

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

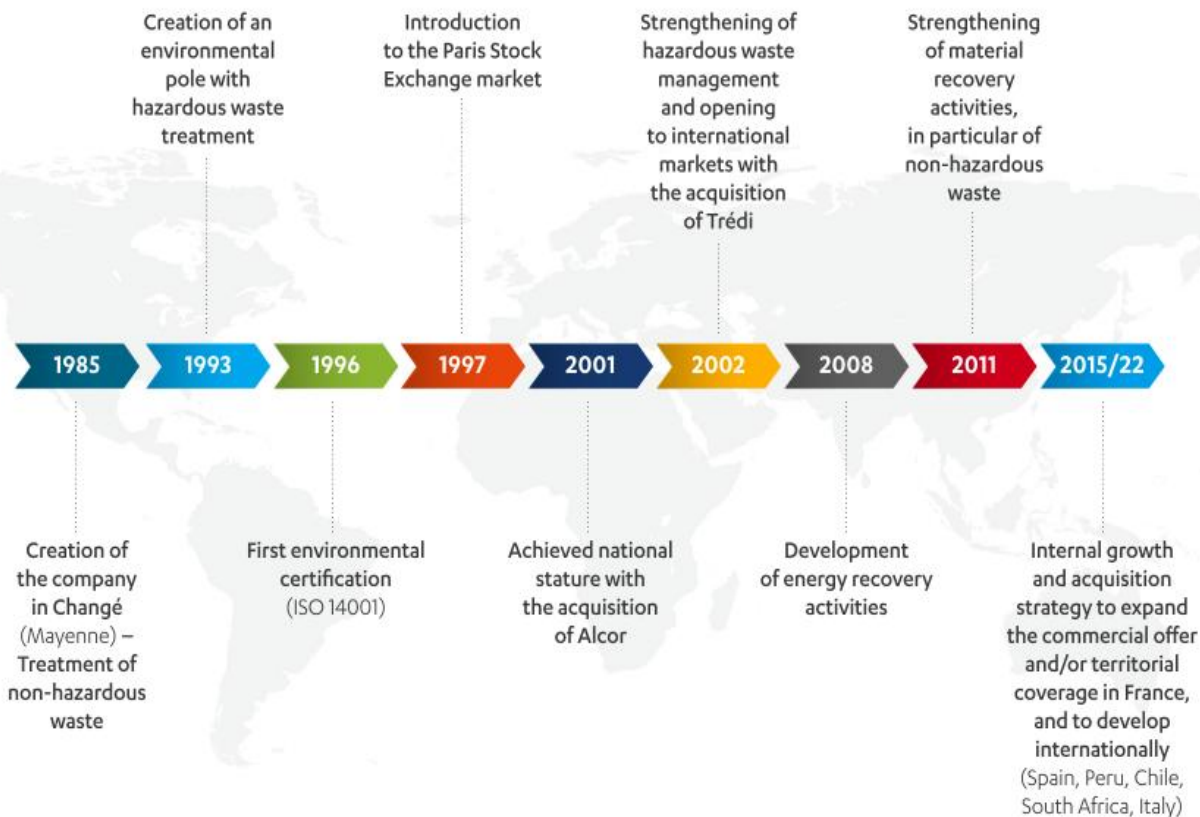
1.1.1 HISTORY

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

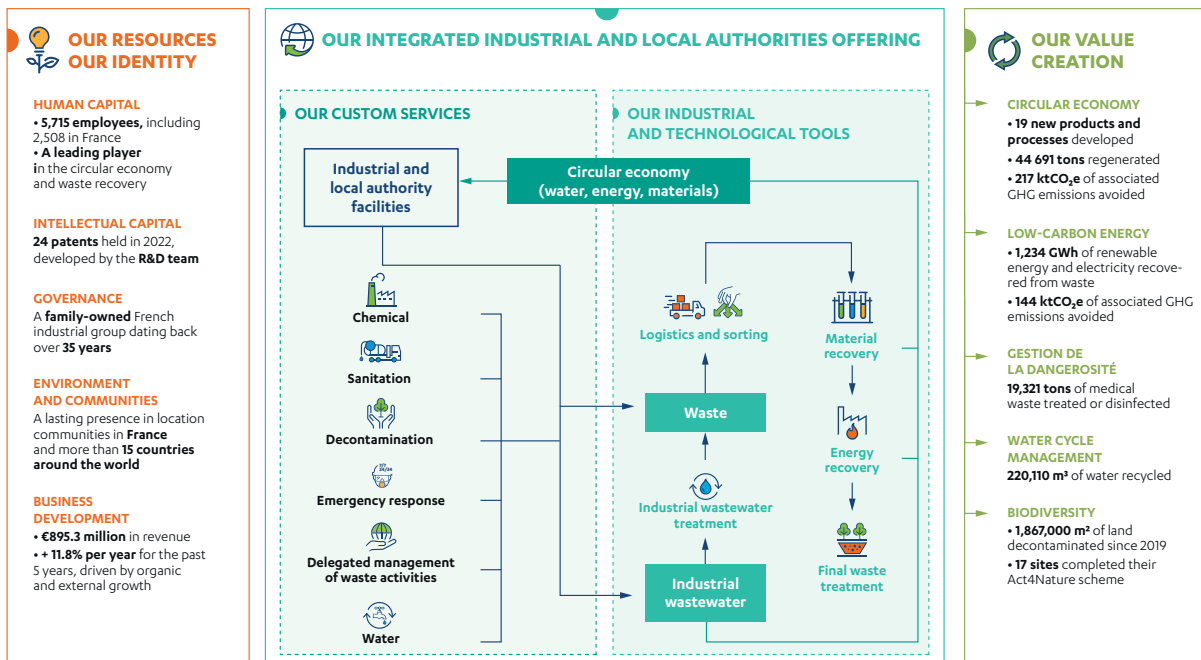
Séché Environnement’s mission is to offer its clients, both industrial and local authorities, innovative solutions to accelerate their ecological transition. The family-run Group, specialist in hazard containment, is now one of the only French players with an integrated service offering, ranging from 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%).

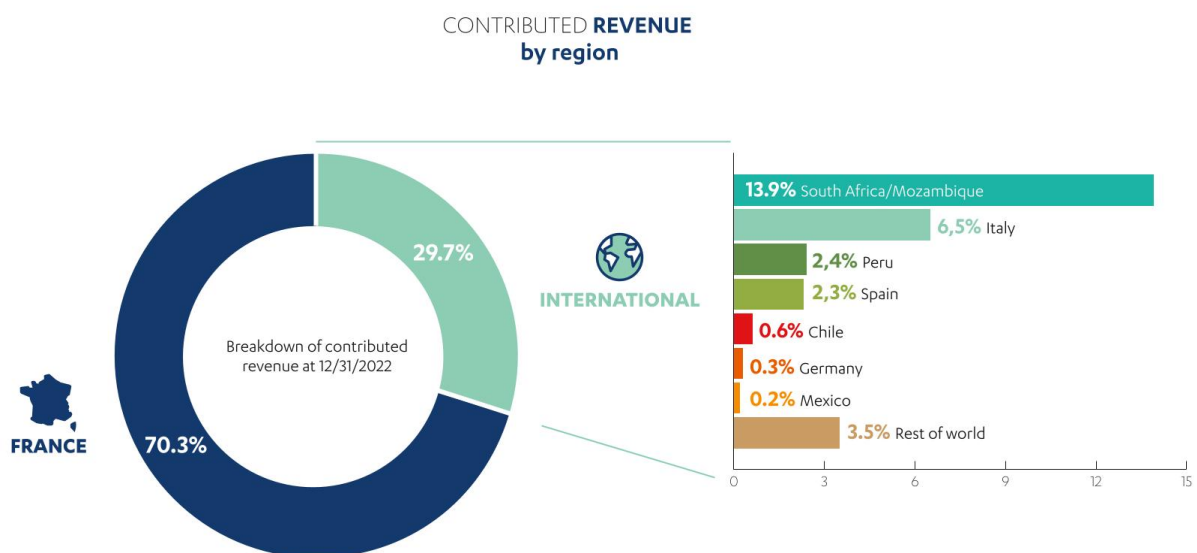
Drawing on its specialist knowledge, particularly in hazardous waste, the Group is committed to accelerating the roll-out of its expertise in high-potential markets abroad. This know-how in hazard containment and treatment is a major competitive advantage in markets where the waste producer bears legal 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.


