

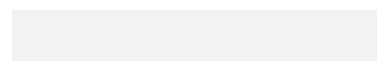


TOGETHER
leading

The green
transition
with our solutions

**SUSTAINABILITY-LINKED BOND
FRAMEWORK**

October 2021



CONTENTS

Introduction	3
Séché Environnement: recovering waste and protecting the environment	3
Sound risk management to efficiently deliver waste solutions to all types of clients across the entire value chain	4
Using waste management expertise to create a more sustainable world	5
Sustainability: the backbone of our business model	6
01 Facing social and environmental challenges by deploying know-how across all circular economy businesses	6
02 Building tomorrow's company capitalizing on our people in France and internationally	7
03 Creating value by reducing impacts to foster the circular economy model and accelerate low-carbon impact transition	8
04 Working towards a resilient economy by committing to a virtuous value creation with economic contributions to stakeholders and local area	9
Recognition	10
Séché Environnement's Sustainability-Linked Bond Framework	11
Rationale	11
Selection of Key Performance Indicators (KPIs)	12
01 KPI 1	12
02 KPI 2	14
Calibration of Sustainability Performance Target(s) (SPTs)	15
Financial Characteristics	17
Reporting	18
External Verification	18
Pre-issuance verification	18
Post-issuance verification	18
Recalculation Policy	18
Amendments to this framework	19
Disclaimer	20

INTRODUCTION¹

Séché Environnement: recovering waste and protecting the environment

Séché Environnement has more than **30 years of experience in the field of waste management**. We have become a versatile player in a position to handle all types of waste at our facilities in 15 countries and more than 100 locations in the world, serving about 13,000 clients in France and 5,000 internationally.

We employ **~4,400 employees worldwide**, of which ~2,000 in France, and process **3mn tonnes of waste every year**.

Séché Environnement's **core business lies in waste recovery**. Our strategy is to export our expertise and know-how in hazardous waste management worldwide.

With a **comprehensive offering** (ranging from waste collection to energy recovery) spanning all types of waste, Séché Environnement serves industrial clients (82% of revenue) and local authorities (18%) in France (77%) and around the world (23%), with solutions for hazardous waste (61%) and non-hazardous waste (39%).

The Group has a **network of specialized operating sites that are close to its markets. It owns its facilities**, with the exception of a few public service concessions in France.

01 Environmental services

- **On-site decontamination**
Multidisciplinary operations, complex projects, specific know-how (radio-protection, pyrotechnics, etc.)
- **Emergency work operations**
In the event of accidental pollution, response by the Séché Urgences Interventions (SUI) teams in under 4 hours across France (24/7.)
- **Industrial cleaning**
by chemical, thermal or air blowing techniques which is essential when commissioning or maintaining industrial facilities.




02 Collection, sorting and grouping

- **Transport**
Offer a comprehensive service, equipment suited to each type of flow packaged or bulk, liquid or solid, OHSAS 18001 certified.
- **Platforms**
Flow optimization and direction of waste to the appropriate facilities.



03 Decontamination

- **Sanitisation of HHW***
Treatment to eliminate all potential biological risk from this waste using microwaves or autoclaves.
- **Polychlorinated biphenyls (PCB)**
Treatment in dedicated facilities of PCB oils contained in electrical transformers.
- **Physical-chemical treatment**
Neutralization of hydroxide sludges to extract from the final waste a certain number of rare metals such as copper, molybdenum and cobalt for recovery.



* Hospital & Infectious Healthcare Waste


04 Reuse-recycling

- **Solvent regeneration**
Procedure for purifying solvents or synthesis intermediates for the chemicals and pharmaceutical industry, by distillation.
- **Materials sorting**
High-performance sensors for sorting packaging, household paper/cardboard and waste from economic activities. Direction of flows to the appropriate recovery facilities.
- **Other material recovery channels**
Recovery of metals, refurbishment of transformers, reuse/cleaning of intermediate bulk containers.



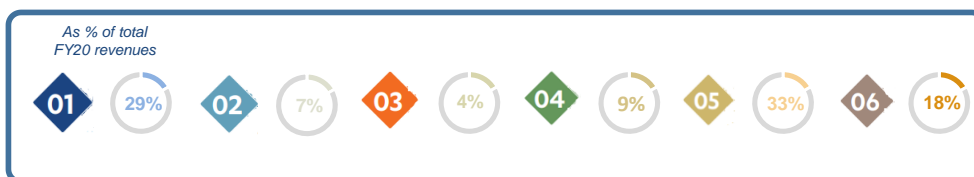

05 Energy recovery and treatment

- **Energy Recovery Unit (ERU)**
The heat from waste is recovered during thermal treatment, enabling the production of recovered and renewable energy (electricity and/or heat).
- **SRF facility**
Solid Recovered Fuels are taken from non-recyclable sorting by-products for their material. Their energy content and form enable storage for deferred use in line with energy requirements.



06 Landfill

- **Biogas recovery**
Produced at non-hazardous waste landfill facilities. The organic fraction of waste methanizes and produces biogas, which is converted into electricity and/or heat.
- **Containment of final waste**
Isolation of final waste from the biosphere.

