,409)	(1,037)	(8,446)
Treasury shares	-	-	132	-	-	-	132	-	132
Business combinations	-	-	-	-	-	-	-	(168)	(168)
Transactions with non-controlling interests	-	-	-	(2,560)	-	-	(2,560)	1,209	(1,351)
Other changes	-	-	-	380	-	-	380	2	382
At December 31, 2021	1,572	74,061	(3,470)	215,684	(18,370)	-	269,469	5,426	274,895
Other comprehensive income ⁽¹⁾	-	-	-	2,715	3,095	531	6,342	37	6,379
Net income for the year	-	-	-	44,608	-	-	44,608	3,262	47,870
Total comprehensive income	-	-	-	47,323	3,095	531	50,950	3,298	54,249
Third-party share in share capital increases of subsidiaries	-	-	-	-	-	-	-	580	580
Dividends paid	-	-	-	(7,806)	-	-	(7,806)	(1,027)	(8,833)
Treasury shares	-	-	87	-	-	-	87	-	87
Business combinations	-	-	-	-	-	-	-	-	-
Transactions with non-controlling interests ⁽²⁾	-	-	-	(2,600)	-	-	(2,600)	(990)	(3,591)
Other changes	-	-	-	3	-	-	3	-	3
At December 31, 2022	1,572	74,061	(3,383)	252,604	(15,275)	531	310,102	7,286	317,388

(1) See Note 3.1.3.

(2) Impact of the additional acquisition without gain of control of the Spanish subsidiary Solarca SLU for -€2.6 million attributable to owners of the parent and -€0.2 million attributable to non-controlling interests (see Note 3.2.2.1 e); the balance of -€0.7 million corresponds to the loss of control of the French company Solena Valorisation (see Note 3.2.2.1 h).

The notes are an integral part of the consolidated financial statements.

3.1.5 CONSOLIDATED CASH FLOW STATEMENT

(in thousands of euros)	12/31/2021	12/31/2022	Notes
Income (loss) for the year	29,599	47,870	
Share of net income (loss) of equity-accounted entities	908	1,341	3.2.4.20
Dividends from joint ventures and equity-accounted entities	-	-	
Depreciation, impairment, and provisions	87,181	96,714	
Income from disposals	676	(55)	
Deferred taxes	2,235	4,386	3.2.4.19
Other income and expenses	4,018	6,850	3.2.4.22
Cash flows	124,616	157,106	
Income tax	11,816	14,845	3.2.4.19
Cost of gross financial debt before long-term investments	16,626	16,939	
Cash flows from operating activities before taxes and financing costs	153,058	188,890	
Change in working capital requirement	(645)	(24,971)	3.2.4.5
Tax paid	(10,147)	(15,803)	
Net cash flows from operating activities	142,266	148,117	
Investments in property, plant and equipment and intangible assets	(89,565)	(99,861)	
Proceeds from sales of property, plant and equipment and intangible assets	2,119	4,157	
Increase in loans and financial receivables	(1,207)	(18,632)	3.2.4.22
Decrease in loans and financial receivables	380	2,518	3.2.4.22
Takeover of subsidiaries net of cash and cash equivalents	(29,335)	(76,239)	3.2.4.22
Loss of control over subsidiaries net of cash and cash equivalents	1	(1,426)	3.2.4.22
Net cash flows from investment activities	(117,608)	(189,483)	
Dividends paid to the shareholders of the parent	(7,410)	(7,806)	
Dividends paid to the non-controlling interests	(1,078)	(1,027)	
Capital increase (decrease)	-	580	
Acquisitions/ disposals of non controlling interests (without acquisition or loss of control)	(2,077)	(3,047)	3.2.4.22
Change in treasury shares	202	111	
New loans and financial debt ⁽¹⁾	385,642	104,804	3.2.4.8
Repayment of loans and financial debt	(293,842)	(60,683)	3.2.4.8
Interest paid	(15,296)	(14,580)	3.2.4.8
Repayment of lease debt and associated financial expenses	(19,185)	(23,547)	3.2.4.8
Net cash flows from financing activities	46,956	(5,195)	
Total cash flows from continuing operations	71,614	(46,561)	
Net cash flows from discontinued operations	-	-	
TOTAL CASH FLOWS FOR THE PERIOD	71,614	(46,561)	
Cash and cash equivalents at beginning of the period	98,184	169,901	
Cash and cash equivalents at end of the period ⁽¹⁾	169,901	123,451	
Effect of changes in foreign exchange rates	(103)	(112)	
(1) of which:			
Cash and cash equivalents	172,201	126,166	
Short-term bank borrowings and overdrafts (current financial debt) ⁽¹⁾	(2,301)	(2,715)	

(1) These line items have been restated without the factoring debt at December 31, 2021 in the amount of €5.4 million (see Note 3.2.4.8). The factoring debt has been removed from "Short-term bank borrowings and overdrafts" and reclassified under "New loans and financial debt".

The notes are an integral part of the consolidated financial statements.

3.2 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Séché Environnement SA is a French limited company (société anonyme) incorporated on July 8, 1976. It is domiciled in France (Les Hêtres - CS 20020 - 53811 Changé Cedex 09). It is majority owned by Séché Group SAS.

The consolidated financial statements at December 31, 2022 reflect the accounting position of the Company and its

subsidiaries (the Group) and the Group's investments in equity-accounted investees, partnerships classified as joint arrangements, and joint ventures.

The Group specializes in waste treatment and recovery.

3.2.1 ACCOUNTING PRINCIPLES AND VALUATION METHODS

3.2.1.1 Basis for preparing and presenting the financial statements

The consolidated financial statements were approved by the Board of Directors on March 3, 2023, and submitted to the General Shareholders' Meeting for approval on April 28, 2023.

Information is disclosed only when it is of material importance. Figures are expressed in thousands of euros without decimal places. Figures rounded up to the nearest million may, in some cases, lead to insignificant disparities with respect to the totals and sub-totals presented in the tables.

The Group's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, which are available for consultation on the European Commission's website.

a. New standards and interpretations applicable on or after January 1, 2022

The following amendments to IFRS, published by the IASB and applicable as of January 1, 2022, had no material impact on the Group's consolidated financial statements at December 31, 2022:

- Amendments to IFRS 3, IAS 37, IAS 16, and Annual Improvements to IFRSs 2018-2020 Cycle.

b. Standards and interpretations adopted by the IASB but not yet applicable at December 31, 2022

Standard	Applicable from	Subject
Amendments to IAS 1	January 1, 2023	Disclosure of Accounting Policies
Amendments to IAS 8	January 1, 2023	Definition of Accounting Estimates
Amendments to IAS 12	January 1, 2023	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to IAS 1	January 1, 2024	Classification of Liabilities as Current or Non-current
Amendments to IFRS 16	January 1, 2024	Lease Liability in a Sale and Leaseback

An assessment of the impact of applying these amendments and improvements is under review. However, these provisions are not contrary to the Group's current accounting practices.

These estimates and assumptions mainly concern the valuation of goodwill and other intangible assets, the calculation of the amount of provisions and retirement obligations, the impairment of trade receivables, and deferred tax assets.

3.2.1.2 Use of estimates

In order to prepare interim consolidated financial statements in accordance with IFRS, Management is required to exercise its judgment and make estimates and assumptions that impact the application of the Group's accounting policies and the amounts of assets and liabilities, and income and expenses. The estimates and underlying assumptions are based on past experience and other factors considered reasonable under the circumstances. They serve as the basis for any judgment required for determining the carrying amounts of assets and liabilities when such amounts cannot be obtained directly from other sources.

These assumptions, estimates or assessments are based on information or situations existing at the date of preparing the financial statements, and are detailed in the specific notes relating to each item below. They may subsequently turn out to be different from reality.

The Russia-Ukraine crisis has no direct impact on the Group's activities.

3.2.1.3 Consolidation methods

The consolidation scope of Séché Environnement includes the consolidating parent company Séché Environnement SA and all the companies it controls, directly or indirectly, exclusively or jointly, or over which it exercises significant influence, and whatever their legal form.

Subsidiaries are consolidated as of the effective date on which control was taken and until the date on which control was lost. In determining control and in compliance with the provisions of IAS 27, potential voting rights attached to financial instruments – which, if exercised, may provide Séché Environnement or its subsidiaries with a voting right – are taken into consideration.

Companies over which the Séché Group exercises exclusive control, either directly or indirectly, are fully consolidated. In compliance with IFRS 10 Consolidated Financial Statements, control is determined based on the Group's ability to exercise power over the entities in question to influence the variable returns to which it is exposed or has rights to on the basis of its links with said entities.

In compliance with IFRS 11 Joint Arrangements, the Group classifies each of its interests in partnerships either as a joint arrangement, or as a joint venture, depending on its rights to the assets and obligations for the liabilities relating to the arrangement. When determining this, the Group takes account of the structure of the arrangement, its legal form, the terms agreed by the parties in the contractual arrangement, and, where appropriate, other facts and circumstances. Having examined these new measures, the Group has concluded that it is involved only in joint ventures. Therefore, these joint ventures are consolidated by the equity method, in accordance with IFRS 11.

3.2.1.4 Translation of the foreign currency financial statements of consolidated entities

Séché Environnement's consolidated financial statements are presented in euros.

The accounts of foreign companies are drawn up in the operational currency of each subsidiary.

In the Group's consolidated financial statements, balance sheet items are converted at the exchange rates in effect at the closing date. Income statement and cash flow statement items are converted using the average monthly rate for the period, provided there are no major fluctuations in the exchange rate.

Translation differences on both the balance sheet (difference between closing rates of the previous year and the current year) and the income statement (difference between the average rates and closing rates) are booked as follows:

- for the share attributable to the owners of the parent, in consolidated equity under "translation differences";
- for the third-party share, under "Non-controlling interests".

When a foreign subsidiary is sold, the related translation reserve is recognized in income.

3.2.1.5 Translation of foreign currency transactions

In accordance with IAS 21 The Effects of Changes in Foreign Exchange Rates, transactions in foreign currencies are converted into euros at the exchange rate in force at the transaction date. At the closing of the accounts, all assets and liabilities denominated in foreign currencies are converted at the exchange rate in effect on the closing date. Foreign exchange gains and losses arising from this conversion are booked in the income statement.

Foreign exchange gains and losses resulting from conversion and from the elimination of intra-Group transactions or receivables expressed in a currency different from the accounting currency are recorded in the income statement unless they originate from intra-Group long-term financing transactions which may be regarded as equity transactions. In this case they are recognized in consolidated equity (as a translation difference), then reclassified as profit or loss if the company is removed from the scope of consolidation or in the event of a change in the nature or purpose in financing granted.

3.2.1.6 Segment information

The CODM (chief operating decision maker) has access to financial data for each legal entity. These legal entities variously provide waste treatment services for hazardous waste (HW) and non-hazardous waste (NHW), for a highly diversified customer base consisting of local authorities and industrial companies, in a variety of industrial facilities, under a single regulatory framework, principally in France.

No single type of customer or treatment corresponds to a particular type of waste. No specific type of waste, waste treatment or customer corresponds to a particular legal entity. The offers made by the Group to its customers take account of this diversity in the nature of waste products and in methods for dealing with them. The continuing integration of the Group's activities serves increasingly to underline this fact.

Therefore performance evaluations and allocations of the Group's resources made by the CODM are based on the

analysis of performance indicators which are not differentiated by legal entity, and which present the same economic characteristics across all legal entities.

Indeed, the Group considers itself as operating in a single sector – waste management.

3.2.1.7 Intangible assets and property, plant and equipment

a. Goodwill

On the acquisition date, goodwill is measured as the difference between:

(i) the fair value of the consideration transferred, and in a step-by-step business combination, the fair value of the purchasing entity's previously held interest in the acquired company on the acquisition date, and

(ii) the Group's share in the net balance of the identifiable assets, liabilities, and contingent liabilities acquired (generally measured at fair value).

When the option of recognizing non-controlling interests at fair value is applied, goodwill is increased by an equivalent amount.

If the goodwill is negative, it is recognized in profit or loss directly in the income statement.

The fair value of acquired assets and liabilities can be corrected or adjusted during the 12 months following the acquisition, and goodwill will then be reassessed retrospectively.

If additional shares are purchased in a subsidiary which is already fully consolidated, no additional goodwill is recorded: such operations are considered as transactions between shareholders, and are therefore booked under shareholders' equity.

The value of goodwill is reassessed at least once a year, and whenever there is an indication of impairment. In the case of impairment, the difference between book value and recoverable value is recognized as an operating expense, under "asset impairment" and is irreversible.

b. Other intangible assets

The Group's other intangible assets, booked as assets in compliance with IAS 38 Intangible Assets, consist mainly of:

- potential or actual operating rights; these represent the value paid for a site in view of its intrinsic properties, which make it particularly suitable for landfill operations;
- the intangible rights recognized in application of IFRIC 12 Service Concession Agreements. The intangible assets recognized under this heading represent the right of the operator to charge the public for use of the infrastructure ;
- development costs: these correspond to studies relating to technological innovation or improvements in the efficiency of facilities, safety and environmental protection. They are booked as assets when they meet the recognition criteria prescribed by IAS 38;
- patents and software.

Intangible assets with identifiable useful lives are amortized over their expected useful life.

Intangible assets with indefinite useful lives are tested for impairment under the procedure described in Note 3.2.1.7 d "Recoverable value of tangible and intangible assets".

c. Property, plant and equipment

Property, plant and equipment are carried at their historical purchase or production cost, or at the cost of their constitutive components on their arrival in the Group, less cumulative depreciation and any impairment. When the components of property, plant and equipment have different useful lives, they are booked as separate assets.

The book value of property, plant and equipment is not revalued.

Depreciation is determined on a straight-line basis according to the useful life of each component of property, plant or equipment.

Depreciation is calculated based on the book value of the asset, where appropriate net of any residual value.

Fixed assets	Depreciation period
Buildings	5-25 years
Complex plants	1-20 years
Others equipments	1-25 years

The depreciation of landfill cells is recognized as they are filled.

Leased assets that meet the criteria of IFRS 16 are restated on the assets side of the balance sheet, and a financial liability is recognized for the amounts payable in respect of their initial value.

d. Recoverable value of tangible and intangible assets

Tangible and intangible assets must be subjected to impairment tests in certain circumstances:

- for intangible assets with indefinite useful lives, and for intangible assets in progress, impairment testing is performed at least once a year;
- for other assets, testing is performed whenever there are indications of impairment.

Assets (tangible and intangible) which are submitted to impairment tests are booked as cash-generating units (CGU), groups of similar assets that generate independent cash flows:

- In France, due to the ever-increasing integration of the Group's activities, the development of its Comprehensive Services offering, and the corresponding increase in intra-Group transactions and flows, Séché Environnement deems it appropriate to consider all its activities in France as constituting one single CGU.
- Outside France, the interdependence of flows in the Group's international businesses is penalized by increasingly demanding regulations which complicate cross-border flows between the countries where the Group operates. For this reason, the Group has deemed it appropriate to consider that it has seven CGUs outside France, representing the seven countries in which it operates: Italy, South Africa, Spain, Mexico, Chile, Peru, and Germany.

When the recoverable value of a CGU is lower than its book value, an impairment is recognized. Recoverable value corresponds to the higher of value in use and fair value minus sales costs.

Useful value is determined on the basis of estimated discounted cash flows. It should be noted that:

- estimated cash flows are calculated based on the consolidated business plans of each CGU, covering a period of three financial years excluding the current financial year, with years four and five being projected as identical to year three. Like budgets, these business plans are drawn up based on the most accurate operational information available regarding past experience and trends in markets and techniques, and are reviewed by Group management to ensure consistency with existing strategy and the resulting investment policy;
- a terminal value is calculated for the sixth year, using year five flows on the basis of an annual perpetual growth rate. In Europe, the annual perpetual growth rate used was 1.5% at December 31, 2022, compared with 0.20% at December 31, 2021. For the other scopes, the growth rate used was 1.67% at December 31, 2022, unchanged from December 31, 2021;
- different discount rates are used in each country. These discount rates are after-tax rates applied to after-tax cash flows. These rates reflect the current market assessment of the average cost of capital in each country. Their use results in the same recoverable values as those calculated by applying pre-tax rates to pre-tax cash flows, as recommended by IAS 36 Impairment of Assets:

Discount rate	2021	2022
France	6.00%	8.30%
Spain	6.30%	9.90%
Italy	6.70%	10.50%
Germany	5.60%	7.70%
Mexico	8.80%	10.90%
Chile	7.20%	9.90%
Peru	7.60%	9.80%
South Africa	11.40%	14.10%

Goodwill impairment is not reversible, unlike impairment of property plant and equipment and intangible assets. Both types of impairment are recognized in operating income, under impairment of assets.

3.2.1.8 Concession contracts

The Group is developing the portion of its business carried out as an operator of public services. The contracts concerned are currently held by S  nerval, Alc  a, and Mo'UVE.

These contracts provide for the transfer by the grantors of the right to operate certain dedicated facilities in exchange for remuneration.

- These facilities are either made available to the operator free of charge, and may be improved by the operator while the contract is in force, or are constructed and then operated by the operator.
- These assets must as a priority be used for the activities conceded by the granting authority (without any guarantee of volume or minimum remuneration). The contracts also provide for payment of a commission or indemnity to the local authority, based on the profit derived from business from other users of the service.
- The contracts set out the conditions for the transfer of the facilities to the local authority at the end of the concession period.
- The remuneration of the services provided may be subject to a price revision clause, usually based on movements in industrial price indices. When revenue from construction activities is clearly identifiable as such, and is distinct from revenue from use of the assets, the revision clauses concerning revenue from construction activities are closely correlated with changes in the cost of financing construction work.
- These contracts also generally provide for an obligation to maintain and repair the assets granted.

Concession contracts are accounted for according to the interpretation IFRIC 12 Service Concession Arrangements:

- The right to operate the facilities is recognized in the balance sheet, either as a financial asset if analysis of the contract concludes that the operator has an unconditional right to receive cash from the grantor, or as an intangible asset if analysis of the contract concludes that the operator should be considered as receiving from the grantor a right to charge users of the public service. Intangible assets recognized under the latter case are amortized on a straight-line basis over the useful life of the facilities generating the right.
- The construction or upgrading of existing facilities and operations are booked according to the provisions of IFRS 15 described in Note 3.2.1.16 "Recognition of income".
- Costs of maintenance and repair are booked under expenses. They may be booked as accrued expenses if there is a time lag between the contractual commitment and its realization.

The main features of the various contracts in operation are as follows:

Contract	Type of service	Duration	Price revision clause	Contractual revision of contract	Renewal option	Cancellation option
S��NERVAL	Construction			No	No	Yes, in case of serious failure or public interest
	Operation	Until 2030	Monthly, according to index			
ALC��A	Construction			No	No	Yes
	Operation	Until 2024	Annual, according to index			
MO'UVE	Construction	Until 2023		No	No	Yes
	Operation	Until 2040	Annual, according to index			

Mo'UVE is a company created at the end of 2020 whose activity consists of managing the Montauban energy recovery unit for a period of 20 years. The contract, which began on January 1, 2021, provides for the operation of the energy recovery unit and modernization work for a projected total budget of   43 million. Renovation work began in 2021.

The S  nerval contract has been the subject of several riders since November 7, 2014, when DIRECCTE, the regional competition and employment authority, closed down the plant after asbestos was detected in all the furnaces during renovation work. These riders establish the liability of the local authority, as owner of the plant, for the extra costs and loss of business suffered by the operator during the closure period. This resulted in the payment of direct indemnities

and an increase in the proportionate fee charged. Correspondingly, a receivable is recognized over the residual duration of the contract. The local authority decided on September 3, 2016, to cease incineration activities for 29 months for asbestos removal work. The terms of the indemnity due to the operator are prescribed by a number of riders, including rider no. 12, signed on December 5, 2022. Production restarted at this facility in late August 2019.

3.2.1.9 Government subsidies

The subsidies booked by the Group are mainly related to assets. Government investment grants are deducted from the gross carrying amount of the asset and are recognized in income over the useful life of the depreciable asset as a reduced depreciation expense.

The classification and measurement rules applied to financial assets and liabilities are as follows:

IFRS 9	
Category	Séché Environnement
Assets at fair value through profit or loss	Cash and cash equivalents: demand deposits, money-market SICAV Non-consolidated, non-transferable securities UCITS units (*)
Option: assets at fair value through other comprehensive income not subsequently reclassified to profit of the period	Not applicable: irrevocable option by asset category not used by the Group
Assets at amortized cost	Receivables on non-consolidated equity investments Deposits and guarantees Trade and other receivables
Liabilities at amortized cost	Bank loans Trade and other payables
Liabilities at fair value through profit or loss	Not applicable to the Group

(*) Not meeting the criteria to qualify as cash equivalents.

a. Non-derivative financial assets

Non-derivative financial assets include equity instruments, loans and receivables on non-consolidated equity interests, operating receivables, and cash and cash equivalents.

Equity instruments

Equity instruments mainly include:

- shares in non-consolidated companies, the fair value of which is determined by taking into account the last known Group share in the equity;
- units held in UCITS invested short-term that do not meet the criteria to qualify as cash equivalents set out in IFRS 7.

By default, equity instruments are measured at fair value through profit or loss unless the Group irrevocably elects to classify them at fair value through other comprehensive income on the date of initial recognition (except instruments held for trading) without the possibility of recycling gains or losses to profit and loss. If the option is applied, dividends continue to be recognized in income.

3.2.1.10 Financial assets and liabilities

Financial instruments used by the Group include:

- non-derivative financial assets;
- non-derivative financial liabilities;
- derivatives.

The Group recognizes these instruments in accordance with IFRS 9 Financial Instruments. On initial recognition, financial assets are recorded at amortized cost, at fair value through other comprehensive income, or at fair value through profit or loss. According to IFRS 9, this classification is determined based on:

- the type of instrument (debt or equity);
- the characteristics of their contractual cash flows;
- the business model (the manner in which an entity manages its financial assets).

These financial assets are measured at fair value through profit and loss and booked under "Other financial income and expenses":

- unlisted securities the fair value of which can be determined based on observable inputs, such as an assessment by an independent expert, are considered to be Level 2 assets;
- unlisted securities the fair value of which can be determined based on a pricing model (discounting of future cash flows, multiples, etc.) are considered to be Level 3 assets.

Loans and receivables

This category includes loans, deposits and guarantees, receivables on non-consolidated equity investments and operating receivables.

This asset category is recorded at fair value on initial recognition (which in most cases corresponds to their nominal value), then at amortized cost (under the effective interest rate method).

The Group exercises its judgment to measure expected credit losses over the entire expected lifetime of some of its financial assets.

Impairment of trade receivables

The Group applies the IFRS 9 simplified approach, which consists of calculating the expected credit loss based on the life of the trade receivable. Risk assessment is conducted on the basis of historical data pertaining to actual losses, the aging balance of receivables and, based on the assessment of the expected risk of default, taking due account of the guarantees and credit insurance taken out. Expected credit losses are reported in the income statement under "Net allocations to provisions and impairment".

Impairment of other loans and receivables

Impairment is measured on a case-by-case basis taking into consideration any potential deterioration of counterparty credit risk on a 12-month horizon.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, sight deposits, term deposits and liquid investments in marketable securities. Callable overdrafts, which are an integral part of the Group's cash management policy, represent a portion of cash and cash equivalents for the purposes of the statement of cash flows.

Cash equivalents are predominantly comprised of money market SICAV (open-ended mutual funds). They are recorded at fair value (Level 1), and any changes in fair value are taken to income.

Term deposits are available at any time, with minimum guaranteed interest for each successive six-monthly period. Withdrawal on demand before maturity is possible without penalty. Interest receivable on these deposits is calculated for the period between the subscription date and the maturity date.

b. Non-derivative financial liabilities

Non-derivative financial liabilities include borrowings and other forms of financing, short-term bank borrowings and overdrafts, and operating debts.

The Group's financial liabilities are recorded initially at their fair value less transaction costs, then at amortized cost using the effective interest rate method.

The fair value of financial debt can be determined based on observable data (interest rates), and is therefore considered to be Level 2.

The fair value of operating debt is almost equal to its book value given the short maturity of these instruments.

c. Derivatives

Derivatives include call options and cash flow hedging instruments.

The fair value of hedging instruments is determined on the basis of a pricing model using observable data (principally interest rates), and is therefore considered to be Level 2.

The Group uses interest rate swaps to manage its interest rate risk incurred on its financing commitments. The swaps used by the Group make it possible to switch from a variable rate to a fixed rate, or from a fixed rate to a variable rate. Gains or losses from these interest rate swaps used to hedge financial liabilities are booked symmetrically to any gains or losses from the liabilities hedged. As such, the differential between the interest payable and the interest receivable is booked as either interest income or as an interest expense over the life of the hedged liabilities.

With respect to the above-mentioned cash flow hedging transactions, the Group measures its derivative instruments at fair value.

Effectiveness is demonstrated where there is an economic relationship between the hedged item and the hedging instrument and they offset each other either partially or fully.

Only the effective portion of a hedging relationship may be taken into account for hedge accounting and it is booked as other comprehensive income. The ineffective portion is recognized in profit or loss under the heading "Gross financial borrowing costs". Variations in the time value of options are booked to other comprehensive income.

Accumulated gains or losses on hedging instruments recorded in equity are reclassified to profit or loss under "Gross financial borrowing costs", as a cost of the hedged transaction but only if the transaction occurs.

3.2.1.11 Treasury shares

Treasury shares are recorded as a reduction in equity. Profits and losses resulting from the sale of own shares, and any

related dividends, net of tax, are booked directly to equity.

3.2.1.12 Inventories

In compliance with IAS 2, inventories are valued at the lower of cost and net realizable value. Net realizable value represents the estimated selling price in the ordinary course of business, minus the anticipated costs of completing the sale.

3.2.1.13 Provisions

Provisions are booked to the balance sheet when the Group has a present obligation (legal or implied) to a third party, and it is likely that the Group will have to draw on resources representing future economic benefits in order to meet said obligation.

A provision is booked to the Group's financial statements only on the condition that the amount of the resources necessary to meet the obligation can be measured in a reliable fashion. In the absence of a reliable estimate and/or where the Group believes it has strong and relevant arguments in its favor with regard to the claim in question, no provision is booked to the balance sheet. Any such information is presented in Note 3.2.4.10 "Current and non-current provisions".

The main provisions booked by the Group relate to thirty-year monitoring expenses, costs of major maintenance and the renewal of facilities under delegated management, and other risks and disputes.

a. Provisions for thirty-year monitoring

The European Parliament adopted a new European Directive on April 26, 1999 relating to the landfill of waste. Under this Directive, all costs related to the use of landfill sites must be included in the price for eliminating waste using this method, including installation and operation of the site, financial guarantees, site decommissioning and maintenance.

Furthermore, a French regulation dated September 9, 1997 requires long-term monitoring over 30 years of all facilities operating after June 14, 1999.

Accordingly, the Group books provisions for the 30-year monitoring of its final waste landfill sites.

Expenses for 30-year monitoring mostly include treatment costs for leachates and biogas and site monitoring and upkeep. The costs are estimated using an estimate of leachates to be treated (based on the tonnage of waste stored, rainfall patterns and the permeability of the storage cell) and standard average costs recommended by ADEME (the French environment and energy management agency) or actual average costs incurred.

The provision is booked progressively over the operating term and subsequently written back over the thirty-year monitoring period.

As 30-year monitoring provisions cover more than 12 months, they are recalculated using an appropriate financial discount rate recorded in "Other financial income and expenses".

b. Provisions for major maintenance and renewal of facilities under delegated management

A provision for major maintenance and renewal is recognized to cover the costs of maintenance and renewal of facilities at sites under delegated management, which are necessary for returning the facilities to working condition at the end of the contract.

c. Provisions for miscellaneous litigation

These are booked on the basis of the most likely assumptions.

In particular, in the event of a tax audit, the amount of the adjustment notified (or in the process of being notified) by the tax authorities is not the subject of a provision if both the company in question and the Group consider that the points raised are unfounded, or that its own position is reasonably likely to prevail in the course of the dispute with the authorities.

d. Employee benefits

The Group participates in certain supplementary retirement plans or other long-term benefits schemes for its employees. The Group offers these benefits either through defined contribution plans or through defined benefit plans.

Defined contribution plans

With respect to defined contribution plans, the Group's liabilities are limited to the payment of the defined contributions. Contributions paid into plans are recorded as expenses for the period.

Where applicable, provisions are recognized for any contributions still to be paid for the period.

Within the Group, defined contribution plans mainly include social insurance and medical coverage.

Defined benefit plans

Defined benefit plans are plans through which the employer guarantees its employees or certain categories of employees the future level of benefits or supplemental income defined in the collective bargaining agreement, most often based on the employee's salary and years of service (using the accrual method of accounting). Defined benefit plans may be funded by contributions to external specialist funds or managed in-house.

Within the Group, defined benefit plans include termination benefits and long-service awards.

Retirement and related obligations arising from defined benefit plans are subject to a provision using the projected unit credit method on the basis of actuarial valuations carried out on the balance sheet date each year.

Each period of service gives rise to an additional unit of benefit entitlement and each of these units is measured separately to build up the obligation to the employees. The actuarial assumptions (retirement date, career development, salary increases, the probability that the employee will still be working in the Group at his/her age of retirement) used to determine benefit liabilities vary depending on the economic conditions in the country where the plan operates. These assumptions are described in Note 3.2.4.9 "Employee benefits".

The benefit liability is discounted on the basis of the interest rates on the long-term bonds of prime issuers.

In accordance with the provisions of IAS 19 Employee Benefits (amended), the Group applies the following principles:

- Actuarial gains and losses (change in assumptions or experience adjustments) are recognized in "Other comprehensive income";
- All impacts due to new changes to the plan are recognized in "Current operating income";
- All post-employment benefits granted to the Group's employees are recognized in the consolidated balance sheet;
- Interest income from retirement plan assets is calculated using the same rate as the discount rate applied to liabilities under defined benefit plans.

The expense for the period includes:

- The cost of services rendered during the period and the effects of any change, reduction or liquidation of the plan are recognized in current operating income under "Net allocations to provisions and impairment";
- The impact of the accretion of actuarial liabilities and interest income from retirement plan assets is recognized in financial income under "Other financial expenses" and "Other financial income".

Entitlements under collective agreements that are defined by length of service are spread out on a straight-line basis over the last years of each employee's career eligible for new benefits.

For defined benefit plans funded by pension funds, the assets of such plans are measured at fair value.

The main retirement commitments and similar liabilities concern the Group's French subsidiaries.

Other employee and related benefits for which provision is made relate to the payment of additional bonuses to employees who have a given length of service with the company. Where previously accumulated contributions exceed the amount of the liability at the balance sheet date, a prepaid expense for the difference is recorded in the financial statements.

The liability is reported on the balance sheet net of plan assets measured at fair value.

3.2.1.14 Borrowing costs

Interest on loans is recorded in the financial year in which it was accrued, with the exception of:

- Borrowing costs directly attributable to the purchase, construction or production of assets requiring a long preparation period before they can be used or sold are incorporated directly into the costs of the assets;
- Costs directly attributable to the establishment of financing or re-financing arrangements are deducted from the loan in question and reclassified to the income statement using the effective interest rate method.

3.2.1.15 Income tax

a. Tax consolidation

The Group first adopted its tax consolidation regime on January 1, 2000. The option for the tax consolidation regime was renewed on January 1, 2005 for a further five-year period, and is renewable automatically for further periods of five years. All French commercial companies in which Séché Environnement owns at least a 95% interest come under the scope of this regime.

b. Deferred taxes

In general, deferred taxes are computed on the timing differences that may exist between the book value of assets and liabilities and their tax base. They are calculated per company using the liability method of tax allocation. In accordance with IAS 12, no deferred taxes are booked for the timing differences generated by goodwill, for which impairment is not deductible for tax purposes.

The net balance of deferred taxes is determined based on the situation of each tax entity. A deferred tax asset is booked only if the Company is likely to recover the amount over the next few years, in light of its business outlook and the tax regulations in force.

3.2.1.16 Recognition of income

IFRS 15 Revenue from Contracts with Customers describes when revenue should be recognized, in what amount and when.

The standard recommends recognizing revenue at the time the customer obtains control of the goods and services purchased. Some degree of judgment is required to determine when transfer of control occurs (at a given time or progressively).

Séché Environnement Group's customer contracts are divided into contracts signed with local authorities and contracts with industrial companies:

- Contracts with local authorities:

Contracts signed with local authorities generally cover several years (3-5 years, automatically renewable). As they cover categories of waste that remain relatively stable over time and are produced fairly recurrently, tariffs are set based on the type of waste and are weighted by volume.

However, the portfolio of local authority clients currently includes three public service delegation agreements for the management of household waste incinerators, which have specific features and involve significant amounts (see Note 3.2.1.8 "Concession contracts").

Exceptions to these multi-year contracts notably include decontamination contracts, which are necessarily one-time contracts (generally covering a few days to a few months). They can vary in size, and are sometimes significant for the Group (ranging from several hundred thousand euros to several million euros) depending on the extent of the work required.

- Contracts with industrial companies:

Contracts with industrial clients are generally spot or short-term contracts (less than one year). As they cover extremely varied categories of waste, tariffs depend highly on the chemical composition of the waste, how hazardous it is, the complexity of treatment methods, capacity availability, etc. Each "batch" of waste produced by an industrial client therefore has a separate tariff, since a single client may produce different types of waste at different times. The services proposed include landfill, incineration, sorting or transport, as appropriate.

This tariff policy also applies to decontamination contracts with industrial clients, which bear the same features as such contracts signed with local authorities.

Exceptions to this include:

- Waste management outsourcing agreements signed with major industrial clients, which are generally initially signed for an average of between 18 months and 5 years.
- Energy supply contracts relating to energy recovery activities, some of which fall within a regulated contractual framework, cover long periods or include multi-year contracts with variable terms.

A description of these types of contracts under IFRS 15 is provided below:

	Type of contract	Contracts and service obligations identified	Transaction cost	Revenue recognition method
Public delegation service	These contracts, entered into with local authorities, may include construction services (incinerator, platform) and the operation of facilities for the treatment of waste generated by the local authorities. They may also provide an option for the facility operator to use the facilities' residual capacities for the treatment of third-party waste and resell the final waste or any energy generated by treatment.	<p>Contracts with local authorities sometimes including two performance obligations:</p> <ul style="list-style-type: none"> • Construction • Waste treatment <p>Facility maintenance and obligations to perform major maintenance and renewal, regarded as costs incurred to deliver the service and not as a performance obligation.</p> <p>Contracts with third parties (use of residual capacity) including a performance obligation linked to waste treatment.</p> <p>Contracts with third parties including a performance obligation linked to the sale of final waste or energy.</p>	<p>The price generally includes a fixed portion and an amount per ton of treated waste. No significant variable consideration was identified.</p> <p>The price is generally set on the basis of an amount per ton of treated waste.</p> <p>The price is generally set on the basis of an amount relating to the quantity of final waste or energy generated.</p>	<p>For the Construction portion: based on the progress of the work. For the Waste treatment portion: a fixed portion relating to the period + progress of work on the basis of treated waste tonnage.</p> <p>Progress of work after subtracting income paid to the local authority as required by the contract.</p> <p>Progress of work after subtracting income paid to the local authority as required by the contract.</p>
Sanitation	These contracts relate to services involving leak detection, diagnosis, descaling and unblocking of pipes, emergency bleeding, cleaning of fuel tanks, fat tanks and hazardous product tanks, and emptying of septic tanks.	Contract including a performance obligation linked to the services provided and treatment.	The price is generally set on the basis of a unit amount and the tonnage pumped.	On completion of the service.
Landfills	These contracts include the storage of hazardous and non-hazardous waste.	Contract including a performance obligation linked to the storage of waste.	The price is usually set on the basis of an amount per ton of stored waste.	As work progresses on the basis of waste tonnage stored.
Incineration	These contracts cover thermal treatment (such as incineration) of hazardous and non-hazardous waste.	Contract including a performance obligation linked to the thermal treatment of waste.	The price is generally set on the basis of an amount per ton of treated waste.	As work progresses on the basis of waste tonnage treated.
Sorting/platform	These contracts provide a service to collect and pre-treat recoverable waste (mechanical/biological sorting, maturing, business waste, solid recovered fuel, wood), sorting services carried out at the Group's sorting centers and the management of destruction solutions.	Contract including a performance obligation linked to waste sorting and/or treatment.	The price is generally set on the basis of an amount per ton of treated waste.	As work progresses on the basis of waste tonnage treated.
All-inclusive offers	These contracts relate to a comprehensive service offering which may involve decontamination, collection, sorting, transport and radiation protection.	Contract including a performance obligation linked to the overall decontamination service.	The price is usually set on the basis of an overall flat rate for the entire service.	As work progresses based on the completion of phases of work defined contractually.

	Type of contract	Contracts and service obligations identified	Transaction cost	Revenue recognition method
Decontamination - Dehydration - Asbestos removal - Pyrotechnics - Radiation protection	These contracts are entered into for soil decontamination and polluted building solutions (decommissioning, removal, maintenance).	Contract including a decontamination performance obligation.	The price is generally set on the basis of an amount per ton of treated waste. For decontamination, asbestos removal, pyrotechnics and dehydration, the price is generally set on the basis of an overall flat rate for the entire service.	As work progresses on the basis of waste tonnage treated. As work progresses depending on completion of the service.
Transportation	These contracts are concluded for the transport of waste, residues from the purification of incineration fumes from household or industrial waste, and ash.	Contract including a performance obligation linked to the transport of waste.	The price is generally set on the basis of a rate schedule per ton and per kilometer traveled taking account of the department of departure/arrival and the type of vehicle used.	On completion of the service.
Material recovery	These contracts are concluded for services covering the regeneration of used products, the purification of synthesis intermediates, the decontamination of metals and the treatment of gas.	Contract including a performance obligation linked to the treatment of pollutants.	The price is generally set on the basis of the amount per ton of treated product or product obtained.	On delivery on the basis of quantities produced.
Energy recovery	The purpose of these contracts is to supply electricity and steam based on biogas, solid recovered fuel, or wood.	Contract including a performance obligation linked to the sale of energy.	The price is generally set on the basis of an amount of energy produced.	On delivery on the basis of quantities produced.

As regards multi-year contracts, when it appears likely that total cost of the contract will be higher than the total of the products, a loss at completion is recognized as an expense for the period representing the entire difference. The onerous nature is assessed at the level of the contract according to the provisions of IAS 37. An onerous contract is one in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The Group recognizes any impairment loss that has occurred on assets dedicated to that contract before a separate provision for the onerous contract.

Lastly, the consideration received as revenue generated in the framework of a public service concession is booked in accordance with the IFRIC 12 interpretation (See Note 3.2.1.8, Concession contracts).

The notion of Comprehensive Services:

The notion of Comprehensive Services is, in reality, an offer of services in its own right, which is monitored separately from other services.

It includes a waste management solution offered to industrial firms that wish to receive an integrated service, generally provided on the client's premises (for the waste generated by that client). The offering covers the collection and sorting of waste at the site as well as its transport and treatment. We consider that this offering represents a unique service obligation.

It is by nature a recurrent service (it is provided continuously, on a daily basis), over the long term and is

covered by multi-year contracts with an initial term of between 18 months and 5 years.

These services are invoiced on a mixed basis:

- a flat rate for the recurrent management service (remuneration of the Group's teams working directly at the industrial client's site);
- and a variable amount depending on the tonnage actually treated.

In both cases, the Comprehensive Services offering is invoiced on the basis of an ongoing transfer of control of the service, based on units consumed (invoicing based on time actually spent by teams on site and a variable portion based on tonnage actually collected/removed).

As the Comprehensive Services offering is provided on an ongoing basis, revenue is recognized on the basis of progress towards completion. Insofar as invoicing reflects the rate at which the service is provided to the client, under the practical expedient available under IFRS 15 paragraph B16, revenue from the Comprehensive Services offering is recognized based on the amount it has the right to invoice.

3.2.1.17 Leases

a. Provisions of the standard

IFRS 16 provides a single lessee accounting model, requiring lessees to recognize right-of-use assets for the duration of the lease term and a liability representing the lease payment obligation. In the income statement, the lease expense is

replaced by the depreciation of the asset and by interest on the lease debt.

b. Analysis criteria

In accordance with the provisions of the standard, the Group excludes short-term leases and low value assets for the purposes of simplification.

The following assumptions are also used:

The lease term used for each contract is determined on the basis of the non-cancellable period established contractually and any option to extend or cancel the lease if the Group is reasonably certain to exercise that option. With regard to standard "3/6/9" leases, the Group takes into account the statement of findings published by the ANC on July 3, 2020.

Variable lease payments linked to the use or performance of the asset were not included in lease payments to determine the lease liability. For instance, this involves the lease of facilities invoiced per ton of waste.

3.2.1.18 Financial items on the income statement

a. Income from cash and cash equivalents

Income from cash and cash equivalents mainly covers income from financial instruments held by the Group, net of any impairment, and proceeds from the sale of cash equivalents, net of any impairment of cash equivalents booked as assets.

b. Financial borrowing costs

Gross financial borrowing costs include interest accrued on loans, calculated at the effective interest rate, and the cost of hedging interest rates on these same loans.

Net financial borrowing costs correspond to gross financial borrowing costs, minus income from cash and cash equivalents.

c. Other financial income and expenses

Other financial income and expenses correspond to income from loans and financial receivables, dividends paid by non-consolidated companies, foreign exchange gains (losses), accretion of provisions, prepayment penalties, and impairments of financial assets.

3.2.1.19 Earnings per share

Basic earnings per share are calculated by dividing the net income (loss) for the year (attributable to owners of the parent) by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share are calculated by dividing the net income (loss) for the year (attributable to owners of the parent) by the weighted average number of ordinary shares outstanding during the period, plus the effects of dilutive options.

3.2.1.20 Change in accounting method and accounting estimates

a. Change in accounting method and accounting estimates

There were no changes during the period.

b. Change in presentation of the accounts

There were no changes in the presentation of the accounts during the period.

In addition, the Group complies with the changes to standards set out in Note 3.2.1.1 "Basis for preparing and presenting the financial statements".

3.2.1.21 Comparability

- At the December 31, 2022 reporting date, Spill Tech Group Holdings (Pty) Ltd and its subsidiaries had been fully consolidated in the Group's consolidated financial statements since March 1st 2021. As a result, the income

statement at December 31, 2021 was impacted by 10 months of activity, compared with 12 months of activity at December 31, 2022.

(in thousands of euros)	December 31, 2021	December 31, 2022	Change
	Reported (10 months)	Reported (12 months)	
Revenue	34,006	42,681	8,676
EBITDA	10,218	12,538	2,319
Current operating income	8,597	11,633	3,036
Operating income	8,597	11,602	3,005
Net financial income	(284)	73	357
Net income (loss) for the year	6,003	8,408	2,405
o/w attributable to non-controlling interests	(466)	(1,584)	(1,118)
o/w attributable to owners of the parent	5,537	6,824	1,287

- The acquisition of the sanitation business from Sarp-Osis on January 1, 2022 impacted the income statement and the

statement of cash flows over a period of 12 months (see Note 3.2.2.1 b).

(in thousands of euros)	December 31, 2022
	Reported
Revenue	26,729
EBITDA	3,159
Current operating income	503
Operating income	(1,366)
Net financial income	(965)
Net income (loss) for the year	(2,269)
o/w attributable to non-controlling interests	-
o/w attributable to owners of the parent	(2,269)

Current operating income was impacted by depreciation in the amount of €2.3 million.

Costs relating to acquisitions impacted operating income in the amount of €1.9 million (see Note 3.2.4.17).

- The acquisitions of All'Chem and Séché Assainissement 34, and of Veolia's industrial water management and treatment business (see Note 3.2.2.1) impacted consolidated revenue and profit of the period by €13.2 million and -€4.1 million respectively (including -€2.4 million in costs relating to these acquisitions, recognized as non-current - see Note 3.2.4.17).

3.2.2 MAIN CHANGES IN CONSOLIDATION SCOPE AND OTHER SIGNIFICANT EVENTS

The list of the Group's subsidiaries and investments in associates is presented in Note 3.2.3 "Consolidation scope".