CIRCULAR ECONOMY AND DECARBONIZATION OF THE ECONOMY 

RECYCLING AND MATERIALS RECOVERY

- Waste sorting and grouping
- Chemical recycling of hazardous waste
- Regeneration of chemical elements or manufacture of molecules of interest
- Recovery of all types of non-hazardous waste (metals, wood, slag, soil, etc.)

LOCAL ENERGY SYSTEMS

- Steam or electricity production at waste management sites
- Electricity or heat production from biogas naturally generated by stored waste
- Heat production through use of solid recovered fuels (SRF)

HAZARD MANAGEMENT 

DECONTAMINATION

- Management of infectious medical waste
- Physical-chemical treatment of mineral and organic liquid hazardous waste, whether contaminated or harmful

TREATMENT

- Thermal treatment of waste to make organic materials contained in waste inert
- Safe final disposal on landfill facilities for the waste that can not follow any recovery (final waste)

SERVICES 

ENVIRONMENTAL SERVICES

- Decontamination, dismantling, risk management and rehabilitation of sites and derelict industrial land
- Environmental emergency response: securing the affected area, containing pollution and managing environmental risks
- Maintenance of sanitation facilities and systems

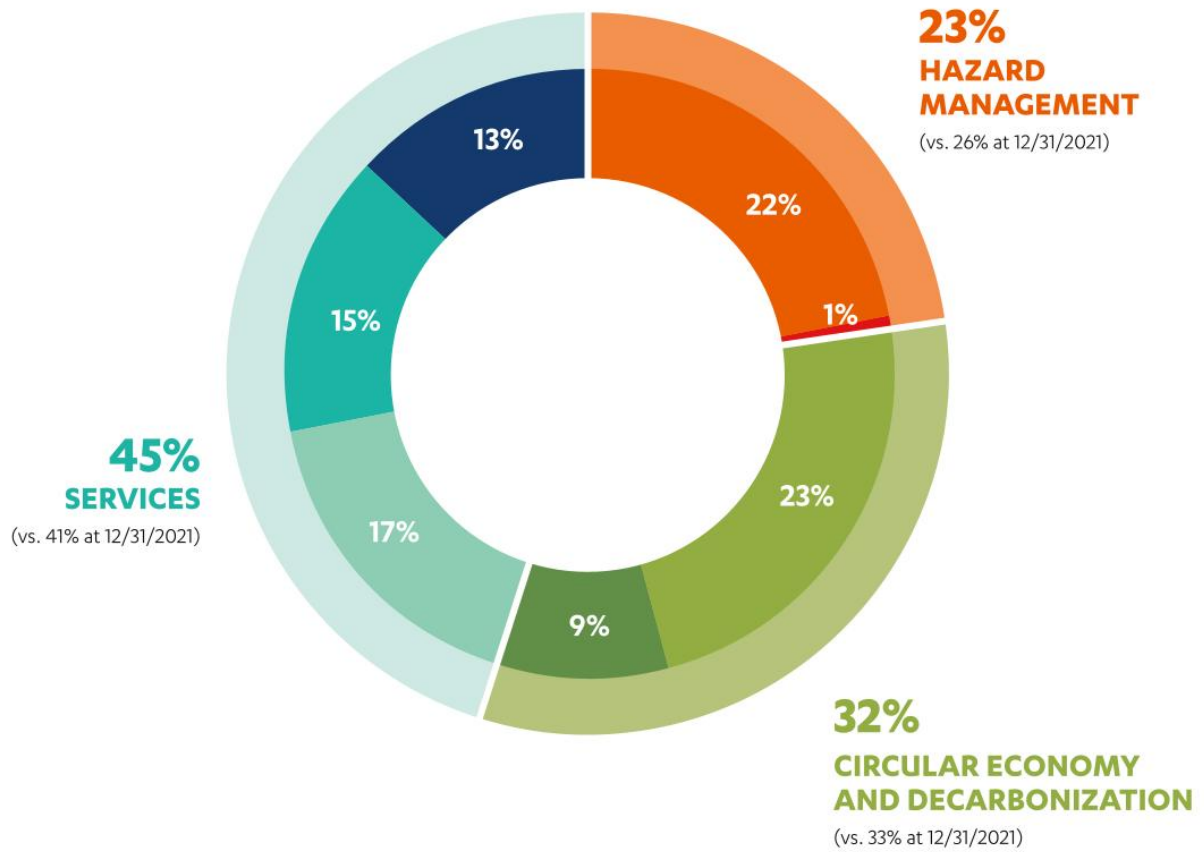
KEY ACCOUNT SERVICES

- Delegated management of waste management activities with a view to economic and environmental performance
- Industrial maintenance and process decontamination by chemical cleaning, thermal cleaning and steam blowing
- Industrial wastewater management and treatment: design, construction and operation of treatment facilities

LOGISTICS

- Collection and rental of equipment adapted for local authorities and businesses
- Transport of hazardous and non-hazardous waste

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.

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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.).

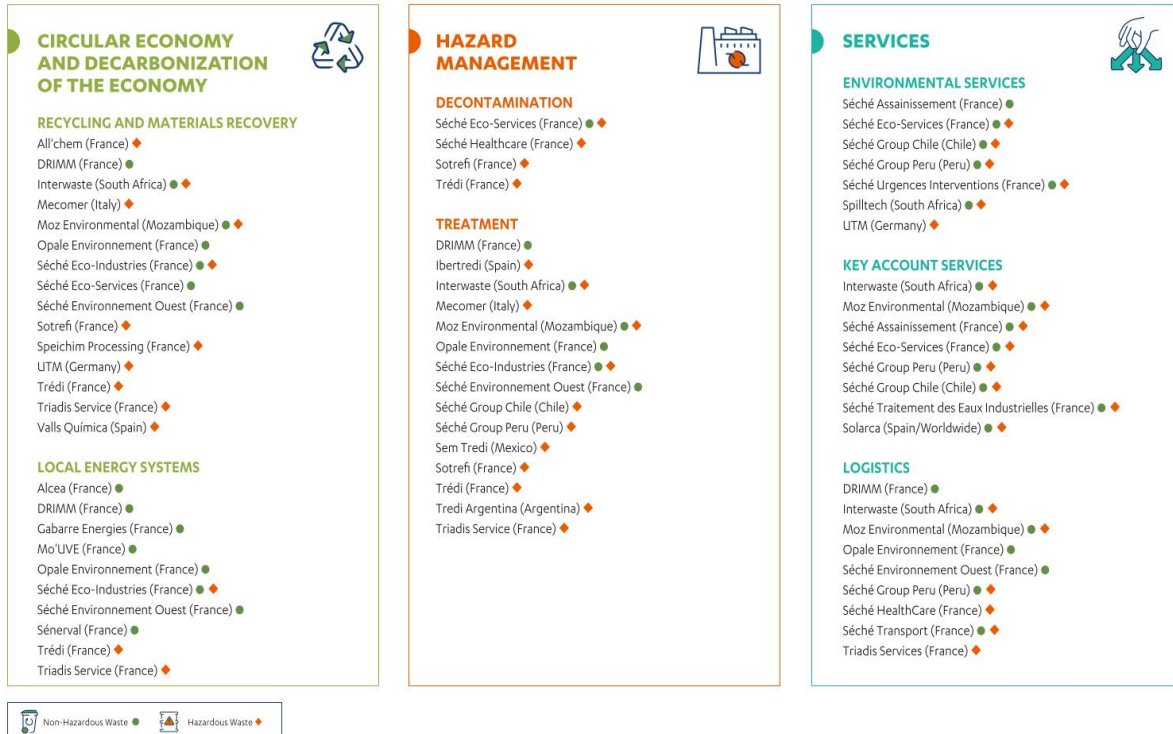
Although they are not Séché Environnement's core business, logistics services are essential for customer support. For internal flows within the Group, complete control of logistics is an essential asset for the proper management of waste scheduling between the various facilities, as well as promoting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