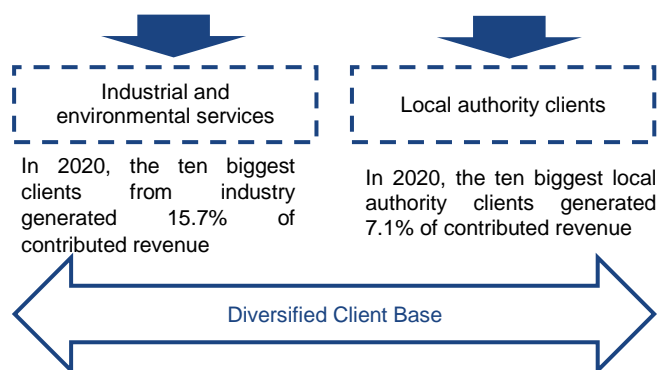
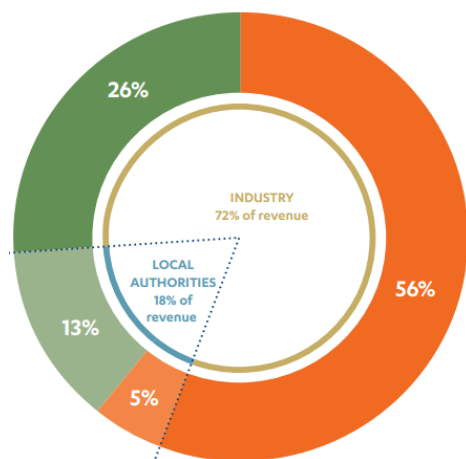
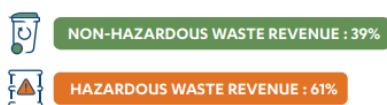
¹ As at 31 December 2020

Sound risk management to efficiently deliver waste solutions to all types of clients across the entire value chain

Séché Environnement has all the permits and the capacity to treat every type of waste from industrial clients and communities, enabling it to be **present across the entire value chain of waste-related business lines**. As a result, it competes with both generalist and specialist operators.

Séché's expertise comprises the security afforded by **an integrated, reliable, controlled chain, sound risk management** practices (ISO 9001 and 14001, MASE, ISO 45001/OHSAS 18001 and ISO 50001 certification) and **strong environmental performance** (reducing waste at source, energy or materials recovery, GHG emissions).

Breakdown of contribution revenue at 31.12.20 by sector of activity



Using waste management expertise to create a more sustainable world



The essence of Séché Environnement's activities is grounded by one fundamental statement: **the planet's resources are becoming scarcer**, whilst the continuously increasing World population and standards of living put people at risk more and more everyday.

Mindset has shifted with an **increasing awareness to waste and energy revalorization, environment and resources protection**, principles which are fully integrated to Séché Environnement's DNA and value proposition.

In response to the environmental challenges facing the planet, as well as increasing legislative initiatives to foster the circular economy and efficient management of resources, **Séché Environnement offers its clients tailored integrated solutions for all waste recovery and environmental risk management issues supporting the ecological transition.**

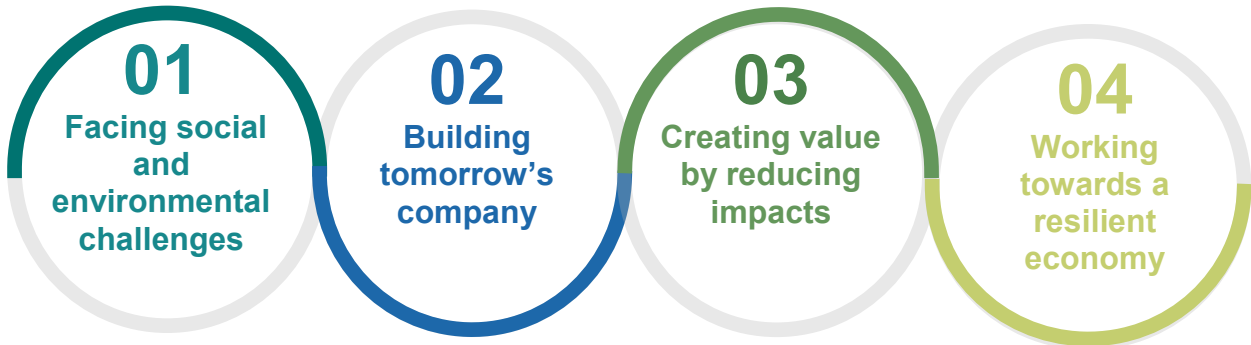
Strong of our expertise in waste collection, sorting, recovery (as materials or energy) and treatment (reducing toxicity), **we are a driving force of the circular economy and a purveyor of resources** assisting our clients in their objectives to:

- ▮ Preserve biodiversity and natural resources
- ▮ Limit the impact of their activity on health and wellness

Sustainability: the backbone of our business model

Sustainability has always been an important part of our DNA as our operations address long term challenges facing society and provide a response to the sustainability requirements of our clients and stakeholders.

Our sustainability strategy is to deploy our know-how to effectively contribute to our clients' green transition in compliance with our jurisdictions' regulations while conducting our business in accordance with our social, societal, economic, environmental values. It is articulated around the following statements:



01 | Facing social and environmental challenges by deploying know-how across all circular economy businesses

For the 19th consecutive year, **we reasserted our commitment to comply with and apply the ten principles of the Global Compact** in the areas of human rights, working conditions, the environment and combatting corruption.

Our strategy aims at addressing and contributing to the UN Sustainable Development Goals, focusing more specifically on 8 goals.



Innovation is at the heart of our sustainability strategy. With 24 active patents as at 31 December 2020 to respond to customers' specific requirements, R&D plays also a central role to continuously improve existing processes and anticipate any regulatory developments.

For details on specific initiatives, please refer to our [2020 CSR report](#).

02 | Building tomorrow's company capitalizing on our people in France and internationally

The pandemic has shed the light on the importance to society of **our activities, which were quickly deemed as essential for the nation's continuity to maintain health, public cleanliness and guarantee safety.**

The crisis we have collectively overcome emphasized the importance of putting our people at the heart of our strategy by ensuring in any circumstances their health/safety on sites and offering dynamic career path within the Group.

As part of our management of talent, **we thrive to convey a culture of diversity:**

- 43% of our Board of Directors is composed of women
- The Group and all of its subsidiaries have been committed since 2010 to a policy in favor of the inclusion of staff with disabilities: Séché Environnement counts 92 people with disabilities among its FTEs as of 31 December 2020

We have a mainly family-owned shareholding structure with solid governance:

- 7 members of the Board of Directors including 3 women and 3 independent members

01. CHALLENGES 02. COMPANY 03. PLANET 04. STAKEHOLDERS
COVID crisis > People > Economy & governance

OUR GOVERNANCE MODEL

Stable and balanced share ownership

During 2020, the Séché family increased its stake in the capital to 62% (versus 59% at the end of 2019), reflecting its confidence in the Group's prospects and confirming its lasting commitment to implementing a long-term growth strategy.