3.2.2.1 Main changes in the consolidation scope

a. Acquisition of industrial water business from Veolia

On November 30, 2022, French company Séché Traitement Eaux Industrielles acquired part of Veolia's business in the French industrial water management market segment, including the entire economic entity relating to this market operated by Veolia Industries Global Solutions. This business represents contracts covering the entire industrial water cycle, including wastewater treatment, process water supply, *facility management* (including waste management) and maintenance operations. The sum of €30.7 million had been disbursed at December 31, 2022, impacting the line item "Acquisition of subsidiaries net of cash and cash equivalents" in the statement of cash flows (see Note 3.2.4.22). In addition, this price mainly affects "Goodwill" in the statement of financial position, in the amount of €28.9 million (see Note 3.2.4.1 a).

The allocation of the acquisition price is provisional at December 31, 2022, as the price and its components had not been finalized as at December 31, 2022.

b. Acquisition of the sanitation activity from Sarp-Osis IDF

On January 1, 2022, Séché Assainissement acquired the eight sanitation facilities in the Ile-de-France region which belonged to Sarp-Osis IDF, a Veolia subsidiary. The total price of €34.1 million had been disbursed at December 31, 2022, impacting the line item "Acquisition of subsidiaries net of cash and cash equivalents" in the statement of cash flows (see Note 3.2.4.22). In addition, this price mainly affects "Goodwill" and "Employee benefits" in the statement of financial position, in the amount of €35 million and €1.9 million respectively.

The allocation of the acquisition price was final at December 31, 2022.

The impact on income for the period ended December 31, 2022 is presented in Note 3.2.1.21.

c. Acquisition of the French company All'Chem

On 10 June 2022, Speichim took exclusive control of 100% of the French company All'Chem, which specializes in the manufacture of fine chemicals.

All'Chem is fully consolidated.

The impact on income for the period ended December 31, 2022 is presented in Note 3.2.1.21.

Provisional goodwill of €0.9 million was recognized at December 31, 2022, as the estimate of the acquisition price and its allocation is under analysis. The fair value of the amount disbursed was €6.1 million, impacting the line item "Acquisition of subsidiaries net of cash and cash equivalents" in the statement of cash flows (see Note 3.2.4.22).

d. Acquisition of French company Séché Assainissement 34

On July 6, 2022, Séché Assainissement acquired full and exclusive control of French company Assainissement 34, a regional player in sanitation, property hygiene and network maintenance, based in Villeneuve-les-Béziers (€4 million in annual revenue).

Assainissement 34 has been renamed Séché Assainissement 34. The company is fully consolidated.

The impact on income for the period ended December 31, 2022 is not material.

The amount of goodwill, namely €4.2 million, was final at December 31, 2022. The fair value of the amount disbursed was €5.2 million, impacting the line item "Acquisition of subsidiaries net of cash and cash equivalents" in the statement of cash flows (see Note 3.2.4.22).

e. Acquisition without gain of control of an additional stake in the Spanish company Solarca SLU

On June 15, 2022, Séché Environnement exercised options allowing it to acquire an additional 9% in Solarca SLU for €2.8 million. This acquisition impacted the item "Acquisitions/ disposals of non controlling interests (without acquisition or loss of control)" in the statement of cash flows (see Note 3.2.4.22). The Group's ownership interest increased from 91% to 100%. The acquisition impacted the Group's equity by the amount of -€2.6 million and non-controlling interests by -€0.2 million (See Note 3.1.4).

f. Legal restructuring operations

Energécie transferred all its assets and liabilities to Ecosite de la Croix Irtelle on January 1, 2022;

Mecomer absorbed Italian company Depo on November 29, 2022, with retroactive effect from January 1, 2022.

G. Creation and start-up of subsidiaries

Start-up of two new South African entities: Boleng Waste (Pty) Ltd and Wisteria Environmental (Pty) Ltd:

Boleng Waste (Pty) Ltd is 83.2%-owned by Wisteria Environmental (Pty) Ltd, which is 58.90%-owned by Interwaste (Pty) Ltd. They are consolidated for the first time in 2022 on a full consolidation basis.

Solarca Taiwan was created on February 10, 2022, and is fully owned by Spanish subsidiary Solarca SLU. The company is fully consolidated.

h. Loss of control of Solena Valorisation

A capital increase in Solena Valorisation took place in 2022, with an industrial partner acquiring a 49% stake. In accordance with the by-laws, as of December 2022 Séché Environnement has joint control over the French company. Solena Valorisation is now accounted for by the equity method, with a 51% interest.

i. Disposals of subsidiaries

No disposals of subsidiaries with or without loss of control were made in 2022 or 2021.

Tredi Argentina was deconsolidated on January 1, 2022 due to its non-material impact on the consolidated financial statements.

3.2.2.2 Other highlights of the period

On March 31, 2022, the main Revolving Credit Facility (RCF) was refinanced and increased from €150 million to €200 million. The five-year facility incorporates sustainability performance criteria and is renewable twice a year. It was taken out with 18 French, European and international banks.

The RCF offers improved refinancing conditions and has more flexible terms of use than the previous facility.

The RCF has three sustainability performance criteria:

- 10% reduction in greenhouse gas emissions by 2025, compared with 2020 (scopes 1 and 2, in France and at constant scope);
- 40% increase in greenhouse gases avoided by the Group's clients thanks to recycling activities by 2025, compared with 2020 (in France and at constant scope);
- decrease in the frequency of workplace accidents by 7 points by 2025 (compared with 2019), with a severity rate maintained at or below 1 over the period (in France and at constant scope).

This facility is intended for the company's general needs and for acquisitions. At December 31, 2022, the undrawn syndicated credit facility was €167 million; €33 million had been drawn in particular for the acquisition of the industrial water management and treatment business from Veolia (see Note 3.2.2.1 a).

3.2.3 CONSOLIDATION SCOPE

Company name	City	Country	% interest 12/31/2021	% interest 12/31/2022	Consolidation method 12/31/2021	Consolidation method 12/31/2022
PARENT COMPANY						
Séch� Environnement	Chang�	France	Parent	Parent	Parent	Parent
CONSOLIDATED SUBSIDIARIES						
Alc�a	Chang�	France	100.00	100.00	Full	Full
All'Chem ⁽¹⁾	Montlu�on	France	-	100.00	-	Full
Boleng Waste (Pty) Ltd ⁽²⁾	Gauteng	South Africa	-	40.76	-	Full
Ciclo	Quilicura	Chile	70.00	70.00	Full	Full
Depo ⁽³⁾	Milan	Italy	90.00	-	Full	-
Drakenstein Energy Pty	Gauteng	South Africa	83.17	83.17	Full	Full
Drimm	Montech	France	100.00	100.00	Full	Full
East Gauteng Energy Pty Ltd	Gauteng	South Africa	83.17	83.17	Full	Full
Ecosite de la Croix Irtelle	Chang�	France	100.00	100.00	Full	Full
Energ�cie ⁽³⁾	Chang�	France	100.00	-	Full	-
Enviroserv Polymer Solutions Pty Ltd ⁽¹⁰⁾	Durban	South Africa	83.17	83.17	Full	Full
Envirosure Underwriting Managers Pty Ltd ⁽¹⁰⁾	Brighton Beach	South Africa	70.69	70.69	Full	Full
Envirowaste SA Pty Ltd	Gauteng	South Africa	83.17	83.17	Full	Full
Gabarre Energies	Les Abymes	France	51.00	51.00	Full	Full
Gerep	Paris	France	50.00	50.00	Equity	Equity
Greens Scrap Recycling Pty Ltd	Germiston South	South Africa	83.17	83.17	Full	Full
IberTr�di Medioambiental	Barcelona	Spain	100.00	100.00	Full	Full
Interwaste Holding Ltd	Gauteng	South Africa	83.17	83.17	Full	Full
Interwaste Industrial Cleaning Pty Ltd	Gauteng	South Africa	41.59	41.59	Equity	Equity
Interwaste On-site Pty Ltd	Gauteng	South Africa	48.99	48.99	Full	Full
Interwaste Petrochemicals ⁽⁹⁾	Gauteng	South Africa	48.99	48.99	Full	Full
Interwaste Properties Pty Ltd	Gauteng	South Africa	83.17	83.17	Full	Full
Interwaste Pty	Gauteng	South Africa	83.17	83.17	Full	Full
IWE Fleet Sales Pty	Gauteng	South Africa	83.17	83.17	Full	Full
Kanay	Lima	Peru	100.00	100.00	Full	Full
Karu Energy	Baie-Mahault	Guadeloupe	24.00	24.00	Equity	Equity
La Barre Thomas	Rennes	France	40.00	40.00	Equity	Equity
MS3 Investments	Gauteng	South Africa	32.40	32.40	Equity	Equity
Mayenne Investment	Gauteng	South Africa	100.00	100.00	Full	Full
Masakhane Interwaste Pty Ltd	Gauteng	South Africa	48.32	48.99	Full	Full
Mecomer	Milan	Italy	90.00	90.00	Full	Full
Mo'UVE	Montauban	France	100.00	100.00	Full	Full
Moz Environmental Limitada	Maputo	Mozambique	100.00	100.00	Full	Full
Namakwa Waste Pty Ltd	Gauteng	South Africa	40.20	40.76	Full	Full
Opale Environnement	Calais	France	100.00	100.00	Full	Full
Platinum Waste Resources Pty Ltd	Gauteng	South Africa	42.42	42.42	Full	Full
Sabsco Asia ⁽⁶⁾	Singapore	Singapore	91.00	100.00	Full	Full
Steam & Air Blowing Service Company Limited ⁽⁶⁾	Kent	United Kingdom	91.00	100.00	Full	Full
Solarca Taiwan Co Ltd ⁽²⁾	Taipei	Taiwan	-	100.00	-	Full
Sabsco Malaysia ⁽⁶⁾	Petaling Jaya	Malaysia	91.00	100.00	Full	Full
SCI La Croix des Landes	Chang�	France	99.80	99.80	Full	Full
SCI Les Ch�nes Secs	Chang�	France	99.80	99.80	Full	Full
SCI M�zerolles	Chang�	France	99.99	99.99	Full	Full
S�ch� Alliance	Chang�	France	100.00	100.00	Full	Full
S�ch� Assainissement	Chang�	France	100.00	100.00	Full	Full
S�ch� Assainissement 34 ⁽⁴⁾	Villeneuve-l�s- B�ziers	France	-	100.00	-	Full
S�ch� Chile Spa	Las Condes	Chile	100.00	100.00	Full	Full
S�ch� D�veloppement	Chang�	France	100.00	100.00	Full	Full
S�ch� Eco-Industries	Chang�	France	100.00	100.00	Full	Full
S�ch� �co-Services	Chang�	France	100.00	100.00	Full	Full
S�ch� Environnement Ouest	Chang�	France	100.00	100.00	Full	Full
S�ch� Holdings SA	Gauteng	South Africa	100.00	100.00	Full	Full

Company name	City	Country	% interest	% interest	Consolidation method	Consolidation method
			12/31/2021	12/31/2022	12/31/2021	12/31/2022
Séché Health Arequipa	Lima	Peru	100.00	100.00	Full	Full
Séché Healthcare	Changé	France	100.00	100.00	Full	Full
Séché South Africa	Claremont	South Africa	83.17	83.17	Full	Full
Seche Spill Tech Holdings Pty Ltd ⁽¹⁰⁾	Durban	South Africa	83.17	83.17	Full	Full
Séché Traitement Eaux Industrielles ⁽⁵⁾	Changé	France	-	100.00	-	Full
Séché Transports	Changé	France	100.00	100.00	Full	Full
Séché Urgences Interventions	La Guerche-de-Bretagne	France	100.00	100.00	Full	Full
Sem Trédi	Mexico City	Mexico	100.00	100.00	Full	Full
Sénergies	Changé	France	80.00	80.00	Full	Full
Sénerval	Strasbourg	France	99.90	99.90	Full	Full
Metal Treatment Technology Pty Ltd ⁽⁶⁾	Singapore	Singapore	91.00	100.00	Full	Full
Sogad	Le Passage	France	50.00	50.00	Equity	Equity
Solarca Chile Colectiva Civil ⁽⁶⁾	Las Condes	Chile	90.09	99.00	Full	Full
Solarca France ⁽⁶⁾	Marseille	France	85.05	100.00	Full	Full
Solarca Maroc ⁽⁶⁾	Tangier	Morocco	91.00	100.00	Full	Full
Solarca Portugal ⁽⁶⁾	Setubal	Portugal	91.00	100.00	Full	Full
Solarca Qatar ⁽⁶⁾	Doha	Qatar	44.59	49.00	Full	Full
Solarca Russia ⁽⁶⁾	Moscow	Russia	91.00	100.00	Full	Full
Solarca SLU ⁽⁶⁾	La Selva Del Camp	Spain	91.00	100.00	Full	Full
Solarca South Africa ⁽⁶⁾	Gauteng	South Africa	91.00	100.00	Full	Full
Solena	Viviez	France	60.00	60.00	Full	Full
Solena Valorisation ⁽⁷⁾	Viviez	France	60.00	51.00	Full	Equity
Soluciones Ambientales Del Norte	Antofagasta	Chile	100.00	100.00	Full	Full
Sotrefi	Etupes	France	100.00	100.00	Full	Full
Sovatrise	Chassieu	France	65.00	65.00	Full	Full
Speichim Processing	Saint-Vulbas	France	100.00	100.00	Full	Full
Spill Tech Pty Ltd ⁽¹⁰⁾	Durban	South Africa	83.17	83.17	Full	Full
Spill Tech Specialised Projects (Pty) Ltd	Durban	South Africa	83.17	83.17	Full	Full
Spill Tech Group Holding Pty Ltd ⁽¹⁰⁾	Durban	South Africa	83.17	83.17	Full	Full
Spill Tech Hire Pty Ltd ⁽¹⁰⁾	Durban	South Africa	83.17	83.17	Full	Full
Spill Tech Industrial Cleaning Pty Ltd ⁽¹⁰⁾	Congella	South Africa	83.17	83.17	Full	Full
Therm Service Für Kraftwerke Und Industrie GmbH ⁽⁶⁾	Seevetal	Germany	91.00	100.00	Full	Full
Tredi Argentina ⁽⁸⁾	Buenos Aires	Argentina	100.00	-	Full	-
Trédi SA	Saint-Vulbas	France	100.00	100.00	Full	Full
Triadis Services	Etampes	France	100.00	100.00	Full	Full
Uper Retiers	Changé	France	100.00	100.00	Full	Full
Umwelt Technik Metallrecycling GmbH	Lübeck	Germany	100.00	100.00	Full	Full
Valls Quimica	Valls	Spain	100.00	100.00	Full	Full
Varenne Investments Pty Ltd	Gauteng	South Africa	100.00	100.00	Full	Full
Wisteria Environmental (Pty) Ltd ⁽²⁾	Gauteng	South Africa	-	48.99	-	Full

(1) See Note 3.2.2.1 c

(2) See Note 3.2.2.1 g

(3) See Note 3.2.2.1 f

(4) See Note 3.2.2.1 d

(5) See Note 3.2.2.1 a

(6) See Note 3.2.2.1 e

(7) See Note 3.2.2.1 h

(8) See Note 3.2.2.1 i

(9) Through a preference share arrangement with Interwaste, all of Petrochemicals' profits and shareholders' equity are attributable to the owners of the parent (83.17% due to the Group's interest in Séché South Africa) for a specified period.

(10) Through a preference share arrangement with Séché Holdings SA, all dividends paid by Séché Spill Tech Holdings and its subsidiaries, plus 85% of dividends paid by EnviroSure Underwriting Managers Pty Ltd, are attributable to the owners of the parent without taking into account the 16.83% attributable to non-controlling interests for a specified period.

3.2.4 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3.2.4.1 Intangible assets

a. Goodwill

Goodwill by CGU breaks down as follows:

(in thousands of euros)	France	Germany	Spain	Chile	Peru	South Africa	Italy	Total
Gross value								
At December 31, 2021	257,255	3,582	12,051	9,117	20,786	19,205	28,947	350,942
Change in consolidation scope	68,995	-	-	-	-	-	-	68,995
Impairment	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	430	2,450	(38)	-	2,842
Other	-	-	-	0	0	(0)	-	0
At December 31, 2022	326,249	3,582	12,051	9,547	23,236	19,167	28,947	422,778
Impairment								
At December 31, 2021	(20,220)	-	(5,674)	-	(893)	-	-	(26,786)
Change in consolidation scope	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
At December 31, 2022	(20,220)	-	(5,674)	-	(893)	-	-	(26,786)
Net value								
At December 31, 2021	237,035	3,582	6,377	9,117	19,893	19,205	28,947	324,156
Change in consolidation scope	68,995	-	-	-	-	-	-	68,995
Impairment	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	430	2,450	(38)	-	2,842
Other	-	-	-	0	0	(0)	-	0
At December 31, 2022	306,030	3,582	6,377	9,547	22,343	19,167	28,947	395,992

"Change in consolidation scope" corresponds to:

- the final goodwill from the sanitation business acquired from Sarp-Osis IDF and Séché Assainissement 34 in the amount of €35 million (see Note 3.2.2.1 b) and €4.2 million respectively (see Note 3.2.2.1 d),
- and the provisional goodwill from the industrial water management and treatment business acquired from Veolia (see Note 3.2.2.1 a) and All'Chem (see Note 3.2.2.1 c) in the amount of €28.9 million and €0.9 million, respectively.

b. Other intangible assets

(in thousands of euros)	Software, patents	Concession intangible assets	Other intangible assets	Total
Gross value				
At December 31, 2021	10,573	65,215	58,722	134,510
Acquisitions	2,442	(0)	8,381	10,823
Disposals	(778)	-	(10)	(788)
Change in consolidation scope	317	-	(2,657)	(2,339)
Currency translation differences	63	1	32	96
Change in accounting method	-	-	-	-
Other	429	(1,469)	(115)	(1,155)
At December 31, 2022	13,047	63,746	64,354	141,147
Depreciation and impairment				
At December 31, 2021	(8,512)	(28,369)	(18,882)	(55,762)
Allocations	(2,129)	(4,517)	(4,102)	(10,748)
Impairment	-	-	(0)	(0)
Disposals	778	-	(0)	778
Change in consolidation scope	(184)	-	-	(184)
Currency translation differences	(16)	-	52	36
Other	(298)	-	42	(255)
At December 31, 2022	(10,360)	(32,886)	(22,890)	(66,136)
Net value				
At December 31, 2021	2,062	36,846	39,840	78,747
At December 31, 2022	2,688	30,861	41,464	75,012

Acquisitions made in 2022 mainly concerned IT projects valued at €7.1 million.

The gross value under "Change in consolidation scope" corresponds mainly to the loss of control of Solena Valorisation in the amount of -€2.7 million at December 31, 2022 (see Note 3.2.2.1 h).

c. Impairment test

The impairment test carried out at December 31, 2022, in accordance with the procedures set out in Note 3.2.1.7.d, concluded that there was no impairment to be recorded on any of the cash-generating units.

With regard to the CICLO project planned by the Chile cash-generating unit, the Supreme Court issued an initial refusal for the operating license in July 2021, delaying the implementation of the project by the subsidiary CICLO. The company has performed additional environmental impact studies in order to achieve a favorable outcome soon. A new license application was filed in the 2nd half of 2022. In February 2023, one of the public bodies denied the request. This decision is under appeal. Cash flows are based on the assumption that the operating license will be granted.

The most significant assumptions made in the evaluation of impairment tests are the discount rate and the perpetual growth rate on the one hand, and the revenue growth rate on the other. A 0.5 basis point increase in the discount rate would reduce the fair value of the Group's cash flow by €116.5 million. This would not lead the Group to recognize an impairment. The neutralization of the perpetual growth rate would reduce the fair value of the Group's cash flow by €215.6 million. A 1 point annual decrease in the revenue growth rate would reduce the fair value of the Group's goodwill by €4.5 million. No impairment would be booked in this respect.

Furthermore, the sensitivity analysis did not reveal any other scenarios under which the recoverable value of the CGUs would fall below the net book value.

3.2.4.2 Property, plant and equipment

(in thousands of euros)	Land	Buildings	Tech. Fac.	Transportation equipment	Fixtures & Office equipment	Fixed assets under construction	Leases	Total
Gross value								
At December 31, 2021	47,907	207,406	450,836	52,975	121,268	41,714	99,957	1,022,063
Acquisitions	1,684	9,254	36,105	7,082	6,255	33,739	24,932	119,051
Disposals	(450)	(6,948)	(16,534)	(7,179)	(1,919)	(160)	(6,161)	(39,351)
Change in consolidation scope	371	569	19,654	3,311	5,652	169	15,176	45,009
Currency translation differences	231	1,399	291	307	429	89	769	3,516
Other	386	26,058	20,977	180	(6,848)	(28,934)	(14,366)	(2,653)
At December 31, 2022	50,129	237,739	511,329	56,676	124,837	46,617	120,307	1,147,635
Depreciation and impairment								
At December 31, 2021	(11,653)	(148,025)	(346,179)	(36,966)	(82,539)	-	(51,853)	(677,216)
Allocations	(1,616)	(16,647)	(31,991)	(5,265)	(7,152)	-	(18,280)	(80,951)
Impairment	469	46	578	-	0	-	-	1,093
Disposals	71	6,374	15,862	6,135	1,537	-	5,280	35,259
Change in consolidation scope	-	(288)	(14,018)	(1,893)	(1,351)	(72)	0	(17,621)
Currency translation differences	64	(760)	(168)	(154)	(318)	-	(367)	(1,703)
Other	(107)	(2,164)	(11,092)	963	3,359	-	11,795	2,754
At December 31, 2022	(12,773)	(161,462)	(387,008)	(37,180)	(86,465)	(72)	(53,424)	(738,384)
Net value								
At December 31, 2021	36,254	59,382	104,657	16,009	38,728	41,714	48,104	344,847
At December 31, 2022	37,356	76,277	124,321	19,496	38,372	46,546	66,883	409,251

The "Change in consolidation scope" line item, showing a net amount of €27.4 million, is due to

- the final fair value recognition of the assets of the sanitation business acquired from Sarp-Osis IDF (see Note 3.2.2.1 b) and Séché Assainissement 34 (see Note 3.2.2.1 d) for €14.6 million and €1 million, respectively;
- and the provisional fair value recognition of the assets of the industrial water management and treatment business acquired from Veolia (see Note 3.2.2.1 a) and All'Chem (see Note 3.2.2.1 c) for €5.1 million and €7.6 million, respectively.

Lease contracts break down as follows:

(in thousands of euros)	Land	Buildings	Tech. Fac.	Transportation equipment	Fixtures and fittings	Total leases
Gross value						
At December 31, 2021	1,632	37,720	25,741	34,281	583	99,957
Acquisitions	194	5,765	6,727	11,842	405	24,932
Disposals	-	(1,270)	(2,980)	(1,911)	-	(6,161)
Change in consolidation scope	-	3,605	-	11,276	295	15,176
Currency translation differences	-	265	399	111	(7)	769
Other	-	(3,348)	(4,498)	(6,375)	(146)	(14,366)
At December 31, 2022	1,826	42,737	25,389	49,224	1,131	120,307
Depreciation and impairment						
At December 31, 2021	(723)	(17,901)	(18,026)	(14,954)	(250)	(51,853)
Allocations	(278)	(5,556)	(5,153)	(7,059)	(234)	(18,280)
Impairment	-	-	-	-	-	-
Disposals	-	904	2,652	1,724	-	5,280
Change in consolidation scope	-	(0)	-	0	0	1
Currency translation differences	-	(52)	(177)	(137)	0	(367)
Other	(0)	2,404	5,655	3,653	83	11,795
At December 31, 2022	(1,001)	(20,201)	(15,049)	(16,773)	(400)	(53,424)
Net amounts						
At December 31, 2021	909	19,819	7,715	19,327	333	48,104
At December 31, 2022	825	22,537	10,340	32,450	731	66,883

The "Change in consolidation scope" line item is mainly related to the recognition of leases following the acquisition of the sanitation business from Sarp-Osis IDF (see Note 3.2.2.1 b).

Lease expenses are analyzed in Note 3.2.4.15 a.

3.2.4.3 Investments in associates

a. Summary of investments in associates

(in thousands of euros)	December 31, 2021	December 31, 2022
La Barre Thomas	50	47
Gerep	-	-
Sogad	-	-
Karu Energy SAS	-	-
Solena Valorisation	-	1,020
Total	50	1,067

At December 31, 2022, investments in associates related to the interests in La Barre Thomas and in Solena Valorisation following loss of control over it in December 2022 (see Note 3.2.2.1 h).

The negative share of other equity interests is presented in non-current provisions in the amount of €3.1 million at December 31, 2022, compared with €1.8 million at December 31, 2021 (see Note 3.2.4.10).

b. Changes to investments in associates

(in thousands of euros)	December 31, 2021	December 31, 2022
Balance at start of period	180	50
Changes in consolidation scope	-	1,020
Impairment	-	-
Share in profit of the period	(908)	(1,341)
Change in other comprehensive income	-	-
Dividends received / paid	-	-
Other	778	1,338
Balance at end of period	50	1,067

The "Change in consolidation scope" line item corresponds to the loss of control of Solena Valorisation (see Note 3.2.2.1 h).

The "Other" line item is related to the reclassification as non-current provisions of the negative share of investments (see Note 3.2.4.10).

c. Financial information on investments in associates

The information summarized below represents the full financial position and income statements of associate companies.

In accordance with IAS 28 Investments in Associates and Joint Ventures, the summary statement of financial position and income statement at December 31, 2022 correspond to the most recent accounts available.

(in thousands of euros)	La Barre Thomas	Gerep (*)	Sogad	Solena Valorisation
Non-current assets	198	8,403	2,169	3,412
Current assets	1,225	1,494	1,064	1,854
Total assets	1,423	9,897	3,232	5,266
Equity	121	(6,589)	(390)	4,848
Non-current liabilities	-	-	511	-
Current liabilities	1,302	16,485	3,111	418
Total liabilities and shareholders' equity	1,423	9,897	3,232	5,266
Revenue	4,920	-	4,155	174
EBITDA	4	(227)	(34)	31
Current operating income	(4)	(2,496)	(200)	29
Operating income	(4)	(2,496)	(200)	29
Net income (loss) of the year	(5)	(2,478)	(197)	28

(*) The site, which will be sold in 2023, was amortized at December 31, 2022 in order to maintain a net book value equal to the sale price specified in the unilateral promise, affecting current operating income.

d. Transactions with investments in associates

The Group did not carry out any significant transactions with associated companies.

3.2.4.4 Other non-current and current financial assets

(in thousands of euros)	December 31, 2021			December 31, 2022		
	Non-current	Current	Total	Non-current	Current	Total
Equity instruments	388	-	388	568	-	568
Deposits and guarantees	3,179	155	3,334	3,218	360	3,578
Loans	2,595	129	2,724	5,341	81	5,422
Concession operating receivables	4,892	2,933	7,826	23,828	2,866	26,694
Financial loans and receivables	10,666	3,218	13,884	32,387	3,306	35,694
Other financial assets	11,054	3,218	14,272	32,955	3,306	36,262

a. Equity instruments

(in thousands of euros)	December 31, 2021	Acquisitions	Disposals / redemptions	Impairment	Change in consolidation scope	Other	December 31, 2022
Tredi Argentina	-	-	-	-	297	-	297
Other investments	23	5	-	-	(5)	-	23
Non-consolidated securities ⁽¹⁾	23	5	-	-	292	-	320
Emertec ⁽²⁾	140	-	-	(127)	-	-	13
Stade Lavallois F.C. ⁽¹⁾	125	-	-	-	-	-	125
La grande bleue ⁽¹⁾	20	20	-	-	-	-	40
Laval Energie Nouvelle ⁽¹⁾	10	-	-	(10)	-	-	-
Other UCITS ⁽¹⁾	70	-	-	-	-	-	70
UCITS	365	20	-	(137)	-	-	248
Equity instruments	388	25	-	(137)	292	-	568

(1) Level 2 - Tredi Argentina see Note 3.2.2.1 i).

(2) Level 3

b. Financial loans and receivables at amortized cost

(in thousands of euros)	December 31, 2021	Increases	Write-backs	Change	Change in consolidation scope	Currency translation differences	Other	December 31, 2022
Deposits and guarantees	3,334	237	(39)	(0)	19	26	(0)	3,578
Loans	2,724	3,048	(218)	(0)	-	(131)	0	5,422
Concession operating receivables	7,826	-	-	18,788	-	-	80	26,694
Financial loans and receivables	13,884	3,285	(257)	18,787	19	(105)	80	35,694

The increase in concession operating receivables was mainly due to by the work carried out as part of the modernization of the energy recovery plant owned by French company Mo'UVE (see Note 3.2.1.8 and Note 3.2.4.22 b).

The impact of the discounting of concession receivables is recorded in "Other".

3.2.4.5 Working capital requirement items

a. Net change in working capital requirement (WCR)

At December 31, 2022:

(in thousands of euros)	December 31, 2021	Change in WCR	Change in consolidation scope	Translation differences	Other	December 31, 2022
Inventories	17,321	4,591	3,668	2	(26)	25,556
Trade and other receivables	186,035	58,194	638	655	205	245,727
o/w trade receivables	183,613	6,330	798	847	23,685	215,273
Impairment of trade receivables	(6,013)	(1,167)	(184)	(107)	10	(7,461)
Other current assets	36,220	3,978	1,282	282	(1,289)	40,473
Other non-current assets	29,516	58	-	(27)	3,259	32,805
Other assets excluding WCR	(2,976)	(487)	(245)	(128)	(643)	(4,478)
Asset items	266,116	66,335	5,342	784	1,506	340,083
Trade payables	137,343	22,432	4,466	760	85	165,086
Other current liabilities	105,940	29,797	5,101	239	5,041	146,119
Other liabilities excluding WCR	(19,406)	(10,865)	142	5	(141)	(30,265)
Liability items	223,877	41,363	9,708	1,005	4,985	280,939
WCR	42,239	24,971	(4,366)	(221)	(3,479)	59,144

The €25 million increase in WCR was mainly due to the rise in trade receivables. This increase was due to the new sanitation business acquired from Sarp-Osis IDF (see Note 3.2.2.1 b) and the start-up of the South African subsidiary Boleng Waste (Pty) Ltd (see Note 3.2.2.1 g), and to the strong levels of business recorded by some subsidiaries in France.

At December 31, 2022, the Group made use of a factoring solution, as it did at December 31, 2021 (see Note 3.2.4.5 b).

The "Change in consolidation scope" column, showing -€4.4 million, corresponds mainly to the impact of the identifiable working capital requirement assets and liabilities on the dates on which control was taken of the sanitation and industrial water management and treatment businesses, in an overall amount of -€5.8 million (see Notes 3.2.2.1 a and b), as well as the impact of the loss of control of Solena Valorisation in the amount of €2.2 million (see Note 3.2.2.1 h).

At December 31, 2021:

(in thousands of euros)	December 31, 2020	Change in WCR	Change in consolidation scope	Translation differences	Other	December 31, 2021
Inventories	15,009	631	1,651	31	-	17,321
Trade and other receivables	171,023	2,302	5,744	267	6,699	186,035
o/w trade receivables	168,267	1,724	5,667	294	7,662	183,613
Impairment of trade receivables	(5,259)	(986)	(5)	(23)	260	(6,013)
Other current assets	32,103	6,244	143	35	(2,304)	36,220
Other non-current assets	35,930	(110)	(0)	0	(6,304)	29,516
Other assets excluding WCR	(3,062)	(496)	(12)	(30)	623	(2,976)
Asset items	251,003	8,571	7,525	303	(1,286)	266,116
Trade payables	115,150	17,275	2,317	411	2,190	137,343
Other current liabilities	116,288	(10,306)	917	(2,188)	1,229	105,940
Other liabilities excluding WCR	(22,999)	956	-	62	2,574	(19,406)
Liability items	208,440	7,925	3,234	(1,715)	5,993	223,877
WCR	42,564	645	4,292	2,017	(7,279)	42,239

The impact of the change in consolidation scope corresponded to the identifiable working capital requirement assets and liabilities acquired from Spill Tech Group.

Non-current assets primarily include the amounts payable to S nerval by Eurom tropole Strasbourg in respect of amendments to the public service delegation agreement and the major maintenance and renewal contract (see Note 3.2.1.8). These amounts are recoverable over the remaining term of the delegation contract, scheduled to end in June 2030. They cover payment for services provided and shortfalls incurred during the periods when the waste treatment and steam generation facilities were unavailable.

b. Trade and other receivables

Factoring

On December 28, 2022, the Group sold, without recourse, receivables of €33.3 million, with accompanying insurance. It completed a similar transaction for €23.8 million on December 28, 2021. Since the sale of some trade receivables was completed before the closing date, the transaction enabled the Group to deconsolidate a net amount from these receivables of €26.3 million at December 31, 2022, compared with €18.4 million at December 31, 2021.

Credit risk

Credit risk is the risk of financial loss incurred by the Group in the event a client or counterparty fails to meet its contractual payment obligations. The Group has put in place procedures and systems for monitoring its accounts receivable and issuing reminders for past due payments.

The breakdown of trade receivables by payment due date is as follows:

(in thousands of euros)	December 31, 2022				
	Net value	o/w not due	0-6 months	o/w due 6 months-1 year	More than 1 year
Non-current trade and other receivables	30,911	30,911	-	-	-
Current trade and other receivables	245,727	198,786	38,318	4,466	4,157
Trade and other receivables	276,638	229,697	38,318	4,466	4,157

(in thousands of euros)	December 31, 2021				
	Net value	o/w not due	0-6 months	o/w due 6 months-1 year	More than 1 year
Non-current trade and other receivables	29,516	29,516	-	-	-
Current trade and other receivables	186,035	135,893	39,939	5,708	4,495
Trade and other receivables	215,551	165,409	39,939	5,708	4,495

The Group considers that it is not exposed to any material credit risk or significant economic dependence on a particular client. The receivables listed above due in more than 12 months were tested for impairment on an individual basis.

Furthermore, the Group has taken out credit insurance to cover the credit risks of its principal subsidiaries.

3.2.4.6 Other assets and liabilities

(in thousands of euros)	December 31, 2021			December 31, 2022		
	Non-current	Current	Total	Non-current	Current	Total
Tax receivables	-	24,193	24,193	-	27,722	27,722
Income Tax receivables	-	1,561	1,561	-	3,327	3,327
Prepayments given	-	1,390	1,390	-	2,497	2,497
Social security receivables	-	397	397	-	554	554
Disposals of fixed assets receivables	-	902	902	957	0	958
Other receivables	0	7,414	7,414	938	6,225	7,163
Current accounts	-	363	363	-	147	147
Other assets	0	36,220	36,220	1,895	40,473	42,368

The "State" line mainly represents VAT receivables in France.

Other receivables and receivables on disposals of fixed assets mainly consist of insurance indemnities, a portion of which was reclassified as non-current receivables, in the amount of

€1.9 million at December 31, 2022. In addition, the factoring security deposit, corresponding to 5% of the amount of assigned receivables, totaled €1.7 million at December 31, 2022 compared with €1.3 million at December 31, 2021.

(in thousands of euros)	December 31, 2021			December 31, 2022		
	Non-current	Current	Total	Non-current	Current	Total
Debts on acquisitions of fixed assets	4,545	19,406	23,951	4,735	30,266	35,000
Prepayments received	-	6,145	6,145	-	3,758	3,758
Social security payables	-	32,995	32,995	-	41,071	41,071
Tax payables (excluding income tax)	-	36,943	36,943	-	50,272	50,272
Current accounts	-	1,017	1,017	-	1,687	1,687
Expenses payable	-	472	472	-	2,404	2,404
Other debts	-	720	720	-	13	13
Other equity	33	-	33	26	-	26
Liabilities for renewal of assets under concession arrangements	144	7,061	7,205	-	8,153	8,153
Prepaid income	-	6,402	6,402	-	8,495	8,495
Other liabilities	4,722	111,161	115,884	4,761	146,119	150,879

At December 31, 2022, debts on acquisitions of fixed assets included €4.2 million in earnout payments on the acquisition of the Chilean firm Ciclo, classified as non-current debts (see Note 3.2.4.1 c). The balance of €30.8 million corresponds to debts on acquisitions of intangible assets and property, plant and equipment, mainly linked to investment projects in France.

The "Social security payables" line increased due to the acquisition of the social security liabilities of the companies and activities acquired in 2022 in the amount of almost €6 million (see Note 3.2.2.1).

The increase in the "Tax payables (excluding income tax)" line of €13.3 million is made up of €7 million from the increase in VAT payable, mainly in France, and nearly €6 million resulting from the introduction in the 2023 Finance Act of a contribution aimed at capping the inframarginal revenue of electricity producers.

3.2.4.7 Net cash position

(in thousands of euros)	December 31, 2021	December 31, 2022
Cash	152,157	126,008
Cash and cash equivalents	20,044	158
Cash and cash equivalents	172,201	126,166
Bank overdrafts ⁽¹⁾	2,301	2,715
Net cash position	169,901	123,451

(1) At December 31, 2021, an amount of €7.7 million was reported, which was restated here for the factoring debt of -€5.4 million (see Note 3.2.4.8).

At December 31, 2021, cash equivalents were mainly held by Séché Environnement and corresponded to money market UCITS.

At December 31, 2022, the net cash managed by Séché Environnement amounted to €123 million, mainly deriving from surplus cash from the French subsidiaries through a cash pooling arrangement. The excess cash of foreign subsidiaries, whose cash management is not centralized, must comply with the Group's guidelines.

The passive cash position consists of bank credit balances and interest accrued but not due on temporary overdrafts.

Counterparty risk

The Group is exposed to counterparty risk for the investment of its cash surpluses. The investment vehicles used by the Group are investment securities (money market UCITS, interest-bearing accounts, term deposits or negotiable debt securities), consisting of liquid instruments of short maturity, subscribed with senior counterparties and easily convertible into a known amount of cash. Counterparty risk is limited.

3.2.4.8 Financing and financial risk management

(in thousands of euros)	December 31, 2021	Change	New	Repayments	Change in consolidat ion scope	Currency translation differences	Other	December 31, 2022
Bank loans	166,061	(0)	97,847	(55,290)	877	1,329	21	210,845
Bonds ⁽¹⁾	425,280	-	-	-	-	-	(9,507)	415,774
Lease debt	45,724	1	24,932	(21,150)	15,062	346	477	65,393
Derivatives	(0)	(3)	-	-	-	-	9,567	9,564
Other financial debt (incl. accrued interest)	2,337	(38)	1	(5)	8	4	4	2,312
Factoring debt	5,381	1,575	-	-	-	-	-	6,956
Short-term bank borrowings	2,301	(194)	-	-	609	(1)	0	2,715
Gross debt	647,084	1,340	122,780	(76,445)	16,557	1,678	564	713,558
Cash and cash equivalents	172,201	15,196	-	-	(61,342)	111	(0)	126,166
Net debt	474,883	(13,856)	122,780	(76,445)	77,899	1,567	564	587,392

(1): See Note 3.2.4.8 a

Derivatives were set up during the period ending December 31, 2022, impacting the "Other" column at the level of "Bonds" and "Derivatives" (see Note 3.2.4.8 g).

The change in the scope of lease debt is mainly related to the recognition of leases linked to the sanitation business acquired from Sarp-Osis IDF (see Note 3.2.4.2).

The "Cash and cash equivalents" line is particularly affected by the disbursements of the acquisition prices for the new consolidations during the period ended December 31, 2022 (see Note 3.2.2.1).

a. Maturity of gross debt:

(in thousands of euros)	December 31, 2022	Less than 1 year	1-5 years	More than 5 years
Bank loans	210,845	78,771	104,173	27,901
Bonds ⁽¹⁾	415,774	-	76,561	339,213
Lease debt	65,393	20,712	38,626	6,054
Derivatives	9,564	-	-	9,564
Other financial debt (incl. accrued interest)	2,312	2,281	9	22
Factoring debt	6,956	6,956	-	-
Short-term bank borrowings	2,715	2,715	-	-
Total	713,558	111,435	219,369	382,754

Financial debt is 95% contracted in euros.

(1): The information relating to bonds is as follows:

Type of debt (in thousands of euros)	Nominal	Maturity	Interest rate	December 31, 2022 after amortized cost and hedging derivatives
EUR 2021 bond	300,000	11/15/2028	2.25%	286,324
EUR 2021 bond	50,000	3/26/2029	2.90%	49,653
EUR 2019 bond	60,000	5/22/2026	2.90%	59,894
EUR 2019 bond	20,000	5/24/2027	3.05%	19,903
	430,000			415,774

The €300 million EUR 2021 bond is the first bond meeting the criteria of a "Sustainability-Linked Bond" issued by Séché Environnement. The bond is linked to two ESG (Environment, Social, Governance) performance criteria relating to its strategy to reduce its own greenhouse gas emissions and increase the greenhouse gas emissions avoided by its customers due to its recycling activities. The contract provides for an adjustment to the interest rate if these two ESG criteria are not met.

Bonds are redeemable at maturity.

b. Exposure to liquidity risk

Liquidity risk is the risk that the Group may have difficulty honoring its debts when they become due.

The Group manages its financing centrally. Cash management reporting is in place with the aim of providing an up-to-date overview of the Group's short-, medium- and long-term financing requirements. Nearly all the Group's financing is managed centrally, as is the balancing of its sources of financing (capital markets, banks).

At December 31, 2022, the remaining contractual maturities of the Group's financial liabilities broke down as follows:

(in thousands of euros)	December 31, 2022							
	Balance sheet value	Non-discounted contractual cash flows	2023	2024	2025	2026	2027	> 2027
Bank loans								
Share capital	210,845	210,844	78,771	35,765	29,470	21,085	15,661	30,092
Interest	-	10,384	3,398	2,536	1,741	1,236	757	716
Bonds								
Share capital	415,774	430,000	-	-	-	60,000	20,000	350,000
Interest	-	56,394	10,450	10,450	10,450	9,387	8,341	7,316
Other financial debt (incl. accrued interest)	2,142	2,142	2,142	-	-	-	-	-
Factoring debt	6,956	6,956	6,956	-	-	-	-	-
Short-term bank borrowings	2,715	2,715	2,715	-	-	-	-	-
Gross debt (excluding lease debt and hedging derivatives)	638,432	719,435	104,432	48,751	41,661	91,708	44,759	388,124
Cash and cash equivalents	126,166	126,166	126,166	-	-	-	-	-
Net debt (excluding lease debt and hedging derivatives)	512,266							

For the sake of comparison, the remaining contractual maturities relating to the Group's financial liabilities broke down as follows at December 31, 2021:

	December 31, 2021							
(in thousands of euros)	Balance sheet value	Non-discounted contractual cash flows	2022	2023	2024	2025	2026	> 2026
Bank loans								
Share capital	166,061	166,061	39,203	32,755	28,935	22,636	14,178	28,354
Interest	-	11,352	3,317	2,569	1,886	1,283	932	1,365
Bonds								
Share capital	425,280	430,000	-	-	-	-	60,000	370,000
Interest	-	67,339	10,500	10,500	10,500	10,500	9,437	15,902
Other financial debt (incl. accrued interest)	2,251	2,251	2,251	-	-	-	-	-
Factoring debt	5,381	5,381	5,381	-	-	-	-	-
Short-term bank borrowings	2,301	2,301	2,301	-	-	-	-	-
Gross debt (excluding lease debt and hedging derivatives)	601,275	684,685	62,953	45,824	41,321	34,419	84,547	415,621
Cash and cash equivalents	172,201	172,201	172,201	-	-	-	-	-
Net debt (excluding lease debt and hedging derivatives)	429,073							

c. Financial ratios

Following the €300 million high yield bond issue in November 2021, two financial ratios must be respected each time the company incurs additional debt:

- the Fixed Charge Coverage Ratio (FCCR): the ratio of proforma consolidated EBITDA to the proforma cost of debt, including the impacts of IFRS 16 Leases, must be equal to at least two for the two most recent half-years for which consolidated financial statements are available; and
- the Cap on Structurally Senior Debt: a limit of 30% of consolidated net debt over the two most recent half-years for which consolidated financial statements are available.

In addition, the bond has a number of restrictive clauses to be met in the case of specific transactions (restricted payments, guarantees, asset sales, reductions in share capital, etc.). These clauses, which have a number of qualifying elements and exceptions, limit the capacity of Group companies to:

- incur or secure additional debt;
- grant sureties and guarantees;
- proceed with the redemption and/or reduction of their share capital, with certain exceptions;
- enter into agreements that limit their ability to pay dividends;
- sell assets or equity interests, excluding those authorized by the contract;
- undertake mergers, spin-offs or restructuring operations.