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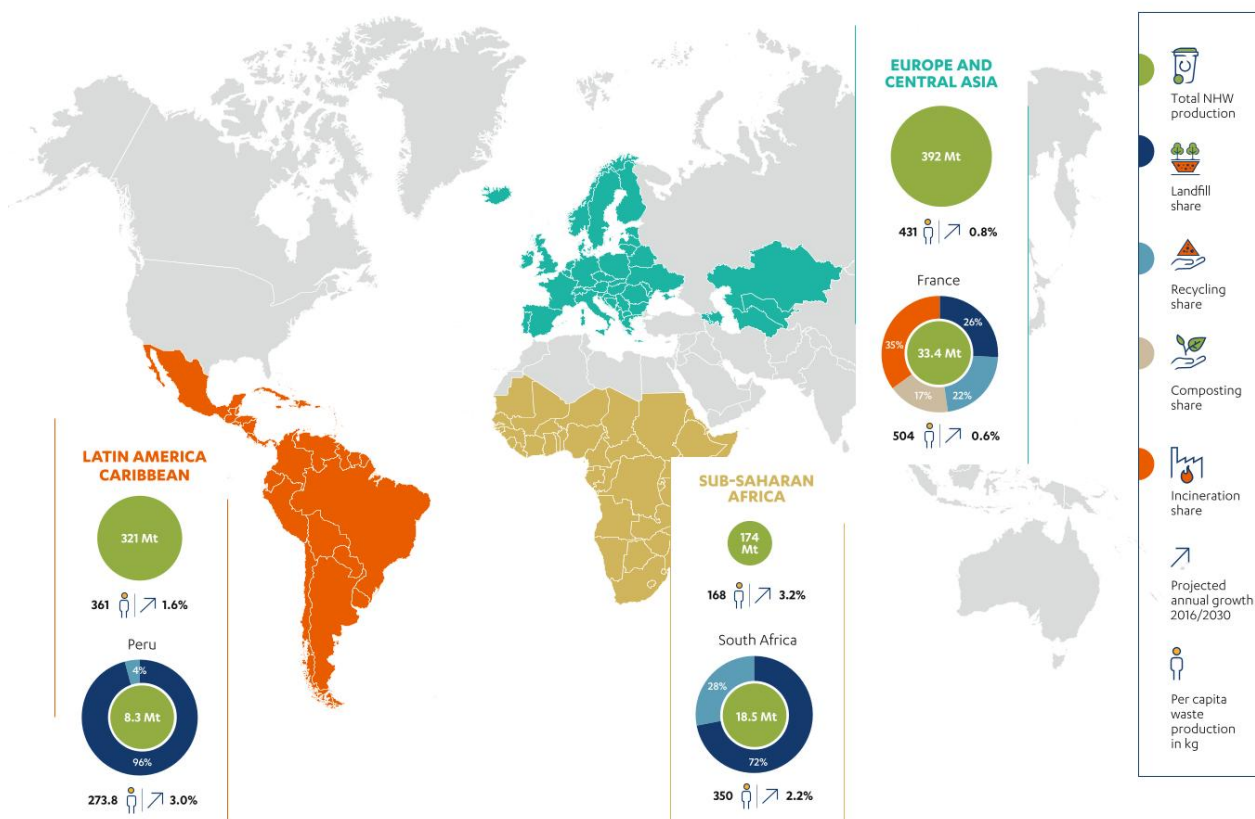
1.2.1.3 Séché Environnement’s international growth regions

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

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

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.

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.

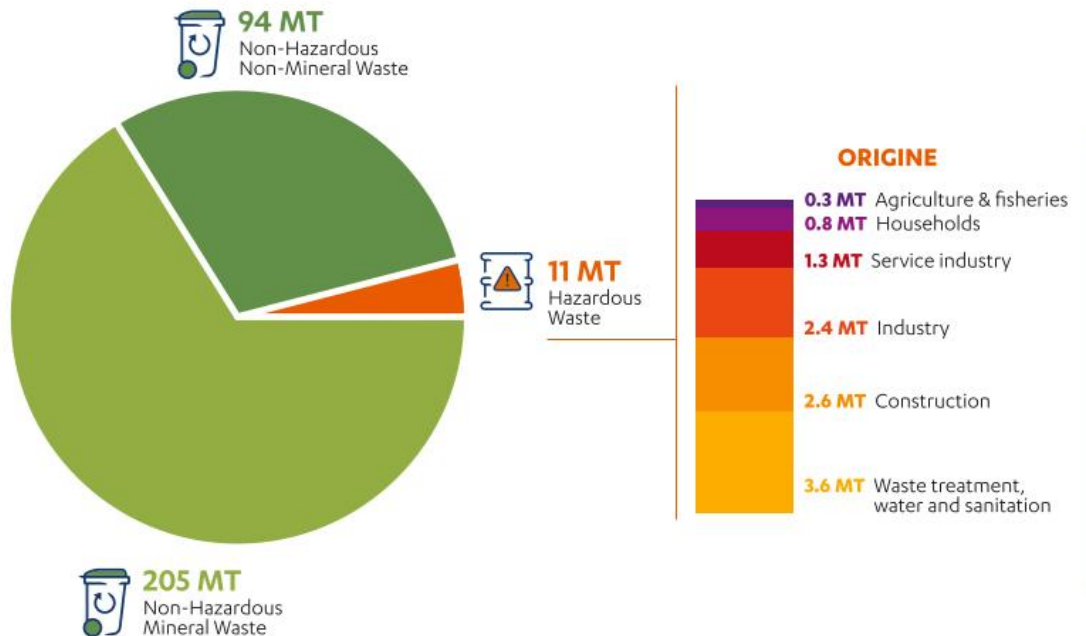
1.2.2.2 Characterization of waste produced

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

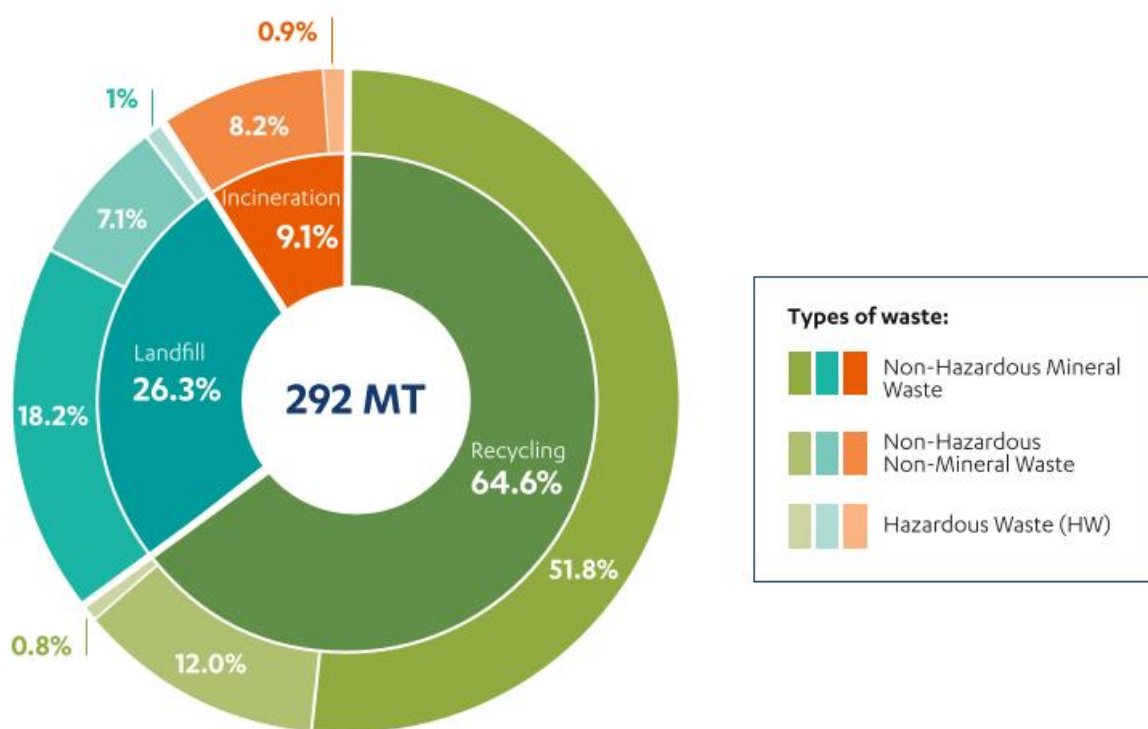
Source: Data and Statistical Research department, French General Sustainable Development Commission (CGDD) – 2022 - 2020 Waste data