Owner-managed business values

As an international group, Séché Environnement guides its external growth towards companies that share its owner-managed business values alongside a responsible business approach that incorporates the environmental and social challenges of its business model.

« Being part of the Séché Group has created continuity for our business history, which is characterized by personal commitment, a long-term strategic vision and uncompromising respect for safety and the environment.

This common vision has enabled us to remain focused, despite the pandemic, guaranteeing our customers the highest possible levels of service while confirming the investment to double the platform, which will enable us to most effectively seize the recovery opportunities expected in 2022. »

Stefano Ferrante
President of Mecomer

Solid governance

- 7 members on the Board of Directors, including
- 3 women
- 3 independent members

Striving to comply with the best governance practices recommended by the AFEP-MEDEF reference code, Séché Environnement ensures that its governance guarantees within its various bodies – the Board and committees – compliance with the imperatives of complementary skills, gender equality and independence.

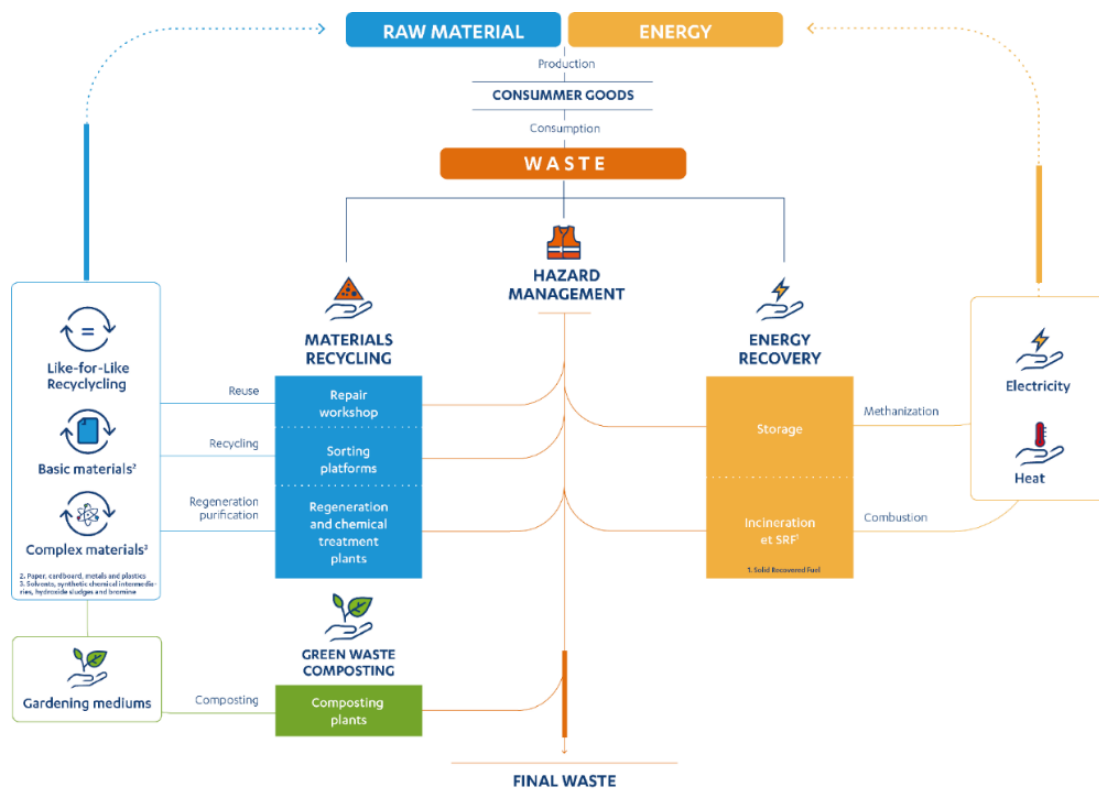
FOCUS



03 | Creating value by reducing impacts to foster the circular economy model and accelerate low-carbon impact transition

Our core mission as a waste management operator is **to facilitate the orientation of waste in order to provide an appropriate response and preserve resources:**

- Recovering and recycling diverse specific materials (bromine, solvents ...)
- Producing low carbon energies from waste
- Optimizing the release of water into the natural environment
 - Out of 3.8mn m³ of water used, 66 % is returned to the natural environment

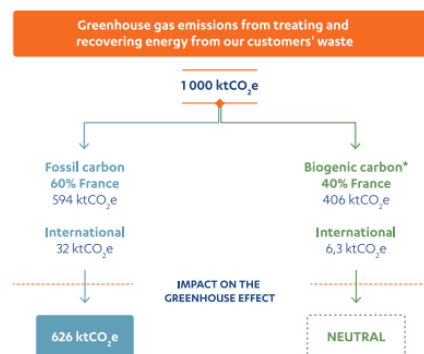


As we thrive in participating to the climate effort, the reuse / recycling and recovery solutions we developed **contribute to the transition to a low-carbon economy** by enabling our clients to cut their GHG emissions, notably by using materials from the circular economy and renewable or recovered energy.