Some of these restrictive clauses will be lifted when the credit agreement receives an investment grade rating from two rating agencies (that is, a minimum rating of Baa3 from Moody's, or BBB- from Standard & Poor's or Fitch).

Non-compliance with these restrictive clauses may constitute a default event. The Group does not anticipate a risk of non-compliance with its financial ratios in the next 12 months.

Additional ratios must be complied with on other loans, including the following syndicated credit facility:

Amount (in millions of euros)	Subscription date	Maturity date	Amortization	Interest	Covenants	Special clauses
200	March 31, 2022	03/31/2027 with 2 one-year extension options	N/A	0.50% to 2% depending on leverage	Leverage < 4x (4.5x if acquisition) + ESG criteria (5 bp bonus)	ESG criteria 2024 review clause (redefinition of objectives)

d. Exposure to interest rate risk

The fixed-rate gross debt attributable to owners of the parent was €612.1 million (86%) and the variable-rate gross debt was €101.5 million (14%) before hedging derivatives.

After recognition of hedging derivatives, the fixed-rate gross debt attributable to owners of the parent was €519.9 million (73%) and the variable-rate gross debt was €193.7 million (27%). The fixed-rate net debt attributable to owners of the parent was €519.9 million (89%) and the variable-rate net debt was €67.5 million (11%).

The sensitivity analysis consists of calculating the impact of any upward or downward movement of the interest rate prevailing on the balance sheet date.

An increase of 1% in interest rates on the nominal amount of gross debt would increase the cost of financial debt by €1.1 million; a 1% decrease in interest rates would generate additional income of €1.1 million.

An increase of 1% in interest rates on the nominal amount of net debt would increase the cost of financial debt by €0.7 million; a 1% decrease in interest rates would generate additional income of €0.7 million.

The €300 million bond provides for interest rate step-up clauses based on compliance with the ESG criteria. However, these clauses are only applicable from 2026.

During the period ended December 31, 2022, the Group used interest rate derivatives, unlike at December 31, 2021 (see Note 3.2.4.8 g).

f. Financial debt rating

Séché Environnement's long-term credit rating by Standard & Poor's Global Ratings and Fitch Ratings is shown below.

Rating agency	Type of debt	Rating	Outlook
Standard & Poor's	Unsecured long-term debt	BB	Stable
Fitch Ratings	Unsecured long-term debt	BB	Stable

e. Exposure to exchange rate risk

The exchange rate risk to which the Group is exposed stems from:

- The translation in its balance sheet and income statement of the contributions from foreign subsidiaries outside the eurozone, mainly in Peru and South Africa. However, this risk is limited.
- Bank debt denominated almost exclusively in euros being used to finance the investments of its foreign subsidiaries in local currencies (for subsidiaries not considered as long-term foreign investments).

Foreign exchange rate gains and losses changed as follows:

(in thousands of euros)	December 31, 2021	December 31, 2022
Europe	309	143
Americas	(307)	(54)
Africa	(534)	(27)
Rest of the world	32	(39)
Total	(500)	22

At present, this risk is not subject to separate hedging at the Group level.

These ratings acknowledge Séché Environnement's credit quality and financial strength:

g. Derivatives

During 2022, in France, the Group set up two interest rate derivatives (swaps) of €50 million each maturing in November 2028, to apply a variable rate to part of the €300 million bond issued in November 2021.

A swap has also been set up by the Italian subsidiary Mecomer. This swap covers a variable-rate loan to hedge the risk of interest rate fluctuations.

(in thousands of euros)	December 31, 2021			December 31, 2022		
	Non-current	Current	Total	Non-current	Current	Total
Derivatives - Assets	-	-	-	777	-	777
Derivatives - Liabilities	(0)	-	(0)	10,341	-	10,341

The derivatives used by the Group are for hedging cash flow related to its financing. These instruments, which are traded

on organized markets, are managed by the Group's Finance Department.

(in thousands of euros)	December 31, 2021		December 31, 2022	
	Nominal	Fair value	Nominal	Fair value
Swaps	-	-	107,837	(9,564)
Total	-	-	107,837	(9,564)

At December 31, 2022, the maturity of the cash flow hedging instruments was the following:

(in thousands of euros)	Less than 1 year	1-5 years	More than 5 years	Total
Swaps	-	-	107,837	107,837
Total	-	-	107,837	107,837

Gains and losses recorded in other comprehensive income before deferred tax amounted to €0.8 million over the period. This corresponds to the cumulative amount before deferred taxes of other comprehensive income at December 31, 2022.

The ineffective portion of these hedges was booked as gross financial borrowing costs in the amount of -€0.2 million at December 31, 2022.

No other comprehensive income was recycled and booked in the income statement for the period.

3.2.4.9 Employee benefits

The average actuarial assumptions used to measure the actuarial liabilities of retirement plans and other post-employment benefits in France are the following:

	December 31, 2021	December 31, 2022
Discount rate (*)	0.90%	3.75%
Wage increases	Between 1.60% and 2%	2.50%
Mortality table	INSEE 2015-2017 by gender	INSEE 2016-2018 by gender
Retirement age:		
Executives	Depending on date of birth aged between 60 and 67	Depending on date of birth aged between 60 and 67
Non-executives		
Mobility rate	Depending on age: 10% to 0% from 60 years old with executive/non-executive distinction	Depending on age: 10% to 0% from 60 years old with executive/non-executive distinction
Social security contributions:		
Executives	48%	47%
Non-executives	37%	38%

(*) The discount rate used is set with reference to the issue rate of high-quality euro-denominated corporate bonds (meaning AA or AAA rated companies) for terms equivalent to the term of the commitments. At December 31, 2022, the maturity of the commitments was 13.1 years.

The main collective bargaining agreements applicable to France are the following :

- national collective agreement for the chemical and allied industries ;
- national collective agreement for the waste handling industry ;
- national collective agreement for the sanitation and industrial maintenance industries.

(in thousands of euros)	December 31, 2021	December 31, 2022
Actuarial liabilities at year-end (a)	19,804	19,669
Fair value of hedge assets (b)	(5,013)	(4,184)
Net retirement obligations – France (a) + (b)	14,791	15,485
Retirement obligations – International	1,425	1,621
Retirement obligations	16,216	17,106
Long-service awards	961	923
Total net obligations at year-end	17,178	18,029
Provision recognized under balance sheet liabilities	17,178	18,029
Overfunded plans recognized under balance sheet assets	0	0

The tables below present the details of provisions for retirement benefits and other post-employment benefits for France :

a. Change in the amount of retirement obligations

The change in actuarial liabilities and plan assets for France is the following:

<i>(in thousands of euros)</i>	December 31, 2021	December 31, 2022
Actuarial liabilities at start of year	19,887	19,804
Service costs	1,422	1,551
Interest on actuarial liabilities	114	197
Plan amendments	-	-
Reductions/Terminations of plans	(430)	(513)
Contributions paid	-	-
Benefits paid	(996)	(613)
Changes in consolidation scope	412	3,221
Actuarial gains (losses)	(78)	(3,980)
Other	(526)	-
Actuarial liabilities at year-end (a)	19,804	19,668
Fair value of plan assets at start of year	(5,827)	(5,013)
Interest income from plan assets	(34)	(45)
Reductions/Terminations of plans	-	-
Contributions received	-	-
Benefits paid	1,074	556
Management fees	-	-
Acquisitions/Disposals of subsidiaries	110	-
Actuarial gains (losses)	(335)	318
Fair value of plan assets at year-end	(5,013)	(4,183)
Net retirement liabilities (a) + (b)	14,791	15,484

The "Change in consolidation scope" line item corresponds to acquisitions for the period (see Note 3.2.2.1).

The change in the "Actuarial gains (losses)" line is the result of the change in the discount rate.

Details of the Mexican and Italian subsidiaries' retirement obligations are not provided in the Notes to the financial statements as they are not material.

A 0.5% increase in the discount rate would reduce actuarial liabilities by €1 million. A 0.5% reduction in the discount rate would increase actuarial liabilities by €1 million.

b. Change in long-service award liabilities

The Group's liabilities related to long-service awards have changed as follows:

<i>(in thousands of euros)</i>	December 31, 2021	December 31, 2022
Amount of commitment at start of year	942	961
Service costs	112	121
Interest on actuarial liabilities	6	9
Benefits paid	(108)	(123)
Changes in consolidation scope	32	137
Actuarial gains (losses)	(5)	(160)
Other	(17)	(22)
Amount of commitment at year-end	961	923

c. Impact on comprehensive income

(in thousands of euros)	December 31, 2021	December 31, 2022
Cost of services	95	99
Interest on actuarial liabilities	6	9
Interest income from plan assets	-	-
Management fees	-	-
Actuarial gains (losses)	11	15
Changes in assumptions	(16)	(175)
Net cost of benefits in the income statement	95	(52)
Net cost of benefits in the comprehensive income	95	(52)

3.2.4.10 Current and non-current provisions

Current and non-current provisions break down as follows:

(in thousands of euros)	December 31, 2021	Allocations	Write-backs used	Write-backs not used	Change in consolidation scope	Other comprehensive income	Currency translation differences	Other	December 31, 2022
Employee benefits ⁽¹⁾	17,178	1,614	(233)	(228)	3,357	(3,661)	3	(0)	18,029
Other non-current provisions ⁽²⁾	24,314	4,366	(160)	(61)	-	-	3	1,720	30,181
NON-CURRENT PROVISIONS	41,492	5,979	(393)	(289)	3,357	(3,661)	5	1,719	48,210
Provisions for litigation ⁽³⁾	716	174	(73)	-	64	-	(9)	(0)	873
Provisions for other costs ⁽⁴⁾	1,094	643	(70)	-	-	-	10	131	1,808
CURRENT PROVISIONS	1,810	817	(143)	-	64	-	1	131	2,681
TOTAL	43,302	6,796	(536)	(289)	3,420	(3,661)	6	1,850	50,890

(1) See Note 3.2.4.9.

(2) The "Other non-current provisions" line breaks down as follows:

• Provisions for thirty-year monitoring: €22.2 million at December 31, 2022 compared with €19.4 million at December 31, 2021, i.e. €2.1 million in additional allocations, and €0.5 million in discounting.

• Provisions for other risks: €6.3 million at December 31, 2022 compared with €3.2 million at December 31, 2021, i.e. mainly €2 million in additional risk of non-recovery of major maintenance and repair expenses, and an additional €1.3 million in negative share of investments in equity-accounted investees (see Note 3.2.4.3 b).

• Provisions for employee disputes: €1.7 million at December 31, 2022, compared with €1.6 million at December 31, 2021.

(3) Corresponds to disputes for tax risks, mostly in France.

(4) Mainly includes commercial disputes, mostly in France.

The allocations and write-backs shown above are broken down as follows in the consolidated income statement:

(in thousands of euros)	Net (write-backs)/ allocations December 31, 2021	Net (write-backs)/ allocations December 31, 2022
Current operating income	2,384	5,972
Operating income	-	-
Other financial expenses	440	510
TOTAL	2,824	6,482

Other financial expenses correspond to the discounting of provisions for thirty-year monitoring (see Note 3.2.4.18 b).

3.2.4.11 Deferred taxes

Breakdown of deferred taxes by type:

<i>(in thousands of euros)</i>	December 31, 2021	December 31, 2022
Tax loss carryforwards	21,675	15,061
Employee benefits	3,774	3,706
Provisions for tax purposes	(2,283)	(1,905)
Difference between the tax and accounting values of fixed assets	(1,871)	(2,094)
Fair value measurement of assets	(4,310)	(3,544)
Restated provision for thirty-year monitoring	(654)	(724)
Industrial repairs and maintenance	(3,924)	(3,611)
Provisions not deducted	3,493	4,781
Other	164	(1,088)
TOTAL	16,064	10,582
<i>Of which deferred tax assets</i>	21,446	15,475
<i>Of which deferred tax liabilities</i>	5,383	4,893

Deferred taxes on tax loss carryforwards are recognized in the amount of €15.1 million, of which €10.4 million in France and €4.7 million in the International scope, including:

- **France:** €9.8 million for the recognition of deficits arising from the tax consolidation, dating back to 2012 and 2013, linked to the full provisioning of Séché Environnement's exposure to HIME. The amount of this tax receivable takes into account the probability of using the tax consolidation deficit. Moreover, as at December 31, 2022, the tax consolidation deficit was used again and recorded as a basic amount of €25.9 million and deferred tax of €6.7 million. Séché Environnement's tax consolidation deficit is expected to be fully offset in 2024.
- **International:** €4.7 million, the principal amounts of which are: €1.2 million for the recognition of tax deficits in Spain, €1.6 million for the recognition of 50% of the tax deficit of the Chilean subsidiary Soluciones Ambientales Del Norte initiated in 2020, €1 million for Spill Tech Group's Enviroserv Polymer Solutions subsidiary and €0.6 million in Mexico.

At December 31, 2022, unrecognized deferred tax assets relating to tax loss carryforwards amounted to €7 million, compared with €5.8 million a year earlier. They mainly concerned Chile for €2.9 million (€1.6 million for the subsidiary Soluciones Ambientales Del Norte and €1.2 million for the subsidiary CICLO), South Africa for €2 million, Peru for €0.9 million and French subsidiaries not consolidated for tax purposes for €1 million.

Changes in deferred tax assets can be analyzed as follows:

<i>(in thousands of euros)</i>	Deferred tax assets	Deferred tax liabilities	Total
At December 31, 2020	23,438	6,076	17,361
Income	(389)	1,847	(2,235)
Change in fair value of other comprehensive income	(1,058)	(874)	(184)
Change in consolidation scope	2,186	1,324	861
Currency translation differences	(177)	(67)	(110)
Other	(0)	136	(136)
Offsetting of deferred taxes	(2,553)	(3,060)	506
At December 31, 2021	21,446	5,383	16,064
Income	(2,432)	1,954	(4,386)
Change in fair value of other comprehensive income	(1,485)	(323)	(1,163)
Change in consolidation scope	823	186	637
Currency translation differences	110	(42)	152
Other	(1)	2	(2)
Offsetting of deferred taxes	(2,985)	(2,266)	(719)
At December 31, 2022	15,475	4,893	10,582

3.2.4.12 Off-balance sheet commitments

<i>(in thousands of euros)</i>	December 31, 2021	December 31, 2022
Commitments given in the ordinary course of business	165,880	190,470
Commitments given in connection with Group debt	38,591	44,003
Commitments given	204,471	234,473
Commitments received	-	-
Off-balance sheet commitments	204,471	234,473

a. Off-balance sheet commitments arising from normal operations

<i>(in thousands of euros)</i>	December 31, 2021	December 31, 2022
Financial guarantees ⁽¹⁾	81,320	91,732
Guarantees and bonds (given)	61,255	72,929
Lease commitments on contracts not restated for IFRS 16	20,055	22,651
Other commitments arising from normal operations	3,250	3,158
Commitments given in the ordinary course of business	165,880	190,470

(1) Sureties pledged to a financial institution on the setting up of guarantees granted by it under the Ministerial Order of February 1, 1996.

b. Off-balance sheet commitments given or received in connection with Group debt

<i>(in thousands of euros)</i>	December 31, 2021	December 31, 2022
Sureties and letters of intent - Other liabilities	28,382	35,858
Property, plant and equipment and intangible assets pledged as guarantees and collateral	10,209	8,144
Commitments given in connection with Group debt	38,591	44,003

As part of its asset financing operations, the Company signed commitments not to sell the shares it holds in Sénergies and Séché Éco-Industries.

The amount of undrawn credit facilities at December 31, 2022 was €167 million (see Note 3.2.2.2).

All the off-balance sheet commitments shown above cover liabilities recorded in the balance sheet.

In connection with its public service delegation contracts, Séché Environnement issues a performance guarantee to the contracting authorities.

c. Other off-balance sheet commitments

This breakdown of the Group's off-balance sheet commitments includes all significant off-balance sheet commitments in line with current accounting standards.

3.2.4.13 Shareholders' equity

a. Breakdown of share capital

The share capital of Séché Environnement is composed of 7,857,732 shares with a par value of €0.20 each, fully paid up as at December 31, 2022 and December 31, 2021.

The number of shares with a double voting right at December 31, 2022 was 3,971,820, compared with 3,567,121 at December 31, 2021.

For 1 euro	ZAR	PEN	CLP
2,021.12			
Average rate	17.48	4.59	898.25
Closing rate	18.06	4.53	957.94
2022.12			
Average rate	17.21	4.04	918.27
Closing rate	18.10	4.05	914.79

d. Treasury shares

By virtue of the authorizations granted by the General Shareholders' Meetings of April 27, 2018 and 2017, the Board of Directors repurchased Group shares in 2018 as part of a liquidity contract, the management of which was entrusted

b. Additional paid-in capital

Additional paid-in capital is made up exclusively of additional paid-in capital from the different capital increases, net of charges.

c. Translation reserve

The translation reserve changed by €3.1 million, of which €3 million resulting from the conversion of equity of subsidiaries outside the eurozone, and €0.1 million reflecting the impact of changes in net investments (see Note 3.1.3).

The main exchange rates used (euro/currency) for the translation of balance sheet items (closing rate) and income statement items (average rate) are the following:

to an independent organization. The Director is recorded as making an initial contribution of €1.4 million and owns 4,862 shares.

At December 31, 2022, share buybacks (for the whole of 2022) broke down as follows:

	December 31, 2021	December 31, 2022
Number of treasury shares held ⁽¹⁾	54,022	52,913
Percentage of treasury shares held	0.69%	0.67%
Net book value of treasury shares held (€)	2,772,376	2,753,020
Market value of treasury shares held at the end of the period (€)	3,878,780	4,751,587
based on the closing price of Séché Environnement's shares at the end of December (€)	71.80	89.80

(1) Including treasury shares acquired under previous buyback programs.

e. Earnings per share

The earnings and the shares used for calculating basic earnings per share and dilution per share are presented below:

Earnings per share	December 31, 2021	December 31, 2022
Profit of the period attributable to ordinary shareholders used to calculate basic earnings per share	28,384	44,608
Weighted average number of ordinary shares used to calculate basic earnings per share	7,857,732	7,857,732
Weighted average number of treasury shares used to calculate basic earnings per share	54,022	52,913
Weighted average number of shares used to calculate basic earnings per share	7,803,710	7,804,819
Earnings per share (€)	3.64	5.72
Diluted earnings per share (€)	3.64	5.72

The Group has no dilutive instruments, so diluted EPS is equal to net EPS.

f. Dividends

In 2022, Séché Environnement paid out €7,857,732.00 in dividends, or €1.00 per share, for all types of share. Payment was made in July 2022.

On March 3, 2023, the Board of Directors decided to propose to the General Shareholders' Meeting a dividend payout of €8,643,505.20 (or €1.10 per share).

3.2.4.14 Income from ordinary activities

a. Breakdown of revenue by type

(in thousands of euros)	December 31, 2021	December 31, 2022
Services	301,373	405,872
Circular economy and decarbonization	243,077	285,939
Hazard management	191,384	203,486
Contributed revenue	735,834	895,296
IFRIC 12 revenue	8,659	21,719
TGAP revenue	45,624	55,660
Total revenues	790,117	972,675
Other business income	1,207	2,279
Income from ordinary activities	791,324	974,954

The company Mo'UVE holds the public service concession granted by the Sirtomad waste treatment joint venture in Montauban for a period of 20 years (2021-2040). The

financial fee received by the company for construction work was recognized as work in progress, in accordance with the IFRIC 12 interpretation, in the amount of €21.7 million.

b. Breakdown of contributed revenue by type of waste

(in thousands of euros)	December 31, 2021	December 31, 2022
Hazardous waste treatment	483,858	568,713
Non-hazardous waste treatment	251,976	326,583
Contributed revenue	735,834	895,296

c. Breakdown of contributed revenue by geographic region

(in thousands of euros)	December 31, 2021	December 31, 2022
France ⁽¹⁾	531,691	629,244
Europe (outside France)	83,776	104,631
South America	14,676	28,995
South Africa	101,162	124,859
Rest of the world	4,529	7,566
Contributed revenue	735,834	895,296

(1) IFRIC 12 non-contributed revenue and the TGAP tax on polluting activities are generated exclusively in France.

d. Performance obligations remaining to be satisfied

Performance obligations remaining to be satisfied represent the amount of the transaction price allocated to performance obligations not yet satisfied or partially satisfied

on the balance sheet date (the "order book"). At December 31, 2022, total revenue not yet recognized from the Group's long-term contracts was around €119.4 million. The Group believes that most of this revenue should be booked in the next 12 to 36 months.

e. Contract assets and liabilities

Under IFRS 15, the amounts of contract assets and liabilities included in "Other current assets" and "Other current liabilities" in the consolidated financial position must be detailed:

The increase in contract assets was mainly recorded in France for nearly €18 million.

(in thousands of euros)	December 31, 2021	December 31, 2022
Contract assets	32,812	52,584
Contract liabilities	6,402	8,495

3.2.4.15 EBITDA

a. External expenses

(in thousands of euros)	December 31, 2021	December 31, 2022
Subcontracting	(168,267)	(201,352)
Lease expenses	(20,814)	(23,572)
Maintenance and repairs	(34,580)	(42,718)
Insurance	(11,386)	(12,946)
Other external expenses	(44,994)	(58,700)
External expenses	(280,042)	(339,287)

The rise in external expenses is the result of the improvement in activity and the acquisitions made in the period ending December 31, 2022.

Lease expenses break down as follows:

(in thousands of euros)	December 31, 2021	December 31, 2022
Depreciation of right-of-use assets ⁽¹⁾	(16,541)	(18,280)
Interest on lease liabilities	(2,030)	(2,476)
Expenses on lease payments restated under IFRS 16	(18,570)	(20,756)
Variable, short-term and/or low value lease payments	(20,814)	(23,572)
Lease payments recorded as external expenses	(20,814)	(23,572)
Total	(39,385)	(44,327)

(1) See Note 3.2.4.2.

b. Taxes and duties

(in thousands of euros)	December 31, 2021	December 31, 2022
Tax, duties and related payments	(7,706)	(14,690)
TGAP	(48,974)	(58,966)
Property ownership tax	(1,729)	(1,812)
Other	(612)	(699)
Taxes and duties	(59,021)	(76,166)

Almost €6 million of the increase in "Taxes, duties and related payments" is due to the introduction in the 2023 Finance Act of a contribution aimed at capping inframarginal revenue of electricity producers.

The increase "TGAP" (tax on polluting activities) is due to an increase in rates and volumes processed compared to 2021.

c. Employee expenses

<i>(in thousands of euros)</i>	December 31, 2021	December 31, 2022
Wages and salaries (including social security expenses)	(180,132)	(212,750)
Profit-sharing and incentive schemes	(3,969)	(4,376)
Contributions towards end-of career payments	(117)	-
Competitiveness and employment tax credit	-	26
Employee expenses	(184,218)	(217,099)

The increase in employee expenses is mainly due to acquisitions made during the period ended December 31, 2022 (see Note 3.2.2.1).

3.2.4.16 Current operating income

a. Operating income and expenses

<i>(in thousands of euros)</i>	December 31, 2021	December 31, 2022
Losses on bad debts	(946)	(33)
Other	(734)	(935)
Operating expenses	(1,680)	(968)
Operating income	211	30
Other operating items	(1,469)	(938)

At December 31, 2021, losses on irrecoverable loans were mainly located in France.

The "Other" line of operating expenses at December 31, 2022 corresponds mainly to expenses that were covered by

provisions at December 31, 2021, and for which the provisions were written back, as at December 31, 2021 (see Note 3.2.4.10).

b. Net allocations to depreciation, provisions and impairment

<i>(in thousands of euros)</i>	December 31, 2021	December 31, 2022
Depreciation of intangible assets	(10,298)	(10,749)
Depreciation of property, plant and equipment	(72,743)	(80,951)
Depreciation of deferred expenses	(7)	-
Net allocations to depreciation	(83,048)	(91,699)
Net impairment of fixed assets	(94)	337
Net impairment of inventories, trade receivables and other assets	(1,098)	(1,065)
Net change in current and non-current provisions	(2,384)	(5,972)
Net allocations to provisions and impairment	(3,576)	(6,700)
Depreciation, impairment, and provisions	(86,624)	(98,400)

The line "Net impairment of inventories, trade receivables, and other assets" corresponds mainly to the impairment of trade receivables. Impairment mainly concerns assets located in France and Peru.

The "Net change in current and non-current provisions" is explained in Note 3.2.4.10.

3.2.4.17 Operating income

(in thousands of euros)	December 31, 2021	December 31, 2022
Intangible assets	(190)	140
Property, plant and equipment	(267)	672
Consolidated securities	(3)	(236)
Income on disposal of fixed assets	(460)	577
Impairment	(1,643)	(0)
Business combination effects	(867)	(4,514)
Other	157	(351)
Other non-current items	(2,813)	(4,288)

At December 31, 2021, the "Impairment" line corresponded to the impairment of:

- goodwill in Kanay, for €0.9 million;
- €0.8 million in the tangible assets of Moz Environmental.

At December 31, 2022, the effects of business combinations correspond to the amounts incurred for acquisitions made during the period ended December 31, 2022, including €3.4 million in registration fees following the acquisition of the sanitation and industrial water management and treatment activities (see Note 3.2.2.1).

3.2.4.18 Net financial income

a. Breakdown of the cost of net financial debt

(in thousands of euros)	December 31, 2021	December 31, 2022
Income from cash and cash equivalents	226	744
Interest expenses on borrowings ⁽¹⁾	(18,040)	(18,153)
Income from derivatives ⁽²⁾	(370)	356
Cost of gross financial debt	(18,410)	(17,797)
Cost of net financial debt	(18,184)	(17,053)

(1) o/w an interest expense of €11 million at Séché Environnement (compared with €10.7 million at December 31, 2021).

(2) See note 3.2.4.8 g.

b. Breakdown of other financial income and expenses

(in thousands of euros)	December 31, 2021	December 31, 2022
Net income on sales of financial fixed assets	(247)	(19)
Accretion of 30-year provisions ⁽¹⁾	(440)	(510)
Fair value of equity instruments	(22)	(137)
Foreign exchange gain (loss)	(500)	22
Other ⁽²⁾	(4,732)	(841)
Other financial income and expenses	(5,941)	(1,484)

(1) See Note 3.2.4.10.

(2) At December 31, 2022, these are mainly fees related to the setting up of the new confirmed syndicated credit facility (see Note 3.2.2.2). At December 31, 2021, this amounted to €4.4 million for early repayment of borrowings following the bond issue.

3.2.4.19 Taxes

<i>(in thousands of euros)</i>	December 31, 2021	December 31, 2022
Income tax payable	(11,816)	(14,845)
France	(5,357)	(6,551)
Rest of the world	(6,459)	(8,294)
Deferred tax	(2,235)	(4,386)
France	(4,342)	(5,613)
Rest of the world	2,107	1,227
Total	(14,051)	(19,232)

The Group's effective tax rate stood at 28.1% in 2022, compared with 31.5% in 2021.

The difference between the level of tax resulting from the application of the tax rate under ordinary law in force in France and the amount of tax actually recorded during the year is analyzed as follows:

<i>(in thousands of euros)</i>	December 31, 2021	December 31, 2022
Profit before tax and income from equity-accounted investees	44,558	68,442
Theoretical tax rate in force in France	28.41%	25.83%
Expected theoretical tax	(12,659)	(17,679)
Re-estimate of deferred taxes due to changes in tax rates	159	-
Impact of subsidiaries' different tax rates	238	32
Tax assets not recognized in losses for the period	(1,493)	(1,670)
Use of previous losses not carried forward	53	688
Tax assets recognized on past losses	86	422
Cancellation of previously recognized losses	(66)	-
Effect of permanent differences between parent company results and tax results and other	(253)	(522)
Impact of permanent differences between parent company results and consolidated income	(116)	(503)
Tax actually recognized	(14,051)	(19,232)
Effective tax rate	31.5%	28.1%

The Group's tax rate excluding social security contributions stands at 25%. Including social security contributions on income, the Group's tax rate is 25.83%.

In 2022, the tax loss carryforwards recognized at December 31, 2021 were not adjusted. Within Séché Environnement's tax consolidation scope (comprising 23 subsidiaries), a cap of

€6.7 million in net opening deferred tax assets was recorded following the recognition of a share of previous losses.

Deferred tax assets on new deficits observed in 2022 were not recognized for an overall amount of €1.7 million, including €1.1 million internationally (mainly in South Africa and Peru) and €0.6 million in France.

3.2.4.20 Share of net income (loss) of equity-accounted entities

<i>(in thousands of euros)</i>	December 31, 2021	December 31, 2022
Gerep	(601)	(1,239)
Karu Energy	(29)	-
La Barre Thomas	55	(2)
Sogad	(333)	(100)
Total	(908)	(1,341)

See Note 3.2.4.3.c.

3.2.4.21 Breakdown by region

a. Non-current assets by geographical region

At December 31, 2022:

(in thousands of euros)	France	Europe (outside France)	Rest of the world	Total
Goodwill	306,030	38,905	51,057	395,992
Concession intangible assets	30,835	-	26	30,861
Other intangible assets	32,213	10,746	1,193	44,151
Property, plant and equipment	291,052	41,623	76,576	409,251
Investments in associates	1,067	-	0	1,067
Non-current financial assets	29,854	74	3,028	32,955
Non-current derivatives - assets	-	777	-	777
Other non-current assets	30,855	-	1,950	32,805
Deferred tax assets	8,880	1,906	4,689	15,475
Total	730,785	94,031	138,519	963,335

At December 31, 2021:

(in thousands of euros)	France	Europe (outside France)	Rest of the world	Total
Goodwill	237,035	38,905	48,215	324,156
Concession intangible assets	36,821	-	25	36,846
Other intangible assets	26,776	12,209	2,916	41,901
Property, plant and equipment	242,716	32,119	70,012	344,847
Investments in associates	49	-	0	50
Non-current financial assets	10,419	171	464	11,054
Non-current derivatives - assets	-	-	-	-
Other non-current assets	29,516	-	-	29,516
Deferred tax assets	14,860	2,912	3,675	21,446
Total	598,192	86,317	125,307	809,816

3.2.4.22 Additional notes to the consolidated statement of cash flows

a. Other income and expenses

Other income and expenses calculated at December 31, 2022 amounted to €6.8 million, due mainly to the following impacts:

- acquisition expenses for acquired and unacquired targets for €4.5 million;
- costs amortized using the effective interest rate method and expenses in accordance with IFRIC 12, for €0.7 million,
- the discounting of liabilities, for €0.6 million.

b. Increase and decrease in loans and financial receivables

The -€18.6 million increase is due to the increase in the concession operating receivable relating to Mo'UVE, for which investments to modernize the energy recovery plant were disbursed in the period ending December 31, 2022 (see Note 3.2.4.4 b).

The €2.5 million decrease was mainly due to the collection of Mo'UVE's concession operating receivable from the local authority.

c. Takeovers of subsidiaries net of cash and cash equivalents

The impact of €76.2 million recorded at December 31, 2022 mainly corresponds to:

- Acquisition of the industrial water management and treatment business from Veolia, -€30.7 million (see Note 3.2.2.1 a);
- Acquisition of the sanitation business from Sarp-Osis IDF, -€34.1 million (see Note 3.2.2.1 b);
- Acquisition of All'Chem, -€2.9 million, including a net cash position of +€3.1 million (see Note 3.2.2.1 c);
- Acquisition of Assainissement 34, -€4.4 million, including a net cash position of +€0.8 million (see Note 3.2.2.1 d);
- And fees related to these acquisitions, -€4.1 million, mainly consisting of registration fees of €3.4 million.

The impact of -€29.3 million for the year ended 31 December 2021 related to the acquisition of South African company Spill Tech Group Holdings (Pty) for -€23.6 million, and the payment of the last earnout of the Italian Mecomer group for -€5.5 million.

c. Cash and cash equivalents with loss of control

The impact of €1.4 million at December 31, 2022 mainly corresponds to the loss of control of Solena Valorisation (see Note 3.2.2.1 h) in the amount of €1.1 million.

d. Acquisitions/ disposals of non controlling interests (without acquisition or loss of control)

The impact of -€3 million recorded at December 31, 2022 corresponds to the payment of:

- the price for the acquisition of an additional 9% of the shares of Spanish company Solarca SLU, for -€2.8 million (see Note 3.2.2.1 e);
- and -€0.2 million in target project acquisition costs.

For the year ended December 31, 2021, the impact of -€2.1 million was related to the acquisition of an additional:

- 5% of the shares of Spanish company Solarca SLU for -€1.4 million;
- 7% of the shares of the South African company Envirosure Underwriting Managers Pty Ltd, for -€0.6 million.

3.2.4.23 Disputes and contingent liabilities

The Group's companies are occasionally parties to disputes in connection with their activities. The related risks were assessed by Séché Environnement and the subsidiaries concerned based on their knowledge of the issues and were subject, if warranted, to appropriate provisions. The Group believes that the provisions recognized on the balance sheet for these known or ongoing disputes on the closing date are of an amount that would not impact the consolidated financial position in a material manner in the event of an unfavorable outcome.

- Ongoing tax audits for which a proposed adjustment has been received:
 - Séché Environnement (France) for the years 2018 to 2020, relating to all tax returns. This accounting audit initiated on June 23, 2021 did not give rise to any adjustment.
 - Tredi (France) for the years 2018 to 2020, relating to all tax returns. This audit began on September 27, 2021 and resulted in a correction for an immaterial amount.
- Ongoing tax audits for which no proposed adjustment has been received:
 - Senerval (France) for the years 2018 to 2020, relating to all tax returns. This audit began on July 6, 2021 and is still ongoing;
 - Séché Eco-industries for 2021, relating to settlement terms. This audit is still in progress.

In addition, the subsidiary Moz Environmental Limitada underwent a tax audit in 2022, for which no adjustment has been proposed by the tax authorities to date. Following this audit, the subsidiary paid a sum of 10 million South African rand (€0.5 million) corresponding to a corporate tax adjustment. The subsidiary contests the unprovisioned balance of 27 million South African rand (€1.5 million) under discussion, which mainly relates to VAT and the deductibility of unrealized foreign exchange losses, as it believes that these sums are not applicable.

There are no other government, legal or arbitration procedures, including any procedures of which the Company is aware, which are pending or threatened, that are likely to have or, during the last twelve months, have had significant impacts on the financial situation or the profitability of the Company and/or the Group.

3.2.4.24 Related party transactions

The Group maintains relations with the following related parties:

- the Group's non-consolidated subsidiaries, equity-accounted investees and Séché Group SAS

A commercial lease with Séché Group SAS was authorized by the Board of Directors on April 28, 2016. The lease was signed for nine years and covers a surface area of 840m² for private use and 400m² (measured according to the terms of the "Carrez" act) shared with Séché Group SAS on the 54th floor of the Montparnasse Tower as well as 25 parking spaces and 207.6m² in archiving space, for its exclusive use.

An administrative services agreement with Séché Group SAS was authorized by the Board of Directors on April 28, 2016. This agreement was entered into for a period beginning on May 2, 2016 and ending on December 31, 2019, automatically renewable for three years.

Séché Group SAS provides the company and its subsidiaries with services in a number of areas (strategy, sales, finance, legal).

The expense recognized for these agreements in 2022 was €3.35 million.

The Group has no other significant relationship with these related parties;

- the compensation of senior managers and directors (and benefits of any kind) is presented in Note 3.2.4.26.

3.2.4.25 Average headcount

The Group's average headcount (excluding subsidiaries accounted for by the equity method) is 5,456 full-time equivalents for 2022 financial year, broken down as follows

By region	December 31, 2021	December 31, 2022
France	2,056	2,337
Europe (outside France)	252	320
South Africa	1,978	1,979
Rest of the world	347	820
Total	4,633	5,456

3.2.4.26 Compensation of senior management

The short-term benefits of senior managers and directors amounted to €1,647,589 at December 31, 2022. These benefits totaled €1,607,754 at December 31, 2021.

3.2.4.27 Post-balance sheet events

a. Acquisition of Assainissement Rhône Isère

Séché Assainissement acquired Assainissement Rhône Isère on January 16, 2023 for €0.7 million as part of its strategy of

growth in the sanitation sector. The company has been renamed Séché Assainissement Rhône Isère.

b. Other post-balance sheet events

At the time of writing, the Group was not aware of any other post-balance sheet events likely to have a significant impact on its assets, financial position or operating income.

3.2.4.28 Fees of the Statutory Auditors

Fees paid by the Group to its statutory auditors and members of their networks:

(in thousands of euros)	Mazars		KPMG	
	December 31, 2021	December 31, 2022	December 31, 2021	December 31, 2022
Certification of the financial statements and limited review of the interim individual and consolidated financial statements				
Séché Environnement	121	128	131	143
Fully consolidated subsidiaries	497	561	167	194
Services other than certification of financial statements				
Séché Environnement	85	-	118	229
Fully consolidated subsidiaries	-	48	-	29
Total	703	737	416	595

3.3 REPORT OF THE STATUTORY AUDITORS ON THE CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2022

Séché Environnement S.A.

A French public limited company (société anonyme)

Registered in the Laval Trade and Companies register under number 306 917 535

For the year ended 31 December 2022

To the Shareholders,

Opinion

In compliance with the assignment entrusted to us, we have audited the accompanying consolidated financial statements of Séché Environnement S.A. for the year ended 31 December 2022.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 31 December 2022 and of the results of its operations for the year then ended in accordance with the International Financial Reporting Standards adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 1 January 2022 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5.1 of Regulation (EU) 537/2014 or in the French Code of ethics (*Code de déontologie*) for statutory auditors.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon expressed in the first part of this report. We do not provide a separate opinion on specific items of the consolidated financial statements.

Valuation of goodwill

Risk identified

As part of its development, the Group has carried out acquisitions and has recognised goodwill in several cases.

Goodwill, which is the difference between the price paid and the fair value of the assets acquired or liabilities assumed, appears under assets in the consolidated statement of financial position for a total amount of €395,992 thousand. It is allocated to the cash-generating units (CGUs) of the business lines into which acquired companies are incorporated, as described in the notes the consolidated financial statements in the section on accounting policies, 3.2.1.7.a. Goodwill and 3.2.1.7.d. Recoverable amount of intangible assets and property, plant and equipment.

At each annual reporting date and whenever there is an indication of impairment, Management ensures that the carrying amount of goodwill is not higher than the recoverable amount of the underlying assets. The recoverable amount is the higher of value in use and fair value less costs to sell.

Value in use is calculated using discounted cash flows, determined from the consolidated business plan of each CGU covering three financial years (years 4 and 5 are forecast as identical to year 3) as examined by the Board of Directors, and assumptions regarding the discount rate and perpetual growth rate as described in Note 3.2.1.7.d. to the consolidated financial statements. Any adverse change in expected returns from the business lines to which goodwill is allocated (from either internal or external factors such as the economic and financial environment in which the business line operates) may significantly affect the recoverable amount and require recognition of impairment. A change of this type would involve reassessing the appropriateness of all assumptions used to determine the

recoverable amount, and the reasonableness and consistency of the calculation parameters.

The determination of the recoverable value of goodwill depends on Management's judgment, particularly with regard to cash flow forecasts, discount rates, the business' growth rate over the first three years of the business plan and the perpetual growth rates used to determine value in use. We have therefore considered the measurement of goodwill to be a key audit matter.

Our response

We examined the methodology applied by the Company to ensure its compliance with the accounting standards in force.

We also conducted a critical audit of how the methodology is implemented. We:

- corroborated the main business assumptions in the Business Plans used for impairment testing prepared by the Finance Department and validated by the Group's Management, by conducting interviews and comparing with following year forecast examined by the Board of Directors;
- analysed differences between actual performance at 31 December 2022 and the 2022 Business Plans;
- corroborated the actuarial assumptions, including the calculation of discount rates applied to expected cash flows, by assessing the discount parameters used for the weighted average cost of capital of the CGUs;
- tested the mathematical accuracy of measurements performed by Management.

Finally, we assessed the appropriateness of the information provided in the Notes to the consolidated financial statements on accounting policies.

Specific Verifications

As required by law, we have also verified the information pertaining to the Group presented in the management report of the Board of Directors, in accordance with professional standards applicable in France.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the statement on non-financial performance required by Article L. 225-102-1 of the French Commercial Code (*Code de commerce*) has been included in the Group disclosures provided in the management report. We specify that, in accordance with Article L. 823-10 of the French Commercial Code, we have not verified whether the information contained in the statement gives a true and fair view or that it is consistent with the consolidated financial statements. The information must be audited by an independent third party.

Information and verifications required by other laws or regulations

Format of presentation of the financial statements to be included in the Annual Financial Report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditors relating to annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the CEO, complies with the single electronic format defined in the European Delegated Regulation (EU) N° 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on our work, we have concluded that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European Single Electronic Format.

Due to the technical limits inherent in the macro-tagging of the consolidated financial statements according to the single European electronic information format, it is possible that the content of certain tags in the appendix notes may not be reproduced identically to the consolidated financial statements attached to this report.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the French Markets Authority (AMF) are in agreement with those on which we have performed our work.

Appointment of Statutory Auditors

We were appointed statutory auditors of Séché Environnement S.A. by your annual general meetings: Mazars in 2018 and KPMG S.A. in 1997.

As at 31 December 2022, KPMG S.A. was in its twenty-sixth year of its total uninterrupted audit engagement and Mazars in its fifth year.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements have been approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Audit objectives and process

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the audit committee presenting our audit, the schedule of work conducted, and our conclusions. If applicable, we also point out material weaknesses identified in internal control, as regards the procedures for preparing and processing accounting and financial data.

Our report to the audit committee includes the risks of material misstatement that we deemed the most significant for the audit of the consolidated financial statements for the year ended and which constitute the key audit matters we describe in this report.

We also provide the audit committee with confirmation of independence as required by Article 6 of Regulation (EU) 537-2014, and defined by the rules applicable in France stipulated in Articles L.822-10 to L.822-14 of the French Commercial Code and the French code of ethics for statutory auditors. If needed, we discuss risks affecting our independence with the audit committee and present the safeguards applied.

The Statutory Auditors

Mazars

Rennes, March 3, 2023

Ludovic Sevestre

Partner

KPMG S.A.

Nantes, March 3, 2023

Gwenaël Chédaleux

Partner

3.4 PARENT COMPANY FINANCIAL STATEMENTS AT DECEMBER 31, 2022

3.4.1 BALANCE SHEET

Figures are expressed in euros with no decimal point.