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

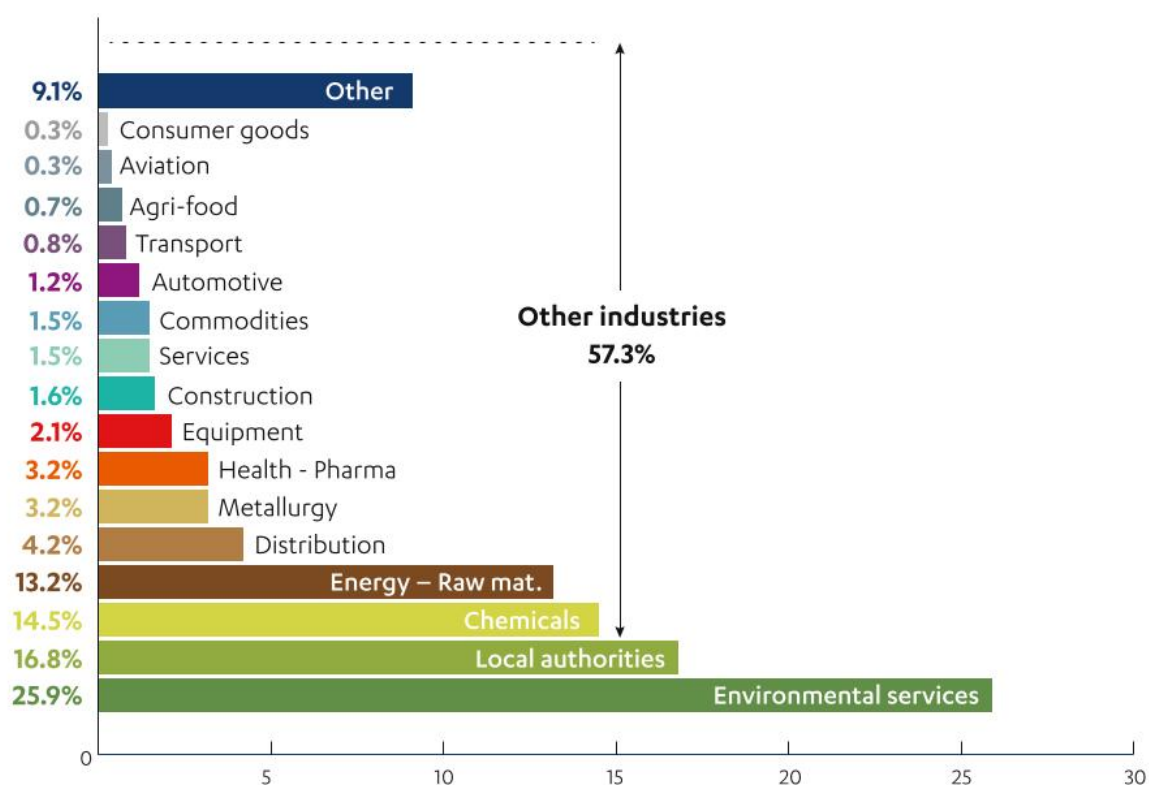
1.2.3.1 Client base and markets

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.

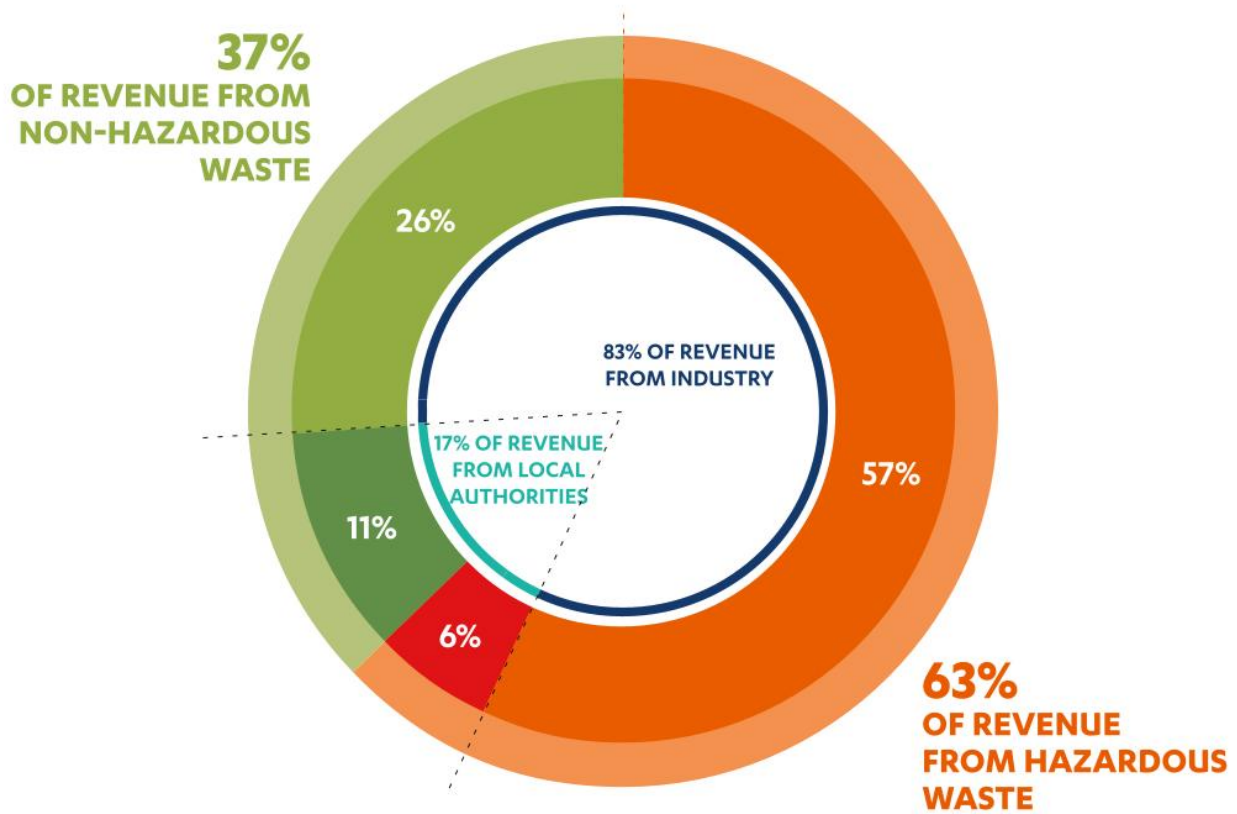
The Group is not dependent on any particular industrial client; on the contrary, it strives to diversify its client base. As such, in 2022, the top 10 clients in the Industry and Environmental Services segments accounted for 13.8% of contributed revenue (vs. 13.7% in 2021) and the 20 biggest clients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