ECOCCERT
ENGAGEMENT CLIMAT

A surplus energy balance

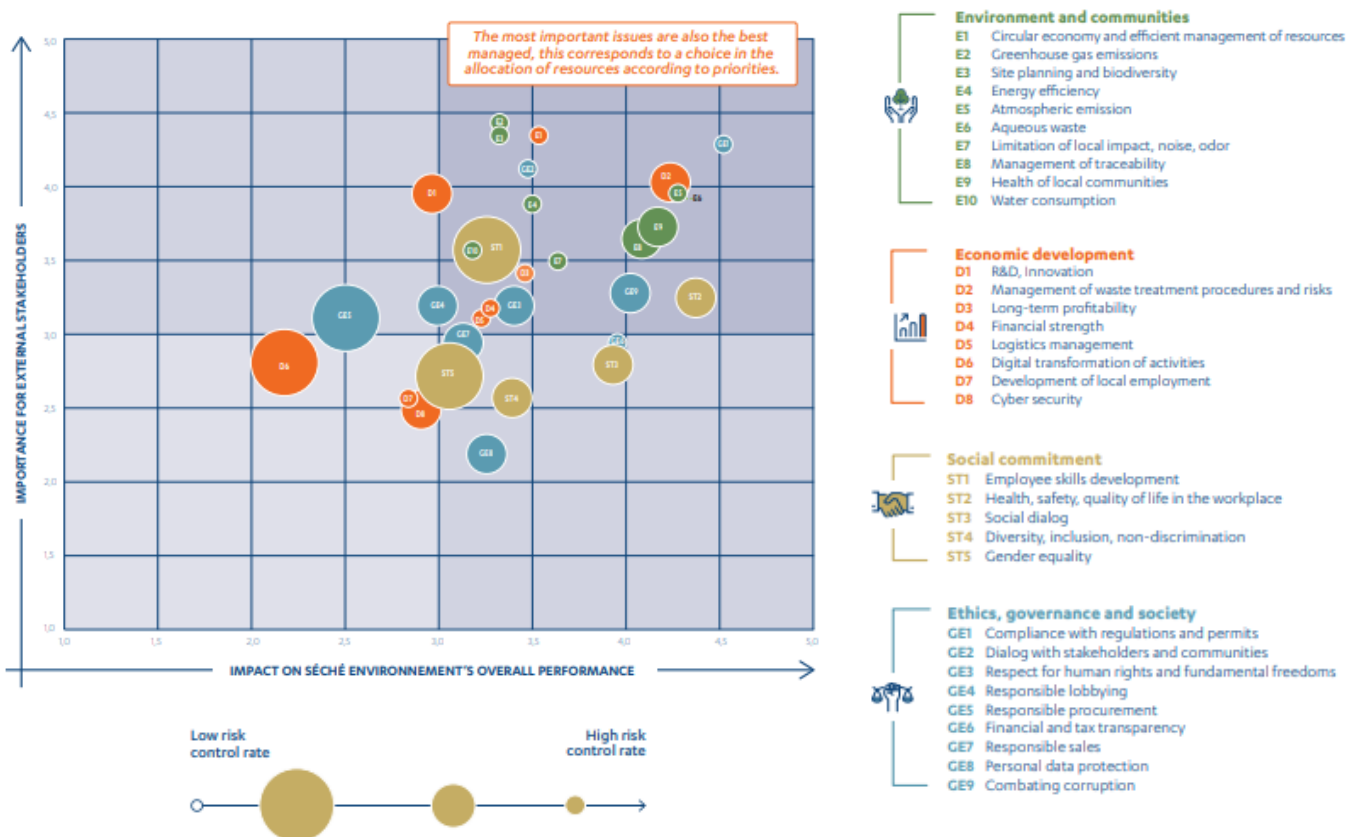
- Production of electricity recovered from waste: 1 047 GWh (France)
- Of which renewable energy produced: 35%
- Energy consumption (Purchases + Own Use): 532 GWh, of which 455 GWh in France
- Energy self-sufficiency: 230 % (France) 197% (World)



04 | Working towards a resilient economy by committing to a virtuous value creation with economic contributions to stakeholders and local area

Séché Environnement articulated its sustainable strategy around **four core building-blocks: technological, economic, social and societal factors.**

The materiality matrix is used to take into account both stakeholder expectations and the resulting challenges for the company:

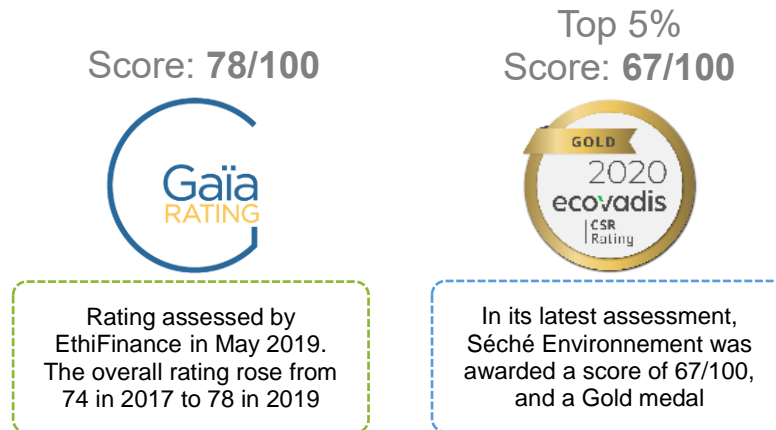


We are **very cautious about the redistribution of wealth to our main stakeholders:**

- the Group's suppliers, with a particular emphasis placed on local sourcing
- salaries mostly paid in recovered waste production areas
- our tax contributions, particularly locally
- investments to prepare for the company's future

Recognition

In line with its commitments and targets, and considering the importance of sustainability for its stakeholders, Séché Environnement has chosen to liaise with a number of rating agencies, to demonstrate our willingness to build lasting relationships with them. In particular, our clients, suppliers and investors evaluate our performance through the following ratings and assessments.



In addition, Séché Environnement has already set up loans that incorporate ESG performance criteria based on the following environmental targets:

- Improvement of our extra-financial performances, evaluated through our EthiFinance rating
- Reduction of our work-related accidents
- Achievement of our biodiversity engagements "Act4Nature", which were validated by the French Ministry of Environment
- Reduction of our energy consumption

We are on track to achieve those targets.