3.4.1.1 Balance sheet assets

	12/31/2022			12/31/2021
	Gross	Depreciation Impairment	Net	Net
Uncalled part of subscribed capital				
Intangible assets				
Start-up costs				
Development costs	164,350	123,337	41,013	95,796
Concessions, patents and similar rights	197,440	197,109	331	1,331
Goodwill ⁽¹⁾				
Other intangible assets				
Prepayments on intangible assets				
Total intangible assets	361,790	320,447	41,343	97,127
Property, plant and equipment				
Land				
Buildings	3,000	2,112	888	1,488
Technical facilities, equipment and industrial tools	28,223	28,223		
Other equipment	628,321	538,649	89,672	3,424
Fixed assets under construction				
Prepayments				
Total property, plant and equipment	659,544	568,984	90,560	4,911
Long-term investments ⁽²⁾				
Equity interests valued using the equity method				
Other equity interests	580,843,300	174,884,792	405,958,508	358,872,612
Investment-related receivables	65,091,299		65,091,299	52,376,403
Other long-term investments	2,288,134	2,106,948	181,186	287,366
Loans	57,391		57,391	57,391
Other long-term investments	3,646,070		3,646,070	3,665,426
Total long-term investments	651,926,194	176,991,740	474,934,454	415,259,198
FIXED ASSETS	652,947,528	177,881,171	475,066,357	415,361,236
Inventories				
Raw materials, supplies				
Goods in process				
Services in progress				
Intermediate and finished products				
Goods				
Total inventories				
Receivables ⁽³⁾				
Advances and prepayments on orders	326,223		326,223	83,995
Trade and accounts receivable	6,386,607		6,386,607	4,937,999
Other receivables	283,178,568		283,178,568	198,641,333
Subscribed and called capital, unpaid				
Total receivables	289,891,398		289,891,398	203,663,327
Cash and other assets				
Transferable securities o/w treasury shares:				20,000,000
Cash and cash equivalents	70,862,307		70,862,307	105,119,002
Total cash and other assets	70,862,307		70,862,307	125,119,002
Prepaid expenses	921,268		921,268	1,339,330
CURRENT ASSETS	361,674,973		361,674,973	330,181,659
Amortized debt issuance costs	4,963,403		4,963,403	4,719,705
Bond redemption premiums				
Unrealized foreign exchange losses	336,892		336,892	296,308
TOTAL	1,019,922,797	177,881,171	842,041,626	750,558,909

3.4.1.2 Balance sheet liabilities

	12/31/2022	12/31/2021
Share capital o/w paid up: 1,571,546	1,571,546	1,571,546
Issue, merger, acquisition premiums, etc.	74,061,429	74,061,429
Revaluation reserve		
Legal reserve	172,697	172,697
Statutory or contractual reserves		
Regulatory reserves		
Other reserves		
Retained earnings	105,201,653	82,127,460
Profit or loss for the year	51,874,968	30,880,011
Total shareholders' equity	232,882,294	188,813,144
Investment subsidies		
Regulated provisions		
SHAREHOLDERS' EQUITY	232,882,294	188,813,144
Income from issues of non-voting shares		
Advances subject to conditions		
OTHER EQUITY CAPITAL		
Provisions for risks	336,892	296,308
Provisions for contingencies	105,229	73,913
PROVISIONS FOR RISKS AND CONTINGENCIES	442,121	370,221
Financial debt		
Convertible bonds		
Other bonds	430,000,000	430,000,000
Bank loans	109,638,905	65,566,311
Sundry loans and financial liabilities	52,136,355	49,617,514
Total financial debt	591,775,261	545,183,825
Operating liabilities		
Advances and prepayments received on outstanding orders	59,221	74,618
Trade and other accounts payable	5,763,407	7,138,673
Tax and social security accounts payable	11,010,636	8,942,743
Total operating liabilities	16,833,264	16,156,033
Other debts		
Asset liabilities and related expenses	1,430	1,450
Other debts	62,655	
Total other debts	64,085	1,450
Accruals and deferred expenses		
Prepaid income	32,940	31,684
LIABILITIES	608,705,550	561,372,992
Unrealized foreign exchange gains	11,661	2,552
TOTAL	842,041,626	750,558,909

3.4.2 INCOME STATEMENT

	12/31/2022			12/31/2021
	France	Export	Total	
Sale of goods				
Production sold: goods				
Production sold: services	15,157,407	2,676,542	17,833,949	13,557,238
NET REVENUE	15,157,407	2,676,542	17,833,949	13,557,238
Ending inventory				
Capitalized production				
Operating subsidies				
Write-backs of impairment and provisions, transfers of expenses ⁽⁹⁾			1,094,026	4,942,607
Other income ⁽¹¹⁾			129	1,506
TOTAL OPERATING INCOME ⁽²⁾			18,928,104	18,501,351
External expenses				
Purchase of goods (including customs duties)				
Change in inventories (goods)				
Purchase of raw materials and other supplies (including customs duties)			177	2,348
Change in inventories (raw materials and supplies)				
Other purchases and external expenses ^{(3) (6 bis)}			20,928,369	22,246,636
Total external expenses			20,928,545	22,248,984
Tax, duties and related payments			475,328	386,008
Employee expenses				
Wages and salaries			3,264,843	3,149,564
Social security expenses ⁽¹⁰⁾			1,336,634	1,286,437
Total employee expenses			4,601,477	4,436,001
Operating provisions				
Depreciation and impairment of fixed assets			866,583	1,549,389
Provisions for fixed assets				
Provisions for current assets				
Provisions for risks and contingencies			31,810	
Total operating provisions			898,393	1,549,389
Other expenses ⁽¹²⁾			110,190	161,005
TOTAL OPERATING EXPENSES			27,013,932	28,781,387
OPERATING INCOME			(8,085,828)	(10,280,036)
Joint operations				
Allocated gain or transferred loss				
Sustained loss or transferred gain				
Financial income				
Financial income from equity interests ⁽⁵⁾			51,294,478	39,625,114
Income from other transferable securities and fixed asset receivables ⁽⁵⁾				
Other interest and similar income ⁽⁵⁾			5,621,248	3,690,000
Write-backs of provisions and transfers of expenses			26,124,840	20,596,423
Exchange rate gains			693	408,334
Net income from sales of marketable securities				
TOTAL FINANCIAL INCOME			83,041,259	64,319,872
Financial expenses				
Depreciation and impairment allowance and provisions			25,820,296	20,678,997
Interest and similar expenses ⁽⁴⁾			11,636,641	16,269,138
Exchange rate losses			3,460	22,693
Net expenses on sales of marketable securities				
TOTAL FINANCIAL EXPENSES			37,460,397	36,970,828
FINANCIAL GAIN OR LOSS			45,580,862	27,349,044
OPERATING INCOME BEFORE NON-RECURRING ITEMS AND TAX			37,495,034	17,069,008

	12/31/2022			12/31/2021
	France	Export	Total	
Non-recurring income				
Non-recurring income on management transactions				
Non-recurring income on equity transactions			6,077,612	5,512,155
Write-backs of provisions and transfers of expenses				1,196
TOTAL NON-RECURRING INCOME			6,077,612	5,513,351
Non-recurring expenses				
Non-recurring expenses on management transactions			313	
Non-recurring expenses on equity transactions			6,061,167	5,403,038
Non-recurring depreciation, impairment and provisions				
TOTAL NON-RECURRING EXPENSES			6,061,480	5,403,038
NON-RECURRING INCOME			16,132	110,314
Employee profit-sharing				
Income taxes			(14,363,802)	(13,700,689)
TOTAL INCOME			108,046,975	88,334,574
TOTAL EXPENSES			56,172,007	57,454,563
PROFIT or LOSS			51,874,968	30,880,011
(1) o/w partial net income from long term transactions				
(2) o/w real estate rental income			146,284	
(2) o/w operating income from prior years				
(3) o/w equipment leasing				
(3) o/w real estate leasing				
(4) o/w operating expenses from prior years				
(5) o/w income from affiliated companies			56,756,757	
(6) o/w interest related to affiliated companies			459,120	
(6 bis) o/w donations made to general interest organizations			163,650	
(6 ter) o/w amortization of subscriptions in innovative SMEs				
(6 ter) o/w non-recurring amortization of 25% of new buildings				
(9) o/w transfers of expenses			1,093,532	
(10) o/w operator's personal contributions				
(11) o/w royalties for patent concessions, licenses (income)				
(12) o/w royalties for patent concessions and licenses (expenses)				

3.4.3 NOTES TO THE BALANCE SHEET AND INCOME STATEMENT

The annual financial statements were approved in accordance with ANC (French accounting standards authority) regulation no. 2014-03 of September 8, 2014 on the General Chart of Accounts updated in accordance with the various additional regulations in force at the date of preparation of said annual financial statements.

3.4.3.1 Accounting rules and methods

The financial year ended December 31, 2022 covers the 12 months from 01 January to December 31, 2022.

The balance sheet total before appropriation of income is €842,041,626 and the income statement for the year, presented as a list, shows income of €51,874,968.

The notes or tables below form an integral part of the annual financial statements. Figures are expressed in euros with no decimal point.

Accounting principles, valuation methods, comparability of the financial statements

Valuation principles and methods

General accounting conventions have been prudently applied in compliance with the following basic assumptions:

- The going concern principle;
- Consistency of accounting methods from one year to the next;
- Independence of financial years;

and compliance with the general rules governing the preparation and presentation of financial statements.

Accounting items are valued based on the historical cost method.

Comparability

There were no changes in the valuation and accounting presentation method during the year.

Highlights of the period

In 2022, Séché Environnement continued to manage its equity investments, and:

- Acquired a business specializing in the maintenance of sanitation networks and facilities in the Ile de France region from SARP Osis IDF SAS on January 01, 2022. This business is operated by Séché Assainissement, a wholly-owned subsidiary of Séché Environnement;
- Acquired All'Chem, which specializes in the manufacture of fine chemicals, via its subsidiary Speichim in June 2022;
- Acquired an additional stake in Solarca SL (a subsidiary in Spain) in June 2022, increasing its interest from 91% to 100%;
- Acquired a portfolio of industrial water management and treatment activities on November 30, 2022 from Veolia via its subsidiary Séché Traitement Eaux Industrielles, which is owned through Séché Eco Services;
- Recapitalized its subsidiaries Sénerval and Séché Healthcare by current account injection (reduction of capital);

The merger by absorption of Italian company Depo by Mecomer in November 2022 must also be noted.

In addition, on March 31, 2022, the main syndicated credit facility was refinanced and increased from €150 million to €200 million. The five-year facility incorporates sustainability performance criteria and is renewable twice a year. It was taken out with a pool of French and international banks. This line can be drawn as required and is intended for the company's general needs and for acquisitions. At December 31, 2022, €33 million had been drawn on this credit facility.

Key events since the closing of accounts

None

Notes on balance sheet items.

Fixed assets

Fixed assets are valued at acquisition cost (purchase price and related expenses), production cost or transfer value. Borrowing costs are excluded from the entry cost of fixed assets. In addition, acquisition costs of fixed assets are recognized as expenses.

Intangible assets

Items included in the balance sheet under intangible assets primarily represent set-up costs, goodwill, software and other intangible assets (patents, expertise).

Other intangible assets (patents, software, expertise) are amortized on a straight-line basis over the duration of their expected useful life with a maximum of 20 years.

Research and development costs, where applicable, are generally recognized as expenses. However, in the case of a project resulting in a patent application or industrial project, research and development costs are recognized as assets.

A provision for impairment may be recognized in income if the value-in-use of an intangible item were to lose value on a permanent basis. Their value is reviewed periodically using consistent methods.

Property, plant and equipment

Since January 1, 2005, the components method has been used where possible.

Depreciation expenses are calculated using the straight-line or declining balance method according to the expected useful life of the asset:

Buildings	10-20 years
Production facilities	2-20 years
General facilities, other fixtures and fittings	2-20 years
Other equipment	1-20 years

An allowance for impairment may be recognized in income if the value in use of an item of property, plant or equipment were to lose value on a permanent basis.

The difference between tax depreciation and depreciation expenses calculated using the straight-line method is included in regulated provisions.

Long-term investments

Long-term investments consist of deposits and guarantees and investment-related receivables.

A provision for impairment is applied where the inventory value of the receivables is below the book value.

Equity investments reflect the cost of purchasing shares in companies. These may be written down to reflect a depreciation in value where necessary. These impairments are determined by comparing the value-in-use of the shares and their book value.

Value in use:

- Of fully consolidated companies and companies consolidated using the proportionate method in the Group's consolidated financial statements is determined using the estimated discounted cash flows of each company, net of debt. This discount is applied over a period of six years, with the value for the sixth year corresponding to a nominal value extrapolated using year five flows at a perpetual growth rate. The rates used in 2022 were as follows, differentiated by country:

	Discount rate	Perpetual growth rate
France	8.30%	1.50%
Italy	10.50%	1.50%
Spain	9.90%	1.50%
Germany	7.70%	1.50%
Chile	9.90%	1.67%
Peru	9.80%	1.67%
South Africa	14.10%	1.67%

- Of companies accounted for under the equity method in the Group's consolidated financial statements is determined using the last known Group share in consolidated shareholders' equity.

In 2022, impairments were recognized on the shares of certain subsidiaries, including Sénerval (impairment of €24.1 million, partially offset by the write-back of a provision of €7.5 million to the current account, i.e. a net provision of €6.5 million). In addition, a write-back was recorded on Triadis shares (€16.1 million).

Listed securities are recorded at their acquisition cost, and any provision for impairment is calculated on the basis of the average share price for the last month of the period. Conversion rights, commissions and fees associated with the acquisition of securities, as well as refinancing charges, are expensed.

"Other long-term investments" consists mainly of treasury shares in the amount of €2,753,020. These 52,913 shares held a market value of €4,751,587 at December 31, 2022 (based on the closing price of €89.80).

"Investment-related receivables" are loans granted to entities in which Séché Environnement holds an equity interest. They are recognized at their nominal value. In connection with the valuation of equity investments, impairment is recognized where applicable when the value-in-use of these receivables falls below their nominal value.

Receivables

Customer accounts receivable are booked at their nominal value. A provision for impairment is applied where the market value of the receivables is below the book value. A fixed rate is used to calculate provisions on accounts receivable, whereby those in arrears for over 6 months are

booked at 30%, those over 9 months at 60% and arrears of over 12 months at 100%. An individual and historical analysis of each account is also carried out.

Other receivables are booked at their nominal value. A provision is made as soon as the debtor's situation is compromised.

For the measurement of equity investments regarding current account advances made to subsidiaries, impairment is recognized where applicable when the value-in-use of these receivables falls below their nominal value. As such, at December 31, 2022, an impairment write-back of €7.5 million was recognized on current account advances made to Sénerval, part of the current account having been transferred to shares following incorporation into the share capital.

Transferable securities

Transferable securities essentially consist of money market funds and term deposits:

- Money market funds are recorded at acquisition cost where the market value is close to the book value. A provision for impairment is booked where the book value is higher than the market value or probable trading price.
- Interest receivable on time deposits is calculated in proportion to the period between the subscription date and the account closing date.

Regulated provisions

Regulatory provisions that are booked to the balance sheet represent the difference between tax depreciation and depreciation calculated using the straight-line method. Regulated provisions are offset in the income statement under non-recurring income and expenses.

Provisions for risks and contingencies

Provisions for risks and contingencies are designed to cover risks and expenses that particular past or ongoing events have rendered probable and are clearly specified as to their purpose but the time horizon, outcome or amount of which is uncertain.

Provisions for employee disputes

Provisions are estimated on a case-by-case basis, as required.

Pension commitments and related obligations

Under French legislation, the Company's only obligation in terms of retirement commitments is the payment of an amount to employees on their retirement calculated in accordance with the collective bargaining agreement and company agreements applicable to the Company.

In accordance with this method, each period of service gives rise to an additional unit of benefit entitlement and each of these units is measured separately to calculate the final obligation, which is then discounted. These calculations primarily include:

a) An assumption regarding the age on retirement, between 60 and 67 years old, depending on the date of birth:

Year of birth	Length of contributions	Minimum retirement age	Age to receive full pension without conditions
1948 or earlier	40 years	60	65
1949	40¼ years	60	65
1950	40½ years	60	65
1951	40¾ years	60 + 4 months	65 + 4 months
1952	41 years	60 + 9 months	65 + 9 months
1953	41¼ years	61 + 2 months	66 + 2 months
1954	41¾ years	61 + 7 months	66 + 7 months
1955-1957	41½ years	62	67
1958-1960	41¾ years		
1961-1963	42 years		
1964-1966	42¼ years	62	67
1967-1969	42½ years		
1970-1972	42¾ years		
1973 and after	43		

b) a discount rate of 3.75%;

c) wage increase assumptions of 2.5% for executives and 2.5% for non-executives;

d) life expectancy (INSEE life tables by gender);

e) employee turnover rate depending on age, with a distinction between executive and non-executive level staff based on CNCC (French Institute of Statutory Auditors) recommendations:

	Executives	Non-executives
Under 25	10.00%	7.00%
25-29	10.00%	7.00%
30-34	4.00%	6.50%
35-39	4.00%	3.50%
40-44	3.75%	2.50%
45-49	3.75%	1.25%
50-54	1.00%	0.75%
55-59	0.00%	0.50%
60 and older	0.00%	0.00%

f) social security contribution rate of 47% for executives and 38% for non-executives.

As allowed under ANC recommendation 2013-02 of November 7, 2013 on the rules for measuring and recognizing retirement and similar benefits, the Company has chosen to recognize actuarial gains and losses using the

corridor method. Actuarial gains and losses arise from changes to assumptions and experience adjustments (differences between projected and real figures) on commitments or plan assets. After applying a corridor of 10% of the maximum amount of the commitments and the value of plan assets, actuarial gains or losses are amortized from the following financial year over the probable average length of time employees will continue to work. As such, the provision represents the difference between the actuarial liability of the corresponding commitments and plan assets, net of actuarial gains and losses and the unrecognized service cost for prior periods.

If there is a surplus in plan assets, a prepaid expense is recorded in accordance with the conditions set in the ANC recommendation.

Actuarial gains and losses still to be amortized are specified in the Note on Off-Balance Sheet Financial Commitments.

At December 31, 2022, retirement commitments amounted to €252,475, and plan assets totaled €244,490. In view of actuarial gains of €88,643, the provision for retirement commitments recorded in the balance sheet as a provision for expenses amounted to €96,628.

Long-service awards

Long-service awards reward some employees for the length of their service to the company. The assumptions and actuarial calculations used to measure the commitment in

respect of long-service awards are similar to those applied for retirement obligations, with the exception of social security expenses (long-service awards are exempt from social security contributions).

The obligation to pay these benefits to employees in service at the end of the financial year is covered by a provision recorded under balance sheet liabilities for the full amount of the commitment.

At December 31, 2022, long-service award commitments amounted to €8,601.

Foreign currency transactions

Foreign currency assets and liabilities are recorded in the balance sheet at their equivalent amount at year end. Any difference arising on the conversion of foreign currency assets and liabilities at this exchange rate is recorded in the balance sheet under Translation differences.

Unrealized foreign exchange losses that are not offset are covered by a provision.

Financial instruments

In order to better manage its exposure to interest rate risk, Séché Environnement SA uses financial instruments that are listed on organized markets or governed by over-the-counter agreements with high-quality counterparties. Séché Environnement SA mainly uses interest rate swaps to hedge the interest rate risk incurred on its financing commitments.

Swaps are used to switch from a fixed rate to a variable rate of interest. Gains or losses from these interest rate swaps used to hedge financial liabilities are booked symmetrically to any gains or losses from the liabilities hedged.

At the end of the period, all balance sheet assets and liabilities that are directly or indirectly linked to these financial instruments are valued using the corresponding accounting principles.

At the closing date, the fair value of the financial instruments shown below amounted to:

- Swaps: €(10,341,084)

Notes on income statement items

Non-recurring income

Non-recurring income amounted to €16,132. Non-recurring income and expenses on the income statement are determined by applying the notion set out in the chart of accounts; they include exceptional items arising from ordinary activities and non-recurring items. Exceptional items arising from ordinary activities are defined as items

that are not related to the Company's normal operations, either because they are unusual in their amount or scope or because they rarely occur.

Employee profit-sharing and incentive schemes

A joint profit-sharing agreement covering the Non-Hazardous Waste and Services divisions of subsidiaries based in the Pays de Loire and Poitou-Charentes regions was signed on January 21, 2014 and applied from the 2013 financial year. It was concluded for an indefinite term and continues to apply.

No profit-sharing was recorded during the year.

Notes regarding the Group

Centralization of VAT payments

The Group opted to centralize the payment of VAT and related taxes starting on January 1, 2013, through an agreement dated December 10, 2012. All French commercial companies in which Séché Environnement owns at least a 50% interest come under the scope of this regime.

Tax Consolidation Scope

The Group opted for the tax consolidation scheme beginning January 1, 2000. All French commercial companies in which Séché Environnement SA owns at least a 95% interest come under the scope of this regime.

The parent company Séché Environnement retains any tax savings on losses generated by the Group which are regarded as an immediate gain for the period.

Group cash management

Séché Environnement has implemented a centralized cash flow management system in accordance with Article 12, chapter II of French law no. 84-46 of January 24, 1984 governing the activity and control of credit institutions.

Name of the consolidating company

Séché Environnement SA is the parent company of Séché Environnement Group.

Furthermore, Séché Environnement Group is an entity consolidated by Séché Group, a French SAS with share capital of €103,304,070.00.

Registered office: Les Hêtres CS 20020 53811 Changé Cedex, Registered in the Laval Trade and Companies register under number B 413 957 804.

Copies of the consolidated financial statements may be obtained at the address shown above.

3.4.3.2 Fixed assets

	Increases	
	Gross value 12/31/2021	Revaluations Acquisitions
Intangible assets		
Start-up and development costs	164,350	
Other intangible assets	197,440	
Total intangible assets	361,790	
Property, plant and equipment		
Land		
Buildings:		
• Buildings on own land	3,000	
• Buildings on others' land		
• General facilities, fixtures and fittings of buildings		
Technical facilities, equipment and industrial tools	28,223	
Other property, plant and equipment:		
• Other general facilities, fixtures and fittings	5,292	
• Transportation equipment	23,346	90,552
• Office and IT equipment and furniture	509,132	
• Recoverable and sundry packaging		
Property, plant and equipment under construction		
Prepayments		
Total property, plant and equipment	568,993	90,552
Long-term investments		
Equity interests valued using the equity method		
Other equity interests	579,105,521	84,140,788
Other long-term investments	2,267,728	20,406
Loans and other long-term investments	3,722,817	5,962,046
Total long-term investments	585,096,065	90,123,240
TOTAL	586,026,848	90,213,792

	Write-backs		Gross value 12/31/2022
	Transfers	Disposals	
Intangible assets			
Start-up and development costs			164,350
Other intangible assets			197,440
Total intangible assets			361,790
Property, plant and equipment			
Land			
Buildings:			
• On own land			3,000
• On others' land			
• General facilities, fixtures and fittings of buildings			
Technical facilities, equipment and industrial tools			28,223
Other property, plant and equipment:			
• Other general facilities, fixtures and fittings			5,292
• Transportation equipment		1	113,897
• Office and IT equipment, furniture			509,132
• Recoverable and sundry packaging			
Property, plant and equipment under construction			
Prepayments			
Total property, plant and equipment		1	659,544
Long-term investments			
Equity interests valued using the equity method			
Other equity interests		17,311,710	645,934,599
Other long-term investments			2,288,134
Loans and other long-term investments		5,981,401	3,703,461
Total long-term investments		23,293,112	651,926,194
TOTAL		23,293,113	652,947,528

3.4.3.3 Depreciation

Depreciable fixed assets	12/31/2021	Increases	Write-backs	12/31/2022
Intangible assets				
Start-up, research and development costs	68,554	54,783		123,337
Other intangible assets	196,109	1,000		197,109
Total intangible assets	264,663	55,783		320,447
Property, plant and equipment				
Land				
Buildings:				
• Buildings on own land	1,512	600		2,112
• Buildings on others' land				
• General fac., fixt. and fittings of bldgs				
Technical facilities, equipment and ind. tools	28,223			28,223
Other property, plant and equipment:				
• Other general facilities, fixtures and fittings	5,292			5,292
• Transportation equipment	23,345	2,234	1	25,579
• Office and IT equipment, furniture	505,709	2,069		507,778
• Recoverable and sundry packaging				
Total property, plant and equipment	564,082	4,903	1	568,984
TOTAL	828,745	60,686	1	889,431

Depreciable fixed assets	Allocations			Write-backs		Net mvt. of deprec./ amort. at year-end
	Period adjustment	Declining balance method	Non-recurring tax amort./ deprec.	Period adjustment	Declining balance method	
Intangible assets						
Start-up costs						
Other intangible assets						
Total intangible assets						
Property, plant and equipment						
Land						
Buildings:						
• Buildings on own land						
• Buildings on others' land						
• Gen. fac., fixt. and fittings of bldgs.						
Technical fac., equipment and tools						
Other equipment						
• Other gen. fac., fixt. and fittings						
• Transportation equipment						
• Office and IT equipment, furniture						
• Recoverable and sundry packaging						
Total property, plant and equipment						
Acquisition costs of equity investments						
TOTAL						

Expenses distributed over several years	12/31/2021	Increases	Allocations to amortization	12/31/2022
Amortized debt issuance costs	4,719,705	1,049,594	805,896	4,963,403
Bond redemption premiums				

3.4.3.4 Maturities of receivables and debts

MATURITY OF RECEIVABLE	12/31/2022	Less than 1 year	More than 1 year	12/31/2021
Fixed assets				
Investment-related receivables	65,091,299	18,538,269	46,553,030	52,376,403
Loans ^{(1) (2)}	57,391		57,391	57,391
Other long-term investments	3,646,070		3,646,070	3,665,426
Total fixed assets	68,794,760	18,538,269	50,256,491	56,099,220
Current assets				
Doubtful receivables and litigation				
Other trade receivables	6,386,607	6,386,607		4,937,999
Receivables representing loaned securities				
Personnel and related accounts				5,181
Social security and related contributions				
Income taxes	1,664,326	1,664,326		159,451
Value added tax	767,024	767,024		1,075,401
Other tax, duties and related payments				1,050
Others	46,014	46,014		46,539
Group and equity-accounted investees ⁽²⁾	280,701,142	280,701,142		204,853,647
Other debtors	63	63		63
Total current assets	289,565,175	289,565,175		211,079,332
Prepaid expenses	921,268	921,268		1,399,330
TOTAL RECEIVABLES	359,281,203	309,024,712	50,256,491	268,577,882
Loans granted during the period				
Repayments obtained during the period				
Loans and advances granted to investments in associates				

(1) Loans granted during the period

(2) Repayments obtained during the period

(3) Loans and advances granted to equity-accounted investees

MATURITY OF DEBTS	12/31/2022	Less than 1 year	1 to 5 years	More than 5 years	12/31/2021
Convertible bonds ⁽¹⁾					
Other bonds ⁽¹⁾	430,000,000		80,000,000	350,000,000	430,000,000
Bank loans					
- less than 1 year	34,935,879	34,935,879			2,223,774
- more than 1 year	74,703,026	21,079,730	52,873,296	750,000	63,342,536
Sundry loans and financial debt ^{(1) (2)}	130,356	108,356		22,000	22,000
Trade and other accounts payable	5,822,628	5,822,628			7,213,291
Personnel and related accounts	267,731	267,731			223,344
Social security and related contributions	342,540	342,540			357,126
Income taxes					
Value added tax	9,974,643	9,974,643			8,127,066
Guaranteed bonds					
Other tax	425,723	425,723			235,207
Asset liabilities and related expenses	1,430	1,430			1,450
Group and equity-accounted investees ⁽²⁾	52,006,000	52,006,000			49,595,514
Other debts	62,655	62,655			
Debt representing borrowed securities					
Prepaid income	32,940	32,940			31,684
TOTAL LIABILITIES	608,705,550	125,060,253	132,873,296	350,772,000	561,372,992
Loans subscribed during the period		63,010,000			
Loans repaid during the period		18,649,510			
Amount of loans and debts due to equity-accounted investees					

3.4.3.5 Breakdown of share capital

Categories of securities	Number of securities			12/31/2022	Par value
	12/31/2021	created during period	repaid during period		
Ordinary shares	7,857,732			7,857,732	0.2
Redeemed shares					
Priority dividend shares					
Preference shares					
Company shares					
Investment certificates					
Total	7,857,732			7,857,732	

3.4.3.6 Changes in shareholders' equity

Item	Amount
A Position at start of period	
1 Shareholders' equity at end of period Y-1 before allocations	157,933,133
2 Allocation of income to net position by AGM	30,880,011
3 Shareholders' equity at start of period Y	188,813,144
B Contributions received retroactively at start of period Y	
1 Change in capital	
2 Change in other items	
C (= A3 + B) Shareholders' equity for the period after retroactive contributions	188,813,144
D Changes during the period	
1 Changes in capital	
2 Changes in premiums, reserves, retained earnings	
3 Changes in provisions relating to shareholders' equity	
4 Revaluation counterparties	
5 Changes in regulated provisions and equipment subsidies	
6 Other changes	(7,805,818)
7 Net income for the period	51,874,968
E Shareholders' equity on closing balance sheet of period N before AGM (= C + or - D)	232,882,294
F TOTAL CHANGE IN SHAREHOLDERS' EQUITY DURING THE PERIOD (= E - C)	44,069,150
G of which: changes due to structural changes during the period	
H Change in shareholders' equity during the period excluding structural transactions (F - G)	44,069,150

3.4.3.7 Provisions

Nature of provisions	12/31/2021	Increases: allowances for period	Write-backs:			12/31/2022
			Used during period	Not used during period	Write-backs for period	
Regulated provisions						
Depletion allowances						
Provisions for investments						
Provisions for price increases						
Other depreciation and amortization						
O/w non-recurring increases of 30%						
Provisions for facilities loans						
Other regulated provisions:						
TOTAL REGULATED PROVISIONS						
Provisions for risks and contingencies						
Provisions for disputes						
Provisions for guarantees given to customers						
Provisions for losses on futures markets						
Provisions for fines and penalties						
Provisions for foreign exchange losses	296,308	336,892			296,308	336,892
Sub-total provisions for risks	296,308	336,892			296,308	336,892
Provisions for retirement and similar obligations	64,818	31,810				96,628
Provisions for taxes						
Provisions for renewal of fixed assets						
Provisions for major maintenance and overhauls						
Prov. for soc. sec. and tax expenses on accrued leave						
Sub-total provisions for expenses	64,818	31,810				96,628
Other provisions for risks and contingencies	9,095				494	8,601
TOTAL PROVISIONS FOR RISKS AND CONTINGENCIES	370,221	368,702			296,802	442,121
Provisions for impairment						
On intangible assets						
On property, plant and equipment						
On investments in equity-accounted securities						
On equity investments	167,856,505	25,356,818			18,328,531	174,884,792
On other long-term investments	1,980,362	126,586				2,106,948
On inventories and work in progress						
On trade receivables						
Other impairment provisions	7,500,000				7,500,000	
TOTAL IMPAIRMENT PROVISIONS	177,336,868	25,483,403			25,828,531	176,991,740
TOTAL	177,707,089	25,852,106			26,125,334	177,433,861
O/w operating allocations and write-backs		31,810			494	
O/w financial allocations and write-backs		25,820,296			26,124,840	
O/w non-recurring allocations and write-backs						

3.4.3.8 Expenses payable

Nature of expenses	12/31/2022	12/31/2021
Financial debt		
Convertible bonds		
Other bonds		
Bank loans	1,935,879	2,223,774
Sundry loans and financial liabilities	295,871	95,482
Advances and prepayments received on orders in progress		
Total financial debt	2,231,750	2,319,256
Operating liabilities		
Trade and other accounts payable	1,364,577	897,909
Tax and social security accounts payable	752,219	506,422
Total operating liabilities	2,116,796	1,404,332
Other debts		
Asset liabilities and related expenses		
Other debts		
Total other debts		
Other		
Total other debts		
TOTAL	4,348,546	3,723,588

3.4.3.9 Deferred expenses

Nature of expenses	12/31/2021	Increases	Allowances for depreciation	12/31/2022
Deferred expenses:				
Total deferred expenses				
Fixed asset acquisition costs:				
Total fixed asset acquisition costs				
Debt issuance costs:				
Loans subscription costs	4,719,705	1,049,594	805,896	4,963,403
Total debt issuance costs	4,719,705	1,049,594	805,896	4,963,403
Deferred expenses:				
Total deferred expenses				
TOTAL	4,719,705	1,049,594	805,896	4,963,403

Expenses are amortized using the effective interest rate method over the duration of the loan.

3.4.3.10 Accrued income

Accrued income	12/31/2022	12/31/2021
Long-term investments		
Investment-related receivables	81,559	59,953
Other long-term investments		
Total long-term investments	81,559	59,953
Receivables		
Trade and other accounts receivable		
Other receivables	5,481,028	2,281,340
Total receivables	5,481,028	2,281,340
Cash and other assets		
Transferable securities		
Cash and cash equivalents		5,366
Total cash and other assets		5,366
Other		
Total other		
TOTAL	5,562,587	2,346,659

3.4.3.11 Prepaid expenses and deferred income

Nature of expenses	12/31/2022	12/31/2021
Operating expenses:		
Other	921,268	1,399,330
Total operating expenses	921,268	1,399,330
Financial expenses:		
Total financial expenses		
Non-recurring expenses:		
Total non-recurring expenses		
TOTAL PREPAID EXPENSES	921,268	1,399,330
Nature of income	12/31/2022	12/31/2021
Operating income:		
Other	32,940	31,684
Total operating revenues	32,940	31,684
Financial income:		
Total financial income		
Non-recurring income:		
Total non-recurring income		
TOTAL DEFERRED INCOME	32,940	31,684

3.4.3.12 Breakdown of revenue

Detail of revenue	12/31/2022			12/31/2021			Change
	France	Exports and deliveries in EU	Total	France	Exports and deliveries in EU	Total	%
Sales of goods							
Sales of finished products							
Works							
Waste treatment							
Transportation							
Technical support services	14,738,614	2,498,854	17,237,468	11,410,197	1,244,522	12,654,719	36.21%
Income from ancillary activities	451,081	177,688	628,769	441,067	135,360	576,427	9.08%
Reinvoicing of taxes							
Other	(32,288)		(32,288)	326,092		326,092	-109.90%
TOTAL	15,157,407	2,676,542	17,833,949	12,177,356	1,379,882	13,557,238	31.55%

3.4.3.13 Breakdown of income tax

	12/31/2022					12/31/2021
	Income before loss carryforward	Loss carryforward	Income before tax	Tax payable	Profit of the period	Profit of the period
Operating income before non-recurring items and tax	37,495,034		37,495,034		37,495,034	17,069,008
Non-recurring income	16,132		16,132		16,132	110,314
Accounting income (excluding equity investments)	37,511,166		37,511,166		37,511,166	17,179,322
Tax consolidation income						
Employee profit-sharing						
Tax receivables				(140,369)	140,369	64,487
Total before tax	37,511,166		37,511,166	(140,369)	37,651,535	17,243,809
Other						
Allocation of prior-year losses against income						
Income tax audit and corrections				47,810	(47,810)	3,123
Tax consolidation				(14,271,243)	14,271,243	13,633,079
Total other				(14,223,433)	14,223,433	13,636,202
Grand total	37,511,166		37,511,166	(14,363,802)	51,874,968	30,880,011

3.4.3.14 Change in future tax liability

<i>Increases in future tax liability</i>	Amount	Corresponding tax
Regulated provisions		
Other depreciation and amortization		
Provisions for price increases		
Provisions for price fluctuations		
Other regulated provisions:		
Investment subsidies		
TOTAL		
<i>Reductions in future tax liability</i>	Amount	Corresponding tax
Provisions not deductible in year of allocation:		
Provisions for paid leave		
Employee profit-sharing		
Contribution to housing		
Social solidarity contribution		
Taxes on commercial premises		
Provisions for risks and contingencies		
Provisions for impairment of inventories		
Other non-deductible provisions		
Provisions for retirement	96,628	24,959
Other unrecognized expenses not deducted	77,297	19,966
TOTAL	173,925	44,925
Total loss carryforwards	38,130,680	
Total deferred depreciation and amortization		
Total long-term capital losses		

The total loss carryforwards corresponds to the tax consolidation deficits.

3.4.3.15 Breakdown of expense transfers

<i>Subject</i>	12/31/2022	12/31/2021
Transfers of operating expenses	1,049,594	4,590,723
Transfers of benefit in kind expenses	43,938	37,156
Transfer of retirement pay/bonus reimbursement expenses		234,696
Other		
TOTAL	1,093,532	4,862,575

3.4.3.16 Non-recurring income

	12/31/2022			12/31/2021		
	Income	Expenses	Net income	Income	Expenses	Net income
Non-recurring income from management transactions		313	(313)			
Income from prior years						
Income from disposals of assets	5,001	5,000	1	15,549	50,000	(34,452)
Income from other non-recurring items	6,072,611	6,056,167	16,444	5,496,607	5,353,038	143,569
Non-recurring income excluding impairment and provisions	6,077,612	6,061,480	16,132	5,512,155	5,403,038	109,118
Share of investment subsidies transferred to profit or loss						
Non-recurring impairment						
Transfers of non-recurring expenses						
Other:						
Provisions for non-recurring risks and contingencies				1,196		1,196
TOTAL	6,077,612	6,061,480	16,132	5,513,351	5,403,038	110,314

3.4.3.17 Related-party transactions

A commercial lease with Séché Group SAS was authorized by the Board of Directors on April 28, 2016. The lease was signed for nine years and covers a surface area of 840m² for private use and 400m² (measured according to the terms of the "Carrez" act) shared with Séché Group SAS on the 54th floor of the Montparnasse Tower as well as 25 parking spaces and 207.6m² in archiving space, for its exclusive use.

An administrative services agreement with Séché Group SAS was authorized by the Board of Directors on April 28, 2016. This agreement was entered into for a period beginning on May 2, 2016 and ending on December 31, 2019, automatically renewable for three years.

Séché Group SAS provides the company and its subsidiaries with services in a number of areas (strategy, sales, finance, legal).

The expense recognized for these agreements in 2022 was €3.35 million.

3.4.3.18 Average headcount

Categories	Average headcount	
	12/31/2022	12/31/2021
Executives	23	22
Supervisors		
Employees and technicians	6	7
Other:		
TOTAL	29	29

3.4.3.19 Compensation of senior management

Categories	12/31/2022
Board members	970,980
Management Board members	
Supervisory Board members	
TOTAL	970,980

3.4.3.20 Financial commitments given

Commitments given	Total	Senior managers	Subsidiaries	Equity investments	Affiliated companies	Other
Financial guarantees	130,108,414		130,108,414			
Actuarial losses/gains related to retirement commitments	88,643					88,643
Commitments receivables assigned to the factor						
Other						
In connection with Group debt						
• Endorsements						
• Sureties	13,597,067					13,597,067
• Guarantees	22,261,371		22,261,371			
In relation to the management of interest rates						
Swaps	100,000,000					100,000,000
Caps						
Collars						
TOTAL	266,055,495		152,369,785			113,685,710

3.4.3.21 Table of subsidiaries and equity investments

Company (in thousands of euros)	Share capital	Reserves and retained earnings before appropriation of earnings	Share of capital held (as %)	Book value of capital held		Loans and advances granted by the Company and not yet repaid	Guarantees given by the Company	Revenue before tax for the last period ended	Income (profit or loss for the last period ended)	Dividends received by the Company for the period
				Gross	Net					
ALCÉA	2,500.00	689.62	100.00	4,710.00	1,425.00		597.82	16,931.64	930.68	
BARRE THOMAS	375.00	ND	40.00	215.03	50.37			ND	ND	
UPER RETIERS	5.00	(260.83)	100.00	5.00	5.00	459.81		-	(265.20)	
DRIMM	152.45	2,410.02	100.00	12,832.33	12,832.33	4,711.30	10,621.64	47,808.99	7,876.06	8,000.00
ECO SITE CROIX IRTTELLE	100.00	4,470.32	99.00	13,339.00	13,339.00		1,949.14	19,543.95	4,432.61	495.00
GABARRE ENERGIES	600.00	(340.42)	51.00	306.00	306.00			1,308.19	(11.24)	
KARU ENERGY	8.00	ND	24.00	1.92	-	146.00		ND	ND	
LA CROIX DES LANDES	8.00	351.11	99.80	86.98	86.98			74.71	39.60	49.90
LES CHÊNES SECS	8.00	(315.09)	99.80	66.25	66.25	512.75		11.01	36.44	
MEZEROLLES	160.00	1,904.65	99.99	1,098.56	1,098.56	1,149.68		909.04	491.77	599.94
MO'UVE	1,000.00	(1,089.60)	100.00	1,000.00	1,000.00	20,451.76	622.38	4,058.23	(1,423.30)	
OPALE ENVIRONNEMENT	1,000.00	375.18	100.00	8,278.00	8,278.00	1,401.13	2,935.27	16,717.82	546.51	461.00
SÉCHÉ ASSAINISSEMENT	150.00	(297.35)	100.00	150.00	150.00	45,655.03		26,779.02	(2676.54)	
SÉCHÉ ALLIANCE	47.88	163.62	100.00	2,873.39	2,873.39	13,642.88		28,562.63	828.96	
SÉCHÉ DEVELOPPEMENT	10.00	220.70	100.00	1,830.00	1,830.00			15,667.69	664.17	600.00
SÉCHÉ ECO INDUSTRIES	2,011.38	12,683.48	100.00	27,986.66	27,986.66	6,040.04	42,361.54	157,519.81	35,135.99	30,000.00
SÉCHÉ ECO SERVICES	500.00	5,985.80	100.00	496.23	496.23	3,549.39	13,003.99	111,196.58	55.44	700.00
SÉCHÉ ENVIRONNEMENT OUEST	820.00	(406.12)	100.00	1,663.00	1,663.00			14,508.01	351.82	
SÉCHÉ HEALTHCARE	250.00	1,230.22	100.00	13,698.00	6,975.00	1,545.86		11,405.67	(1,327.37)	
SÉCHÉ TRANSPORTS	192.00	1,013.53	100.00	531.30	531.30	3.68		40,084.27	507.23	300.00
SÉCHÉ URGENCES INTERVENTIONS	150.00	1,866.00	100.00	150.00	150.00			24,387.73	8,039.65	2,790.00
SENERGIES	400.00	784.78	80.00	320.00	320.00	401.20		2,731.88	266.29	64.00
SÉNERVAL	4,000.00	13,663.22	99.90	65,743.36	21,875.00	43,118.90	5,958.78	22,942.16	(22,316.19)	
SOGAD	75.00	ND	50.00	1513.37	-			ND	ND	
SOLENA VALORISATION	2000.00	(49.71)	51.00	1,020.00	1,020.00			174.18	(120.69)	
SPEICHIM	150.00	1,822.91	100.00	18,750.00	18,750.00	26,039.23	1,287.83	32,992.58	583.22	2,000.00
TREDI	15000.00	5,320.04	100.00	268,752.87	159,426.21	34,673.52	46,417.96	161,110.73	7,021.57	
TRIADIS SERVICES	3808.51	1,979.18	100.00	16,135.10	16,135.10		2,775.72	65,632.55	3,609.42	
SÉCHÉ 204	5.00	-	100.00	5.00	5.00			-	(0.19)	
SÉCHÉ 205	5.00	-	100.00	5.00	5.00			-	(1.17)	
SÉCHÉ 206	5.00	-	100.00	5.00	5.00			-	(1.14)	
SÉCHÉ 207	5.00	-	100.00	5.00	5.00			-	-	
Foreign subsidiaries										
KANAY	1967.49	(2,258.68)	100.00	20,401.70	10,401.70			21,317.66	511.23	
MECOMER	51.65	15,030.49	90.00	48,711.64	48,711.64			58,325.84	4,959.07	4,151.86
SÉCHÉ CHILE	5,990.64	(284.83)	100.00	5,973.59	5,973.59	2,006.99		-	10.85	
SÉCHÉ HOLDINGS	-	2,939.29	100.00	-	-	73,253.36			1,727.37	
MAYENNE INVESTMENTS	-	-	100.00	-	-			-	-	
SOLARCA SLU	343.17	2,875.22	100.00	30,393.92	30,393.92	7,874.95		18,069.36	1,166.50	
SOLUCIONES AMBIENTALES	7244.22	(4,805.60)	99.99	7,667.91	7,667.91	7,309.40		5,429.98	14.83	
UTM TECHNIK METALLRECYCLING	100.00	1,088.41	100.00	4,122.11	4,122.11		750.00	3,047.96	162.62	155.00

ND: not disclosed

3.5 REPORT OF THE STATUTORY AUDITORS ON THE PARENT COMPANY FINANCIAL STATEMENTS AT DECEMBER 31, 2022

Séché Environnement S.A.

Registered office: Les Hêtres – 53811 Changé

Share Capital: €1,571,544

For the year ended 31 December 2022

To the Shareholders,

Opinion

In compliance with the assignment entrusted to us by your annual general meetings, we have audited the accompanying annual financial statements of Séché Environnement S.A. for the year ended 31 December 2022.

In our opinion, the annual financial statements give a true and fair view of the assets and liabilities and of the financial position of the company as at 31 December 2022 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibilities under those standards are further described in the “Statutory Auditor’s Responsibilities for the Audit of the Financial Statements” section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie), for statutory auditors for the period from 1 January 2022 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5.1 of Regulation (EU) 537/2014.

Justification of Assessments – Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the annual financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon expressed in the first part of this report. We do not provide a separate opinion on specific items of the annual financial statements.

Measurement of equity securities, related receivables and advances to subsidiaries

Risks identified

Equity securities are one of the largest items on the balance sheet, totalling €405.9 million net at 31 December 2022. They are recognised at acquisition cost when acquired and are impaired based on their value in use.

Receivables relating to equity investments and advances to subsidiaries amounted to a net total of € 65.1 million and €280.7 million respectively at 31 December 2022.

As stated in the “Financial assets” note in the accounting policies section, Management determines value in use based on several criteria, including the share of net assets of the subsidiary or discounted expected future cash flows net of debt.