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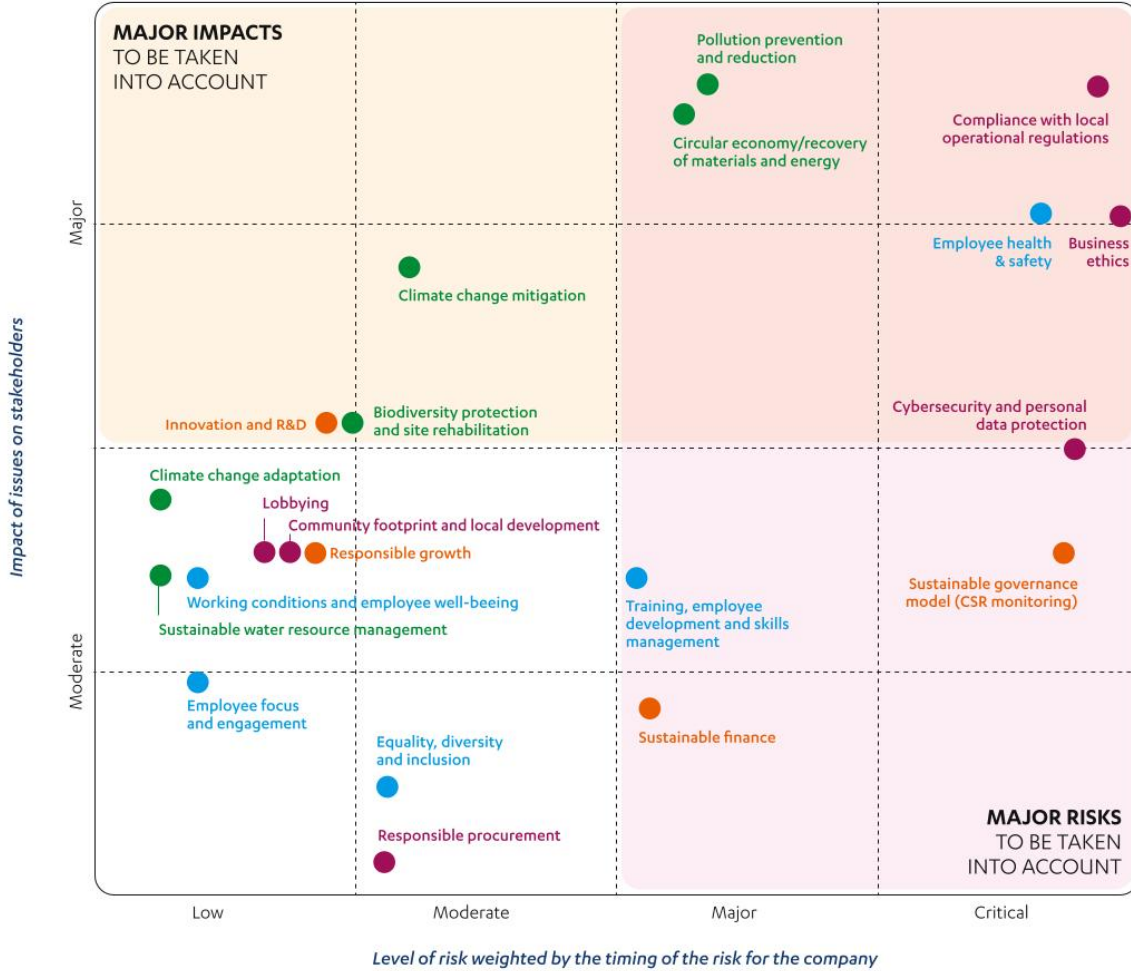
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Materiality matrix of non-financial risks and issues

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

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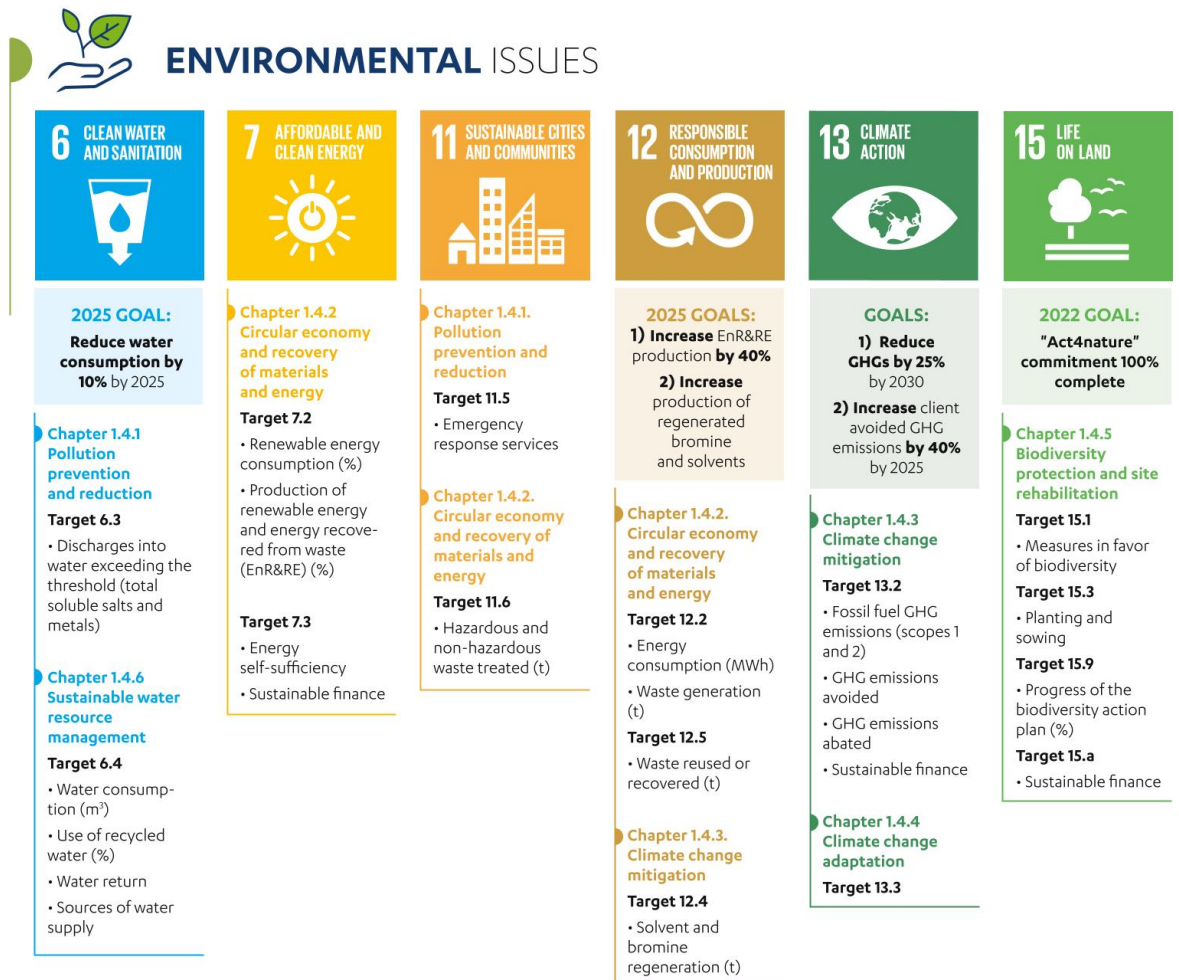
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1.4 ENVIRONMENTAL ISSUES

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.

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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.

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.

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.

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

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.

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.

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

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.

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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 ²
Bilan Carbone [®] – biogenic	376.0	6.6	382.6	388.0	6.3	394.3	404.5	5.5	410.0 ²
Bilan Carbone[®] – total	994.8	91.2	1,086.0	1,034.8	99.4	1,134.3	1,022.3	91.6	1,113.9²

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	Other
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.

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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.

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

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).

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.