SÉCHÉ ENVIRONNEMENT'S SUSTAINABILITY-LINKED BOND FRAMEWORK

Rationale

Our Environmental, Social and Governance responsibilities are core to our corporate strategy. To further emphasize our commitment to sustainability and follow best market standards, Séché Environnement has created this Sustainability-Linked Bond Framework (the “**Framework**”), to meaningfully demonstrate how our funding obligations support our sustainability objectives.

The economic terms of Sustainability-Linked Bonds (“**SLB**”) can vary depending on whether we achieve our pre-defined sustainability performance targets, defined in section 2 below. We are thereby committing to improving our sustainability outcomes within a timeline that is relevant, core and material to our business. Unless otherwise stated, the proceeds of such bonds are intended to be used for general corporate purposes.

This Framework has been established in accordance with the Sustainability-Linked Bond Principles 2020 (“**SLBP 2020**”)² as administered by ICMA, and their five core components:

- I. Selection of Key Performance Indicators (KPIs)
- II. Calibration of Sustainability Performance Targets (SPTs)
- III. Bond Characteristics
- IV. Reporting
- V. Verification

² ICMA SLBP 2020: <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/June-2020/Sustainability-Linked-Bond-Principles-June-2020-171120.pdf>

Selection of Key Performance Indicators (KPIs)

Séché Environnement is **focused on circular economy and on protecting the environment** by treating a wide range of waste types, including hazardous waste that could prove harmful for **human health**.

Consequently, **drastically reducing our GHG emissions is among our top priorities**.

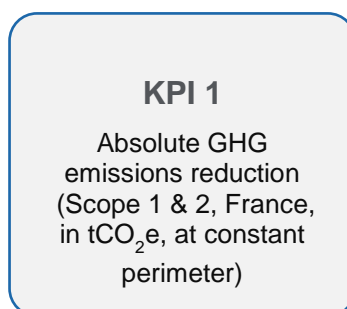
Moreover, **increasing emissions we contribute to avoid** through the production and sale to our clients of recycled and low carbon materials **is another one of our main objectives**.

Both KPIs are directly related to those 3 UN Sustainable Development Goals:



We have selected 2 KPIs, which are core, relevant, and material to our business and industry. Our selected KPIs are best suited to meet the requirements of the Sustainability-Linked Bond Principles.

01 | KPI 1



Rationale

The Group acknowledges that the **waste treatment process, in particular waste incineration and landfill**, generates **substantial GHG emissions**. Aiming at a more sustainable future, our teams are looking at all solutions to continuously decrease our emissions at every stage of our value chain.

Séché Environnement transparently reports on its GHG emissions on an annual basis in its Universal Registration Document³. This includes both our fossil and biogenic emissions - however, on the basis of the Kyoto protocol and the resulting market standards for carbon accounting, biogenic GHG emissions are considered carbon neutral. The same standards are used for the CITEPA-SECTEN inventory, which reports climate accountability for French entities⁴. As a result, KPI 1 does not include biogenic GHG emissions but fossil emissions only.

In 2020, Scope 1 and 2 GHG emissions resulting from our French activities represented nearly **95%** of the Group's global Scope 1 & 2 GHG emissions, and **83%** of the Group's total GHG emissions (Scope 1, 2, and 3 excluding non-significant emissions sources). By way of context, in 2020 our activities in France represented 77% of our turnover⁵.

³ [2020 Universal Registration Document](#)

⁴ Created in 1961, Citepa – Technical Reference Center for Air Pollution and Climate Change – quantifies, identifies, expertises and reports atmospheric emissions data, explanatory variables and efficiency indicators, as well as methods for monitoring, quantifying, projecting and modeling emissions, policies and measures of mitigation and adaptation. As a non-profit organisation and State operator for the French Environment Ministry, the Citepa meets reporting requirements for air pollutants and greenhouse gas emissions from France in different inventory formats, such as UNFCCC, EMEP, Kyoto Protocol and UNECE inventories.

⁵ Carbon fossil GHG emissions. For additional information on our GHG emissions, please refer to our 2020 Universal Registration Document: [URD Séché Environnement 2020 V8 US \(groupe-seche.com\)](#)

The main sources of our Scope 3 emissions relate to materials purchased and represent slightly over 12% of our total global GHG emissions, and 13% of our GHG emissions in France – their impact was therefore considered negligible for the purpose of this KPI.

With nearly 600 ktCO₂e fossil carbon GHG emissions in 2020, it is fair to say that GHG emissions are relevant, core and material to the Group's operations.

GHG emissions are one of the main impacts of the waste treatment process and their reduction is key to the Group's sustainability roadmap. Carbone 4 estimates that GHG emissions related to waste treatment represent ~7 to 8% of national GHG emissions in France.

Definition and methodology

This KPI includes Scope 1 & 2 fossil carbon GHG emissions in **France** only, at constant perimeter (constant sites and constant methodology).

KPI 1 includes Scope 1 and Scope 2 GHG emissions (location-based reporting):

- Scope 1 corresponds to direct emissions from Séché Environnement's own operations
- Scope 2 equals indirect GHG emissions from consumption of purchased electricity used in our own operations

Our definitions are aligned with the GHG Protocol Corporate Standard.

Article 75 of French law no. 2010-788 of July 12, 2010 requires companies to produce a greenhouse gas emissions report (BEGES) aligned with the GHG Protocol Corporate Standard. Since 2011 (reference year), Séché Environnement has applied the BEGES methodology for its greenhouse gas emissions report, supported by the Bilan Carbone® V8 initiative set up by the French environment agency, ADEME, which is now run by the Bilan Carbone® nonprofit. Séché Environnement's BEGES report is produced in collaboration with ECO2 Initiative. In addition, the report is annually audited by KPMG as part of the Déclaration de Performance Extra-Financière (DPEF) and is also annually certified by EcoCert.

KPI 1 - GHG emissions reduction (Scope 1 & 2, France, in tCO₂e) is and will continue to be reported annually in our Annual Report and Accounts. It is annually audited by KPMG and certified by EcoCert⁶.