As stated in the “Financial assets” and “Receivables” notes in the accounting policies section, impairment is recognised if the value in use of receivables from equity investments or advances to subsidiaries falls below their carrying amount.

Management’s judgment is required to determine the value in use of equity securities and receivables, in terms of the choice of historical or forward-looking information depending on the equity interests concerned.

We believe that the measurement of equity securities, related receivables and advances to subsidiaries is a key audit matter, due to potentially material impairment of these items and to the extent of estimates and judgment required by Management to determine value in use. For instance, judgment is required when making assumptions of expected future cash flows from equity interests, and when determining the appropriate discount rate and perpetual growth rates applicable to these cash flows.

Audit procedures used to address identified risks

To assess the reasonableness of the estimated value in use of equity securities, related receivables and current account advances, on the basis of information shared with us, our work mainly involved verifying that Management’s estimate of these amounts was made using an appropriately justified measurement method and quantitative data, and depending on the type of equity securities:

For measurements based on historical data:

- We verified that the equity used corresponded to amounts reported in the financial statements of the entities that were audited or subject to analytical procedures.

For measurements based on forward-looking information, we also conducted a critical review of how the methodology was implemented. We:

- Corroborated the main business assumptions in the Business Plans used for impairment testing, which were prepared by the Finance Department and validated by Group General Management, by interviewing Management and comparing them to the following year budget examined by the Board of Directors;
- Analysed differences between actual performance at 31 December 2022 and the budgets in the 2022 Business Plans;
- Verified that the assumptions used were consistent with the economic environment at the reporting date and at the date of the financial statements;
- Tested the mathematical accuracy of measurements performed by Management;
- Verified that the value calculated from expected future cash flows was adjusted for the amount of debt of the entity in question.

Finally, we assessed the appropriateness of the information provided in the Notes to the financial statements on accounting policies.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information in the management report and other documents provided to the Shareholders with respect to financial position and financial statements

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information in the management report and other documents provided to the Shareholders with respect to financial position and financial statements.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents provided to the Shareholders with respect to the financial position and the financial statements.

We attest the fair presentation and the consistency with the financial statements of the information relating to the payment deadlines mentioned in Article D.441-6 of the French Commercial Code (Code de commerce).

We attest that the statement on non-financial performance required by Article L. 225-102-1 of the French Commercial Code (*Code de commerce*) is included in the information related to the Group disclosures provided in the management report, it being specified that, in accordance with Article L.823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. The information must be audited by an independent third party.

Disclosures relating to corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code (Code de commerce).

Concerning information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code (code de commerce) relating to remunerations and benefits received by or awarded to the directors and any other commitments made on their favour, we have verified the consistency with the financial statements or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlled companies included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.

Other Disclosures

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights, has been properly disclosed in the management report.

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Information and verifications required by other laws and regulations

Format of presentation of the financial statements to be included in the Annual Financial Report

We have also verified, in accordance with the professional standards applicable in France relating to the procedures performed by the statutory auditors relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the annual statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the CEO, complies with the single electronic format defined in the European Delegated Regulation (EU) 2019/815 of 17 December 2018.

Based on our work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the French Markets Authority (AMF) are in agreement with those on which we have performed work.

Appointment of Statutory Auditors

We were appointed statutory auditors of Séché Environnement S.A. by your annual general meetings: Mazars in 2018 and KPMG in 1997.

As at 31 December 2022, KPMG S.A. was in its twenty-sixth year of its total uninterrupted audit engagement and Mazars in its fifth year.

Responsibilities of Management and Those Charged with Governance for the Annual Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French generally accepted accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The annual financial statements have been approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Audit objective and process

Our role is to issue a report on the annual financial statements. Our objective is to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the annual financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the annual financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the annual financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the annual financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the annual financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the annual financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the annual financial statements and for the opinion expressed on these annual financial statements.

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Report to the Audit Committee

We submit a report to the audit committee presenting our audit, the schedule of work conducted, and our conclusions. If applicable, we also point out material weaknesses identified in internal control, as regards the procedures for preparing and processing accounting and financial data.

Our report to the audit committee includes the risks of material misstatement that we deemed the most significant for the audit of the annual financial statements for the year ended and which constitute the key audit matters we describe in this report.

We also provide the audit committee with confirmation of independence as required by Article 6 of Regulation (EU) n° 537/2014, and defined by the rules applicable in France stipulated in Articles L.822-10 to L.822-14 of the French Commercial Code and the French Code of Ethics for statutory auditors. Where appropriate, we discuss risks affecting our independence with the audit committee and present the safeguards applied.

The Statutory Auditors

Nantes and Rennes, March 3, 2023

Mazars

Ludovic Sevestre
Partner

KPMG S.A.

Gwenaël Chedaleux
Partner



04

CORPORATE GOVERNANCE

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4.1 ADMINISTRATIVE AND MANAGEMENT BODIES

Séché Environnement is a French limited company (société anonyme) with a Board of Directors.

For governance matters, it follows the recommendations of the AFEP-MEDEF Corporate Governance Code for Listed Corporations, the December 2022 update of which is available for consultation at the head office and on the AFEP website: <https://afep.com/wp-content/uploads/2022/12/Code-AFEP-MEDEF-version-de-decembre-2022.pdf>.

Séché Environnement's Board of Directors decided to change the corporate governance structure and separate the functions of Chairman and Chief Executive Officer in late 2019.

Since December 10, 2019, Joël Séché has been Chairman of the Board of Directors and Maxime Séché has been Chief Executive Officer.

The Chief Executive Officer has exhaustive powers to act on behalf of the Company in all matters, within the limits of the corporate purpose and subject to the powers expressly granted by law to Annual General Meetings of Shareholders and the Board of Directors.

In 2022, the composition of Séché Environnement's Board of Directors changed as follows:

- Anne-Sophie Le Lay, appointed Director at the General Meeting of April 27, 2018, resigned on October 13, 2022.

In 2022, the term of offices of certain members of the Board of Directors of Séché Environnement was renewed, namely:

- The General Meeting of April 29, 2022 renewed the term of office of Philippe Valletoux.
- At its meeting of November 22, 2022, the Group Works Council (the body representing employees) renewed the term of office of Philippe Guérin as Director representing employees.

4.1.1 COMPOSITION OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

4.1.1.1 Composition of the Board of Directors

The composition of the Board of Directors is set out below.

The rules applicable to the appointment and removal of members of the Board of Directors are the legal rules and statutory rules laid down in Article 16 et seq of the Company's by-laws:

- The Board of Directors has between three (3) and eighteen (18) members, unless otherwise provided by law.
- The term of office of directors is three (3) years and the renewal of directors' terms is staggered. Since 2020, the reappointment of directors has been staggered in accordance with the recommendations of the AFEP-MEDEF Code. This year, two directorships will expire at the General Meeting convened on April 28, 2023. Thereafter, and subject to the new appointments approved by the General Meeting of April 28, 2023, one directorship will expire in 2024 and two directorships will expire in 2025. To implement this staggered reappointment of directors, the Combined General Meeting of April 30, 2020 amended Article 16.II of the by-laws to provide that the Ordinary General Meeting may exceptionally set the terms of one or more directors at one, two, or four years, for the sole purpose of staggering directors' terms of office.

- When the legal conditions are met, the Board of Directors may appoint directors on a temporary basis for the remainder of their predecessor's term of office. In accordance with the law, such appointments are subject to the ratification of the next Ordinary General Meeting.
- The term of office of the Director representing employees, appointed in accordance with Article L.225-27-1 of the French Commercial Code, was set at two years by the General Meeting of June 29, 2018.
- A Director's term of office expires at the end of the Annual General Meeting called to approve the financial statements of the year preceding the year in which their term of office expires. Directors may be removed at any time by the Ordinary General Meeting, even if this removal does not appear on the agenda.

Article 1.3 of the Board of Directors' Internal Regulations stipulates that the Board may be assisted by up to three non-voting directors, appointed by the Board for a period of three years. At its meeting on April 30, 2021, the Board of Directors renewed Guillaume Séché as non-voting director for a period of three years that will end at the Ordinary General Meeting called to approve the 2023 financial statements.

As of December 31, 2022, your Company's Board of Directors had the following members:

		Male / Female	Date first appointed	Date last reappointed	Term expires at end of AGM held in
Directors and corporate officers	Joël Séché Chairman of the Board of Directors	M	October 19, 1981	April 30, 2021	2025
	Maxime Séché, Director and Chief Executive Officer	M	November 12, 2019	April 30, 2021	2024
Directors (*)	Pascaline de Dreuzy	F	April 27, 2017	April 30, 2020	2023
	Nadine Koniski-Ziadé	F	April 30, 2020		2023
	Philippe Valletoux	M	May 11, 2007	April 29, 2022	2025
Director Representing Employees	Philippe Guérin	M	December 12, 2018	November 22, 2022	2025 (**)
Non-voting Director	Guillaume Séché	M	April 28, 2015	April 30, 2021	2024

(*) Pascaline de Dreuzy and Nadine Koniski-Ziadé, whose directorships expire at the end of the Annual General Meeting convened on April 28, 2023 to approve the financial statements for the year ended December 31, 2022, have informed the Chairman of the Board of Directors of their wish not to have their term renewed by said General Meeting. Anne-Sophie Le Lay, appointed Director at the General Meeting of April 27, 2018, resigned on October 13, 2022. During its meeting of March 3, 2023, the Board of Directors decided to seek the approval of Anne-Brigitte Spitzbarth and Nathalie Tarnaud-Laude, and of Guillaume Cadiou as new independent directors at the next General Meeting.

(**) By decision of November 22, 2022, the Group Works Council renewed the term of office of Philippe Guérin as Director representing the employees for a term of two years from the General Meeting convened in 2023, i.e. until the General Meeting to be held in 2025.

Change in the composition of the Board of Directors and Board committees during 2022

Position as of the date of this Universal Registration Document

	Departure	Appointment	Renewal
Board of Directors Audit Committee	Anne-Sophie Le Lay, appointed Director at the General Meeting of April 27, 2018, resigned on October 13, 2022.		

Change in the composition of the Board of Directors and Board committees since January 1, 2023

There were no changes in the composition of the Board of Directors and Board committees between January 1, 2023 and the date of this Universal Registration Document.

4.1.1.2 Information about the Company's Directors

Pascaline de Dreuzy

Director

Date of birth

September 5, 1958
French citizen

Business address

24 avenue Théophile Gautier
75016 Paris

As of December 31, 2022, Pascaline de Dreuzy was a corporate officer of two listed companies other than Sécché Environnement SA: Bouygues SA and Peugeot Invest SA.

As of the date of this Universal Registration Document, Pascaline de Dreuzy held fifty Sécché Environnement SA shares.

PROFILE

Pascaline de Dreuzy is a graduate of EMBA-HEC business school, and holds the ICCF-HEC Corporate Finance Certificate in financial analysis, business valuation and investment choices, and the SciencesPo-IFA Board of Directors Certificate. She has worked in a wide variety of sectors with far-reaching human impacts, enabling her to transfer her experience and establish synergies between seemingly different universes.

From 2013 to 2021, she was founding president of P2D Technology, a company combining human and digital solutions for remote care of vulnerable patients and the prevention of certain diseases. She invests in start-ups in connected health and AI while supporting their development.

Pascaline entered the business world early as a Director of one of the family holding companies controlling Groupe PSA. She is very committed to corporate governance: after a mandate on the Board of Directors of the IFA, she joined various groups of experts, covering: ESG (Environment and Co-Chair of Corporate Social Responsibility), Integrated Reporting, Risk Appetite, and Family Business Governance, among others. She also coordinates one of the IFA teaching modules. In June 2022, she attended the Governance and Climate Training Program at Université Paris-Dauphine.

From 2011 to 2015, she served as a doctor-manager at a number of strategy consulting firms then as founding president of the Institut Autonomie & Technologie non-profit.

As a doctor with the Hôpitaux de Paris, she managed innovative, cross-functional and pioneering projects in the Necker-Enfants Malades children's hospital from 1986 to 2011. She participated in crisis management seminars for the emergency services in Paris and Chamonix and with the elite tactical unit of the French National Gendarmerie (GIGN). She is a knight of the French Legion of Honor.

CURRENT OFFICES AS OF DECEMBER 31, 2022

Sécché Environnement SA: Director - Member of the Audit Committee

Bouygues SA: Director - Member of the Audit Committee and Chairman of the Selection and Compensation Committee

Peugeot Invest SA: Director - Member of the Investments and Shareholdings Committee and member of the Sustainability Committee

Fondation Hugot du Collège de France: Director

Fondation Mallet: Director

TERMS EXPIRED OVER THE LAST FIVE FINANCIAL YEARS

Sécché Environnement SA: Chairman of the Compensation and Appointments Committee until April 2021

Navya SAS: Director until December 2018

P2D Technology SAS: Founding Chairman until March 2021

TFI SA: Director, Chairman of the Compensation and Appointments Committee and member of the Audit Committee until April 2021

Samu social international (non-profit under the 1901 law): Director until June 2019

Nadine Koniski-Ziadé**Director****Date of birth**

November 14, 1975
French and Lebanese citizen

Business address

28 cours Albert 1^{er} - 75008 Paris

As of December 31, 2022, Nadine Koniski-Ziadé was not a corporate officer of any listed company other than Séché Environnement SA.

As of the date of this Universal Registration Document, Nadine Koniski-Ziadé held one Séché Environnement SA share.

PROFILE

A graduate of ESSEC, Nadine Koniski-Ziadé has over 26 years of experience in the financial sector, in France and internationally. She began her career at Goldman Sachs in 1997 and then joined the investment bank Rothschild & Co in 1998, first in London, then in Paris, where she worked for 13 years - mainly in Mergers & Acquisitions, but also in Private Placement as an expatriate to New York - as an advisory banker for multinationals, mid-caps/SMEs and financial sponsor in various sectors. During this time, she specialized in family-owned businesses and holding companies and their specific governance issues.

In 2011, she joined the Quilvest Group on the creation of the position of Head of Private Equity Investor Relations. For five years, she was in charge of raising funds from institutional and private investors (family offices) and business development in Europe for all of Quilvest's unlisted investment programs and global investor communications (Global Head of Investor Relations & Communication).

In 2016, she created her own company, Stakeholder Advisors, which is active in raising funds, developing and seeking investment opportunities, interacting with investors, fund managers, company directors and other stakeholders in Europe and the Middle East. With considerable experience in family-owned groups and clients, she establishes investment strategies in line with the long term view taken by these "patient capital" investors, such as venture capital or impact investing centered on sustainable development and corporate social responsibility.

She is also Senior Advisor for TriSpan, an independent investment platform active in unlisted small & mid-caps in the United States and Europe.

CURRENT OFFICES AS OF DECEMBER 31, 2022

Séché Environnement SA: Director - Member and Chairman of the Audit Committee - Member of the Strategy Committee

Stakeholder Advisors SARL: Manager

TERMS EXPIRED OVER THE LAST FIVE FINANCIAL YEARS

N/A

Philippe Valletoux**Director****Date of birth**

July 24, 1943
French citizen

Business address

28 boulevard Raspail
75007 Paris

As of December 31, 2022, Philippe Valletoux was not a corporate officer of any listed company other than Séché Environnement SA.

As of the date of this Universal Registration Document, Philippe Valletoux held one Séché Environnement SA share.

PROFILE

Philippe Valletoux held successive positions as:

- Special Advisor to the Groupe Central des Villes Nouvelles (Central Agency for New Towns),
- Special Advisor to the Ministry of the Interior,
- Technical Advisor to the Office of the Minister in charge of Administrative Reform

Head of Research in the Local Development Department of the Caisse des Dépôts et Consignations.

In 1987 he took charge of the Department of Local Financing at Crédit Local de France, where he was also Advisor to the Chairman. In 2000, he joined Dexia Crédit Local as Vice Chairman of the Executive Committee until leaving in 2009.

From 1995 to 2009 he was Chairman of Floral (bond issues for local authorities) and of the Fondation Dexia-Crédit Local corporate foundation.

From 2004 to 2010, Philippe Valletoux was a member of the French Economic, Social and Environmental Council (CESE), where he was rapporteur of four opinions put forward by the Finance Section.

CURRENT OFFICES AS OF DECEMBER 31, 2022

Séché Environnement SA: Director - Member of the Audit Committee

TERMS EXPIRED OVER THE LAST FIVE FINANCIAL YEARS

Séché Environnement SA: Chairman of the Audit Committee and the Compensation and Appointments Committee until May 11, 2019 - Member of the Compensation and Appointments Committee until April 29, 2022

Société du parc du Futuroscope (SA): Member of the Supervisory Board until 2018

Mr. Joël Séché**Chairman of the Board of Directors****Date of birth**

February 2, 1955
French citizen

Business address

Les Hêtres - CS20020
53811 Changé cedex 09

As of December 31, 2022, Joël Séché was not a corporate officer of any listed company other than Séché Environnement SA and did not carry out any other primary activity outside Séché Environnement SA that is material in relation to Séché Environnement SA.

As of the date of this Universal Registration Document, Joël Séché held one Séché Environnement SA share.

PROFILE

Born into a family of entrepreneurs in the Mayenne department of France, he founded his first company at the age of 20. After starting out in the hauling business, he took over his family's civil engineering business, which employed around ten people, and rapidly moved it to a sector that was gaining ground in the mid-1980s: waste treatment and recovery.

Joël Séché has always been a front runner and he developed his company with a constant focus on environmental integration and the human aspect. His company was the first in the waste management business to obtain ISO 14001 certification for its environmental management.

For more than three decades, he has made Séché Environnement one of the most innovative key players in the environmental sector. To obtain the financial resources needed to finance the company's growth, he listed Séché Environnement on the Paris stock exchange in 1997 and oversaw the Group's development in France then internationally from the late 2010s.

Joël Séché transferred the role of Chief Executive Officer to his son, Maxime Séché, on December 10, 2019. Joël Séché is currently Chairman of the Board of Directors of Séché Environnement SA.

He is an Officer of the French Legion of Honor and Officer of the National Order of Merit.

Joël Séché is the father of Maxime Séché and Guillaume Séché.

CURRENT OFFICES AS OF DECEMBER 31, 2022

Séché Environnement SA: Chairman of the Board of Directors

SCI La Croix des Landes: Manager

SCI Les Chênes Secs: Manager

SCI de Mézerolles: Manager

SCI la Montre: Manager

SCI de la Censie: Manager

SCI Saint Kiriec: Manager

SCI la Perrée: Manager

Interwaste Holdings Pty Ltd (South Africa): Non-executive Director

Spill Tech Pty Ltd (South Africa): Non-executive Director

Spill Tech Group Holdings Pty Ltd (South Africa): Non-executive Director

One Spill Response (South Africa): Chairman of the Board of Directors

Mecomer (Italy): Chairman of the Board of Directors

Ciclo SA (Chile): Director

Soluciones Ambientales del Norte SA (Chile): Director

Kanay SAC (Peru): Director

Séché Group SAS: Chairman

Pari Mutuel Urbain EIG: Director

TERMS EXPIRED OVER THE LAST FIVE FINANCIAL YEARS

Séché Alliance SAS: Chairman until February 4, 2020

Séché Éco-Services SAS: Chairman until February 4, 2020

Séché Transports SAS: Chairman until February 4, 2020

Séché Éco-Industries SAS: Chairman until February 4, 2020

Taris (Peru): Director until December 31, 2019

Séché Environnement SA: Chairman and Chief Executive Officer until December 9, 2019

Trédi SAS: Director until October 1, 2019

Solarca SL (Spain): Director until December 31, 2022

Depo (Italy): Chairman of the Board of Directors until November 28, 2022

Maxime Séché**Director and Chief Executive Officer****Date of birth**

March 27, 1984 (aged 38)
French citizen

Business address

Les Hêtres - CS20020
53811 Changé cedex 09

As of December 31, 2022, Maxime Séché was not a corporate officer of any listed company other than Séché Environnement SA and did not carry out any other primary activity outside Séché Environnement SA that is material in relation to Séché Environnement SA.

As of the date of this Universal Registration Document, Maxime Séché held two Séché Environnement SA shares.

PROFILE

Maxime Séché joined Séché Environnement Group in 2013 as Head of Strategy. In 2015 he became Deputy Chief Executive Officer and since 2019 he has been Chief Executive Officer of the Group.

A graduate of the EDHEC's "Grande Ecole" program specializing in entrepreneurship, Maxime Séché began his career in the financial sector, first at Societe Generale in Paris and London where he worked as a utilities sector analyst, and then in the private equity department of Paris Orléans.

He then developed entrepreneurial activities as co-founder of an investment fund dedicated to renewable energies (L14 Capital Partners), and an American software services company serving the renewable energies sector (BlueNRGY, LLC).

Maxime Séché is Joël Séché's son.

CURRENT OFFICES AS OF DECEMBER 31, 2022

Séché Environnement SAS: Chief Executive Officer - Director - Member and Chairman of the Strategy Committee

Sénergies SAS: Chairman - Member of the Management Board

Séché Développement SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Solena SAS: Member of the Executive Committee

Séché Environnement Ouest SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Écosite Croix Intelle SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Trédi SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Séché Urgences Interventions SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Speichim Processing SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Triadis Services SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Sogad SA: Chief Executive Officer of the Director, Séché Environnement SA

Alcéa SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Mo'Uve SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Opale Environnement SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Séché Alliance SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Séché Eco Industries SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Séché Eco Services SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Séché Transports SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Sénerval SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Séché Assainissement SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Séché Assainissement 34 SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

All'Chem SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Séché Traitement Eaux Industrielles SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Uper Retiers SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Sotrefi SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

DRIMM SAS: Chief Executive Officer of the Chairman, Séché Environnement SA

Séché Group SAS: Chairman of the Supervisory Board

Pégase 53 SAS: Chairman

SCI Pégase 1: Manager

SCI Pégase 2: Manager

Stade Lavallois Mayenne FC (SA Sportive Pro): Director

SCI Bastille 44: Manager

Kanay SAC (Peru): Director

Soluciones Ambientales del Norte SA (Chile): Director

Ciclo SA (Chile): Director

Séché Chile SpA (Chile): Legal representative

Sem Tredi SACV (Mexico): Chairman

Trédi Argentina SA (Argentina): Chairman

Solarca SL (Spain): Chairman

Mecomer (Italy): Director

Ecosys Group Limited (Uganda): Director

Interwaste Holdings Pty Ltd (South Africa): Non-executive Director

Mayenne Investments Proprietary Limited (South Africa):

Director One Spill Response (South Africa): Director

Séché South Africa PL (South Africa): Director

MS3 Investments Pty Ltd (South Africa): Director

Varenne Investments Pty Limited (South Africa): Director

Séché Holding SA Pty Ltd (South Africa): Director

Spill Tech Pty Ltd (South Africa): Director

Séché Spilltech Holdings Pty Ltd (South Africa): Director

Spill Tech Group Holdings Pty Ltd (South Africa): Director

Envirosure Underwriting Managers Pty Ltd (South Africa): Director

Spill Tech Specialised Services Pty Ltd (South Africa):

Director

Maxime Séché

Director and Chief Executive Officer

TERMS EXPIRED OVER THE LAST FIVE FINANCIAL YEARS

Séché Environnement SA: Deputy Chief Executive Officer and employee until December 10, 2019 - Permanent Representative of the Director, Séché Group SAS, until December 10, 2019

Trédi SAS: Director until October 1, 2019

Séché Energies SAS: Permanent representative of the Chairman, Séché Environnement, until July 1, 2018

Énergécie SAS: Chief Executive Officer of Séché Environnement, Chairman of Ecosite Croix Irtelle and member of the Strategy Committee until January 1, 2022

Taris (Peru): Director until December 31, 2019

Béarn Environnement SAS: Chief Executive Officer of the Chairman, Séché Environnement SA, until October 2, 2021

Depo (Italy): Director until November 28, 2022

Philippe Guérin

Director Representing Employees

Date of birth

February 20, 1971
French citizen

Business address

ZI Portuaire
519 rue Denis Papin
38150 Salaise-sur-Sanne.

PROFILE

Philippe Guérin is an employee of Séché Environnement Group and has extensive experience in the waste treatment industry.

He joined Trédi in 1991 under an Automation Command and Control internship and later became Assistant Manager of the Electrical Maintenance and Instrumentation & Control Department before joining the Production Department as Supervisor in 2010. Since the control rooms were merged, he has been a console operator.

Philippe Guérin was Secretary of the Works Council and a member of the Trédi Central Works Council. He was also the Secretary of the Group Works Council.

CURRENT OFFICES AS OF DECEMBER 31, 2022

Séché Environnement SA: Director Representing Employees

TERMS EXPIRED OVER THE LAST FIVE FINANCIAL YEARS

N/A

Guillaume Séché**Non-voting Director****Date of birth**

April 23, 1982
French citizen

Business address

Les Hêtres - CS20020
53811 Changé cedex 09

As of December 31, 2022,
Guillaume Séché was not a
corporate officer of any listed
company other than Séché
Environnement SA.

PROFILE

A graduate of INSEEC and San Diego State University, Guillaume Séché began his career fifteen years ago in Societe Generale's Investment Banking department. Two years later, he joined Deutsche Bank, where he worked in corporate banking sales for two years.

In 2008, Guillaume joined Séché Environnement Group for the first time, as International Head of Sales. In 2010, he joined Stereau group, where he spent four years in the international trade department for the Middle East, North Africa and Cyprus.

Guillaume Séché returned to Séché Environnement Group as Head of International Development in 2014.

From 2019 to 2023, he was Head of Medical Waste for the Group.

Guillaume Séché is Joël Séché's son.

CURRENT OFFICES AS OF DECEMBER 31, 2022

Séché Environnement SA: Non-voting Director

Séché Healthcare SAS: Permanent representative of the Chairman, Séché Environnement

Interwaste Holdings Pty Limited (South Africa): Non-executive Director

Ecosys Group Limited (Uganda): Director

Soluciones Ambientales del Norte SA (Chile): Director

Séché Group SAS: Member of the Supervisory Board

SCI Bastille 44: Manager

Paris Foreign Trade Advisors Committee: Substitute member

TERMS EXPIRED OVER THE LAST FIVE FINANCIAL YEARS

Kanay SAC (Peru): Director until December 31, 2019

Taris (Peru): Director until December 31, 2019

4.1.1.3 Independence of Directors

Directors are considered to be independent if they have no relations of any sort with the Company, its Group or its Management which might compromise the free exercise of their judgment.

The company uses the following eight criteria set out in the AFEP-MEDEF Code for assessing the independence of Directors:

1 – Corporate officer employee within the past five years

Independent Directors may not be an employee or executive corporate officer of Séché Environnement or an employee, executive corporate officer or Director of one of its consolidated companies or its parent company, or of one of the companies consolidated by the parent, and may not have been in such a position for the previous five years.

2 – Directorships in other companies

Independent Directors may not be an executive corporate officer of a company in which Séché Environnement holds, directly or indirectly, the position of Director or in which an employee holds such a position, or in which an executive corporate officer of Séché Environnement holds the office of Director (currently or within the previous five years).

3 – Material business relationships

Independent Directors may not be, or be linked to, directly or indirectly (i) a significant customer, supplier, investment banker, corporate banker, or advisor to Séché Environnement or to its group of companies, or (ii) a customer, supplier, investment banker, corporate banker, or advisor for which Séché Environnement or its group of companies accounts for a substantial portion of its business.

4 – Family ties

Independent Directors may not be a close family member of a corporate officer.

5 – Statutory Auditor

Independent Directors may not have been a Statutory Auditor of Séché Environnement Group over the past five years.

6 – Term of office of more than twelve years

Independent Directors may not be a Director of Séché Environnement for more than twelve years.

7 – Non-executive corporate officers

Non-executive corporate officers may not be considered independent if they receive variable compensation in cash or in the form of shares or any compensation linked to the performance of Séché Environnement or the Group.

8 – Major shareholders

Directors representing major shareholders of the Company or its parent (holdings of +10% or more) may be regarded as independent Directors where these shareholders play no role in controlling the Company.

Position of the Company as of 31 December 2022

As of December 31, 2022, two out of the five members of the Board of Directors (not taking into account Philippe Guérin, Director Representing Employees, in accordance with AFEP-MEDEF Code recommendations), can be considered to be independent directors under the criteria of said Code, to which the Company refers, which stipulate that 40% of the Board members should be independent directors.

A director's status as an independent Director is reviewed once a year by the Compensation and Appointments Committee, which reports annually to the Board, and/or by the Board of Directors when it meets to approve the financial statements, and each time an appointment is made.

AFEP-MEDEF Code independence criteria	1	2	3	4	5	6	7	8	I/NI*
Non-executive corporate officer									
Joël Séché, Director and Chairman of the Board of Directors					X		X		NI
Executive corporate officer									
Maxime Séché, Director and Chief Executive Officer					X	X	N/A		NI
Directors									
Pascaline de Dreuzy	X	X	X	X	X	X	N/A	N/A	I
Nadine Koniski-Ziadé	X	X	X	X	X	X	N/A	N/A	I
Philippe Valletoux	X	X	X	X	X		N/A	N/A	NI
Director Representing Employees **									
Philippe Guérin	-	-	-	-	-	-	-	-	-

"X" means: Independence criteria met

* Independent/Non-Independent

** The Director Representing Employees is not counted when assessing the percentage of independent members of the Board of Directors

4.1.1.4 Board of Directors' diversity and inclusion policy table

In accordance with Article L.22-10-10 of the French Commercial Code and the provisions of the AFEP-MEDEF Code, the following table shows the diversity and inclusion

policy followed within the Board of Directors, including the criteria applied, the objectives of the policy and methods for implementing it, as well as the results achieved in 2022.

Criteria	Objectives	Implementation and results
Composition of the Board of Directors*	Gender balance on the Board	Representation of women: women have comprised at least 40% of the Board since the General Meeting of April 27, 2017.
	Willingness of the Company to be guided by different, complementary experience, skill-sets and profiles	Diverse and complementary skills on the Board: Board members each have different skills, covering company management, human resources, project management, strategy, economics and finance, accounting, law, and expertise in the Company's business sector.
	Appointment of a Director Representing Employees	Since December 2018, a Director representing employees has been appointed to the Board in accordance with legal and statutory requirements.
Independence of Directors*	1/3 independent Directors (**) (Article 10.3 of the AFEP-MEDEF Code)	40% independent Directors.
Directors' age	No more than 1/3 of Directors over 70 years old (Art. 1.1(c) of the Board's Internal Regulations)	One Director is over the age of 70.

* In accordance with the law and the AFEP-MEDEF Code, the Director Representing Employees is not taken into account when calculating the gender balance or the percentage of independent members.

** Séché Environnement SA is a so-called "controlled" company.

4.1.2 FUNCTIONING OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

4.1.2.1 Board of Directors

Operation and responsibilities of the Board of Directors

The Company's by-laws and the Board of Directors' Internal Regulations set out the operating procedures of the Board and its duties. The Board has chosen to separate the positions of Chairman of the Board and Chief Executive Officer.

The Board elects a Chairman from among its natural person members and sets the Chairman's term of office, which may not exceed the term of his office as a director. The Chairman organizes and oversees the work of the Board and reports on the same to the General Meeting. He ensures the proper functioning of the Company's management bodies and makes sure that the Directors are capable of carrying out their duties, in particular by ensuring that they receive clear and appropriate information in a timely manner. The Chairman has the authority to speak on behalf of the Board.

The Board may appoint a Vice Chairman from among its members to chair Board meetings if the Chairman is absent or unable to attend. Failing this, a member of the Board will be specially appointed by his or her colleagues to chair such meeting. The Board shall also appoint a secretary, who is not necessarily a member of the Board, for a term of its own choosing. In the absence of the secretary, the Board shall appoint a person to perform this function.

The Board may be assisted by between one (1) and three (3) non-voting directors, appointed by the Board for a period of three (3) years. Non-voting directors attend Board of Directors' meetings without voting rights. They must observe the same rules applicable to the Directors (detailed in Article 3 below) and may be revoked by the Board of Directors at any time at the request of the Chairman of the Board of Directors.

In accordance with the law and regulations and the Company's by-laws, a Director Representing Employees is appointed by the Group Works Council and sits on the Board.

The Board of Directors meets as often as the interests of the Company so require and at least four times a year.

The Board of Directors establishes the guidelines of the Company's business activities, in particular its strategy, and ensures that they are implemented. Subject to the powers expressly granted to Annual General Meetings, and in compliance with legal requirements and the exclusive power of representation and management conferred by law on the Chief Executive Officer, the Board addresses all issues relating to the functioning of the Company and makes decisions to settle matters concerning it.

In order to meet the objectives it has set itself, the Board of Directors has adopted a working method that guarantees a fluid decision-making process.

As such, the Board meets regularly to discuss all matters within its remit, and each Director is informed of the annual meeting schedule to ensure maximum attendance. Directors are informed as soon as possible of any change to the initial schedule. Directors also have the right to be represented.

Notices convening meetings are given by all appropriate written means (letter, e-mail or fax). The Board's Secretary is authorized to send out these notices. Barring unusual circumstances, they are sent out on the Chairman's initiative within a reasonable time frame before each meeting. The Chairman sets the agenda for Board meetings. The Chief Executive Officer can ask the Chairman to call a Board meeting to discuss a particular agenda.

Prior to each meeting of the Board of Directors, the Directors receive, within a reasonable time frame and subject to the need for confidentiality, a detailed agenda and a set of documents on the items on the agenda that require review and thought beforehand. Furthermore, based on the business on the agenda, the Chairman may decide to invite any person he deems necessary, whether or not an employee of the Company, to submit documentation or to participate in the preparatory discussions prior to deliberation. If a non-member is admitted to the Board of Directors meeting, the Chairman must remind him or her that all the information obtained during the meeting is strictly confidential.

The Board meets at least four times a year, in particular to review and approve the interim financial statements, examine the budgets and deliberate on any matter within its remit. The duration of Board meetings must be sufficient to allow for analysis and in-depth discussion of matters within its remit.

Discussions between the Independent directors without the presence of the executive corporate officers are also organized.

The Statutory Auditors are invited to Board of Directors' meetings under the conditions laid down in the law and regulations. In such case, they are invited by recorded delivery letter at the same time as the members of the Board of Directors.

In accordance with applicable legal provisions, the tasks of the Board are primarily the following:

- To call General Meetings and to set the agenda.
- To prepare and approve the parent company and consolidated financial statements, drawing on the conclusions of the Audit Committee, to prepare and approve the annual management report and forward-looking management documents.

- To authorize related-party agreements and monitor the assessment of ordinary transactions concluded at arm's length each year.
- To determine the rules of operation of Executive Management (separation or not of the roles of Chairman of the Board of Directors and Chief Executive Officer of the Company).
- To decide on the appointment or the removal of the Chairman and Chief Executive Officer, the Chairman or the Chief Executive Officer and, on the recommendation of the Chairman and Chief Executive Officer or the Chief Executive Officer, appoint or remove Deputy Chief Executive Officers, and to set their compensation.
- To decide on the creation of committees tasked with considering any matters that it or the Chairman submits to them for an opinion.
- To transfer the registered office to another location in the same French department or an adjacent department, subject to ratification of this decision by the next Ordinary General Meeting.
- To authorize surety bonds, endorsements and guarantees.
- To discuss the Company's strategy and any resulting transactions and, more broadly, any significant transaction involving large investments or divestments, drawing on the work of the Strategy Committee.

Furthermore, without prejudice to specific powers granted to it by law, the Board is notified of any major transaction to be carried out by the Company, notably:

- The annual budget, the financing plan, and the multi-year plan presented by the Chief Executive Officer and submitted to the Audit Committee for its opinion before the Board meeting.
- Structuring operations, such as mergers and disposals of interests and assets, extraordinary expenditures and any decision related to a plan for a merger, spinoff or acquisition involving the Company.
- All external communications linked to major transactions, in particular financing transactions, prior to disclosure to the extent possible.

The Board will conduct any controls and inspections that it deems necessary and disclose any documents it believes useful for fulfilling its mission.

It is kept informed of any significant event concerning the Group's operations.

Each Director is informed of his or her main responsibilities and acts in the interests of all shareholders in Board discussions and decisions. Decisions are always made on a collective basis.

In accordance with the recommendations of the AFEF-MEDEF Code, and in order to limit conflicts of interest, the Directors are asked each year, and before each Board meeting depending on the meeting agenda, to declare that they have no conflicts of interest, nor have they identified a potential conflict of interest between their duties arising from their positions at Séché Environnement and their professional or private interests and/or other duties. Directors abstain from taking part in discussions and from voting if a conflict of interests should arise.

In early 2023, the Board of Directors completed a self-assessment of its performance in 2022. The conclusions showed general satisfaction among Board members regarding the functioning of the Board of Directors, in particular in terms of the quality of discussions and the Board's ability to fulfill its duties, its organization, and the quality of the work performed by the Board committees. After last year's self-assessment, certain improvements were noted this year. For example, the additional meeting of the Audit Committee on risks and internal control, the meeting between the Independent Directors (without the presence of the other Directors) at least once a year, and the provision of more exhaustive information, in a more timely manner, prior to Board meetings. Areas for improvement have been proposed for this year, in particular the reorganization of the Compensation and Appointments Committee and a Board of Directors' meeting dedicated to strategy. A discussion on improving the way the Board and its committees operate, including how best to follow the Group's CSR commitments, is ongoing.

Main activities of the Board of Directors during the 2022 financial year

In 2022, Séché Environnement's Board of Directors met seven times (four of these meetings were scheduled). The average attendance rate (including Directors present or represented) for all meetings stood at 100% (summary table below in section 4.1.3.5).

The following key topics were discussed:

- Management of offices on the Board of Directors and Committees.
- Compensation policy.
- Group results, approval of the half-year and annual corporate and consolidated financial statements.
- Approval of the 2023 budget.
- Preparation of forward-looking management documents.
- Financial communications.
- Preparation and convening of the Combined Annual General Meeting.
- Drafting of the management report, the non-financial performance report and the report on corporate

governance, and review of the Universal Registration Document.

- Report on the work of the Strategy Committee.
- Compensation and Appointments Committee development work.
- Authorization of surety bonds and guarantees for subsidiaries.
- Authorization of a syndicated credit facility (refinancing).
- Review of related-party agreements governed by Article L.225-38 et seq of the French Commercial Code and annual monitoring of the procedure for assessing current agreements entered into under normal conditions.
- Report on the work of the Audit Committee, particularly on internal control.
- Review of the risk map and updated materiality matrix.
- Authorization of acquisitions.

A discussion between the Independent directors without the presence of the executive corporate officers was also organized in 2022.

4.1.2.2 Absence of conflicts of interest or convictions

At the date of filing this Universal Registration Document and to Séché Environnement's knowledge, no conflict of interest has been identified between the duties of each of the directors and members of the management bodies arising from their office at Séché Environnement and their other professional and private interests and/or other duties. No director and member of the management bodies:

- Is or has been convicted of fraud in the past five years,
- Is or has been involved, as a member of a Board of Directors, Management Board, or Supervisory Board, general partner or founder, in any company's bankruptcy, receivership, liquidation or placement under judicial authority in the past five years,
- Is or has been involved in legal proceedings and/or subject to an official public sanction by the legal or regulatory authorities (including by official professional organizations),
- Is or has been prohibited by a court from exercising his/her right to serve as a member of an administrative, executive or supervisory body of an issuer, or from taking part in the management or conduct of an issuer's affairs in the past five years.

4.1.3 SPECIALIZED COMMITTEES

The Group has created three committees: the Audit Committee, the Compensation and Appointments Committee, and the Strategy Committee, which provide opinions and recommendations to the Board of Directors in the areas assigned to them.

The Chairman of the Board of Directors and the Chief Executive Officer are invited to attend Committee meetings without voting rights, except during the discussion about their own compensation.

In 2022, an overall review of the nature and structure of governance and the Board committees was initiated in order to improve the preparation and organization of the Board's work and the consideration by the Company's governance bodies of the social and environmental challenges that the Group's activities already take into account. This review will continue in 2023 with the newly appointed directors approved at the next General Meeting on April 28, 2023.

4.1.3.1 Audit Committee

The Board of Directors set up the Audit Committee at its meeting on December 1, 2015.

Operation and responsibilities of the Audit Committee

The Audit Committee comprises at least three and up to five Directors with financial and/or accounting expertise. At least two thirds of Audit Committee members must be independent Directors and members must not include any executive corporate officers.

It currently has three members, two of whom are independent Directors and none of whom is an executive corporate officer: Nadine Koniski-Ziadé, Pascaline de Dreuz, and Philippe Valletoux.

Nadine Koniski-Ziadé, an independent Director, was appointed Chairman of the Audit Committee by the Board of Directors on December 7, 2020.

The Chief Financial Officer attends and provides assistance to Audit Committee meetings but does not have the right to vote.

The duties of the Audit Committee are to assist the Board with accounting policy, reporting and internal control, external audits, financial communications, and matters pertaining to risk management, CSR policy monitoring and the preparation of the budget.

Discussions between the independent Directors and the Statutory Auditors are organized, without the presence of the executive corporate officers and the Chief Financial Officer.

Accordingly, the Audit Committee's duties are to:

a/ With respect to the corporate and consolidated financial statements, and internal control:

- Before referral to the Board, (i) review the half-year and annual corporate and consolidated financial statements, including the Notes, and the management report, (ii) where applicable, issue an opinion, and (iii) prepare the draft budget.
- Ensure the relevance of the choice and correct application of the regulatory accounting policies used for the preparation of the corporate and consolidated financial statements.
- Check the accounting treatment of all major transactions carried out by the Company.
- Examine the Company's significant off-balance sheet commitments.
- Check that the internal procedures for collecting and controlling financial and accounting information ensure the quality and accuracy of the Company's financial statements, the Group's internal and external audits, and Management's responses in these areas; verify statements about internal controls made by Management in the annual financial report.
- Examine the scope of the consolidated companies and, where applicable, the reasons why some companies are not included.
- Examine any issue of a financial or accounting nature submitted by the Chairman of the Board.
- Present the Board of Directors with any accounting or finance-related observations it deems useful, in particular for the approval of the Company's half-year and annual corporate and consolidated financial statements.

b/ With respect to external audit:

- Submit recommendations to the Board on the selection of the Statutory Auditors (auditing firms and networks of statutory auditors) with a view to their appointment or renewal by the Annual General Meeting.
- Ensure that the Company organizes an appointments procedure and monitor the way this procedure is applied. For this, the Audit Committee will formulate a reasoned recommendation for appointing the Statutory Auditor from a shortlist of at least two candidates and document a duly reasoned preference for one of them.
- Assess whether it is possible to guarantee the independence of the Statutory Auditor where the fees collected from the Company represent more than 15% of all the fees they receive.
- Analyze and issue an opinion on their mission statement, fees, scope and timetable; review and issue an opinion on their recommendations and follow-up.
- Once a year, review the list (appended to the Internal Regulations) of services other than the certification of the financial statements giving rise to pre-approval by the

Audit Committee and approve, where applicable, all other services proposed by the Statutory Auditor.

- Analyze the supplemental report on the conclusions of the statutory audit submitted to it.
- Examine any issue of a financial or accounting nature submitted to it by the Chairman of the Board and any matter relating to independence or conflict of interest brought to its attention.

c/ With respect to financial disclosures:

Review the Company's draft press releases concerning the half-year and annual financial statements and any other important financial disclosures.

d/ With respect to risk management:

- Regularly examine, together with Executive Management, the main risks to which the Company is exposed by means of a risk map.
- Monitor the greatest risks, measure the Company's risk exposure with respect to strategy and guarantee the effectiveness of risk management tools.

e/ With respect to the monitoring of the CSR policy:

- Review the monitoring of CSR policy implementation and the Corporate values.

f/ With respect to the budget:

- Review the budget prepared by Group Management.

Main activities of the Audit Committee during the 2022 financial year

In 2022, the Audit Committee met four times (three of these meetings were scheduled). The average attendance rate (including Committee members present or represented) for all meetings stood at 93.75% (summary table below in section 4.1.3.5).