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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:

- Universal certification that can be adjusted to all types of organizations worldwide (small or large company, local authority, territory, natural park, or conservation area).
- 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.
- Certification that strives to encourage awareness of the role and dependency that organizations have with respect to biodiversity.
- Certification that gets stakeholders involved in order to connect the organization with its local area to share information and learn from experience.
- 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, S  ch   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 S  ch   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.

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- 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 to 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.

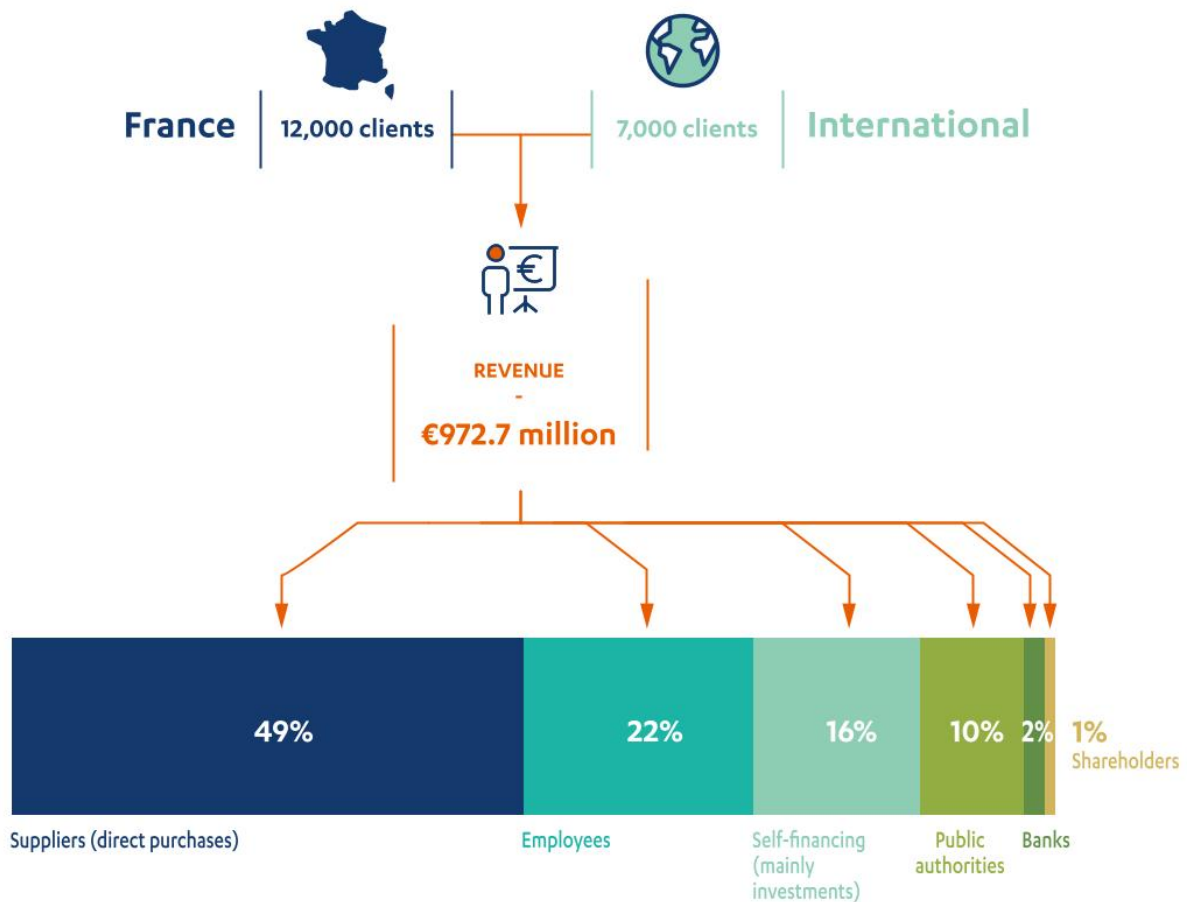
1.5.4.1.2 Local value creation in its regions

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



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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.

1.5.6 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.

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.

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.

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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

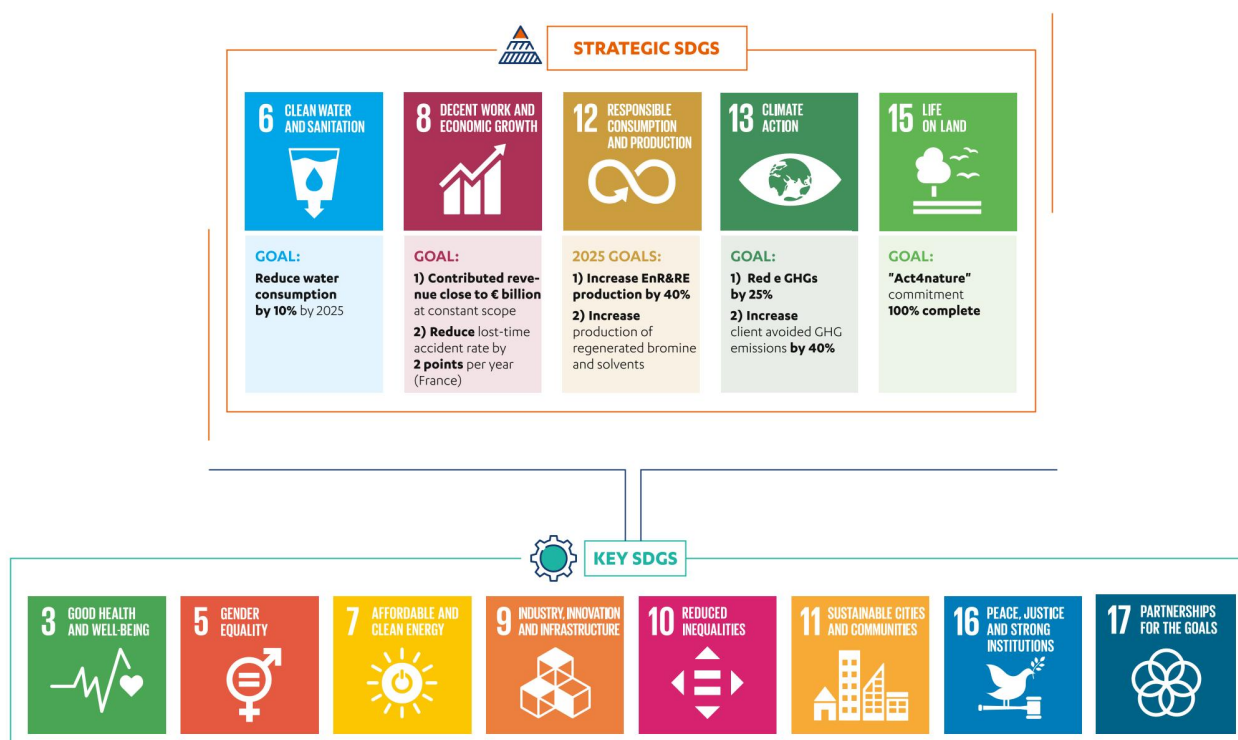
Séché Environnement has been a signatory to the 10 principles of the Global Compact since 2003 and has held "Advanced" status since 2013. The Global Compact is a United Nations initiative that encourages private companies to incorporate into their strategies the principles of respect for human rights,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

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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 (TF1) 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 (TF1) 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%	1%
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%	5%
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.

1.6.4 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.

1.6.3.2 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.