Historical performance Scope 1 and 2 GHG emissions in France⁷

	France			
Year	2017	2018	2019	2020
ktCO ₂ eq GHG emissions (fossil carbon)	540.1	576.0	566.6	594.0
<i>~ +10% during the period</i>				

Historical information on our GHG emissions are made publicly available in our [annual CSR reports](#), published on our website. International fossil carbon emissions were first calculated in 2020 and totaled 32.3 ktCO₂e, or ~5% of our total GHG emissions.

⁶ For additional information on our GHG emissions, please refer to section 1.4.2.6 in our 2020 Universal Registration Document: [URD Séché Environnement 2020_V8_US \(groupe-seche.com\)](#)

⁷ Near-constant perimeter of sites over the period

KPI 2

GHG emissions our recycling activities contribute to avoid (France, in tCO₂e, at constant perimeter)

Rationale

As outlined above, growing the circular economy and protecting the environment are at the heart of Sêché Environnement's strategy.

The Group acknowledges that its **clients** are involved in processes that **may generate substantial GHG emissions**, particularly related to their use of raw/virgin materials. By producing and selling recycled materials and selling renewable energy from waste, we contribute to reduce our clients' emissions - as reported by the ADEME and FEDEREC in 2017⁸.

We are one European leader in the recycled solvent market. A client choosing to buy one of our recycled solvents rather than a virgin solvent could reduce its GHG emissions by a factor of up to 10 (e.g., Mixed solvents as defined in ESRG 2013 study⁹). Our activities enable our clients to reduce their GHG emissions:

- Our recycling activities for bromine and solvents contributed to avoid the emission of 160 ktCO₂e at the client level in 2020, which represents around 1% of the total amount of avoided emissions enabled by recycling activities in France¹⁰
- The use of recycled materials (solvents and bromine) is a significant contributor to total avoided emissions: it comprises 64% of all our avoided emissions (the remaining 36% are related to energy production from heat)

In this context, our objective of increasing GHG emissions that our recycling activities contribute to avoid is relevant to our business and KPI 2 consequently reflects the positive impact of our activities on climate change. It shows and quantifies the efforts of Sêché Environnement to enable the transition to a circular economy.

Definition and methodology

This KPI includes the GHG emissions that the Group contributes to avoid in **France** as a result of our **recycling activities** (mainly bromine and solvent), at a constant perimeter (constant sites and constant methodology).

To report on targets and results of GHG emissions the Group's recycling activities contributes to avoid, we use a methodology based on activity targets in these segments, an environmental assessment according to the carbon base method of the French Environment and Energy Management Agency (ADEME)¹¹, and use the « do vs not do » approach. **This approach reflects the impact of Sêché Environnement not producing and selling recycled materials and low carbon energies from waste.**

The methodology used to compute avoided GHG emissions is backed by the following sectorial standards:

- The methodology of the French Environment and Energy Management Agency (ADEME)¹²

⁸ [Évaluation environnementale du recyclage en France selon la méthodologie de l'analyse de cycle de vie \(ademe.fr\)](https://www.ademe.fr/evaluation-environnementale-du-recyclage-en-france-selon-la-methode-de-l-analyse-de-cycle-de-vie)

⁹ Europe's Green Agenda, The European Solvent Recycler Group's Response To The Circular Economy: [offen_Broschuere_EN.indd \(esrg.de\)](https://www.esrg.de/offen/Broschuere_EN.indd)

¹⁰ [Évaluation environnementale du recyclage en France selon la méthodologie de l'analyse de cycle de vie \(ademe.fr\)](https://www.ademe.fr/evaluation-environnementale-du-recyclage-en-france-selon-la-methode-de-l-analyse-de-cycle-de-vie)

¹¹ [Documentation Base Carbone \(ademe.fr\)](https://www.ademe.fr/documentation-base-carbone)

¹² [fiche-technique-emissions-evitees-2020-02.pdf \(ademe.fr\)](https://www.ademe.fr/fiche-technique-emissions-evitees-2020-02.pdf)

The “Preliminary Guidance for Avoided Emissions in Waste Management and Recycling” which was published in December 2019 and included support and financing from Climate-KIC¹³

Producing and selling recycled materials is a voluntary activity, i.e. not subjected to any legal requirement.

KPI 2 - GHG emissions our recycling activities contribute to avoid (France, in tCO₂e, at constant perimeter) is a KPI that we will start to report on in 2021. It will be reported annually in our Universal Registration Documents, and audited by KPMG and certified by EcoCert.

Historical performance¹⁴

France			
Year	2018	2019	2020
ktCO ₂ eq avoided GHG emissions	142.5	141.9	159.7
<i>~ +12% during the period</i>			

Calibration of Sustainability Performance Target(s) (SPTs)

KPI 1
Absolute GHG emissions reduction (Scope 1 & 2, France, in tCO₂e, at constant perimeter)

As part of the overarching objective to reduce our absolute Scope 1 & 2 GHG emissions in absolute data by 25% by 2030, **SPT 1** is to reduce GHG emissions (Scope 1 and 2, France) by 8% at constant perimeter by 2024, or 10% at constant perimeter by 2025 – from a 2020 base year.

Ambition of the target

Our KPI 1 is mainly related to the mix of waste sent to our sites. For example, increasing the amount of organic waste in landfill or plastic in incinerator, which is mostly outside of our control, will impact our GHG emissions. We thus include not only controllable GHG emissions, but also not directly controllable GHG emissions.

Our ambitious trajectory for GHG emissions reduction has been established with the support of Carbone 4, with the requirement to be aligned with SBTi’s objectives.

In order to meet our objective of 25% Scope 1 & 2 GHG emissions by 2030, Séché Environnement has defined intermediary targets of 8% Scope 1 & 2 GHG emissions reduction by 2024, or 10% Scope 1 & 2 GHG emissions reduction by 2025. Annual reduction target from 2020 to 2025 equates to an annual reduction of 2% over the 2020-25 period, and of 3% over the 2025-30 period, allowed by additional time for anticipation and implementation of key actions. By way of comparison, Séché Environnement increased its GHG emissions by 10% over the past 4 years – the KPI 1 thus requires Séché Environnement to go beyond business as usual.