In 2022, as well as reviewing the Group's results and the half-year and annual financial statements, examining the budget for 2023 and reviewing the external audit, the Audit Committee:

- Reviewed the non-financial performance report,
- Monitored the standardization of financial reporting (ESEF),
- Monitored the development of the new Group-wide ERP solution,
- Reviewed the internal controls,
- Monitored the implementation of the Group's Sapin II and Anti-Corruption compliance plan,
- Monitored the system set up by the Group to comply with competition rules,
- Monitored the updating of the non-financial risk map with the new materiality matrix,
- Monitored the exposure to social and environmental risks (CSR) and cyber security, fraud and corruption risks,
- Monitored material transactions in France and abroad that changed the Group's scope and the associated risks,
- Reviewed draft financial, dividend payment and guidance communications,
- Reviewed the refinancing project for Séché Environnement's revolving credit facility,
- Verified the independence of the Statutory Auditors, and
- Reviewed services other than the certification of the accounts provided to the Group by the Company's Statutory Auditors.

A meeting between the independent Directors and the Statutory Auditors during the review of the annual financial statements and the half-year financial statements was organized, without the presence of the executive corporate officers and the Chief Financial Officer.

4.1.3.2 Compensation and Appointments Committee

The Board of Directors set up the Compensation and Appointments Committee at its meeting on December 1, 2015.

The Compensation and Appointments Committee comprises at least three and up to five Directors with human resources and management expertise. Its members may not be corporate officers, and there must be a majority of independent Directors.

The duties of the Compensation and Appointments Committee are to:

- Examine and make proposals regarding the compensation policy for corporate officers to be drawn up by the Board of Directors, and ensure compliance with it.
- Propose a total budget for Directors' compensation to the Board of Directors, which will then be submitted to the Company's Annual General Meeting, and propose to the Board the rules for allocating such compensation among the Directors, taking into account attendance.
- Give the Board an opinion on the general policy on awarding warrants and/or stock options and on the stock option plan(s) when such a policy is established by the Group's Executive Management.
- Examine any matter submitted to it by the Chairman and relating to the issues referred to above, as well as plans for share issues reserved for employees.

In addition, the Compensation and Appointments Committee carries out the functions of an appointments committee. When the Committee meets or acts in this capacity, the serving Chairman of the Board will be involved with its work. The prerogatives of the Compensation and Appointments Committee when it acts in the capacity of an appointments committee are the following:

- Selection of new Directors: the Committee is responsible for putting forward proposals to the Board after examining in particular the desired balance of the composition of the Board with respect to the composition of and any changes in the Company's shareholders, the goal of achieving gender parity and ensuring complementary skills and knowledge among Board members, and the role of independent Directors.

- Succession of executive corporate officers: in the context of risk prevention, the Committee draws up, with the Chairman of the Board, a succession plan for corporate officers in the event of an unforeseeable vacancy, so that the Chairman of the Board is able to offer solutions for replacement to the Board of Directors, which is the only body with the authority to decide.

If the Chairman has to be replaced, an *ad hoc* committee will be formed within the Compensation and Appointments Committee. This committee may where applicable seek external advice, and will submit the result of its efforts to the Board of Directors, which is the only body with the authority to decide.

The Compensation and Appointments Committee had three members until the Board of Directors' meeting of April 30, 2021: Pascaline de Dreuzy and Anne-Sophie Le Lay, independent Directors, and Philippe Valletoux, with the chairmanship entrusted to Pascaline de Dreuzy since November 12, 2019.

At the end of their term of office on the Committee in 2021, Pascaline de Dreuzy and Anne-Sophie Le Lay announced that they did not wish to be reappointed to this committee, which therefore temporarily had just one member, Philippe Valletoux and has not been able to rule since this date, because the composition of the Board did not allow for the establishment of a new Compensation and Appointments Committee. Since May 2021, the Board of Directors has performed the duties of the Compensation and Appointments Committee in collegiate form. The corporate officers do not take part in the discussions or voting on matters relating to their compensation. The provisions of the AFEF-MEDEF Code and the Board's Internal Regulations were temporarily not observed.

An overall review of the nature and structure of the Board of Directors' committees was initiated in 2022 and could be implemented in 2023 due to the reorganization of the Board of Directors resulting from the appointment of new directors submitted for approval at the next General Meeting on April 28, 2023.

4.1.3.3 Strategy Committee

The Board of Directors set up the Strategy Committee at its meeting on December 1, 2015.

The Strategy Committee has at least two and up to five members appointed by the Board. The members of the Committee are selected based on their industrial and strategic skills and any relevant business experience. The Strategy Committee is currently made up of Nadine Koniski-Ziadé, independent director, and Maxime Séché, who is its chairman.

The task of the Committee is to formulate, on proposal of or jointly with the Company's Executive Management, solutions or recommendations regarding the Company's strategy and to oversee its implementation or modification. It will give an opinion on acquisitions or disposals of ownership interests or assets of a significant value likely to result in a change to the structure of the Company's balance sheet and, in any event, on acquisitions or disposals of ownership interests and assets, as well as any external growth operation outside the scope of the Company's budget or strategy. It will give an account of its work to the Board of Directors.

In 2022, the Strategy Committee examined various projects, including some significant transactions to pursue the Group's external growth strategy both internationally and in France. As part of the continuation of the Group's dynamic acquisition policy, the Strategy Committee worked in particular on:

- the acquisition in France of eight operational centers belonging to OSIS IDF, a Veolia subsidiary specializing in the maintenance of wastewater treatment networks and facilities in Île-de-France, brought together under the name Séché Assainissement, which closed in early 2022,

followed in July 2022 by the acquisition in the same sector of Assainissement 34, a regional player in Béziers and, at the beginning of 2023, Assainissement Rhône Isère, which operates in the Auvergne-Rhône-Alpes region,

- the acquisition of All'Chem, a French specialist in the custom manufacture of fine chemicals for the pharmaceutical, agrochemical and veterinary industries, as part of the Group's move into the circular economy and chemical purification markets, which closed in June 2022,
- the acquisition in France from Veolia Group of a portfolio of Industrial Water activities (a portfolio of contracts with over 150 industrial companies and a network of twenty branches in France) brought together under the name Séché Traitement Eaux Industrielles, which closed at the end of November 2022, and
- the acquisition in June 2022 of the remaining capital in Solarca SLU (Spain), increasing the holding from 91% to 100%.

The Strategy Committee also reviewed several development opportunities in France and abroad and worked on a number of ongoing international acquisition projects.

4.1.3.4 Guiding the Group's strategy

The day-to-day leadership of the Group's strategy is provided by the Group's main senior managers under the supervision of Maxime Séché. They optimize the Group's management of business activities, project development, funding and human resources. On a daily basis, each Group senior manager, in agreement with Executive Management, takes the necessary steps within his/her remit to ensure that the established guidelines are followed. Each of these managers is accountable to Executive Management.

4.1.3.5 Attendance at Board of Directors' and Committee meetings in 2022

INDIVIDUAL ATTENDANCE RATE (BOARD AND COMMITTEE MEETINGS HELD IN 2022) OF DIRECTORS WHO SERVED IN THIS CAPACITY IN 2022

	Board of Directors		Audit Committee		Strategy Committee	
	Meetings attended/ meetings held	Individual attendance rate	Meetings attended/ meetings held	Individual attendance rate	Meetings attended/ meetings held	Attendance rate
Joël Séché	7/7	100%	-	-	-	-
Pascaline de Dreuzy	7/7	100%	4/4	100%	-	-
Philippe Guérin	7/7	100%	-	-	-	-
Nadine Koniski-Ziadé	7/7	100%	4/4	100%	3/3	100%
Anne-Sophie Le Lay (*)	5/6	83.33%	3/3	100%	-	-
Maxime Séché	7/7	100%	-	-	3/3	100%
Philippe Valletoux	6/7	85.71%	3/4	75%	-	-
Number of meetings in 2022	7	-	4	-	3	-
Overall attendance rate	-	92.86%	-	93.75%	-	100%

(*) resigned during the financial year

In 2022, the directors who were exceptionally absent from a meeting of the Board of Directors all authorized another director to represent them. The average attendance rate

(including members present or represented) for all meetings of the Board of Directors stood at 100%.

4.2 COMPENSATION AND BENEFITS PAID TO MEMBERS OF THE ADMINISTRATIVE AND MANAGEMENT BODIES

4.2.1 CORPORATE OFFICER COMPENSATION POLICY

The compensation policy presented below was reviewed and established by the Board of Directors at its meeting of March 3, 2023 and will be submitted for approval by the General Meeting of April 28, 2023 in accordance with Article L.22-10-8 of the French Commercial Code (prior approval).

The General Meeting of April 28, 2023 will also be asked to approve the past compensation of the corporate officers in accordance with the “say on pay” principle.

At its meeting of March 3, 2023, the Board of Directors did not change the compensation policy for the Chairman of the Board of Directors and the Chief Executive Officer for the 2023 financial year, compared with the policy applied last year, and it did not change the compensation of the Chairman of the Board of Directors and the Chief Executive Officer for 2023 as part of its annual review.

4.2.1.1 Corporate officer compensation policy

Pursuant to Article L.22-10-8 of the French Commercial Code, the report of the Board of Directors on the corporate officer compensation policy is provided below, as part of the report on corporate governance.

In the interest of transparency and balance, the Company's bodies ensure that the corporate officer compensation policy takes into account the principles of good governance in this area, in particular those set forth in the AFEP-MEDEF Corporate Governance Code to which the Company refers.

The corporate officer compensation policy, which sets out the principles and conditions for determining the compensation of the Company's corporate officers, is submitted to the Compensation and Appointments Committee for its opinion and is reviewed annually by the Board of Directors for the current financial year before being submitted to the General Meeting for approval (prior approval).

The compensation policy must be implemented by the Board of Directors in accordance with the resolution passed by the General Meeting. The General Meeting of April 28, 2023 will therefore also be asked to approve the past compensation of the corporate officers.

The corporate officer compensation policy aims to ensure the commitment of corporate officers and the implementation of the Group's strategy over the long term, in the interests of the Company, its shareholders, its customers, and its employees.

Employees' remuneration and terms of employment are taken into consideration when setting the compensation of corporate officers.

Each year, the Compensation and Appointments Committee or the Board of Directors ensures that the corporate officer compensation policy has been correctly applied, and suggests ways of preventing or managing conflicts of interest. The Board rules on the performance of this task, based on a report by the Compensation and Appointments Committee.

If a corporate officer leaves the Company during the year, the amount of his or her compensation is adjusted pro rata to the time in office during the year in question.

In exceptional circumstances, the Board of Directors may temporarily deviate from the compensation policy, provided that such deviation is in the corporate interest and needed to ensure the Company's future or viability. As necessary, the Board of Directors can adjust the compensation structure, it being understood that such deviations shall only apply until the next Ordinary General Meeting called to approve the annual financial statements.

When a new corporate officer is appointed or a corporate officer's term is renewed during the year, if the agreed compensation requires a major amendment to the compensation policy, pending approval of the new compensation policy, the corporate officer shall receive compensation in line with the existing policy approved by the General Meeting pursuant to Article L.22-10-8 of the French Commercial Code, until the amended compensation policy is approved by the next General Meeting. Once the new compensation policy is approved by the Annual General Meeting pursuant to Article L.22-10-8 of the French Commercial Code, the agreed compensation shall be paid to the corporate officer retrospectively from the date on which he/she took office or had his/her term of office renewed.

4.2.1.2 Chairman compensation policy

The Chairman's total compensation comprises a fixed amount, a benefit in kind (company car), and remuneration in respect of his position as Director.

The fixed compensation of the Chairman of the Board of Directors is set by the Board based on the level and complexity of his responsibilities, experience and background, in particular within the Group, and a peer comparison. It is reviewed annually by the Board of Directors.

The amount of the fixed compensation of the Chairman of the Board of Directors was set by a decision of the Board in December 2019 and has not been modified since then.

The Chairman of the Board of Directors also benefits from a PERO (mandatory retirement savings plan) in place at Séché Environnement. The PERO replaced the supplementary defined-contribution pension plan from January 1, 2022. Under the PERO scheme, although the Chairman of the Board of Directors is not an employee of the Company, he is considered to be in the same category as managerial staff whose salary falls within level C of the annual social security threshold, and accordingly benefits from the retirement savings plan applicable to managers in this category. The PERO is a savings scheme with a contribution of 4% calculated on the portion of the salary falling within level C of the annual social security threshold. The Company, which makes contributions to a third party insurer that manages this retirement scheme, is responsible for funding this plan. The rights accrued by the Chairman of the Board of Directors in the former supplementary pension plan up to December 31, 2021 have not yet been transferred to the PERO due to proceedings between insurers.

The Chairman receives no variable compensation or share-based payment.

4.2.1.3 Chief Executive Officer compensation policy

The Chief Executive Officer's total compensation comprises a fixed amount and a benefit in kind (company car).

The fixed compensation of the Chief Executive Officer of the Company is set by the Board based on the level and complexity of his responsibilities, experience and background, in particular within the Group, and a peer comparison. It is reviewed annually by the Board of Directors.

The amount of the fixed compensation of the Chief Executive Officer was set by a decision of the Board on March 5, 2021 and has not been modified since then.

The Chief Executive Officer also benefits from a PERO (mandatory retirement savings plan) in place at Séché Environnement. The PERO replaced the supplementary defined-contribution pension plan from January 1, 2022. Under the PERO scheme, although the Chief Executive Officer is not an employee of the Company, he is considered to be in the same category as managerial staff whose salary falls within level C of the annual social security threshold, and accordingly benefits from the retirement savings plan applicable to managers in this category. The PERO is a savings scheme with a contribution of 4% calculated on the portion of the salary falling within level C of the annual social security threshold. The Company, which makes contributions to a third party insurer that manages this retirement scheme, is responsible for funding this plan. The rights accrued by the Chief Executive Officer in the former supplementary pension plan up to December 31, 2021 have not yet been transferred to the PERO due to proceedings between insurers.

The Chief Executive Officer receives no variable compensation or share-based payment. There is no commitment to pay an allowance or particular benefit (termination benefit, non-compete obligation) in the event the Chief Executive Officer leaves his position.

4.2.1.4 Directors' compensation policy

Directors receive annual compensation based on the level and complexity of their responsibilities, taking into account their effective attendance of Board and Committee meetings, as applicable.

The compensation relating to Board of Directors' meetings is calculated using the annual budget set by the General Meeting, shared fairly between all Directors and reduced, if appropriate, in proportion to the number of meetings the Director did not attend during the year, unless they were unavailable due to the date of the Board meeting being changed at very short notice.

A fixed amount per meeting is awarded to each Director who is a member of a Board Committee for his/her effective presence at each meeting.

A fixed amount per year is also awarded to the Chair of each Board Committee.

4.2.2 COMPENSATION PAID TO CORPORATE OFFICERS IN 2022

4.2.2.1 Compensation paid to Joël Séché

In 2022, Joël Séché received compensation for his position as Chairman of the Board of Directors.

The fixed compensation of the Chairman of the Board of Directors was set, based on the opinion of the Compensation and Appointments Committee, by a decision

of the Board of Directors on December 10, 2019, at an annual gross amount of €500,000, taking into account the size of Séché Environnement Group and the compensation of executive directors of comparable companies. This amount has not been changed since then. Joël Séché is also provided with a company car.

Compensation, stock options and shares allocated to Joël Séché

In respect of his position as Chairman of the Board of Directors

(In euros)	2021	2022
Compensation for the year (details below)	520,547	520,547
Value of multi-year variable compensation awarded during the financial year	-	-
Value of stock options awarded during the financial year	-	-
Value of free shares awarded during the financial year	-	-
Value of other long-term compensation plans	-	-
Total	520,547	520,547

Breakdown of compensation of Joël Séché

In respect of his position as Chairman of the Board of Directors

(In euros)	2021		2022	
	Due	Paid	Due	Paid
Fixed compensation	500,000	500,000	500,000	500,000
Variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Benefit in kind (*)	10,547	10,547	10,547	10,547
Compensation paid in respect of his role as Director	10,000	10,000	10,000	10,000
Total	520,547	520,547	520,547	520,547

(*) Company car

Pension plan – Joël Séché

a) Type of plan	PERO (mandatory retirement savings plan), a savings plan that replaced a defined contribution funded pension plan from January 1, 2022. The rights accrued by the Chairman of the Board of Directors in the former supplementary pension plan up to December 31, 2021 have not yet been transferred to the PERO due to proceedings between insurers.
b) Reference to legal provisions identifying the corresponding plan category	Personnel covered by Articles 4 and 4 bis of the 1947 national collective bargaining agreement for managerial level staff whose compensation is more than four times the annual social security threshold
c) Terms of eligibility for the plan and other conditions	All employees on joining the Company and until their departure, provided they fulfill the criteria set in point b) above
d) Terms for calculating the reference compensation set by the plan concerned and used to calculate beneficiaries' entitlements	The calculation basis corresponds to the amount of compensation that is more than four times the annual social security threshold
e) Entitlement vesting frequency	Each net contribution is transformed into an annuity, contributions are paid to the pension fund manager on a quarterly basis
f) Existence of any limit, its amount and details of how it is calculated	None
g) Entitlement funding terms	Employer contribution of 4% of the reference amount set in point d)
h) Estimated amount of annuity at the balance sheet date	(*)
i) Taxes and social security charges payable on the commitment and borne by the Company	Flat rate of 16% of contributions paid

(*) Cannot be determined at this time due to the switch between the GAN fund and the PERO, which has not yet been finalized due to an insurance claim regarding an annuity without survivor's annuity

4.2.2.2 Compensation paid to Maxime Séché

In 2022, Maxime Séché received compensation for his corporate offices as Chief Executive Officer and Director.

The fixed compensation of the Chief Executive Officer was set, based on the opinion of the Compensation and Appointments Committee, by a decision of the Board on

March 5, 2021, at an annual gross amount of €425,000. This compensation takes into account the size of Séché Environnement Group and compensation paid to Chief Executive Officers in comparable companies. This amount has not been changed since then. Maxime Séché is also provided with a company car.

Compensation, stock options and shares awarded to Maxime Séché

In respect of his role as Chief Executive Officer and Director

(In euros)	2021	2022
Compensation for the year (details below)	449,517	450,434
Value of multi-year variable compensation awarded during the financial year	-	-
Value of stock options awarded during the financial year	-	-
Value of free shares awarded during the financial year	-	-
Value of other long-term compensation plans	-	-
Total	449,517	450,434

Summary of compensation paid to Maxime Séché

In respect of his role as Chief Executive Officer and Director

(In euros)	2021		2022	
	Due	Paid	Due	Paid
Fixed compensation	425,000	425,000	425,000	425,000
Annual variable compensation				-
Multi-annual variable compensation	-	-	-	-
Exceptional compensation	-	-	-	-
Benefit in kind (*)	5,017	5,017	7,934	7,934
Compensation paid in respect of his role as Director	19,500	19,500	17,500	17,500
Total	449,517	449,517	450,434	450,434

(*) Company car.

Pension plan – Maxime Séché	
a) Type of plan	PERO (mandatory retirement savings plan), a savings plan that replaced a defined contribution funded pension plan from January 1, 2022. The rights accrued by the Chief Executive Officer in the former supplementary pension plan up to December 31, 2021 have not yet been transferred to the PERO due to proceedings between insurers.
b) Reference to legal provisions identifying the corresponding plan category	Personnel covered by Articles 4 and 4 bis of the 1947 national collective bargaining agreement for managerial level staff whose compensation is more than four times the annual social security threshold
c) Terms of eligibility for the plan and other conditions	All employees on joining the Company and until their departure, provided they fulfill the criteria set in point b) above
d) Terms for calculating the reference compensation set by the plan concerned and used to calculate beneficiaries' entitlements	The calculation basis corresponds to the amount of compensation that is more than four times the annual social security threshold
e) Entitlement vesting frequency	Each net contribution is transformed into an annuity, contributions are paid to the pension fund manager on a quarterly basis
f) Existence of any limit, its amount and details of how it is calculated	None
g) Entitlement funding terms	Employer contribution of 4% of the reference amount set in point d)
h) Estimated amount of annuity at the balance sheet date	(*)
i) Taxes and social security charges payable on the commitment and borne by the Company	Flat rate of 16% of contributions paid

(*) Cannot be determined at this time due to the switch between the GAN fund and the PERO, which has not yet been finalized due to an insurance claim

4.2.2.3 Directors' compensation

The guidelines for distributing the total amount allocated to directors' compensation in 2022 were as follows:

The General Meeting on April 29, 2022 set the overall annual amount of compensation allocated to directors for the 2022 financial year at €150,000. On April 29, 2022, the Board of Directors, acting on a proposal from the Board of Directors acting as the Compensation and Appointments Committee, renewed the rules for allocating directors' compensation set in 2021 as follows (i) an amount of €10,000 is allocated to each director in proportion to the number of meetings attended during the year, (ii) an amount of €2,000 is allocated to each director for their actual attendance at specialized committee meetings of which they are a member and (iii) an annual amount of €1,500 is allocated to each Chairman of a specialized committee.

Table showing the breakdown of compensation awarded to Directors

(In euros)	2021	2022
Pascaline de Dreuzy	19,500	18,000
Philippe Guérin	-	-
Nadine Koniski-Ziadé	25,500	25,500
Anne-Sophie Le Lay	18,000	13,143
Joël Séché	10,000	10,000
Maxime Séché	19,500	17,500
Philippe Valletoux	14,000	14,571
Total	106,500	98,714.29

Furthermore, no stock options were granted to corporate officers nor were any loans or sureties granted to members of the Board of Directors.

4.2.2.4 Other information on the compensation of corporate officers

The information required under Article L.22-10-9 of the French Commercial Code is presented below:

In euros	2018	2019	2020	2021	2022
Compensation of Joël Séché paid or awarded by Séché Environnement in respect of his role as Chairman and Chief Executive Officer until December 9, 2019, then as Chairman of the Board of Directors, including fixed compensation, directors' fees, and the benefit in kind.	420,547	426,192	520,547	520,547	520,547
Compensation paid or awarded to Maxime Séché by Séché Environnement in respect of his role as Director and Chief Executive Officer, including fixed compensation, directors' fees and the benefit in kind	N/A ⁽⁶⁾	21425	392,773 ⁽¹⁾	449,517	450,434
Compensation paid or awarded to Guillaume Cadiou by Séché Environnement in respect of his directorship	17,500	20,000	19,500	N/A ⁽²⁾	N/A ⁽²⁾
Compensation paid or awarded to Pascaline de Dreuzy by Séché Environnement in respect of her directorship	10,000	17,000	21,500	19,500	18,000
Compensation paid or awarded to Philippe Guérin (Director representing employees) by Séché Group in respect of his directorship	N/A	N/A	N/A	N/A ⁽³⁾	N/A ⁽³⁾
Compensation paid or awarded to Séché Group SAS (represented by Maxime Séché) by Séché Environnement in respect of its directorship	17,000	15,500	N/A ⁽²⁾	N/A ⁽²⁾	N/A ⁽²⁾
Compensation paid or awarded to Nadine Koniski-Ziadé by Séché Environnement in respect of her directorship	N/A ⁽²⁾	N/A ⁽²⁾	10,500	25,500	25,500
Compensation paid or awarded to Anne-Sophie Le Lay by Séché Environnement in respect of her directorship	7,143	10,000	16,000	18,000	13,142.86
Compensation paid or awarded to Marina Niforos by Séché Environnement in respect of her directorship	10,000	10,000	N/A ⁽²⁾	N/A ⁽²⁾	N/A ⁽²⁾
Compensation paid or awarded to Philippe Valletoux by Séché Environnement in respect of his directorship	16,500	19,500	20,500	14,000	14,571.43
Séché Environnement's performance ⁽⁴⁾	€560.5 million	€687.7 million	€641.7 ⁽⁷⁾ million	€735.8 million	€895.3 million
Average full time equivalent compensation of permanent employees of Séché Environnement Group based in France (excluding corporate officers) ⁽⁵⁾	42,798	42,577	41,437	42,773	43,221
Median full time equivalent compensation of permanent employees of Séché Environnement Group based in France (excluding corporate officers) ⁽⁵⁾	39,928	36,499	35,413	36,724	37,101
Ratio between the compensation of Joël Séché and the average full time equivalent compensation of permanent employees of Séché Environnement Group based in France (excluding corporate officers) ⁽⁵⁾	9.8	10	12.6	12.17	12.04
Ratio between the compensation of Maxime Séché and the average full time equivalent compensation of permanent employees of Séché Environnement Group based in France (excluding corporate officers) ⁽⁵⁾	N/A ⁽⁶⁾	8.9	9.47	10.51	10.42
Ratio between the compensation of Joël Séché and the median full time equivalent compensation of permanent employees of Séché Environnement Group based in France (excluding corporate officers) ⁽⁵⁾	10.5	11.7	14.7	14.17	14.03
Ratio between the compensation of Maxime Séché and the median full time equivalent compensation of permanent employees of Séché Environnement Group based in France (excluding corporate officers) ⁽⁵⁾	N/A ⁽⁶⁾	10.3	11.09	12.24	12.14

(1) Compensation paid or awarded in 2020, less the amount received in respect of profit-sharing/incentive schemes.

(2) The person was not a corporate officer for the year or years in question.

(3) No compensation is paid to the Director Representing Employees.

(4) Performance means consolidated contributed revenue. Contributed revenue corresponds to reported revenue, less IFRIC 12 revenue and, since 2021, the general tax on polluting activities (TGAP); in addition, diversion compensation (net of variable cost savings on tons not incinerated, collected to cover costs incurred to ensure continuity of public service) received by Sénerval until 2019 had been restated for reported revenue up to that date. IFRIC 12 revenue corresponds to the amount of investments in concession arrangements, recorded as a financial asset or an intangible asset relating to the facility in question (depending on whether or not the operator has an unconditional right to receive cash from the grantor) but also as revenue in accordance with the recommendations of IFRIC 12 (Note 3.2.1.8).

(5) Pursuant to Article 28.1 of the AFEP-MEDEF Code, as Séché Environnement has few employees in relation to Séché Environnement Group's total headcount in France, the compensation taken into account is that paid to permanent employees in France of companies over which Séché Environnement has full control, since this scope is more representative. Permanent employees are considered to be full time employees employed by Séché Environnement Group in France and present on a continuous basis from the start to the end of the financial year. As such, the compensation of part time employees and of employees who joined or left during the year is not taken into account. In addition, the salary received by Maxime Séché in respect of his employment contract as Deputy Chief Executive Officer until December 9, 2019 was not taken into account in calculating the average and median compensation of permanent employees of Séché Environnement Group based in France.

(6) Maxime Séché was not a corporate officer from 2016 to 2018.

(7) This amount has been restated to allow comparison with the amount for 2021, which is calculated according to the new presentation of consolidated contributed revenue excluding the TGAP. The restated amount for 2020 is €641.7 million (instead of €672.5 million).

4.3 TRANSACTIONS WITH CORPORATE OFFICERS OR SHAREHOLDERS

In 2022, no new agreements subject to Article L.225-38 of the French Commercial Code were authorized and entered into between the Company and its corporate officers or shareholders holding more than 10% of its voting rights or, for corporate shareholders, with the company controlling them within the meaning of Article L.233-3 of the French Commercial Code. The Statutory Auditors' special report on related-party agreements presented to the Ordinary General Meeting of April 28, 2023 and given in section 5.6.3 of this document addresses this situation.

Likewise, between 1 January 2023 and the date of this Universal Registration Document, no new agreements subject to Article L.225-38 of the French Commercial Code were entered into.

No loan or other guarantee was granted to any corporate officers.

The Statutory Auditors' special report on related-party agreements presented to the Ordinary General Meeting of April 28, 2023 and given in section 5.6.3 of this document, also sets out, pursuant to Article R.225-30 of the French Commercial Code, the agreements already approved by the General Meeting prior to 2022 and which continued in 2022.

Furthermore, in accordance with Article L.22-10-12 of the French Commercial Code, the Board of Directors has set up a procedure to assess, on a regular basis, whether agreements

signed with the persons mentioned in Article L.225-38 of the same Code for ordinary transactions concluded at arm's length duly fulfill these conditions.

This procedure provides for the involvement of the Legal department when signing, amending or renewing any ordinary transactions concluded at arm's length to check – in line with other relevant internal departments (finance, operations) and with the Board of Directors if necessary – that the agreement should be qualified as such, and to establish a list of ordinary transactions concluded at arm's length by the Company.

In accordance with Article L.22-10-12 of the French Commercial Code, the individuals directly or indirectly involved in one of these agreements do not take part in the assessment.

The Legal department regularly verifies the list of ordinary transactions concluded at arm's length and ensures that the qualification is still valid, in particular by ensuring that the criteria used to qualify an agreement as an ordinary transaction concluded at arm's length are still relevant, and that the conditions in which the Company ordinarily does business have not evolved. If appropriate, an agreement may be reclassified as a related-party agreement and become subject to the authorization procedure provided for in Article L.225-38 et seq of the French Commercial Code.

4.4 INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES RELATED TO FINANCIAL REPORTING

4.4.1 INTERNAL CONTROL PROCEDURES FOR THE MONITORING OF ACTIVITIES

The internal control procedures set up by the Company to control its activities aim to guarantee that the management and operation of each Group company and the behavior of employees respect the guidelines given by management, and in particular the Board of Directors.

These procedures relate to the main business operating cycles (purchasing – sales (individual and comprehensive offers) – investment – payment collection – cash flow centralization) and are accompanied by an activity monitoring process: budget process, monthly reporting process for identifying shortcomings and putting the necessary corrective actions in place.

If warranted, they will be updated in order to collate the Group's practices in a reference framework and take into account the policy of harmonizing information systems.

Each procedure is approved by Executive Management. It describes the general objectives assigned to it, its area of application and its scope, details all the steps in the procedure, and documents procedure monitoring arrangements put in place by the Group and the need for everyone's involvement.

They may, if it proves necessary, be supplemented by technical notes clarifying the Group's recommendations on the handling of specific operations.

The budget process, which involves each subsidiary, the Group's executive management and Group financial control as a support function:

- Provides for a comparison of the objectives set by each subsidiary with the strategic guidelines set at Group level, and ensures agreement on how to implement these guidelines.
- Ensures that the effective level of activity, new guidelines issued by Management and any corrective measures are taken into account, via a review at least twice a year.

The monthly reporting process, which is verified and centralized by the Group financial control team, provides executive management with a monthly review of activity and details on actual progress achieved with respect to the announced targets.

In 2022, after consultation with the Audit Committee, the remit of Philippe Gangloff, Group Head of Compliance, was extended to include internal control. In 2022, the Group conducted an awareness-raising campaign on internal control issues among its international subsidiaries through an internal memo reiterating the key controls that must be performed. A self-assessment questionnaire was then distributed to establish a plan for strengthening internal control.

4.4.2 INTERNAL CONTROL PROCEDURES FOR ENSURING THE RELIABILITY OF FINANCIAL DISCLOSURES AND THEIR COMPLIANCE WITH LAWS AND REGULATIONS IN FORCE

The organization put in place is aimed at guaranteeing financial disclosures that are accurate and compliant with general accounting principles and the standards and methods adopted by the Group, which are themselves developed out of the French regulatory framework. Furthermore, they aim to ensure that the finance and accounting function satisfies its obligations with respect to providing information to all the Company's stakeholders (shareholders, investors, administration, etc.).

The finance function plays a crucial role in this organization. To this end, it:

- Ensures the consistency and the integrity of the information system used by all French subsidiaries.
- Disseminates the procedures specific to financial processes and guarantees their implementation. To do so, at each reporting date it issues a memo with account closing instructions and the accounting principles to be

used to draw up the financial statements of all the subsidiaries. These memos are updated regularly to take into account any problems encountered previously. Furthermore, on the half-year and annual closing dates, the duties fulfilled by the Statutory Auditors in each subsidiary are addressed in conclusions that are regularly forwarded to the Group's Statutory Auditors and the Consolidation Department. A system for tracking recommendations is set up for the purposes of analysis, assessing the challenges at the Group level and implementing remedial actions.

- Provides training and regular information to the accounting staff in order to ensure a minimum skill level while facilitating the sharing of best practices within the Group.
- Upgrades and analyzes the viability of the consolidation and reporting tool and its interface with the Group's accounting and reporting information system. The main

configurations are made by the Group's consolidation and reporting staff with the support of the service provider and any changes introduced are disseminated directly by the Central Division. Training for all new users is provided by Group staff.

- Provides a permanent link between the statutory consolidation staff and the financial control staff in order to produce consolidated forecasts as early in the process as possible. This monthly report is regularly checked against the actual data output in the consolidation process.
- Processes the Group's major transactions (acquisitions, disposals, reorganizations) that have an impact on the Group's financial disclosures.

- Discloses accounting and financial information intended for management bodies and Directors.
- Ensures the integrity of the reporting process and validates the information appearing in the Universal Registration Document, and verifies compliance with the rules of the French Financial Markets Authority (AMF) and the quality of the relationship with the AMF's accounting departments.
- Checks data published as part of the Group's financial disclosure process.

The 2022 annual financial report and the notes to the consolidated financial statements are published in the European Single Electronic Format (ESEF).



05

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5.1 SHARE CAPITAL

As of December 31, 2022 (and as of the date of this Universal Registration Document), the share capital amounted to €1,571,546.40, divided into 7,857,732 shares of par value €0.20 each, fully paid up and fully negotiable.

Transaction date	Number of new shares	Total number of outstanding shares	Par value of share	Nominal amount of capital increase		Amount of capital reduction	Issue premium	Subsequent amount of capital
				By contribution in cash or kind	By incorporation of reserves			
02/17/1997 Share split	-	50,000	FRF 100	-	-	-	-	FRF 5,000,000
10/08/1997 Share split	-	5,000,000	FRF 1	-	-	-	-	FRF 5,000,000
11/27/1997 Capital increase	400,000	5,400,000	FRF 1	FRF 400,000	-	-	FRF 73,600,000	FRF 5,400,000
12/19/1997 Capital increase	5,000	5,405,000	FRF 1	FRF 5,000	-	-	FRF 735,000	FRF 5,405,000
04/26/2001 Conversion of capital into euros	-	5,405,000	€0.20	-	€257,013.06	-	-	€1,081,000
10/01/2001 Capital increase*	160,405	5,565,405	€0.20	€32,081	-	-	€10,795,257	€1,113,081
07/05/2002 Capital increase**	2,473,057	8,038,462	€0.20	€494,611	-	-	€19,902,780	€1,607,692
12/12/2006 Issue (Warrants)	596,408	-	-	-	-	-	€10,908,302	€1,607,692
04/24/2007 Capital increase***	596,408	8,634,870	€0.20	€119,282	-	-	€74,717,994	€1,726,974
06/17/2015 Capital reduction	(777,138)	7,857,732	€0.20	-	-	(€155,427.60)	-	€1,571,546.4

(*) Payment for the Alcor shares tendered to the Company

(**) Payment for the Trédi shares tendered to the Company

(***) Exercise of 596,408 share subscription warrants by CDC

5.2 MAJOR SHAREHOLDERS

5.2.1 SHARE OWNERSHIP AND VOTING RIGHTS

Share ownership at December 31, 2022	Number of shares	%	Voting rights ⁽⁴⁾	%
Joël Séché	1	0.00%	2	0.00%
Maxime Séché	2	0.00%	2	0.00%
Séché Group SAS ⁽¹⁾	4,859,483	61.85%	8,788,349	74.29%
Pégase 53 SAS ⁽²⁾	564,407	7.18%	564,407	4.77%
Controlling group	5,423,893	69.03%	9,352,760	79.06%
Own shares ⁽³⁾	52,913	0.67%	52,913	0.45%
Employees	51,278	0.65%	84,097	0.71%
Free float	2,329,648	29.65%	2,339,782	19.78%
Total	7,857,732	100.00%	11,829,552	100.00%

(1) Séché Group SAS is majority-owned by Joël Séché and his two sons, Guillaume Séché and Maxime Séché.

(2) Pégase 53 SAS is 60% owned by Séché Group SAS and 40% owned by Unexo, an investment company of the Crédit Agricole group.

(3) Own shares are stripped of voting rights. However, the table here presents the calculation of voting rights as recommended by the AMF for shareholding notification requirements.

(4) Pursuant to Article 33, 1°) of Séché Environnement's by-laws, a double voting right is attributed to all fully paid-up shares registered in the same shareholder's name for at least four years.

The Company is controlled as described above. However, the Company believes there is no risk of said control being exercised improperly due to the number of independent directors on the Board of Directors and as the Company applies the recommendations set out in the AFEP-MEDEF Code.

Séché Group SAS holds a significant number of registered Séché Environment shares. In this respect, the Company's corporate officers, Joël Séché and Maxime Séché, who

control Séché Group SAS, indirectly hold a significant number of registered Séché Environnement shares.

In a letter dated December 15, 2022, DNCA Finance informed Séché Environnement that it had fallen below the statutory threshold of 1% of the Company's share capital on December 13, 2022.

Séché Environnement was not notified of any crossing of legal or statutory shareholding thresholds between January 1, 2023 and the Board of Directors' meeting held on March 3, 2023.

5.2.2 TRANSACTIONS CARRIED OUT ON COMPANY SHARES BY THE CORPORATE OFFICERS, ASSOCIATED PERSONS AND THEIR RELATIVES

None

5.2.3 CHANGE IN SHARE OWNERSHIP OVER THE PAST THREE YEARS

Share ownership at December 31, 2022	2020	2021	2022
Joël Séché family ^(*)	61.85%	61.85%	61.85%
Pégase 53 Group ^(**)	-	7.18%	7.18%
ICM Group	7.89%	-	-
Free float	28.98%	29.72%	29.65%
Own shares	0.74%	0.69%	0.67%
Employees	0.54%	0.56%	0.65%
Total	100%	100%	100%

(*) Joël Séché, Maxime Séché and Séché Group SAS, majority controlled by Joël Séché and his two sons, Guillaume Séché and Maxime Séché.

(**) Pégase 53 SAS is 60% owned by Séché Group SAS and 40% owned by Unexo, an investment company of the Crédit Agricole group.

5.2.4 SHAREHOLDERS' AGREEMENTS

To the Company's knowledge, there are no agreements between shareholders.

5.2.5 FINANCIAL AUTHORIZATIONS AND DELEGATIONS

In compliance with Article L.22-10-10 of the French Commercial Code, the table below summarizes the currently valid authorizations granted by the General Meeting to the Board of Directors:

Date of AGM	Resolution	Subject	Duration of authorization and expiration date	Limit or maximum nominal amount	Use in 2022
04/29/2022	13th	Share buyback	18 months October 28, 2023	10% of shares comprising the share capital	Purchase of 101,478 shares between 05/01/2022 and 12/31/2022
04/29/2022	14th	Capital reduction via cancellation of shares	24 months April 28, 2024	10% of share capital	None
04/30/2021	16th	Capital increase by incorporation of reserves, profits or additional paid-in capital followed by the issue and free award of equity securities or by the increase in the nominal value of existing equity securities	26 months June 29, 2023	€157,154 ⁽¹⁾	None
04/29/2022	15th	Issue of shares or securities with pre-emptive rights	26 months June 28, 2024	€314,309 ⁽¹⁾ Debt securities: €19,644,350 ⁽²⁾	None
04/29/2022	16th	Issue of shares or securities through a public offering without pre-emptive rights	26 months June 28, 2024	€47,146 ⁽¹⁾ Debt securities: €11,786,600 ⁽²⁾	None
04/29/2022	17th	Issue of shares or securities through an offering covered by Article L.411-2 paragraph 1 of the French Monetary and Financial Code, without pre-emptive rights	26 months June 28, 2024	€47,146 ⁽¹⁾ Debt securities: €11,786,600 ⁽²⁾	None
04/29/2022	18th	Issue of shares or securities as payment for contributions in kind	26 months June 28, 2024	10% of share capital ⁽¹⁾	None
04/29/2022	19th	Issue reserved for members of a savings plan, without pre-emptive rights, and award of free shares or securities to members of a savings plan	26 months June 28, 2024	€47,146 ⁽¹⁾	None
04/30/2020	23rd	Warrants and/or stock options without pre-emptive rights for senior officers of Group companies	38 months June 29, 2023	2% of share capital ⁽¹⁾ with limit for corporate officers	None
04/30/2020	24th	Award of free shares – either existing or to be issued – without pre-emptive rights	38 months June 29, 2023	2% of share capital ⁽¹⁾ with limit for corporate officers	None

(1) These amounts are deducted from the maximum overall nominal amount of €314,309 set by the 20th resolution of the General Meeting of April 29, 2022.

(2) Combined limit.

At the time of writing this Universal Registration Document, the Board of Directors had not used any of the above-mentioned authorizations, with the exception of the authorization to buy back the company's own shares.

The General Meeting to be held on April 28, 2023 will be asked to renew those authorizations granted to the Board of Directors that are due to expire in 2023. The resolutions concerned (16th to 20th resolutions included in section 6.4.1.3 of this Universal Registration Document) are presented in the report of the Board of Directors on the resolutions proposed to the General Meeting of April 28, 2023 in section 6.4.1.1 of this Universal Registration Document.

5.2.6 INFORMATION ON STOCK OPTION PLANS

In compliance with Article L.22-10-56 et seq of the French Commercial Code, the Extraordinary General Meeting of April 30, 2020, in its twenty-third resolution, delegated full powers to the Board of Directors – for a period of 38 months – to grant stock options conferring the right to subscribe for or purchase new shares in the Company to employees and executives and corporate officers entitled to the same by the French Commercial Code. The total number of shares that may be potentially subscribed for under options outstanding and not yet exercised may not exceed 2% of the share

capital and may not exceed legal limits or the maximum amount of €314,309 set by the twenty-fifth resolution of the Extraordinary General Meeting of April 30, 2020, which maximum amount has since been replaced by the maximum amount of €314,309 set by the twentieth resolution of the Extraordinary General Meeting of April 29, 2022.

At the date of writing this Universal Registration Document, the Board of Directors had not used the above-mentioned authorization, and no stock options had been granted.

5.2.7 INFORMATION ON THE AWARDING OF FREE SHARES

In compliance with Articles L.22-10-59 and L.225-197-2 of the French Commercial Code, the Extraordinary General Meeting of April 30, 2020, in its twenty-fourth resolution, delegated full powers to the Board of Directors – for a period of 38 months – to award free existing shares or shares to be issued in the future to corporate officers and certain employees, up to a limit of 2% of the share capital. The amount of the award is to be deducted from the maximum

amount of €314,309 set by the twenty-fifth resolution of the Extraordinary General Meeting of April 30, 2020, which maximum amount has since been replaced by the maximum amount of €314,309 set by the twentieth resolution of the Extraordinary General Meeting of April 29, 2022.

At the date of writing this Universal Registration Document, the Board of Directors had not used this authorization.

5.2.8 SHARE BUYBACKS

At the General Meeting of April 29, 2022, in its thirteenth resolution, the Company's shareholders authorized the Board of Directors to purchase up to 10% of the shares comprising the Company's share capital, pursuant to Article L.22-10-62 et seq of the French Commercial Code and Articles 241-1 to 241-7 of the General Regulation of the French Financial Markets Authority (AMF).

This authorization, granted for a period of 18 months, replaced the previous authorization granted by the

fourteenth resolution of the General Meeting of April 30, 2021.

Pursuant to the provisions of Article L.225-211 of the French Commercial Code, the Board of Directors hereby reports to you on transactions performed by the Company on its own shares during the period from January 1 to December 31, 2022.

Share ownership at December 31, 2022

Number of shares purchased, sold or transferred since the start of the program (April)	101,478
Percentage of own shares held directly or indirectly	0.67%
Number of shares canceled over the last 24 months	-
Number of shares held in the portfolio	52,913
Book value of portfolio (in euros)	2,753,020
Market value of portfolio at December 31, 2022 ⁽¹⁾ (in euros)	4,751,587

⁽¹⁾ Based on the closing share price of €89.80 at December 31, 2022.

The theoretical impact of the proposed plan on the financial statements of Séché Environnement was measured for information purposes, based on the following assumptions:

- The cancellation of 1% of the weighted average number of shares in circulation, i.e. 78,577 shares.
- An average purchase price of €98.95 per share, corresponding to the average closing price observed from January 2 to February 28, 2023, i.e. a total of €7.8 million for the buyback of 1% of the share capital.
- Cost of financing this buyback plan: 2.56% before taxes.