1.6.4.1.1 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	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	2,731,879	0.31%	100%								YES	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	YES	3.41%		
4.8 Electricity production from bioenergy	4.8	14,006,187	1.56%	100%								YES	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	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	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

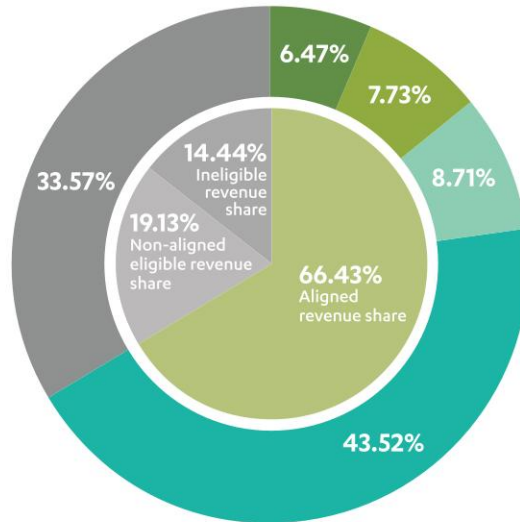
Economic activities	Activity codes	Total CAPEX (€)	Share of CAPEX	Substantial contribution criteria						Absence of significant harm criteria (DNSH - Do no significant harm)						Minimum guarantees	Share of CAPEX aligned with the taxonomy Years N	Share of CAPEX aligned with the taxonomy years N-1	Category (enabling activity)	Category ("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)																				
4.25 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	3.08%	
8.2 Programming, consulting and other IT activities	8.2	232,300	0.22%		100%								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

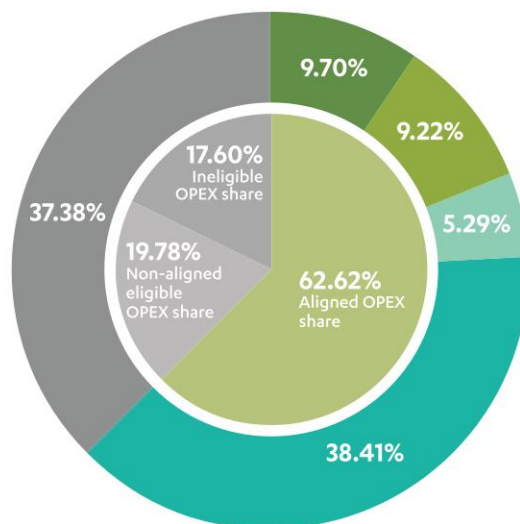
Economic activities	Activity codes	Total OPEX (€)	Share of OPEX	Substantial contribution criteria						Absence of significant harm criteria (DNSH - Do no significant harm)						Minimum guarantees	Share of OPEX aligned with the taxonomy Years N	Share of OPEX aligned with the taxonomy years N-1	Category (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 biorenergy	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 biorenergy	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 Séché Environnement's activities with the EU taxonomy:

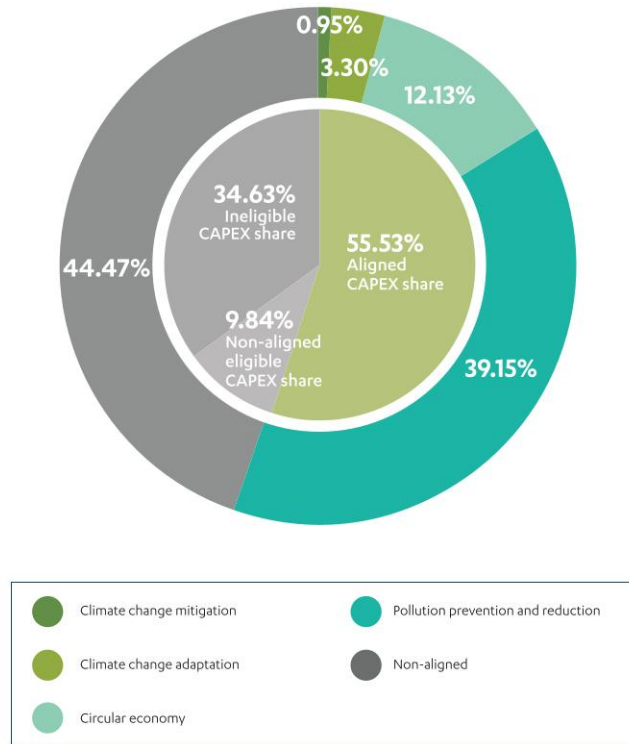
REVENUE SHARES
ALIGNED WITH GREEN TAXONOMY OBJECTIVES



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, S  ch   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, S  ch   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.

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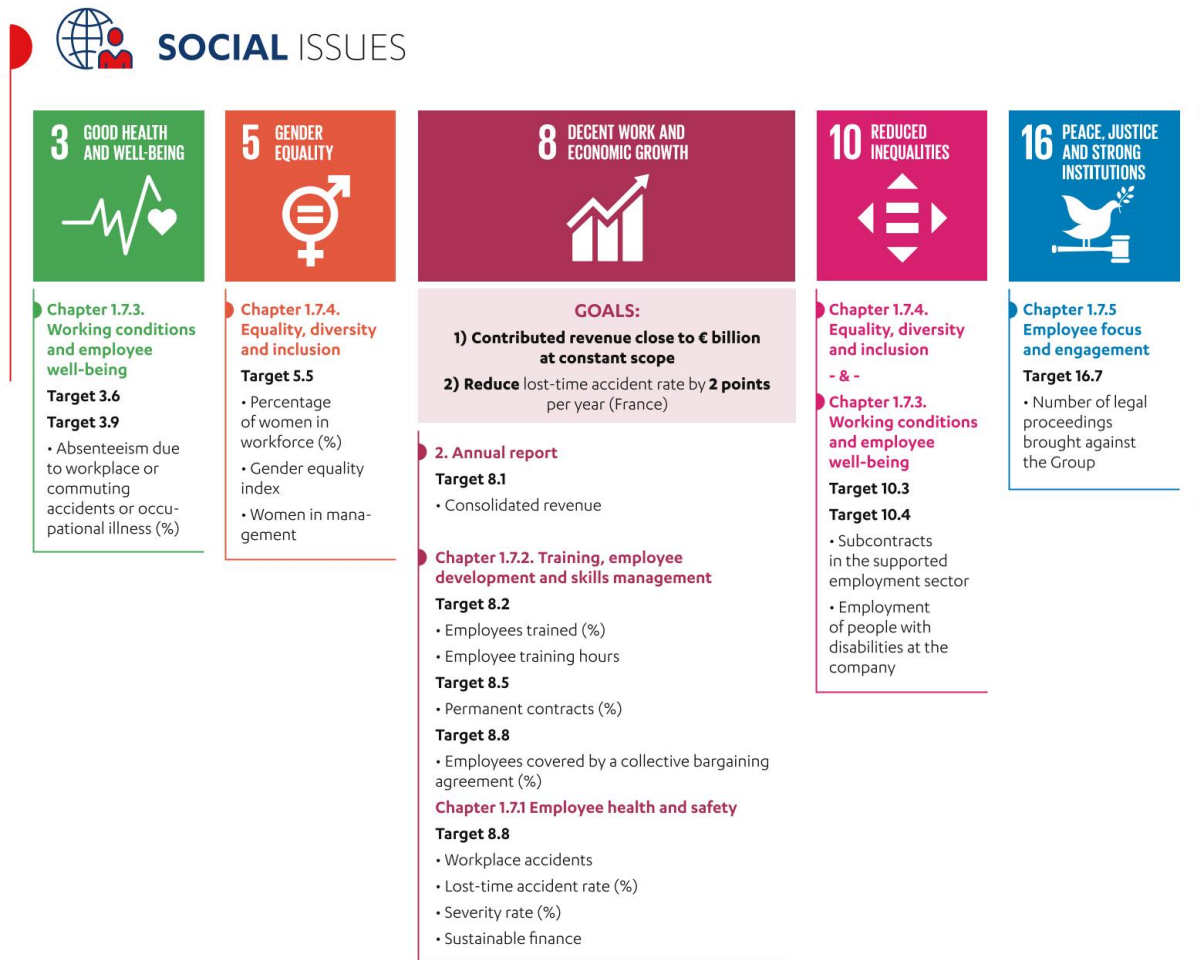
06