Séché Environnement has used the SBTi methodology to define this target, and will apply to SBTi for the validation of its 2030 target. In addition, Carbone 4 has reviewed our KPI and agreed on its materiality and ambition.

¹³ Climate-KIC, [Preliminary Guidance for Avoided Emissions in Waste Management and Recycling](#)

¹⁴ Near-constant perimeter of sites over the period

This objective is consistent with the wider objective of our industry in France, which is to reduce its GHG emissions by 25% by 2030. In addition, our 2030 objective will be reviewed by SBTi, and is in line with the targets set by our peers in France¹⁵. Note that there is no established GHG emission reduction trajectory for our sector at the European level at this stage. France's Comité Stratégique de Filière Déchet (Strategic Committee for the Waste Sector) is working on identifying levers for the sector to achieve carbon neutrality by 2050.

For Séché Environnement, this target represents a key business ambition because of the importance of our hazardous waste activities in our business mix, which are more carbon intensive.

Expected trajectory

70% of our GHG emission reductions as defined in this KPI are expected to come from waste landfill, and our ability to better capture methane. We expect that capturing 50% additional methane will reduce our GHG emission from landfill activities by 45%. Methane is 28 times more potent than CO₂. The Intergovernmental Panel on Climate Change's 2021 climate science report identifies methane as one of the most important threats for climate.

The remaining 30% are expected to come from our incineration activities, improving our combustion ovens, and reducing our consumption of fossil fuels.

SPT 1 – Factors that support the achievement of the target

- Reducing GHG emissions from incineration activities
- Improving methane capture on landfill

SPT 1 – Factors that risk the achievement of the target

- Increasing plastic in waste sent to incinerator
- Increasing organic waste sent to landfill

KPI 2

GHG emissions our recycling activities contribute to avoid (France, in tCO₂e, at constant perimeter)

SPT 2 is to increase GHG emissions our recycling activities contribute to avoid by +30% by 2024, or +40% by 2025 – from a 2020 base year.

Ambition of the target

As mentioned above, KPI 1 represents a key business challenge for the Group, due to the mix of waste coming to our sites which is outside of our control. KPI 2 is complementary to KPI 1 as it illustrates our contribution to the decarbonisation of our clients' consumption and to accelerate transition towards circular economy.

SPT 2 measures the acceleration of the Group's actions to contribute to the mitigation of climate change by offering low carbon materials to our clients - which contributes to reducing their GHG emissions. By growing its circular economy activities, the Group increases its capability to fight climate change.

As mentioned above, the scale of avoided emissions enables Séché Environnement to significantly contribute to reduce its overall GHG impact. While we increased our contribution to avoid GHG emissions by 12% over

¹⁵ Please refer to SBTi's 2020 progress report: [SBTiProgressReport2020.pdf \(sciencebasedtargets.org\)](#)

the last 3 years, increasing our avoided GHG emissions by 30% by 2024, or by 40% by 2025, will require Séché Environnement to go beyond business as usual.

To achieve SPT 2, major investments in new recycling plants will be necessary. This illustrates our ambition to accelerate the efforts toward circular economy and decarbonise our clients' consumption.

Expected trajectory

Avoided emissions related to recycling materials are going to increase by ~30% by 2024 or by ~40% by 2025.

SPT 2 – Factors that support the achievement of the target

- Séché Environnement is to date the only European company able to recycle bromine. We intend to increase our bromine recycling capabilities by 50% in order to respond to our clients' expectations and need for sustainable bromine supply.
- Séché Environnement is also a European leader in solvent recycling. We intend to increase our solvent recycling capabilities by 30% in order to respond to our clients' expectations and need for sustainable solvents supply.

SPT 2 – Factors that risk the achievement of the target

- Client's demand for recycled materials is outside of our control, and could impact our success to achieve this SPT.

Financial Characteristics

Unless otherwise stated, the proceeds of any SLB will be used for general corporate purposes.

All financing issued under this Framework will have a sustainability-linked feature that will result in a coupon step up, or a premium payment as the case may be, if a Trigger Event occurs.

A Trigger Event occurs if:

- One or more of the selected KPIs have not achieved the SPT(s) on the target observation date, *or*
- The verification (as per the verification section of this Framework) of the SPT(s) has not been provided and made public as set out in the External Verification section of this Framework

The relevant KPIs, SPTs, step-up coupon or premium payment amount, as applicable, will be specified in the relevant documentation of the specific transaction (e.g. Final Terms of the relevant SLB).

For the avoidance of doubt, if the KPI(s) has achieved its SPT(s), and reporting and verification for the SPT have been provided and made public in accordance with the reporting and verification sections of this Framework, the financial characteristics of any security issued by Séché Environnement under this Framework shall remain unchanged.

The Issuer will notify investors of the achievement or not of the SPT upon publication of its ESG Progress report.

Reporting

Séché Environnement will publish and keep readily available and easily accessible on its website an annual Sustainability-Linked Bond Progress Report that will include:

- up-to-date information on the performance of each selected KPI
- any additional relevant information enabling investors to monitor the progress of each selected KPI towards the SPT(s)

Reporting will include, if feasible and possible:

- qualitative or quantitative explanation of the contribution of the main factors, including M&A activity, behind the evolution of each selected KPI on an annual basis
- illustration of the positive sustainability impact of the performance improvement; and/or
- any re-assessments of KPIs due to any changes to the calculation methodology for a KPI or significant changes in data due to better data accessibility, if relevant
- any adjustments of baselines or KPI scope, if relevant; and/or
- updates on new or proposed regulations from regulatory bodies relevant to the KPIs and the SPTs

When relevant, Séché Environnement may also provide information on changes to its sustainability strategy or governance.