Based on these assumptions, the impact of the share buyback program on the 2022 consolidated financial statements as presented in the Universal Registration Document would have been as follows:

	Based on consolidated financial statements as reported at December 31, 2022 *	Buyback of 1% of capital and cancellation (excl. impact on holdings)	Pro forma data after buyback and cancellation of 1% of the share capital (excl. impact on provisions)	Impact of buyback (in %)
Shareholders' equity (attributable to company shareholders) (€ thousands)	310,102	(7,775)	302,327	(2.5)
Consolidated shareholders' equity (€ thousands)	317,388	(7,775)	309,613	(2.4)
Net financial debt (€ thousands) **	587,392	7,775	595,167	1.3
Profit of the period (attributable to company shareholders) (€ thousands)	44,608	(143)	44,465	(0.3)
Weighted average number of shares in circulation (thousands)	7,857	(79)	7,778	(1.0)
Net earnings per share (€)	5.72	0.06	5.78	1.5
Weighted average number of shares in circulation, adjusted for dilutive instruments (in thousands)	7,857	(79)	7,778	(1.0)
Diluted net earnings per share (€)	5.72	0.06	5.78	1.08

* After the closing of the accounts by the Board of Directors' meeting on March 3, 2022 and subject to their approval by the General Meeting of April 28, 2023.

** Financial debt less cash and cash equivalents.

Description of the new share buyback program put forward for approval by the Combined General Meeting of April 28, 2023

The description of the program provided below complies with Article 241-3 of the AMF General Regulation.

As the authorization granted to the Board of Directors by the General Meeting of April 29, 2022 to trade in the Company's shares is due to expire on October 28, 2023, the General Meeting to be held on April 28, 2023 will be asked (in the fifteenth resolution – see section 6.4.1 "Combined General Meeting of April 28, 2023" of this Universal Registration Document) to renew the authorization to the Board of Directors to purchase the Company's shares up to a maximum price of €140 per share. The maximum price, which is currently €90 per share, has been increased in light of trends in the Company's share price. This authorization will enable the Board of Directors to purchase up to 10% of the Company's shares.

As the Company may not hold more than 10% of its own capital, and in view of the number of shares it already owns, which stood at 52,913 shares (0.67% of the share capital) on December 31, 2022 – the date of the most recent disclosure of the number of shares and voting rights held – the maximum number of shares the Company may purchase under this authorization would be 732,860 (9.33% of the share capital), unless it sells or cancels any shares it already owns.

The maximum amount the Company may assign to the share buyback program authorized above is set at €110,008,220.

The objective of the share buyback program submitted for the approval of the Combined General Meeting of April 28, 2023 is to enable the Company to purchase its own shares, mainly in order to:

- allow market-making or liquidity enhancement on the Séché Environnement share by an investment services provider operating under a liquidity agreement in compliance with practice authorized by the AMF or any other applicable provisions;
- award or sell shares to employees and/or corporate officers of the Company and/or Group as part of an employee profit-sharing scheme;
- award shares on the exercise of rights attached to securities redeemable for the Company's shares, and in particular to meet obligations arising in respect of debt securities exchangeable for shares;
- hold and subsequently grant shares in exchange or payment for a merger, acquisition, demerger, or contribution of assets;
- reduce the share capital by canceling the shares duly acquired, subject to approval by an Extraordinary General Meeting;
- achieve any other purpose currently authorized or which might subsequently be authorized by laws or by regulations; in such cases, the Company shall inform its shareholders via a press release or any other means provided for in current regulations.

5.2.9 SHARES PLEDGED AS COLLATERAL

As of December 31, 2022, 648,742 Séché Environnement shares held by Séché Group SAS were pledged as collateral for a bank loan, and 75,000 Séché Environnement shares

held by Pégase 53 SAS were pledged as collateral for a bank loan.

5.2.10 SHARES NOT REPRESENTING CAPITAL

Séché Environnement has not issued any founders' shares or voting rights certificates.

5.3 ARTICLES OF INCORPORATION AND BY-LAWS

5.3.1 CORPORATE PURPOSE (ARTICLE 2 OF THE COMPANY BY-LAWS)

The Company's purpose, in France and abroad, is:

- to acquire, manage and hold capital in any company;
- to develop, directly or indirectly, any activity relating to the management and disposal of waste, pollution remediation and soil decontamination;
- to perform administrative, commercial and information systems tasks, provide services and conduct all commercial and financial transactions of a nature to facilitate or expand the Company and its related interests;
- to transport goods by road, provide services in goods transport and leasing of vehicles for the transport of goods;
- to perform public or private work to develop land or waterways, public highways, parks and gardens;
- to trade in recovered materials;
- to create, purchase and exploit, directly or indirectly, any patents relating to its purpose;
- to purchase, sell, construct, lease, and operate, in any form, all buildings, warehouses, businesses and similar or connected industries, all interests in similar businesses;
- to acquire interests by means of contribution, merger, investment, subscription for shares, securities or bonds, or in any other manner in all businesses or companies relating to its corporate purpose and in general, in all businesses, trades or works that may provide a client base for its corporate activity or promote businesses in which itself or its subsidiaries may have an interest;
- to pursue any commercial, civil, industrial, financial or real estate business or a business of any kind which is of a nature to directly or indirectly further the Company's development or expansion in France or internationally;
- and more generally, to conduct all transactions that may be directly or indirectly related to the corporate purpose stated above and make it more profitable, whether such transactions concern financial, moveable or real estate property, without exception.

5.3.2 SPECIAL CONDITIONS FOR TAKING PART IN THE GENERAL MEETING (ARTICLE 29 OF THE BY-LAWS)

In accordance with the applicable legal and regulatory provisions, all shareholders have the right to attend General Meetings and to take part in decisions or appoint a representative, regardless of the number of shares they own. To do this, shareholders must provide proof of their identity and they must register their shares in their own name or in the name of the intermediary registered on their behalf pursuant to paragraph 7 of Article L.228-1 of the French Commercial Code, either in the Company's registered shareholder account or in the bearer shares securities accounts held by the registered intermediary, as of midnight, Paris time, on the second business day preceding the date of the Meeting, in accordance with the applicable legal and regulatory conditions.

A shareholder may be represented by another shareholder, by his/her spouse or partner under a civil union, or by any other individual or legal entity of their choice. The proxy voting mandate and, if applicable, its withdrawal, are notified to the Company in accordance with legal and regulatory provisions.

All shareholders not divested of voting rights may be granted powers by other shareholders to represent them at a General Meeting, with no limits other than those set out in Article 36 of the by-laws limiting the maximum number of voting rights a single person may hold in their own name and on behalf of others.

The legal representatives of legally incompetent shareholders and individuals representing corporate shareholders can take part in General Meetings whether or not they personally own shares in the company.

Joint owners of undivided shares, life interest holders and bare owners of shares, and the owners of shares pledged as collateral, take part in General Meetings or can be represented according to the terms set out in Article 14 of the by-laws.

The Board of Directors may decide to allow shareholders to take part in the Meeting via videoconference or using means of telecommunications or remote voting solutions such as the Internet, providing they can be identified according to the terms and conditions set out in the regulations applicable at the time of the meeting. If appropriate, shareholders are notified of this decision in the Notice of Meeting. Shareholders taking part in the meeting using these means are deemed to be present for the calculation of quorum and majority.

5.3.3 OWNERSHIP THRESHOLDS (ARTICLE 13.3 OF THE COMPANY BY-LAWS)

Any natural person or legal entity who, acting alone or with others, comes into possession of a number of shares representing more than 3% of the Company's capital or voting rights, or any additional 1% fraction beyond this 3% threshold and up to 30% of the Company's capital or voting rights, must inform the Company of the total number of shares and voting rights held, by registered letter with acknowledgment of receipt before the close of trade on the fourth trading day after crossing such threshold. The same obligation applies, with the same time limit, when a shareholder's interest in the share capital or voting rights drops below the above-mentioned levels. For the purposes hereof, the percentage holding of capital or voting rights is calculated in accordance with the rules set out in Articles L.233- 9 et seq of the French Commercial Code.

On request, recorded in the minutes of the General Meeting, by one or more shareholders owning at least 3% of the share capital, the non-observance of such obligation shall be penalized by the loss of voting rights for shares in excess of the proportion which should have been disclosed for any meeting of shareholders held until the expiry of a two-year period following the date when notification was correctly made.

As well as the above disclosure obligation, the law also stipulates that disclosure is required when certain ownership thresholds are crossed (provisions of Article L.233-7 et seq of the French Commercial Code).

5.4 INFORMATION AND DETAILS ABOUT THE COMPANY'S LEGAL SITUATION DURING THE PERIOD

5.4.1 COMPANY NAME, REGISTERED OFFICE AND BRANCH OFFICE

Company name: Séché Environnement SA

Registered office

Les Hêtres
CS 20020
53811 Changé Cedex 09
+33 (0)2 43 59 60 00

Branch office

Tour Maine Montparnasse
33 avenue du Maine
75015 Paris

5.4.2 LEGAL FORM

A French limited company (société anonyme) with a Board of Directors, governed by the French Commercial Code.

5.4.3 DATE OF INCORPORATION AND TERM

The Company was incorporated on July 8, 1976 for a period of 99 years from its registration with the Trade and Companies Register unless extended or wound up earlier.

The Company was registered with the Laval Trade and Companies Register on August 10, 1976.

5.4.4 TRADE AND COMPANIES REGISTER AND LEI

The Company is registered in the Laval Trade and Companies Register under number B 306 917 535.

APE Code: 7010Z.

LEI: 969500R9ENNIN33POO20.

5.4.5 CONSULTATION OF OFFICIAL COMPANY DOCUMENTS

The Company by-laws, minutes of General Meetings and other corporate documents can be consulted at the Company's registered office.

5.4.6 FINANCIAL YEAR

From January 1 to December 31 of the calendar year.

5.4.7 COMPANY WEBSITE

www.groupe-seche.com

The information provided on the Company's website is not part of this Universal Registration Document, with the exception of information incorporated in this Universal Registration Document by reference.

5.5 INFORMATION ON EQUITY INVESTMENTS

5.5.1 SÉCHÉ ENVIRONNEMENT GROUP SCOPE OF CONSOLIDATION

No disposals of subsidiaries, with or without loss of control, were made in 2022. Tredi Argentina was removed from the scope of consolidation on January 1, 2022 due to its insignificant impact on the consolidated financial statements, but continues to be owned by the Group. In 2022, Séché Environnement directly or indirectly completed the following acquisitions:

- In France, a controlling stake was acquired in early 2022 in eight operational centers belonging to OSIS IDF, a Veolia subsidiary specializing in the maintenance of wastewater treatment networks and facilities in Île-de-France, brought together under the name Séché Assainissement, followed in July 2022 by the acquisition of a controlling stake in the same sector of 100% of the capital of Assainissement 34, a regional player in Béziers.
- In June 2022, a controlling stake of 100% was acquired in the capital of All'Chem, a specialist in the custom manufacture of fine chemicals for the pharmaceutical, agrochemical and veterinary industries, as part of the Group's move into the circular economy and chemical purification markets.
- At the end of November 2022, a controlling stake was acquired in France from Veolia Group in a portfolio of Industrial Water activities (a portfolio of contracts with over 150 industrial companies and a network of twenty branches in France), brought together under the name Séché Traitement Eaux Industrielles.
- There was an additional acquisition without gain of control in Spain in June 2022, relating to the remaining capital in Solarca SLU (Spain), increasing Séché Environnement's holding from 91% to 100%.

Between January 1, 2023 and the date of this Universal Registration Document, Séché Environnement directly or indirectly completed the following acquisition:

- On January 16, 2023 a controlling stake of 100% was acquired in the capital of Assainissement Rhône Isère, a

wastewater treatment company operating in the Auvergne-Rhône-Alpes region of France.

Furthermore, in 2022, Séché Environnement directly or indirectly completed the following transactions:

- Participation in a capital increase by French subsidiary Solena Valorisation in December 2022, reducing Séché Environnement's holding from 60% to 51% and, in light of the company's by-laws, resulting in a change to joint control as of December 2022 and consolidation using the equity method, with the other 49% of Solena Valorisation being owned by an industrial partner.
- Séché 202, a non-trading company created on October 29, 2020, changed its company name to Séché Traitement Eaux Industrielles, modified its corporate purpose and commenced operations on November 1, 2022 with the acquisition of industrial water treatment assets from Veolia in France (see above and Note 3.2.2.1 a)). Séché Environnement indirectly owns 100% of the company.
- Two new South African subsidiaries commenced operations: Boleng Waste (Pty) Ltd and Wisteria Environmental (Pty) Ltd. Boleng Waste (Pty) Ltd is 83.2%-owned by Wisteria Environmental (Pty) Ltd, which is 58.90%-owned by Interwaste (Pty) Ltd. They are consolidated for the first time in 2022 on a full consolidation basis.
- Solarca Taiwan, 100% owned by the Spanish subsidiary Solarca SLU, was created on February 10, 2022. The company is fully consolidated.
- As part of an internal reorganization, French subsidiary Energécie transferred all of its assets and liabilities to subsidiary Ecosite de la Croix Irtelle on January 1, 2022, and Italian subsidiary Depo was absorbed by Italian subsidiary Mecomer on November 29, 2022, with retroactive effect from January 1, 2022.

5.5.2 TABLE OF SUBSIDIARIES AND EQUITY INVESTMENTS

The table of subsidiaries and equity investments is provided in the Notes to the consolidated financial statements in section 3.4.3.21 of this Universal Registration Document.

5.6 RELATED-PARTY AGREEMENTS

5.6.1 TRANSACTIONS WITH CORPORATE OFFICERS OR SHAREHOLDERS

Transactions performed either directly or through an intermediary between the Company and its corporate officers or shareholders holding more than 10% of the total voting rights or, in the case of a corporate shareholder, the company controlling the same within the meaning of Article L.233-3 of the French Commercial Code, i.e. agreements covered by Article L.225-38 of said Code, are described in the special report of the Statutory Auditors (see section 5.6.3 below).

Agreements already approved by the General Meeting in previous financial years and which continued in 2022 are

detailed in the special report of the Statutory Auditors on related-party agreements presented to the Ordinary General Meeting of April 28, 2023.

No new agreements covered by Article L.225-38 of the French Commercial Code were signed by the Company with a corporate officer in 2022.

Likewise, no new agreement covered by Article L.225-38 of the French Commercial Code was authorized or entered into between January 1, 2023 and the date of this Universal Registration Document.

5.6.2 RELATED-PARTY TRANSACTIONS

Related-party transactions are described in the Notes to the corporate financial statements of Séché Environnement (section 3.4.3.17 of this Universal Registration Document).

5.6.3 STATUTORY AUDITORS' SPECIAL REPORT ON RELATED-PARTY AGREEMENTS AND COMMITMENTS

Séché Environnement SA

Registered office: Les Hêtres – CS 20020 – 53811 Changé Cedex 09

General Meeting approving the financial statements for the year ended December 31, 2022

To the General Meeting of Shareholders of Séché Environnement SA,

In our capacity as Statutory Auditors of your Company, we hereby present our report on related-party agreements.

We are required to inform you, on the basis of the information provided to us, of the key features and terms and conditions of, as well as the reasons behind, the contractual agreements indicated to us or that we may have

identified in the performance of our assignment. It is not our role to comment as to whether they are beneficial or to ascertain whether any other agreements exist. It is your responsibility, in accordance with Article R.225-31 of the French Commercial Code, to judge the merits of these agreements before approving them.

In addition, it is our responsibility to provide you with the information stipulated in Article R.225-31 of the French Commercial Code regarding the implementation during the past year of agreements previously approved by the General Meeting, if any.

We performed the procedures we considered necessary in accordance with the professional standards issued by the Compagnie Nationale des Commissaires aux Comptes (French Institute of Statutory Auditors) relating to this assignment. Our work consisted in verifying that the information provided to us is consistent with the underlying documents from which it was extracted.

AGREEMENTS SUBMITTED FOR THE APPROVAL OF THE GENERAL MEETING

Agreements authorized and implemented during the year

We were not notified of any agreements authorized and implemented during the past year to be submitted to the Annual General Meeting for approval in accordance with Article L.225.38 of the Commercial Code.

AGREEMENTS APPROVED BY THE GENERAL MEETING IN PREVIOUS YEARS

Agreements approved in previous fiscal years that continued in 2022

In accordance with Article R.225-30 of the French Commercial Code, we have been informed that the following related-party agreements, which were approved at the General Meeting in previous years, continued to apply during the past financial year.

Commercial lease with Séché Group

Interested parties

- Joël Séché, Chairman of Séché Group and Chairman of the Board of Directors of Séché Environnement;
- Maxime Séché, Chairman of the Supervisory Board of Séché Group and Chief Executive Officer and Director of Séché Environnement.

Purpose and terms

The Board of Directors' meeting on April 28, 2016 authorized the signing of a commercial lease between Séché Environnement and Séché Group. The General Meeting of April 27, 2017 approved this agreement. The lease was signed ahead of the expiry of the lease for the 25th floor and covers a surface area of 840m² for private use and 400m² (measured according to the terms of the "Carrez" act) shared with Séché Group on the 54th floor of the Tour Montparnasse as well as 25 parking spaces and 207.6m² in archiving space, for its exclusive use.

This lease was concluded for a period of nine years and a security deposit of €143,050 excluding VAT has been paid.

The expense recognized for 2022 was:

- Rent: €622,856
- Building management fees: €252,821

Administrative services agreement signed with Séché Group on April 28, 2016, as amended by rider no. 1 of May 2, 2018, and rider no. 2 of December 11, 2018

Interested parties

- Joël Séché, Chairman of Séché Group and Chairman of the Board of Directors of Séché Environnement;
- Maxime Séché, Chairman of the Supervisory Board of Séché Group and Chief Executive Officer and Director of Séché Environnement.

Purpose and terms

Under this agreement, Séché Group provides the Company and its subsidiaries (hereafter "the Group") services in the following areas:

- to set the Group's strategic guidelines and its investment and divestment policies covering both organic and external growth;
- to seek and review expansion and business opportunities for the Group in France and internationally;
- to establish the sales policy, in particular for the drafting and preparation of the Group's business, marketing and communications plans;
- to draft the Group's research and development policy;
- to prepare the Group's financial policy, and in particular to consider the use of external long-term financing solutions;
- to advise the Company on the selection and recruitment of chairpersons, Chief Executive Officers and operational management positions in the Group;
- to make recommendations in terms of the Group's organization and structure; and
- To determine the Group's legal policy and assist in monitoring the laws and regulations that apply to its activities.

In exchange for the provision of the services described above, Séché Group receives quarterly remuneration (before tax) calculated depending on the time spent by Séché Group employees for the execution of the administrative services agreement, up to an annual limit of €2,405,000 before tax, and subject to authorization by the Company for any amounts in excess of this limit.

This agreement was automatically renewed for a three-year period from January 1, 2020.

The expense recognized for 2022 was:

- Services: €2,405,000
- Travel expenses: €72,885.

The Statutory Auditors

Nantes and Rennes, March 3, 2023

Mazars

Ludovic Sevestre
Partner

KPMG S.A.

Gwenaél Chédaleux
Partner

01

02

03

04

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5.7 EMPLOYEES

5.7.1 WORKFORCE

The Group's workforce is presented in section 1.7.4.1 of this document.

5.7.2 EMPLOYEE INCENTIVE SCHEMES

The employee savings policies (incentives, profit-sharing, savings plan) applied in Séché Environnement depend on the history and specific situation of each scope.

5.7.3 INCENTIVES AND PROFIT-SHARING

The Group's companies have signed various incentive and profit-sharing agreements to involve their employees in their company's performance. At December 31, 2022, 89% of the workforce in France is covered by an employee savings plan (profit-sharing or incentive schemes). This percentage is explained employees who joined the Group in 2022 (All'Chem, Séché Assainissement, Séché Assainissement 34 and Séché Traitement Eaux Industrielles); excluding these employees, 100% of employees were covered by an employee savings agreement in 2022. A presentation of the implementation of profit-sharing and incentive schemes

within the Group can be found in section 1.7.3.1.3 of this document.

For the companies concerned, profit-sharing bonuses are calculated by taking into account the amount of their equity, their accounting profit, their payroll and the company's added value.

Incentive bonuses, which must be of a random nature, are calculated using a formula set out in the agreement, related to the company's results or/and performance (in terms of quality, safety, productivity, etc.).

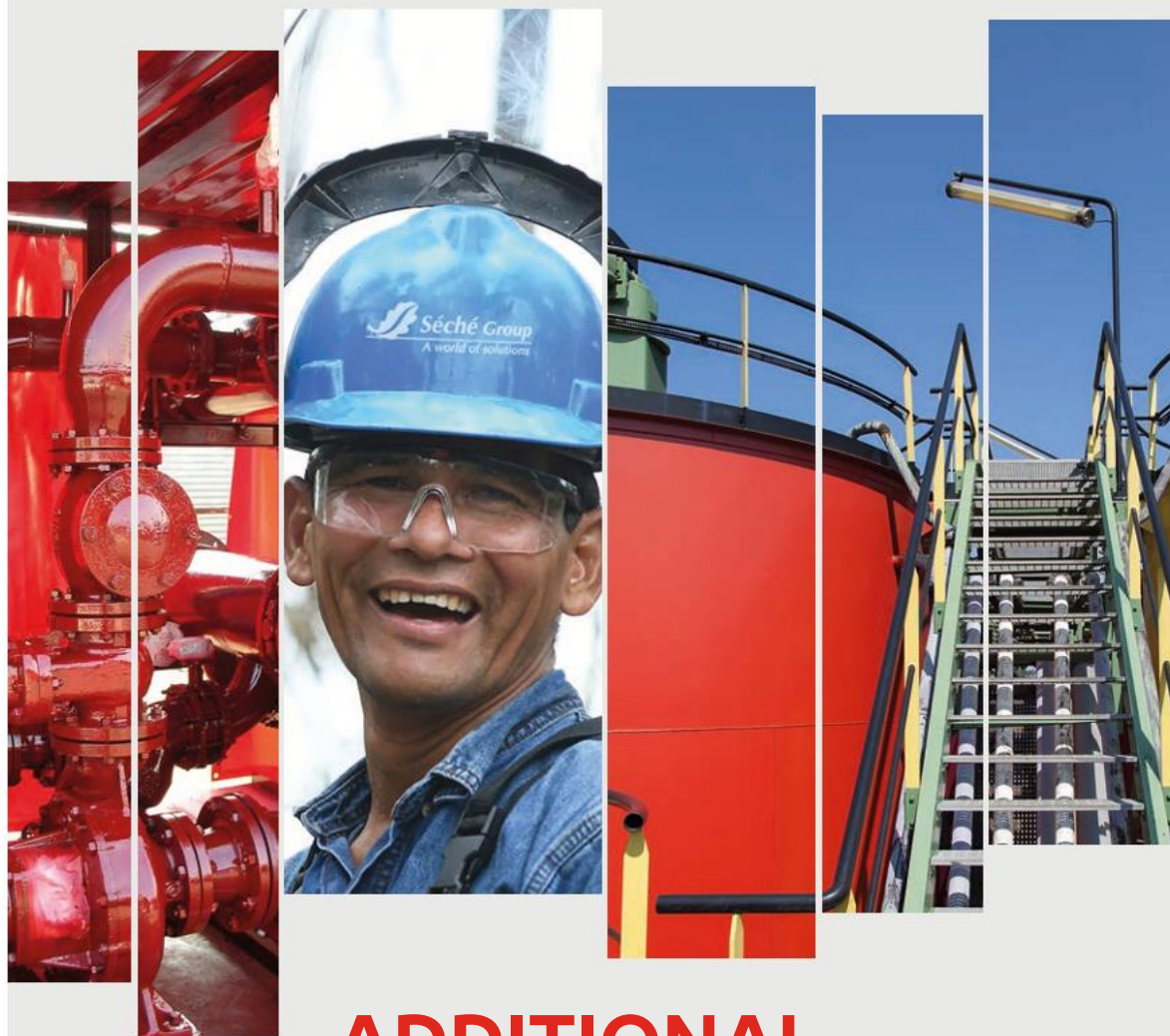
5.7.4 COMPANY SAVINGS PLANS

A Group savings plan was established in 2007 to give all Séché Environnement's employees access to this type of savings scheme:

- At December 31, 2022, Séché Environnement Group's employees held 51,278 Séché Environnement shares via the Séché Croissance employee savings fund. These holdings accounted for 0.65% of the share capital and 0.71% of voting rights.
- At December 31, 2021, Séché Environnement Group's employees held 44,344 Séché Environnement shares via

the Séché Croissance employee savings fund. These holdings accounted for 0.56% of the share capital and 0.68% of voting rights.

- At December 31, 2020, Séché Environnement Group's employees held 42,338 Séché Environnement shares via the Séché Croissance employee savings fund. These holdings accounted for 0.54% of the share capital and 0.66% of voting rights.



06

ADDITIONAL INFORMATION

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6.1 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

6.1.1 PERSON RESPONSIBLE

Maxime Séché, Chief Executive Officer of Séché Environnement.

6.1.2 STATEMENT BY THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

I hereby declare that the information provided in this Universal Registration Document is, to the best of my knowledge, true to fact and that no information has been omitted that would change the interpretation of the information provided.

To the best of my knowledge, I certify that the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view

of the assets, financial position and profit or loss of the Company and all the consolidated entities, and that the management report (included in this Universal Registration Document and referred to in the Cross-reference table provided in section 6.6.3) presents a true and fair picture of the development of the business, results and financial position of the Company and all consolidated entities, as well as a description of the main risks and uncertainties to which they are exposed.

Changé, March 23, 2023

Chief Executive Officer

Maxime Séché

6.2 STATUTORY AUDITORS

6.2.1 STATUTORY AUDITORS

The statutory auditors of Séché Environnement are:

KPMG SA

Gwenaël Chedaleux

Statutory Auditor

7 boulevard Albert Einstein

Boîte Postale 41125

44311 Nantes Cedex 3

The Annual General Meeting of Shareholders of April 27, 2018 appointed KPMG as Statutory Auditor for a period of six financial years. Its mandate will expire at the end of the Annual General Meeting called to approve the financial statements for 2023.

KPMG has been the Company's Statutory Auditor since August 14, 1997.

MAZARS SA

Ludovic Sevestre

Statutory Auditor, Member of the Rennes Regional Association of Statutory Auditors

9, rue Maurice Fabre

35000 Rennes

The Annual General Meeting of Shareholders of April 27, 2018 appointed Mazars as Statutory Auditor for a period of six financial years. Its mandate will expire at the end of the Annual General Meeting called to approve the financial statements for 2023.

Mazars has been the Company's Statutory Auditor since April 27, 2018.

Fees paid to the Statutory Auditors and members of their networks are shown in chapter 3.2.4.28 "Statutory Auditors' fees" of this Universal Registration Document.

6.2.2 PERSON RESPONSIBLE FOR AUDITING THE CONSOLIDATED NON-FINANCIAL PERFORMANCE REPORT

KPMG SA

Gwenaël Chédaleux

7 boulevard Albert Einstein

Boîte Postale 41125

44311 Nantes Cedex 3

KPMG SA

Anne Garans

3 cours du Triangle

92939 Paris La Défense Cedex

6.3 INFORMATION FROM THIRD PARTIES, EXPERT STATEMENTS AND DECLARATIONS OF INTEREST

None.

6.4 DOCUMENTS ON DISPLAY

Corporate documents relating to the past three financial years (annual financial statements, minutes of Annual General Meetings, General Meeting attendance lists, lists of directors, Statutory Auditors' reports, by-laws, etc.) can be consulted at Séché Environnement's head office, at Les Hêtres – 53811 Changé Cedex 09.

The "Regulatory information" page of the Company's website is available at: <https://www.groupe-seche.com/en/investors/home>.

6.4.1 COMBINED GENERAL MEETING OF APRIL 28, 2023

6.4.1.1 Report of the Board of Directors on the resolutions submitted to the Combined General Meeting of April 28, 2023

To the Shareholders,

We have convened the Annual General Meeting today to submit for your approval twenty resolutions which are set out in this report.

Resolutions for consideration by the Ordinary Annual General Meeting

Approval of the financial statements (first to third resolutions)

The first three resolutions concern the approval of Séché Environnement's operations and the parent company and consolidated financial statements for the year ended December 31, 2022, respectively showing a profit of €51,874,968.00 and profit attributable to company shareholders of €44,608,000.

We also ask you to approve the total amount of expenses and charges referred to in Article 39-4 of the French Tax Code, namely the sum of €50,931 and the corresponding tax of €12,733.

The Board of Directors proposes that the General Meeting allocate profit of the period as follows:

- Dividend payment: €8,643,505.20, and
- Allocation of the balance of €43,231,462.80 to retained earnings.

The gross dividend per share would be €1.10 (one euro and ten cents), payable from July 11, 2023. The ex-dividend date is set at July 7, 2023.

The amount corresponding to the dividend not paid on shares held by the Company on the ex-dividend date will be allocated to Retained earnings.

When paid to natural persons domiciled in France for tax purposes, the gross dividend amount is subject to a withholding tax at the flat rate of 12.8% (Article 200 A of the French Tax Code) and social security contributions at the rate of 17.2%. This flat rate withholding tax does not discharge the income tax liability but constitutes an interim income tax deducted from the tax due the following year. On the taxpayer's express, irrevocable request, applicable to all dividends, the dividend may be taxed according to the progressive income tax scale after application of a 40% allowance (Article 200 A, 2, and 158 3-2° of the French Tax Code).

In accordance with the provisions of Article 243 bis of the French Tax Code, we hereby inform you that for the last three financial years, the distribution of dividends and income has been as follows:

For the year:	Income eligible for the 40% allowance		Income not eligible for the 40% allowance
	Dividends	Other distributed income	
2019	€7,464,845.40 ^(*) or €0.95 per share	-	-
2020	€7,464,845.40 ^(*) or €0.95 per share	-	-
2021	€7,857,732.00 ^(*) or €1 per share	-	-

(*) Including the amount of the dividend on own shares which is not paid and is allocated to the retained earnings account.

Information about the Company's management, the corporate financial statements and the consolidated financial statements for 2022, and the proposed allocation of earnings is provided in the annual management report for 2022. This report contains a section containing the report on the Group's management and a section containing the report on corporate governance.

Related-party agreements (fourth resolution)

We ask you, having heard the Statutory Auditors' special report on the related-party agreements governed by Articles L.225-38 et seq of the French Commercial Code, to note that no new related-party agreement was entered into during the past financial year.

Appointment of new directors (fifth to seventh resolutions)

Pascaline de Dreuzy and Nadine Koniski-Ziadé, whose terms of office as directors expire at the end of the General Meeting convened on April 28, 2023 to approve the financial statements for the year ended December 31, 2022, informed the Chairman of the Board of Directors of their wish not to have their term renewed by said General Meeting. Anne-Sophie Le Lay, appointed Director at the General Meeting of April 27, 2018, resigned on October 13, 2022. During its meeting of March 3, 2023, the Board of Directors decided to seek the approval of Anne-Brigitte Spitzbarth and Nathalie Tarnaud-Laude, and of Guillaume Cadiou as new independent directors at the next General Meeting.

Information about the candidates' expertise and experience is provided in the documents made available to shareholders.

To comply with the policy of staggering directors' terms of office, and using the option provided for this purpose by Article 16.II of the by-laws to set the term of office at between two and four years, the Board of Directors proposes that Anne-Brigitte Spitzbarth and Nathalie Tarnaud-Laude be appointed for a term of three years, and that Guillaume Cadiou be appointed for a term of four years. As such, one director will be reappointed in 2024, two in 2025, two in 2026 and one in 2027.

Approval of the corporate officer compensation policy referred to in Article L.22-10-8 of the French Commercial Code (eighth to tenth resolutions)

In accordance with the provisions of Article L.22-10-8 of the French Commercial Code, the Board of Directors asks you to approve:

- in the eight resolution, the compensation policy for members of the Board of Directors,
- in the ninth resolution, the compensation policy for the Chairman of the Board of Directors and,
- in the tenth resolution, the compensation policy for the Chief Executive Officer.

This information is presented in the report on corporate governance in Chapter 4 of the 2022 Universal Registration Document.

Setting of the total annual compensation awarded to Directors (eleventh resolution)

The eleventh resolution is a proposal to set the total annual compensation awarded to Directors at €175,000 for 2023, an increase in relation to that provided for the 2022 financial year (which was €150,000).

Approval of the information referred to in paragraph I. of Article L.22-10-9 I of the French Commercial Code relating to the compensation of corporate officers (twelfth resolution)

In the twelfth resolution, in accordance with Article L.22-10-34 I of the French Commercial Code, shareholders are asked to approve the information referred to in paragraph I. of Article L.22-10-9 I of the French Commercial Code as presented in the report on corporate governance prepared in compliance with Article L.225-37 of the same Code and featuring in chapter 4.2.2 of the 2022 Universal Registration Document.

Approval of the compensation and benefits of all kinds paid during in 2022 or awarded in respect of 2022 to Joël Séché, Chairman of the Board of Directors (thirteenth resolution)

In accordance with Article L.22-10-34 III of the French Commercial Code, the thirteenth resolution seeks to obtain your approval of the total compensation and benefits paid in 2022 or awarded in respect of 2022 to Joël Séché, Chairman of the Board of Directors, as described in the report on corporate governance prepared in compliance with Article L.225-37 of the French Commercial Code and included in chapter 4.2.2.1 of the 2022 Universal Registration Document.

Approval of the compensation and benefits of all kinds paid in 2022 or awarded in respect of 2022 to Maxime Séché, Chief Executive Officer (fourteenth resolution)

In accordance with Article L.22-10-34 II of the French Commercial Code, the fourteenth resolution seeks to obtain your approval of the total compensation and benefits paid in 2022 or awarded in respect of 2022 to Maxime Séché, Chief Executive Officer, as described in the report on corporate governance prepared in compliance with Article L.225-37 of the French Commercial Code and included in chapter 4.2.2.2 of the 2022 Universal Registration Document.

Authorization to be given to the Board of Directors to allow the Company to purchase its own shares, for a period of eighteen (18) months (fifteenth resolution)

In the fifteenth resolution, your Board of Directors asks shareholders to authorize it, with the right of delegation provided for by law, to purchase the Company's own shares, representing up to 10% of the shares comprising the share capital, at any time.

This authorization, which will replace that granted by the Annual General Meeting of April 29, 2022, shall apply for a period of eighteen months. Pursuant to Articles L.22-10-62 et seq and L.225-210 et seq of the French Commercial Code, this authorization is intended to allow the Company to:

- enhance liquidity and allow market-making in its shares by an investment service provider operating under a liquidity agreement, in compliance with practice authorized by the French Financial Markets Authority (AMF) or any other applicable provisions;
- award or sell shares to employees and/or corporate officers of the Company and/or Group to allow employees to share in the profits generated by the Company's expansion, under the terms and conditions provided for by law, notably for stock purchase plans or as part of Company or Group savings plans or free share awards and/or any other form of share awards for the Group's employees and/or corporate officers;
- award shares on the exercise of rights attached to securities redeemable for shares either immediately or at a later date;
- convert and subsequently grant shares in exchange or payment for a merger, acquisition, demerger or contribution of assets;
- reduce the share capital by canceling the shares duly acquired, subject to approval by an Extraordinary Annual General Meeting of Shareholders; and
- achieve any other purpose currently authorized or which should subsequently be authorized by law.

We ask shareholders to set the maximum purchase price at €140 per share and to set an overall limit of €110,008,220 for this share buyback program.

The Board of Directors will be able to use the authorization at any time it deems useful, including during a pre-offer period or in case of a public offer for the Company's shares or one made by the Company.

The purchase, sale or transfer of shares may be completed and paid for by any means, including the use of options or derivatives, block-buying mechanisms, either on the market or over the counter, warrants, or public offers.

Resolutions for consideration by the Extraordinary Annual General Meeting

Granting of authority to the Board of Directors to increase the share capital by incorporating reserves, profits or additional paid-in capital, followed by the issue and free award of capital shares or the increase in the par value of existing shares, for a period of twenty-six (26) months (sixteenth resolution)

The delegation of authority of this nature expires this year and has not been used.

In the sixteenth resolution, shareholders are asked to grant the Board of Directors the authority, with the right of delegation provided for by law, to increase the share capital by incorporating reserves, profits or additional paid-in capital, followed by the issue and free award of capital shares or the increase in the par value of existing shares, or a combination thereof.

The nominal amount of the capital increase resulting from this delegation may not exceed €157,154, representing approximately 10% of the share capital as of the date of this report. This limit (i) does not take into account the nominal amount of any capital increase completed to maintain the rights of holders of securities redeemable for shares, in accordance with the law and any contractual conditions regarding other holding terms, (ii) may not, in any case, exceed the amount of reserve, profit or additional paid-in capital accounts at the time of the capital increase, and (iii) will be limited by and deducted from the overall limit on capital increases set by the nineteenth resolution of this Annual General Meeting or, where applicable, any overall limit set by a resolution of the same type that may succeed said resolution during the period for which this authorization applies.

This authorization is granted for a period of twenty-six (26) months. It terminates and replaces the unused portion of the authorization granted by the sixteenth resolution of the Annual General Meeting of April 30, 2021, as of today's date.

Authorization granted to the Board of Directors to grant stock options to salaried employees and/or corporate officers of Group companies, implying the waiver by shareholders of their pre-emptive rights, for a period of thirty-eight (38) months (seventeenth resolution)

This authorization would be valid for thirty-eight months from the date of the Meeting. It will replace the authorization granted by the General Meeting of April 30, 2020 in the twenty-third resolution.

This resolution seeks to authorize the Board of Directors, in accordance with Articles L.225-177 et seq and L.22-10-56 et seq of the French Commercial Code, to award some or all salaried employees of the Company and of affiliated companies or groups, and/or corporate officers, within the limits set by law, options to subscribe for new Sèche Environnement shares to be issued through a capital increase, or options conferring the right to purchase Sèche Environnement shares acquired by the Company in accordance with the law.

The total number of options awarded and not exercised may not give holders the right to subscribe for shares representing more than 2% of the share capital on the date of the meeting of the Board of Directors that decides to award such options. Within this limit, the total number of stock options granted to the Company's corporate officers under this authorization may not entitle recipients to more than 2% of the above-mentioned limit.

The Board of Directors would be authorized to set the share subscription or purchase price on the date on which the options will be granted, within the limits and subject to the terms set out by law, without applying a discount as provided for in Articles L.225-177 and L.225-179 of the French Commercial Code.

The stock options must be exercised by recipients within ten years of being granted.

The Board of Directors would have full powers, with the right of delegation provided for by law and by the Company's by-laws, to implement this authorization, it being specified that the maximum number new shares that may be issued by the exercise of stock options will be limited by and deducted from the overall limit on capital increases set by the nineteenth resolution of this General Meeting or, where applicable, any overall limit be set by a resolution of the same type that may succeed said resolution during the period for which this authorization applies.

In accordance with the law, this authorization expressly implies the waiver by shareholders of their pre-emptive rights to subscribe for shares issued as the options are exercised.

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Authorization to award free shares – either existing or to be issued – to corporate officers and/or salaried employees, implying the waiver by shareholders of their pre-emptive rights, for a period of thirty-eight (38) months (eighteenth resolution)

The eighteenth resolution seeks to authorize the Board of Directors to award free shares – either existing or to be issued – to corporate officers and/or salaried employees, in accordance with Articles L.225-197-1, L.225-197-2 and L.22-10-59 et seq of the Commercial Code, it being specified that the maximum number of new shares that may be issued for the award of free shares will be limited by and deducted from the overall limit on capital increases set by the nineteenth resolution of this General Meeting or, where applicable, any overall limit be set by a resolution of the same type that may succeed said resolution during the period for which this authorization applies.

Free share awards will be limited to 2% of the share capital as of the date of the decision to award the shares. Within this limit, the total number of shares awarded to the Company's corporate officers under this authorization may not entitle recipients to more than 2% of the abovementioned limit, with this limit being a sub-limit of that referred to above.

The award of shares to recipients will be final after a vesting period, the length of which will be set by the Board of Directors, and which may not be less than one year. As applicable, recipients will be required to hold the shares for a length of time, to be set by the Board of Directors, at least equal to the time needed to ensure that the total length of the vesting period and the holding period, as applicable, is greater than two years. As an exception, the final award may be made before the end of the vesting period in the event the recipient should become disabled with a second or third category of disability as defined in Article-341-4 of the Social Security Code.

The free shares awarded may consist in existing or new shares. If they take the form of new shares, the share capital will be increased by an equivalent amount through the incorporation of reserves, profits, or additional paid-in capital.

As the decision to award free shares lies with the Board of Directors, it must choose the recipients set the terms and conditions of the award and, as applicable, the criteria for the award of shares.

If the award applies to shares to be issued, this authorization will imply the waiver, ipso jure, by shareholders of their pre-emptive rights to subscribe for new shares or to the portion of reserves or additional paid-in capital that is incorporated in respect of the issue of new shares, in favor of the recipients of the free shares. This authorization, which will replace that granted by the Annual General Meeting of April 30, 2020, shall apply for a period of thirty-eight months.

Overall limit on capital increases (nineteenth resolution)

Pursuant to Article L.225-129-2 of the French Commercial Code, the nineteenth resolution sets the overall limit on immediate or future capital increases that may arise from all issues of shares or securities performed under the authorizations granted to the Board of Directors in the sixteenth to eighteenth resolutions of this General Meeting and the fifteenth to nineteenth resolutions of the General Meeting of April 29, 2022, at a nominal amount of €314,309.

Powers to complete formalities (twentieth resolution)

The twentieth resolution assigns powers to complete the formalities required by regulations at the end of the General Meeting.

We kindly request that you approve the resolutions as submitted.

The Board of Directors

6.4.1.2 Special report of the Board of Directors to the Annual General Meeting informing shareholders of the completion of share purchases that they authorized under a share buyback program

Pursuant to the provisions of Article L.22-10-62 et seq of the French Commercial Code and Article 241-1 et seq of the General Regulation of the French Financial Markets Authority (AMF), the General Meeting of April 29, 2022, in its thirteenth resolution, authorized the Board of Directors to

purchase up to 10% of the shares comprising Company's share capital at a maximum price of €90 per share, for a period of 18 months.

This authorization, granted for a period of 18 months, replaced the previous authorization granted by the fourteenth resolution of the Annual General Meeting of April 30, 2021.

Pursuant to the provisions of Article L.225-211 of the French Commercial Code, the Board of Directors hereby reports to you on transactions performed by the Company on its own shares in the period from January 1 to December 31, 2022:

Share ownership at December 31, 2022

Number of shares purchased, sold or transferred since the start of the program (April)	101,478
Percentage of own shares held directly or indirectly	0.67%
Number of shares canceled over the last 24 months	-
Number of shares held in the portfolio	52,913
Book value of portfolio (in euros)	2,753,020
Market value of portfolio at December 31, 2022 ⁽¹⁾ (in euros)	4,751,587

(1) Based on the closing share price of €89.80 at December 31, 2022.

6.4.1.3 Draft resolutions

Resolutions for consideration by the Ordinary Annual General Meeting

First resolution

(Approval of the corporate transactions and financial statements for the year ended December 31, 2022 - Approval of non-tax deductible expenses and charges)

The General Meeting, voting under the conditions required for Ordinary Meetings as to quorum and majority, and after considering the management report of the Board of Directors (which includes the report on corporate governance in a specific section), the Statutory Auditors' reports, and the corporate financial statements at December 31, 2022:

- approves the corporate financial statements for the year ended December 31, 2022, as presented by the Board of Directors, showing profit after tax of €51,874,968.00, and the transactions reflected in these financial statements and summarized in these reports,
- approves, further to Article 223 quater of the French Tax Code, the amount of expenses and charges covered by Article 39-4 of the French Tax Code mentioned in these financial statements, totaling €50,931, and the amount of the corresponding tax charge, of €12,733.

Second resolution

(Approval of the consolidated financial statements for the year ended December 31, 2022)

The General Meeting, voting under the conditions required for Ordinary Meetings as to quorum and majority, and after considering the management report of the Board of Directors (which includes the report on the management of the Group in a specific section), the Statutory Auditors' reports, and the consolidated financial statements at December 31, 2022, approves the consolidated financial statements for the year ended December 31, 2022 as presented by the Board of Directors showing consolidated profit attributable to company shareholders of €44,608,000, and the transactions reflected in these financial statements and summarized in these reports.

Third resolution

(Allocation of earnings)

The General Meeting, voting under the conditions required for Ordinary Meetings as to quorum and majority, having noted that the net profit for the 2022 financial year amounts to €51,874,968.00, that the legal reserve is full, and that retained earnings amount to €105,201,653, decides on the following allocation of earnings as proposed by the Board of Directors:

- Dividend payment: €8,643,505.20, and
- Allocation of the balance of €43,231,462.80 to retained earnings.