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

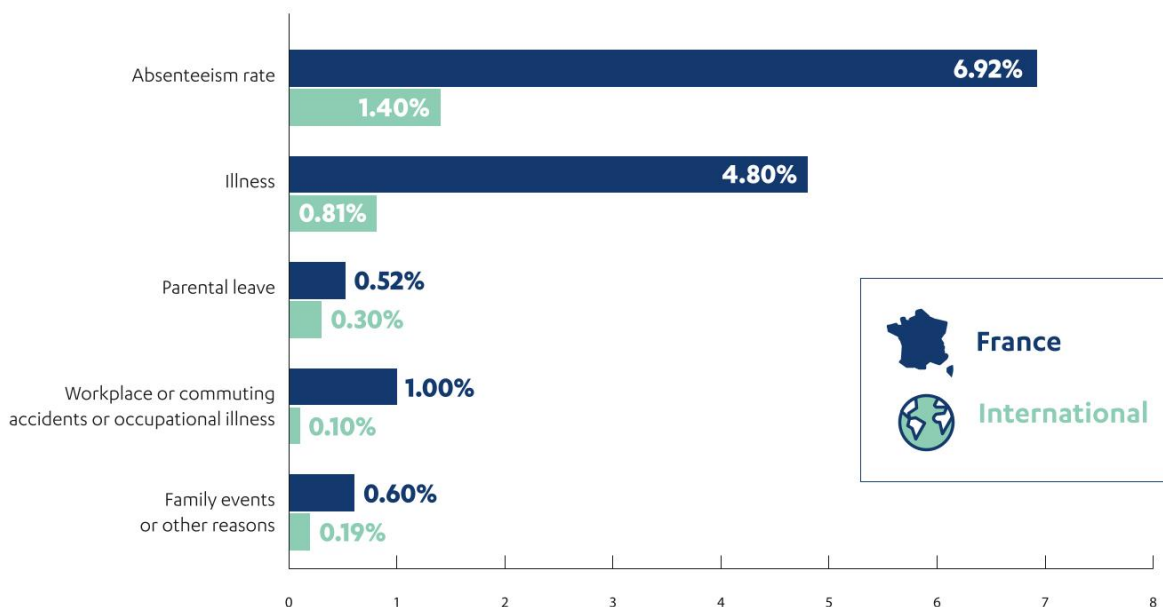
1.7.3.1.1 Absenteeism

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	4434	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.

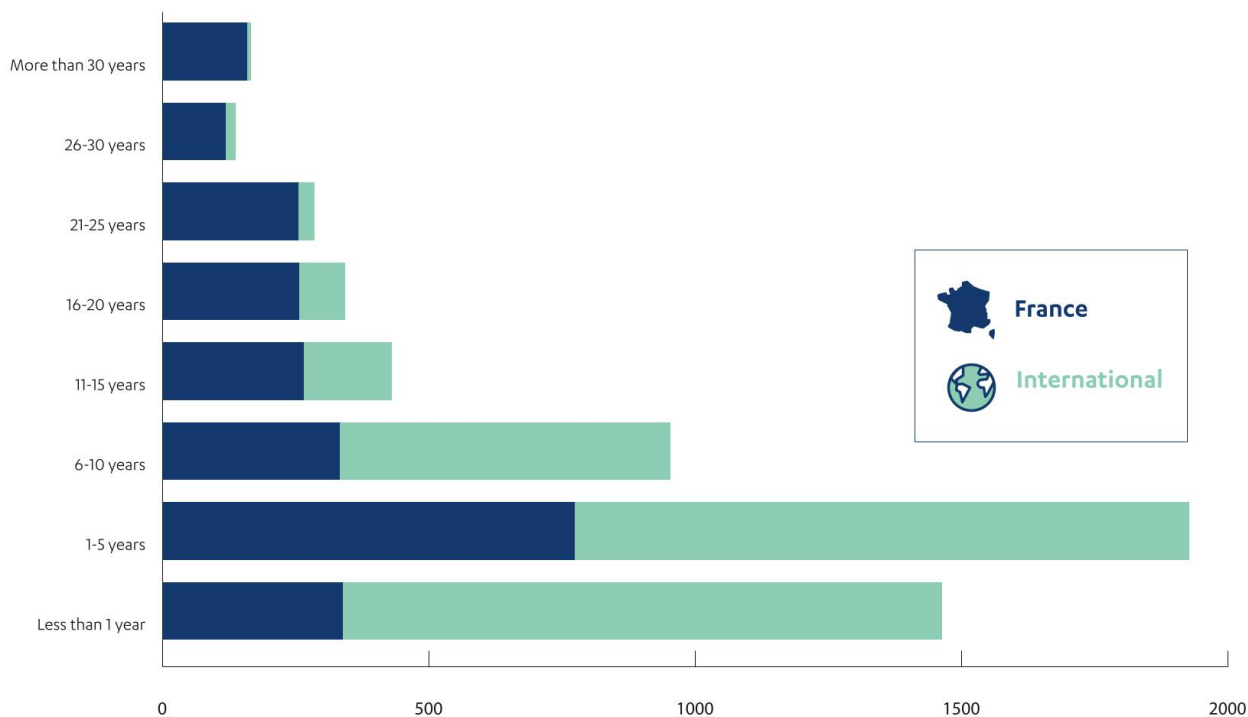
Since 2021, the declaration relating to the obligation to employ workers with disabilities has been made at company level (and not at entity level). It is made through the electronic reporting system for employers (DSN). The 2022 declaration is due between March 5 and 15, 2023.

<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

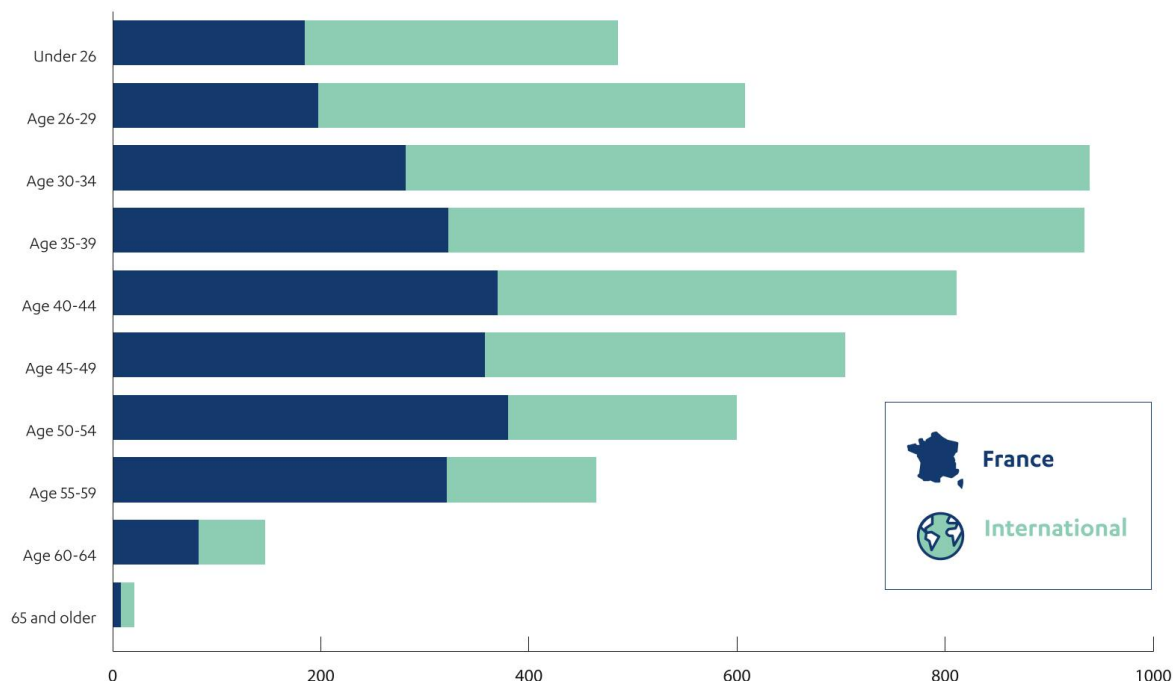
This table shows the headcount at December 31.

	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;
- proposing improvements to facilities to ensure equal access for men and women;
- 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.