External Verification

Pre-issuance verification

A Second Party Opinion has been provided by S&P to ensure that this Framework is respecting every principle of the Sustainability-Linked Bond Principle 2020. It will be made publicly available on Séché Environnement's website: <https://www.groupe-seche.com/en/investors/financial-press-releases#Start>

Post-issuance verification

The annual performance of each selected KPI included in the SLB Progress Report will be subject to external verification by a qualified external auditor. Verification of KPI performance will be conducted on an annual basis and at "Limited Assurance" standard.

Recalculation Policy

The KPIs and SPTs set out in this Framework will remain applicable throughout the tenor of any financing issued under the Framework, regardless of any changes to our sustainability strategy. This includes any changes relating to the Séché Environnement's general sustainability targets and ambitions.

However, we will adjust our base year emissions inventory to account for significant changes, further described below, if the changes drive an increase/decrease in emissions of greater than 5% for SPT 1 and an increase/decrease in emissions avoided of greater than 5% for SPT 2. We may also choose to recalculate our baseline for changes less than 5%, especially when structural changes occur.

Significant changes may include:

- Structural changes that significantly impact our base year GHG emissions for SPT 1 and GHG emissions our recycling activities contribute to avoid for SPT 2, and may trigger the adjustment of the baseline include acquisitions, divestitures or mergers. When significant structural changes occur in the middle of a year, the current and baseline year will be recalculated for the entire year. In the event of an acquisition, in order to ensure that full and accurate data are available, recalculation will be carried out within one year after the structural change has occurred
- Methodology changes that significantly impact our base year GHG emissions for SPT 1 and GHG emissions our recycling activities contribute to avoid for SPT 2, and may trigger the adjustment of the baseline include updated emission factors, improved data access or updated calculation methods or protocols
- In case of a data error, or if a number of cumulative errors that together are significant Baseline adjustments will occur at the end of each fiscal year if we identify any changes described above that have occurred in the reporting period which may require us to recalculate our base year

Amendments to this framework

Séché Environnement will review this Framework from time to time, including its alignment to updated versions of the relevant ICMA SLB Principles as and when available in the market. Any major update will be subject to the prior approval of S&P or any such other qualified provider of Second Party Opinion.

DISCLAIMER

This Sustainability-Linked Bond Framework (the “Framework”) does not constitute a recommendation regarding any securities of Séché Environnement or any affiliate of Séché Environnement. This Framework is not, does not contain and may not be deemed to constitute an offer to sell or a solicitation of any offer to buy any securities issued by Séché Environnement or any affiliate of Séché Environnement. In particular, neither this document nor any other related material may be distributed or published in any jurisdiction in which it is unlawful to do so, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession such documents may come must inform themselves about, and observe any applicable restrictions on distribution. Any bonds or other debt securities that may be issued by Séché Environnement or its affiliates from time to time, including any sustainability-linked securities, shall be offered by means of a separate prospectus or offering document in accordance with all applicable laws, any decision to purchase any such securities should be made solely on the basis of the information contained in any such prospectus or offering document provided in connection with the offering of such securities, and not on the basis of this Framework.

The information and opinions contained in Framework are provided as of the date of this Framework and are subject to change without notice. None of Séché Environnement or any of its affiliates assume any responsibility or obligation to update or revise such statements, regardless of whether those statements are affected by the results of new information, future events or otherwise. This Framework represents current Séché Environnement policy and intent, is subject to change and is not intended to, nor can it be relied on, to create legal relations, rights or obligations.

This Framework is intended to provide non-exhaustive, general information. This Framework is not intended to be and should not be construed as providing legal or financial advice. This Framework may contain or incorporate by reference public information not separately reviewed, approved or endorsed by Séché Environnement and, accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Séché Environnement as to the fairness, accuracy, reasonableness or completeness of such information. None of Séché Environnement or any of its subsidiaries or affiliates or any of their respective members, directors, officers, agents or employees nor any other person accepts any liability whatsoever for any loss howsoever arising from any use of the Framework or its contents or otherwise arising in connection with the Framework.

This Framework may contain “forward-looking statements” with respect to Séché Environnement’s and its subsidiaries’ business, results of operations, and financial condition and Séché Environnement’s expectations or beliefs concerning future events and conditions. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts and include statements regarding Séché Environnement’s or its affiliates’ intentions, beliefs or current expectations concerning, among other things, Séché Environnement’s or its affiliates’ results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which they operate. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward-looking statements are not guarantees of future performance and that Séché Environnement’s or its affiliates’ actual results of operations, financial condition and liquidity, and the development of the industries in which they operate may differ materially from those made in or suggested by the forward-looking statements contained in this Framework. In addition, even if Séché Environnement’s or its affiliates’ results of operations, financial condition and liquidity, and the development of the industries in which they operate are consistent with the forward-looking statements contained in this press release, those results or developments may not be indicative of results or developments in subsequent periods. Any recipient of this Framework acknowledges that circumstances may change and the contents of this Framework may become outdated as a result.

No representation is made as to the suitability of any sustainability-linked securities of Séché Environnement to fulfil environmental and sustainability criteria required by prospective investors.

This Framework does not create any legally enforceable obligations against Séché Environnement; any such legally enforceable obligations relating to any sustainability-linked securities are limited to those expressly set forth in the legal documentation governing each such series of sustainability-linked securities. Therefore, unless expressly set forth in such legal documentation, Séché Environnement’s failure to adhere or comply with any terms of this Framework, including, without limitation, failure to achieve any sustainability targets or goals set forth herein, will not constitute an event of default or breach of contractual obligations under the terms and conditions of any such sustainability-linked securities. Factors that may affect Séché Environnement’s ability to achieve any sustainability goals or targets set forth herein include (but are not limited to) market, political and economic conditions, changes in government policy (whether with a continuity of the government or on a change in the composition of the government), changes in laws, rules or regulations, and other challenges.