The gross dividend payment for the year is set at €1.10 (one euro and ten cents) per share.

The ex-dividend date is set at July 7, 2023 and the dividend will be paid from July 11, 2023.

The amount corresponding to the dividend not paid on own shares held by the Company on the ex-dividend date will be allocated to Retained earnings.

When paid to natural persons domiciled in France for tax purposes, the gross dividend amount is subject to a withholding tax at the flat rate of 12.8% (Article 200 A of the French Tax Code) and social security contributions at the rate of 17.2%. This flat rate withholding tax does not discharge the income tax liability but constitutes an interim income tax deducted from the tax due the following year. On the taxpayer's express, irrevocable request, applicable to all dividends, the dividend may be taxed according to the progressive income tax scale after application of a 40% allowance (Article 200 A, 2, and 158 3-2° of the French Tax Code).

In accordance with the provisions of Article 243 bis of the French Tax Code, the Meeting is hereby informed that for the last three financial years, the distribution of dividends and income has been as follows:

For the year	Income eligible for the 40% allowance		Income not eligible for the 40% allowance
	Dividends	Other distributed income	
2019	€7,464,845.40* or €0.95 per share	-	-
2020	€7,464,845.40* or €0.95 per share	-	-
2021	€7,857,732.00* or €1 per share	-	-

* Including the amount of the dividend on own shares which is not paid and is allocated to the retained earnings account.

Fourth resolution

(Related-party agreements)

The General Meeting, voting under the conditions required for Ordinary Meetings as to quorum and majority, having considered the Statutory Auditors' special report on the related-party agreements referred to in Articles L.225-38 et seq of the French Commercial Code, notes that no new related-party agreement was entered into during the past financial year.

Fifth resolution

(Appointment of Anne-Brigitte Spitzbarth as an independent director)

The General Meeting, voting under the conditions required for Ordinary Meetings as to quorum and majority, notes that the directorship of Pascaline de Dreuzy expires at the end of this Meeting, and, following a proposal made by the Board of

Directors, decides to appoint Anne-Brigitte Spitzbarth as an independent director for a period of three years which will end at the General Meeting held in 2026 to approve the financial statements for the previous year.

Sixth resolution

(Appointment of Nathalie Tarnaud-Laude as an independent director)

The General Meeting, voting under the conditions required for Ordinary Meetings as to quorum and majority, notes the end of the directorship of Nadine Koniski-Ziadé, which expires at the end of this Meeting, and, following a proposal made by the Board of Directors, decides to appoint Nathalie Tarnaud-Laude as an independent director for a period of three years which will end at the General Meeting held in 2026 to approve the financial statements for the previous year.

Seventh resolution

(Appointment of Guillaume Cadiou as an independent director)

The General Meeting, voting under the conditions required for Ordinary Meetings as to quorum and majority, and following a proposal made by the Board of Directors, decides to appoint Guillaume Cadiou as a new independent director for a period of four years which will end at the General Meeting held in 2027 to approve the financial statements for the previous year. This appointment is subject to the favorable opinion of the HATVP (the French High Authority for the Transparency of Public Life).

Eighth resolution

(Approval of the compensation policy for members of the Board of Directors, referred to in Article L.22-10-8 of the French Commercial Code)

Pursuant to Article L.22-10-8 of the French Commercial Code, the General Meeting, voting under the conditions required for Ordinary Meetings as to quorum and majority, having considered the report on corporate governance, approves the compensation policy for members of the Board of Directors as presented in the report on corporate governance in chapter 4.2.1 of the 2022 Universal Registration Document.

Ninth resolution

(Approval of the compensation policy for the Chairman of the Board of Directors, referred to in Article L.22-10-8 of the French Commercial Code)

Pursuant to Article L.22-10-8 of the French Commercial Code, the General Meeting, voting under the conditions required for Ordinary Meetings as to quorum and majority, having considered the report on corporate governance, approves the compensation policy for the Chairman of the Board of Directors as presented in the report on corporate governance in chapter 4.2.1.2 of the 2022 Universal Registration Document.

Tenth resolution

(Approval of the compensation policy for the Chief Executive Officer, referred to in Article L.22-10-8 of the French Commercial Code)

Pursuant to Article L.22-10-8 of the French Commercial Code, the General Meeting, voting under the conditions required for Ordinary Meetings as to quorum and majority, having considered the report on corporate governance, approves the compensation policy for the Chief Executive Officer as presented in the report on corporate governance in chapter 4.2.1.3 of the 2022 Universal Registration Document.

Eleventh resolution

(Setting of the total annual compensation awarded to the Directors for their activities in accordance with the provisions of Article L.225-45 of the French Commercial Code)

In accordance with the provisions of Article L.225-45 of the French Commercial Code, the General Meeting, voting under the conditions required for Ordinary Meetings as to quorum and majority, having considered the report of the Board of Directors and based on a proposal by the Board of Directors, sets the total amount of compensation awarded to the Directors for 2023 at €175,000.

Twelfth resolution

(Approval of the information referred to in paragraph I. of Article L.22-10-9 I of the French Commercial Code relating to the compensation of corporate officers)

In accordance with Article L.22-10-34 I of the French Commercial Code, the General Meeting, voting under the conditions required for Ordinary Meetings as to quorum and majority, having considered the report on corporate governance, approves the information referred to in paragraph I. of Article L.22-10-9 of the French Commercial Code as presented in the report on corporate governance prepared in compliance with article L.225-37 of the same Code and featuring in chapter 4.2.2 of the 2022 Universal Registration Document.

Thirteenth Resolution

(Approval of the compensation and benefits of all kinds paid in 2022 or awarded in respect of 2022 to Joël Séché, Chairman of the Board of Directors)

In accordance with Article L.22-10-34 II of the French Commercial Code, the General Meeting, voting under the conditions required for Ordinary Meetings as to quorum and majority, having considered the report on corporate governance, approves the total compensation and benefits paid in 2022 or awarded in respect of 2022 to Joël Séché, Chairman of the Board of Directors, as described in the report on corporate governance prepared in compliance with Article L.225-37 of the French Commercial Code and included in chapter 4.2.2.1 of the 2022 Universal Registration Document.

Fourteenth Resolution

(Approval of the compensation and benefits of all kinds paid in 2022 or awarded in respect of 2022 to Maxime Séché, Chief Executive Officer)

In accordance with Article L.22-10-34 II of the French Commercial Code, the General Meeting, voting under the conditions required for Ordinary Meetings as to quorum and majority, having considered the report on corporate governance, approves the total compensation and benefits paid in 2022 or awarded in respect of 2022 to Maxime Séché, Chief Executive Officer, as described in the report on corporate governance prepared in compliance with Article L.225-37 of the French Commercial Code and included in chapter 4.2.2.2 of the 2022 Universal Registration Document.

Fifteenth resolution

(Authorization to be given to the Board of Directors to allow the Company to purchase its own shares, for a period of eighteen (18) months)

The General Meeting, voting under the conditions required for Ordinary Meetings as to quorum and majority, having considered the report of the Board of Directors and in accordance with the provisions of Articles L.22-10-62 et seq and L.225-210 et seq of the French Commercial Code, authorizes the Board of Directors, with the right of delegation provided for by law, to purchase the Company's own shares, representing up to 10% of the shares comprising the share capital, at any time. This amounts to 785,773 shares at the date of convening this Annual General Meeting.

The Annual General Meeting notes that, pursuant to Article L.22-10-62 of the French Commercial Code, when shares are purchased to enhance liquidity, the number of shares taken into account when calculating the 10% limit referred to above corresponds to the number of shares purchased less the number of shares sold during the period covered by the authorization.

The General Meeting decides that the Board of Directors, with the right of delegation provided for by law, may buy the Company's own shares for the following purposes:

- to allow market-making or liquidity enhancement on the Séché Environnement share by an investment services provider operating under a liquidity agreement in compliance with practice authorized by the AMF or any other applicable provisions,
- to award or sell shares to all or some employees and/or corporate officers of the Company and/or Group to allow them to share in the profits generated by the Company's expansion, under the terms and conditions provided for by law, notably for the award of stock options or as part of Company or Group savings plans or free share awards and/or any other form of share awards for the Group's employees and/or corporate officers,
- to award or sell shares to all or some employees and/or corporate officers of the Company and/or Group to allow them to share in the profits generated by the Company's expansion, under the terms and conditions provided for by law, notably for the award of stock options or as part of Company or Group savings plans or free share awards and/or any other form of share awards for the Group's employees and/or corporate officers,
- to award shares on the exercise of rights attached to securities redeemable for the Company's shares, and in particular to meet obligations arising in respect of debt securities exchangeable for shares,
- to hold and subsequently grant shares in exchange or payment for a merger, acquisition, demerger, or contribution of assets,
- to reduce the share capital by canceling the shares duly acquired, subject to approval by an Extraordinary Annual General Meeting,
- to achieve any other purpose currently authorized or which should subsequently be authorized by laws or by regulations; in such cases, the Company shall inform its shareholders via a press release or any other means provided for in current regulations.

The maximum purchase price is set at €140 per share (excluding acquisition costs), it being specified that in case of a corporate action, in particular a stock split or reverse stock split, or the award of free shares to shareholders, the amount indicated above may be adjusted by the same proportion (multiplier equal to the ratio of the number of shares comprising the share capital before the transaction and the number after the transaction). Under Article R.225-151 of the French Commercial Code, the General Meeting sets the maximum amount the Company may assign to the share buyback program authorized above at €110,008,220.

The General Meeting decides that the Board of Directors may use this authorization at any time it deems useful, including during a pre-offer period or in case of a public offer for the Company's shares or one made by the Company.

The General Meeting decides that the purchase, sale or transfer of shares may be completed and paid for by any means, including the use of options, derivatives, block-buying mechanisms, either on the market or over the counter, warrants, or public offers, subject to the blackout periods stipulated in the laws and regulations.

The General Meeting grants the Board of Directors full powers, with the right of delegation provided for by law, to approve all decisions, reach all agreements, carry out all formalities and, in general, take any steps necessary to implement this authorization.

This authorization is granted for a period of eighteen (18) months. It terminates and replaces the unused portion of the authorization granted by the thirteenth resolution of the Annual General Meeting of April 29, 2022, as of today's date.

Resolutions for consideration by the Extraordinary Annual General Meeting

Sixteenth resolution

(Granting of authority to the Board of Directors to increase the share capital by incorporating reserves, profits or additional paid-in capital, followed by the issue and free award of capital shares or the increase in the par value of existing shares, for a period of twenty-six (26) months)

The General Meeting, voting under the conditions required for Ordinary Meetings as to quorum and majority, pursuant to Articles L.225-129, L.225-129-2, L.225-130, and L.22-10-50 of the French Commercial Code, having considered the report of the Board of Directors, delegates its authority to the Board of Directors to decide to increase the share capital on one or more occasions in the ways and amounts it deems fit, by successively or simultaneously incorporating reserves, profits or additional paid-in capital, followed by the issue and free award of capital shares or the increase in the par value of existing shares, or a combination thereof.

The Shareholders' Meeting resolves that, should the Board of Directors makes use of this authorization, in accordance with the provisions of Articles L.225-130 and L.22-10-50 of the French Commercial Code, in the event of a capital increase in the form of free shares, fractional rights shall not be negotiable or transferable, and that the corresponding equity securities will be sold; the proceeds of the sale will be allocated to the holders of rights within the period provided for by the regulations.

The amount of the capital increase that may be completed under this resolution may not exceed the nominal amount of €157,154, it being stipulated that this limit (i) does not take into account the nominal amount of any capital increase completed to maintain the rights of holders of securities redeemable for shares, pursuant to the law and any contractual conditions that may apply, (ii) may not, in any case, exceed the amount of reserve, profit or additional paid-in capital accounts at the time of the capital increase, and (iii) will be limited by and deducted from the overall limit on capital increases set by the nineteenth resolution of this General Meeting or, where applicable, any overall limit set by a resolution of the same type that may succeed said resolution during the period for which this authorization applies.

The General Meeting grants full powers to the Board of Directors, with the right of delegation provided for by law, in accordance with the law and the Company's by-laws, to:

- implement this authorization, ensure its completion and make any necessary adjustments to take into account the impact of such operations on the Company's share capital;
- deduct the expenses of the capital increases from one or more available reserve accounts, on its own initiative, and, if it deems fit, to deduct from this amount any sums needed to increase the legal reserve; and
- complete all formalities required to complete each capital increase, note its completion, amend the by-laws accordingly and complete all formalities required to admit the securities issued under this authorization for trading.

This delegation is granted for a period of twenty-six (26) months. It terminates and replaces the unused portion of the authorization granted by the sixteenth resolution of the Annual General Meeting of April 30, 2021, as of today's date.

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Seventeenth resolution

(Authorization granted to the Board of Directors to grant stock options to salaried employees and/or corporate officers of Group companies, implying the waiver by shareholders of their pre-emptive rights, for a period of thirty-eight (38) months)

The General Meeting, voting under the conditions required for Extraordinary Meetings as to quorum and majority, having been informed of the Board of Directors' report and the Statutory Auditors' special report;

- authorizes the Board of Directors, in accordance with Articles L.225-177 et seq and L.22-10-56 et seq of the French Commercial Code, for a period of thirty-eight (38) months from the date of this General Meeting, to award, on one or more occasions, some or all salaried employees and/or corporate officers of the Company and or companies or groups affiliated to it, as described in the French Commercial Code, within the limits set by applicable laws, stock options to subscribe for new shares in the Company to be issued through a capital increase, and/or stock options conferring the right to purchase shares acquired by the Company in accordance with the law;
- decides that the total number of stock subscription or purchase options granted under this authorization may not give rights to a number of shares greater than 2% of the share capital as of the date of the Board of Directors' meeting that decides to award the stock options, it being understood that (i) the total number of outstanding stock options not yet exercised may not give holders the right to subscribe for a number of shares in excess of legal limits, and (ii) the maximum number of new shares that may be issued through the exercise of stock subscription options granted under this resolution will be limited by and deducted from the overall limit on capital increases set in the nineteenth resolution of this Meeting, or, where applicable, any overall limit set by a resolution of the same type that may succeed said resolution during the period for which this authorization applies validity of this authorization;
- decides that the total number of stock options granted to corporate officers of the Company under this authorization may not exceed 2% of the limit set in the previous paragraph;
- decides that the limits set in the two previous paragraphs do not take into account the nominal amount of shares that will need to be issued, in accordance with the law and with contractual stipulations, as applicable, to maintain the rights of holders of rights or securities redeemable for shares.

This authorization implies the waiver by shareholders of their pre-emptive rights to subscribe for the shares thus issued, in favor of recipients of the stock options.

The share subscription or purchase price will be set by the Board of Directors on the date on which the options will be granted, within the limits and subject to the terms set out by law, without applying a discount as provided for in Articles L.225-177 and L.225-179 of the Commercial Code. The stock options may be exercised by recipients within ten (10) years of being granted.

The General Meeting decides to grant the Board of Directors full powers to implement this authorization, and in particular to:

- set the general stock option policy, the type of stock options to be awarded and the dates on which they shall be awarded;
- set the dates of each award, set the terms under which the options will be granted, in particular performance requirements and clauses prohibiting the immediate sale of all or some of the shares for a maximum of three years, and, decide on the list of recipients and the number of options awarded to each recipient;
- set the terms of exercise of the options, and in particular the exercise periods, it being understood that the Board of Directors may retain the option of temporarily suspending the exercise of stock options in accordance with legal and regulatory provisions; and amend the characteristics, conditions and periods in which stock options may be exercised, subject to the limits set out in law and compliance with the applicable formalities;
- establish the conditions governing how the price and number of shares to be subscribed for or purchased will be adjusted in the cases authorized by the law;
- determine the time limit, which may not exceed ten (10) years, within which the recipients shall be entitled to exercise their options and the exercise periods of the options;
- complete, with the right of delegation provided for by law, all necessary formalities required to finalize the capital increase or increases that may be required under the authorization granted in this resolution, and charge the amounts needed to supplement the legal reserve;
- amend, with the right of delegation provided for by law, the by-laws accordingly;
- and generally carry out any formalities required to implement this authorization, in compliance with applicable legislation.

The Board of Directors will inform the Ordinary General Meeting of transactions carried out under this authorization each year, in accordance with the applicable legal and regulatory requirements.

This authorization terminates with immediate effect the unused portion of the previous authorization granted in the twenty-third resolution approved by the General Meeting of April 30, 2020.

Eighteenth resolution

Authorization to award free shares – either existing or to be issued – to corporate officers and/or salaried employees, implying the waiver by shareholders of their pre-emptive rights, for a period of thirty-eight (38) months)

The General Meeting, voting under the conditions required for Extraordinary Meetings as to quorum and majority, having been informed of the Board of Directors' report and of the Statutory Auditors' special report, authorizes the Board of Directors to award, on one or more occasions, for a period of thirty-eight (38) months as of the date of this Meeting, some or all corporate officers and/or salaried employees of the Company or companies or groups affiliated to it, as described in Articles L.225-197-2 and L.22-10-59 of the French Commercial Code, free existing shares or shares to be issued, in accordance with Articles L.225-197-1, L.225-197-2 and L.22-10-59 of the French Commercial Code.

The total number of free shares that may be awarded under this authorization (i) may not exceed 2% of the share capital on the date of the Board of Directors' meeting that decides to make the free share award, and (ii) within this limit, the total number of shares awarded to corporate officers may not exceed 2% of said limit, it being stipulated that the maximum nominal amount of capital increases that may be carried out for free share awards made under this authorization shall be limited by and deducted from the overall limit on capital increases set by the nineteenth resolution of this Meeting, or, where applicable, any overall limit set by a resolution of the same type that may succeed said resolution during the period for which this authorization applies. These limits do not take into account the nominal amount of shares that will need to be issued to maintain the rights of holders of rights or securities redeemable for shares, as applicable, and in accordance with the law.

The award of shares to recipients will be final after a vesting period, the length of which will be set by the Board of Directors and which may not be less than one year.

As applicable, recipients will be required to hold the shares for a length of time, to be set by the Board of Directors, at least equal to the time needed to ensure that the total length of the vesting period and the holding period, as applicable, is greater than two years.

As an exception, the final award may be made during the vesting period in the event the recipient becomes disabled with a second or third category of disability as defined in Article 341-4 of the Social Security Code.

The free shares awarded may consist in existing or new shares. If new shares are awarded, the General Meeting authorizes the Board of Directors to complete one or more capital increases by incorporating reserves, profits or additional paid-in capital to issue shares subject to the terms of this resolution, and notes that if new shares are issued, this authorization implies the waiver by shareholders of their pre-emptive rights and of the portion of reserves or additional paid-in capital incorporated into the share capital pursuant to the issuance of new shares, in favor of recipients of the free share awards, with the corresponding capital increase being finally completed by the fact of awarding the shares to the recipients. When the award applies to existing shares, this authorization implies the waiver by shareholders of all rights in respect of the free shares awarded.

As the decision to award free shares lies with the Board of Directors, it must determine the identity of the recipients of the shares and the number of shares awarded to each recipient, set the terms and conditions of the award and, as applicable, the criteria for the award of shares.

Full powers are granted to the Board of Directors to implement this authorization, as applicable, and in particular to:

- decide whether the shares awarded will be existing shares or new shares to be issued and, as applicable, modify the decision before the final award of the shares, note the existence of sufficient reserves, as applicable, and, if it wishes, transfer the amounts needed to pay up the new shares to a reserve account, for each award;
- during the vesting period, as necessary, adjust the number of free shares awarded to maintain recipients' rights subsequent to any corporate actions; any shares awarded in respect of these adjustments will be considered to be awarded on the same date as the shares initially awarded, it being understood that the Board of Directors may provide for the temporary suspension of the award of shares;
- in the event new shares are issued, at the appropriate time, as applicable, charge the amounts needed to pay up the shares against reserves, profits or additional paid-in capital, note the completion of the capital increases, complete the necessary procedures and generally carry out all necessary formalities;
- as applicable, purchase the required shares under a share buyback program and assign said shares to the free share award;
- take all necessary measures to ensure that the recipients observe mandatory holding periods, as applicable;
- amend the award plan within the limits set by law and subject to compliance with the applicable formalities;
- and generally carry out any formalities required to implement this authorization, in compliance with applicable legislation.

This authorization terminates with immediate effect the unused portion of the previous authorization granted in the fourth resolution approved by the General Meeting of April 30, 2020.

Nineteenth resolution

(Overall limit on capital increases)

The General Meeting, voting under the conditions required for Extraordinary Meetings as to quorum and majority, having considered the Board of Directors' report, in accordance with Article L.225-129-2 of the French Commercial Code, sets the overall limit for any immediate or future capital increase resulting from all issues of shares or other securities under the authorizations granted to the Board of Directors in the sixteenth to eighteenth resolutions of this General Meeting and by the fifteenth to nineteenth resolutions of the General Meeting of April 29, 2022, at a

nominal amount of three hundred and fourteen thousand three hundred and nine euros (€314,309), it being understood that this limit will be increased by any amounts needed for adjustments to the capital that may be required, in accordance with the laws and regulations in effect or contractual terms, following the issue of securities or rights redeemable for shares.

This resolution terminates and replaces the unused portion of the twentieth resolution of the Annual General Meeting of April 29, 2022.

Twentieth resolution

(Powers to complete legal formalities)

Full powers are granted to the holder of an original copy, an abstract or a certified copy of these resolutions to carry out all publication and/or filing formalities required by law.

6.5 DOCUMENTS INCLUDED FOR REFERENCE

The following are incorporated in this Universal Registration Document by reference:

- The corporate financial statements and the consolidated financial statements for 2021, accompanied by the corresponding Statutory Auditors' reports, which feature respectively on pages 155 to 268 of the 2021 Registration Document filed with the AMF on March 14, 2022.
- The corporate financial statements and the consolidated financial statements for 2020, accompanied by the corresponding Statutory Auditors' reports, which feature respectively on pages 142 to 259 of the 2020 Registration Document filed with the AMF on March 12, 2021.

6.6 CROSS-REFERENCE TABLES

6.6.1 CROSS-REFERENCE TABLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

This cross-reference table includes the headings set out in Appendices I and II of the Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 and refers to the paragraphs of the Universal Registration Document where the information relating to each of these sections is mentioned.

		Paragraphs
1	Persons responsible	
1.1	Persons responsible for the information given in the Universal Registration Document	6.1.1
1.2	Declaration by those responsible for the Universal Registration Document	6.1.2
1.3	Statements by experts and declarations of interest	N/A
1.4	Information from third parties	N/A
1.5	Approval by the competent supervisory authority	N/A
2	Statutory Auditors	
2.1	Names and addresses of the Statutory Auditors	6.2
2.2	Change of Statutory Auditors	N/A
3	Risk factors	1.3 and 2.7
4	Information about the issuer	
4.1	Legal and commercial name	5.4.1
4.2	Place of registration, registration number and legal entity identifier (LEI)	5.4.4
4.3	Date of incorporation and length of life of the issuer	5.4.3
4.4	Registered office and legal form	5.4.1 and 5.4.2
5	Business overview	
5.1	Principal activities	1.1.3
5.1.1	Types of operations and principal activities	1.1.3
5.1.2	Significant new products and/or services introduced	1.1.3
5.2	Principal markets	1.2
5.3	Important events in the development of the business	2.1.1 and 3.2.2
5.4	Strategy and objectives	1.1.2 and 1.4, 1.5, 1.6 and 1.7
5.5	Dependence on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes	1.1.3 and 1.6.2
5.6	Competitive position	1.2.4
5.7	Investments	2.3.1.3
5.7.1	Material investments made during each financial year of the period covered by the historical financial information	2.3.1.3
5.7.2	Principal future investments for which firm commitments have already been made	2.3.1.3
5.7.3	Joint ventures and companies in which Séché Environnement holds an interest that could have a significant impact on the value of its assets and liabilities, its financial position or its results	3.2.3
5.7.4	Environmental issues that may influence Séché Environnement's use of its property, plant and equipment	1.3 and 1.4
6	Organizational structure	
6.1	Group organizational structure	2.1.2.1
6.2	List of significant subsidiaries	3.2.3
7	Operating and financial review	
7.1	Financial condition	2.2
7.1.1	Description of changes in financial condition and results of operations	2.1.2
7.1.2	Probable future trends in activities and research and development activities	2.4 and 1.6.2
7.2	Operating results	2.1.2
7.2.1	Significant factors, including unusual events or new developments, materially affecting the Group's income from operations	2.1.1
7.2.2	Explanation of major changes in net revenues or net income	2.1.2.2

	Paragraphs
8 Cash and capital resources	
8.1 Information concerning the Group's capital resources (short and long term)	2.2.3
8.2 Sources and amounts of the Group's cash flows	2.3.1
8.3 Borrowing requirements and funding structure	2.3.2
8.4 Restrictions on the use of capital resources	2.3
8.5 Anticipated sources of funds needed to fulfill commitments referred to in item 5.7.2	N/A
9 Regulatory environment	1.3 and 1.5.1
10 Trend information	2.4.
10.1 Most significant recent trends in production, sales and inventory, and costs and selling prices from the end of the last financial year to the date of the Universal Registration Document	2.4
10.1 Significant changes in the Group's performance between the end of the last financial year for which financial information was published and the date of the Universal Registration Document (or an appropriate negative statement)	2.4
10.2 Trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on Séché Environnement's outlook, for at least the current financial year	2.4.
11 Profit forecasts or estimates	2.4.2
11.1 Profit forecasts or estimates (still valid) published by Séché Environnement	2.4.2
11.2 Principal assumptions upon which Séché Environnement has based its forecast, or estimate	2.4.2.
11.3 Statement that the forecast or estimated profit was prepared and calculated on a basis comparable with the historical financial information and compliant with accounting methods	N/A
12 Administrative, management and supervisory bodies and senior management	
12.1 Names, business addresses and functions in the Group of members of the administrative and management bodies	4.1.1.2
12.2 Administrative, management and supervisory bodies and senior management conflicts of interests	4.1.2.2
13 Remuneration and benefits	
13.1 Amount of remuneration paid and benefits in kind granted by Séché Environnement and its subsidiaries to members of the administrative bodies for services in all capacities to the issuer	4.2.2
13.2 Total amounts set aside or accrued by the Group to provide pension, retirement or similar benefits	
14 Functioning of the administrative and executive bodies	4.1.2
14.1 Expiry date of current terms of office of administrative or management bodies and senior management	4.1.1.1
14.2 Service contracts between members of the administrative or management bodies and Séché Environnement or any of its subsidiaries providing for benefits upon termination of employment, or an appropriate negative statement	N/A
14.3 Information about the Audit Committee and Compensation Committee	4.1.3
14.4 Statement of compliance with the applicable corporate governance regime	4.1
15 Employees	
15.1 Number of employees at the end of the period covered by the historical financial information, or their average number during each financial year for that period, up to the date of the Universal Registration Document	5.7.1
15.2 Shareholdings and stock options	5.7 and 1.7.3.1.3
15.3 Arrangements for involving employees in the capital	5.7 and 1.7.3.1.3
16 Major shareholders	
16.1 The names of any person other than a member of the administrative, management or supervisory bodies who, directly or indirectly, has a notifiable interest in Séché Environnement's capital or voting rights under national laws, as well as the amount of such holdings at the date of the Universal Registration Document	5.2.1
16.2 Indication of whether Séché Environnement's major shareholders have different voting rights, or an appropriate negative statement	5.2.1
16.3 Information on whether Séché Environnement is directly or indirectly owned or controlled – description of the nature of such control and the measures in place to ensure that such control is not abused	5.2.1
16.4 Any arrangement known to Séché Environnement which may at a subsequent date result in a change in control of the issuer	N/A
17 Related-party transactions	3.4.3.24

	Paragraphs
18 Financial information concerning Séché Environnement's assets and liabilities, financial position and profits and losses	
18.1 Historical financial information	2.1.2.1 and 6.5
18.1.1 Audited historical financial information covering the latest three financial years and the audit report in respect of each year	3 and 6.5
18.1.2 Change of accounting reference date	N/A
18.1.3 Accounting standards	3.2.1 and 3.4.3.1
18.1.4 Change of accounting standards	3.2.1 and 3.4.3.1
18.1.5 Financial information prepared in accordance with national accounting standards	N/A
18.1.6 Consolidated financial statements	3.1. and 3.2
18.1.7 Age of latest financial information	3.2.1.1
18.2 Interim and other financial information	N/A
18.3 Audit of historical annual financial information	6.5
18.3.1 Auditing of historical annual information	6.5
18.3.2 Other information included in the Registration Document which has been audited by the Statutory Auditors	3.1 and 3.2
18.3.3 Unaudited financial information	N/A
18.4 Pro forma financial information	N/A
18.5 Dividend policy	2.6
18.5.1 Description of the policy on dividend distributions	2.6
18.5.2 Amount of the dividend per share	2.6
18.6 Legal and arbitration proceedings	3.2.4.23
18.7 Significant change in the issuer's financial position	2.2
19 Additional information	
19.1 Share capital	5.1
19.1.1 Details of the amount of capital issued and information on shares	5.1
19.1.2 Shares not representing capital	N/A
19.1.3 Number, book value and face value of shares held by or on behalf of Séché Environnement or by its subsidiaries	5.2.8
19.1.4 Amount of any convertible securities, exchangeable securities or securities with warrants, with an indication of the conditions governing and the procedures for conversion, exchange or subscription	N/A
19.1.5 Information about and terms of any acquisition rights and/or obligations over authorized but unissued capital or an undertaking to increase the capital	N/A
19.1.6 Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate	N/A
19.1.7 A history of share capital, highlighting information about any changes, for the period covered by the historical financial information	5.1 5.2.3
19.2 Articles of incorporation and by-laws	
19.2.1 Description of the issuer's objects and purposes	5.3.1
19.2.2 Description of the rights, preferences and restrictions attaching to each class of the existing shares	N/A
19.2.3 Brief description of any provision of the issuer's articles of association, statutes, charter or by-laws that would have an effect of delaying, deferring or preventing a change in control of the issuer	5.3.3
20 Material contracts	1.2.3
21 Documents on display	

6.6.2 CROSS-REFERENCE TABLE FOR THE ANNUAL FINANCIAL REPORT IN THE UNIVERSAL REGISTRATION DOCUMENT

This Universal Registration Document includes all the elements of the annual financial report referred to in Articles L.451-1-2 I of the French Monetary and Financial Code and Article 222-3 of the AMF General Regulation. The following cross-reference table identifies, by reference to the paragraphs of the Universal Registration Document, the information that constitutes the annual financial report.

		Paragraphs
1	Corporate financial statements	3.4
2	Consolidated financial statements	3.1 and 3.2
3	Management report	See cross-reference table for the management report in section 6.6.3
4	Certification by the persons responsible for the annual financial report	6.1
5	Report of the Statutory Auditors on the corporate financial statements	3.5
6	Report of the Statutory Auditors on the consolidated financial statements	3.3

6.6.3 CROSS-REFERENCE TABLE FOR THE MANAGEMENT REPORT (WHICH INCLUDES THE REPORT ON THE GROUP'S MANAGEMENT, THE REPORT ON CORPORATE GOVERNANCE, AND THE CONSOLIDATED NON-FINANCIAL PERFORMANCE REPORT) IN THE UNIVERSAL REGISTRATION DOCUMENT

This Universal Registration Document includes all the elements of the management report (which includes the report on the Group's management, the report on corporate governance, and the consolidated non-financial performance report). The following cross-reference table identifies, by reference to the paragraphs of the Universal Registration Document, the information that must appear in the management report, in accordance with the provisions of the French Commercial Code applicable to limited companies with a board of directors.

		Paragraphs
1	Information on the activity of the Company and the Group	
1.1	Situation of the Company during the past financial year and an objective and exhaustive analysis of the business, results and financial position of the Company and the Group, in particular its debt position, in view of the volume and complexity of the business (Articles L.225-100-1 I., 1°, L.232-1 II, L.233-6 and L.233-26 of the French Commercial Code)	Chapter 2
1.2	Key financial indicators for the Company and the Group (Article L.225-100-1, I., 2° of the French Commercial Code)	2.1 and 2.2
1.3	Key non-financial indicators relating to the specific activity of the Company and the Group, in particular information relating to environmental and human resources matters (Article L.225-100-1, I., 2° of the French Commercial Code)	Chapter 1
1.4	Significant events between the balance sheet date and the date on which the management report is prepared (Articles L.232-1, II. and L.233-26 of the French Commercial Code)	2.4.1
1.5	Identity of the main shareholders and holders of voting rights at general meetings, and changes occurring during the financial year (Article L.233-13 of the French Commercial Code)	5.2.1
1.6	Branches (Article L.232-1, II of the French Commercial Code)	5.4.1
1.7	Significant investments in companies having their registered office in France (Article L.233-6 para. 1 of the French Commercial Code)	3.2.2 and 5.5.1
1.8	Disposals of cross-shareholdings (Articles L.233-29, L.233-30 and R.233-19 of the French Commercial Code)	N/A
1.9	Expected developments in the situation of the Company and the Group and future prospects (Articles L.232-1, II and L.233-26 of the French Commercial Code)	2.4

		Paragraphs
1.10	Research and development activities (Articles L.232-1, II and L.233-26 of the French Commercial Code)	1.6.2
1.11	Table showing the Company's results in each of the last five financial years (Article R.225-102 of the French Commercial Code)	2.5.4
1.12	Information on supplier and customer payment deadlines (Article D.441-4 of the French Commercial Code)	2.5.2
1.13	Amount of intercompany loans granted and Statutory Auditors' declaration (Articles L.511-6 and R.511-2-1-3 of the French Monetary and Financial Code)	N/A
2	Internal control and risk management	
2.1	Main risks and uncertainties faced by the Company and the Group (Article L.225-100-1, I., 3° of the French Commercial Code)	1.3 and 2.7
2.2	Information on the financial risks related to the effects of climate change and presentation of the measures taken by the company to reduce them by implementing a low-carbon strategy in all parts of its business (Article L.22-10-35, 1° of the French Commercial Code)	1.3, 1.4.3 and 1.4.4
2.3	Main characteristics of internal control and risk management procedures set up by the Company and the Group relating to the preparation and processing of financial and accounting information (Article L.22-10-35, 2° of the French Commercial Code)	4.4
2.4	Information on the objectives and policy regarding the hedging of each main category of transactions and exposure to price, credit, liquidity and treasury risks, which includes the use of financial instruments (Article L.225-100-1, 4° of the French Commercial Code)	2.7 and 3.2.4.8
2.5	Anti-corruption system (Law No. 2016-1691 of December 9, 2016 known as the Sapin II law)	1.5.2 and 1.5.6
2.6	Vigilance action plan and report on its effective implementation (Article L.225-102-4 of the French Commercial Code)	N/A
3	Report on corporate governance	
	Information on compensation	
3.1	Compensation policy for corporate officers (Article L.22-10-8, I., paragraph 2 and Article R.22-10-14 of the French Commercial Code)	4.2.1
3.2	Compensation and benefits of any kind paid during the financial year or awarded for the financial year to each corporate officer (Article L.22-10-9, I., 1° and Article R.22-10-15 of the French Commercial Code)	4.2.2
3.3	Relative proportion of fixed and variable compensation (Article L.22-10-9, I., 2° of the French Commercial Code)	N/A
3.4	Use of the option to request the return of variable compensation (Article L.22-10-9, I., 3° of the French Commercial Code)	N/A
3.5	Commitments of any kind made by the Company towards its corporate officers, corresponding to items of compensation, indemnities or benefits due or likely to be due as a result of the performance, termination or change of their duties or subsequent to the exercise thereof (Article L.22-10-9, I., 4° of the French Commercial Code)	N/A
3.6	Compensation paid or awarded by a company included in the scope of consolidation within the meaning of Article L.233-16 of the French Commercial Code (Article L.22-10-9, I., 5° of the French Commercial Code)	4.2
3.7	Ratios between the level of compensation of each executive corporate officer and the average and median compensation of the Company's employees (Article L.22-10-9, I., 6° of the French Commercial Code)	4.2
3.8	Annual change in the compensation, performance of the Company, the average compensation of the Company's employees and the above-mentioned ratios over the five most recent financial years (Article L.22-10-9, I., 7° of the French Commercial Code)	4.2
3.9	Explanation of how total compensation complies with the compensation policy, including how it contributes to the long term performance of the Company and how performance criteria have been applied (Article L.22-10-9, I., 8° of the French Commercial Code)	4.2
3.10	How the vote at the last Ordinary General Meeting provided for in I of Article L.22-10-34 of the French Commercial Code was taken into account (Article L.22-10-9, I., 9° of the French Commercial Code)	4.2
3.11	Deviation from the procedure for implementing the compensation policy and any exceptions (Article L.22-10-9, I., 10° of the French Commercial Code)	N/A
3.12	Application of the provisions of the second paragraph of Article L.225-45 of the French Commercial Code (suspension of the payment of directors' compensation in the event of non-compliance with the diversity of the Board of Directors) (Article L.22-10-9, I., 11° of the French Commercial Code)	N/A
3.13	Award and retention of stock options by corporate officers (Articles L.225-185 and L.22-10-57 of the French Commercial Code)	N/A

		Paragraphs
3.14	Award and retention of free shares by executive corporate officers (Articles L.225-197-1 and L.22-10-59 of the French Commercial Code)	N/A
	Information on governance	
3.15	List of all offices and functions held in any company by all corporate officers during the year (Article L.225-37-4, 1° of the French Commercial Code)	4.1.1.2
3.16	Agreements between a senior manager or a significant shareholder and a subsidiary (Article L.225-37-4, 2° of the French Commercial Code)	5.6
3.17	Table summarizing the current authorizations to increase the share capital granted by the General Meeting (Article L.225-37-4, 3° of the French Commercial Code)	5.2.5
3.18	General management procedures (Article L.225-37-4, 4° of the French Commercial Code)	4.1
3.19	Composition, preparation and organization of the Board's work (Article L.22-10-10, 1° of the French Commercial Code)	4.1
3.20	Application of the principle of balanced representation of women and men on the Board (Article L.22-10-10, 2° of the French Commercial Code)	4.1.1.4
3.21	Any limitations that the Board imposes on the powers of the Chief Executive Officer (Article L.22-10-10, 3° of the French Commercial Code)	N/A
3.22	Reference to a corporate governance code and application of the "Comply or explain" principle (Article L.22-10-10, 4° of the French Commercial Code)	4.1 and 4.1.3.2
3.23	Special conditions for taking part in the Annual General Meeting (Article L.22-10-10, 5° of the French Commercial Code)	5.3.2
3.24	Procedure for assessing current agreements - Implementation (Article L.22-10-10, 6° of the French Commercial Code)	4.3
3.25	Information liable to have an impact in the event of a public tender or exchange offer: (i) capital structure of the company; (ii) statutory restrictions on the exercise of voting rights and share transfers, or clauses of agreements brought to the Company's attention pursuant to Article L.233-11; (iii) direct or indirect shareholdings in the Company's capital of which it is aware pursuant to Articles L.233-7 and L.233-12; (iv) a list of the holders of any security with special control rights and a description thereof; (v) control mechanisms provided for in any employee share ownership system, where the control rights are not exercised by the employees; (vi) agreements between shareholders of which the company is aware and which may result in restrictions on the transfer of shares and the exercise of voting rights; (vii) rules applicable to the appointment and replacement of members of the Board of Directors and to the amendment of the Company's by-laws; (viii) powers of the Board of Directors, in particular with regard to the issue or buyback of shares; (ix) agreements entered into by the Company that are modified or terminated in the event of a change in control of the Company, unless such disclosure would seriously prejudice its interests, except in cases where there is a legal disclosure obligation; (x) agreements providing for compensation for members of the Board of Directors or employees if they resign or are terminated without real and serious cause or if their employment terminates as a result of a public purchase or exchange offer. (Article L.22-10-11 of the French Commercial Code)	4.1, 4.2, 5.1, 5.2, 5.3
4	Ownership structure and share capital	
4.1	Structure, changes in the Company's capital and crossing of disclosure thresholds (Article L.233-13 of the French Commercial Code)	5.1 and 5.2
4.2	Acquisition and disposal by the Company of its own shares (Articles L.225-211 and R.225-160 of the French Commercial Code)	5.2.8
4.3	Statement of employee participation in the share capital on the last day of the financial year (portion of the capital held) (Article L.225-102, paragraph 1 of the French Commercial Code)	5.2.1 and 5.7
4.4	Indication of any adjustments for securities redeemable for shares in the event of share buybacks or financial transactions (Articles R.228-90 and R.228-91 of the French Commercial Code)	N/A
4.5	Information on the transactions in the Company's shares by senior management and related parties (Article L.621-18-2 of the French Monetary and Financial Code)	5.2.2
4.6	Amounts of dividends that have been paid in respect of the three previous financial years (Article 243 bis of the French Tax Code)	2.6
5	Non-financial performance report	
5.1	Business model (Articles L.225-102-1 and R.225-105, I of the French Commercial Code)	1.1
5.2	Description of the main risks related to the activity of the Company or the Group, including, where relevant and proportionate, the risks created by business relationships, products or services (Articles L.225-102-1 and R.225-105, I, 1° of the French Commercial Code)	1.3

		Paragraphs
5.3	Information on the impact of the activity in respect of human rights and the fight against corruption and tax avoidance, and how the Company or the Group takes into account the social and environmental consequences of its business (description of policies and due diligence procedures implemented to prevent, identify and mitigate the main risks related to the Company's or the Group's business) (Articles L.225-102-1, III, L.22-10-36 and R.22-10-29, R.225-104 and R.225-105, I. 2° of the French Commercial Code)	1.4, 1.5 and 1.7
5.4	Results of the policies applied by the Company or the Group, including key performance indicators (Articles L.225-102-1 and R.225-105, I. 3° of the French Commercial Code)	1.3
5.5	Human resources information (employment, work organization, health and safety, social relations, training, equality) (Articles L.225-102-1 and R.225-105, II. A. 1° of the French Commercial Code)	1.7
5.6	Environmental information (general environmental policy, pollution, circular economy, climate change) (Articles L.225-102-1 and R.225-105, II. A. 2° of the French Commercial Code)	1.4
5.7	Societal information (social commitments to sustainable development, subcontracting and suppliers, fair practices) (Articles L.225-102-1 and R.225-105, II. A. 3° of the French Commercial Code)	1.5.2
5.8	Information on the fight against corruption and tax avoidance (Articles L.225-102-1, L.22-10-36 and R.22-10-29 and R.225-105, II. B. 1° of the French Commercial Code)	1.5.2
5.9	Information on actions in favor of human rights (Articles L.225-102-1, L.22-10-36 and R.22-10-29 and R.225-105, II. B. 2° of the French Commercial Code)	1.5.2
5.10	If the Company or the Group operates at least one facility classified as a Seveso "upper tier" site (facility on the list provided for in Article L.515-36 of the Environmental Code): Specific information: (i) policy implemented by the Company or the Group for preventing the risk of a technological accident; (ii) capacity of the Company or the Group to cover its civil liability resulting from the operation of such facilities with respect to property and persons; (iii) resources provided by the Company or the Group to ensure the management of compensation for victims in the event of a technological accident for which it is liable. (Article L.225-102-2 of the French Commercial Code)	1.4.1
5.11	Collective bargaining agreements signed within the company and their impact on the company's economic performance and on employee working conditions (Articles L.225-102-1, III and R.225-105 of the French Commercial Code)	1.7.3.1.2
5.12	Certification by the independent third party of the information contained in the non-financial performance report (Articles L.225-102-1, III and R.225-105-2 of the French Commercial Code)	1.9
6	Other information	
6.1	Additional tax information (Articles 223 quater and 223 quinquies of the French Tax Code)	6.4.1.3
6.2	Injunctions or financial penalties for anti-competitive practices (Article L.464-2 of the French Commercial Code)	N/A

6.6.4 ADDITIONAL DOCUMENTS

Item	Paragraphs
Description of the share buyback program	5.2.8
Disclosure of the fees paid to the statutory auditors	3.2.4.28
Report on Corporate Governance and Internal Control and Risk Management Procedures	Chapter 4

Séché Environnement

A Société Anonyme (French limited company) with share capital of €1,571,546.40 -
registered in the Laval Trade and Companies register under number B 306 915 535

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