Using waste-management expertise
to create a more sustainable world

Séché

EDITORIAL

Corporate Social Responsibility (CSR) guides the Group's strategy in France and underpins its international expansion.

It draws on one of the company's key assets, people, to develop close relationships with all stakeholders. It is by listening to these people that the Group is able to fulfill its duty of public safety while striving to preserve biodiversity, develop the circular economy and fight climate change.

Séché Environnement made considerable achievements at the strategic level and in terms of its operating, financial and non-financial performance in 2019.

The Group saw a marked acceleration in its international expansion strategy. It strengthened its presence in Latin America (Peru, Chile). It also expanded into southern Africa with the acquisition of Interwaste and Italy with the acquisition of Mecomer. With 25% of its revenue generated abroad, Séché Environnement is widening its scope of action and positioning itself in sustainable growth markets.

The Group has consolidated its non-financial achievements and renewed its corporate governance.

Expanding internationally is an opportunity to share the Group's values and expertise while integrating the expectations of internal and external stakeholders. One example of this is the efforts in Peru to clean up pollution in vulnerable, hard to reach ecosystems. Partnerships have also been formed with associations and the scientific world to drive initiatives at various sites to promote biodiversity and improve the living conditions of the local people.

Séché Environnement is also committed to the initiative led by the French Ministry of Ecology, *Entreprises Engagées pour la Nature – Act4nature*.

With a view to reconciling finance with sustainable development, for a second year the Group has been monitoring progress towards achieving the objectives set as part of an impact loan. This method of financing is an important marker of the Group's involvement in CSR, since it is correlated to meeting three criteria: ESG performance, energy self-sufficiency and biodiversity commitments.

In today's pandemic situation, we are very much aware of the solidarity, engagement, and support that our teams have demonstrated to keep our critical operations going. I would like to take this opportunity to thank them for their involvement and professionalism.

Maxime Séché
Chief Executive Officer

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2019 Highlights

Consolidation of research teams and resources in Saint-Vulbas

Acquisition of Interwaste in South Africa

Handover from Joël Séché to Maxime Séché

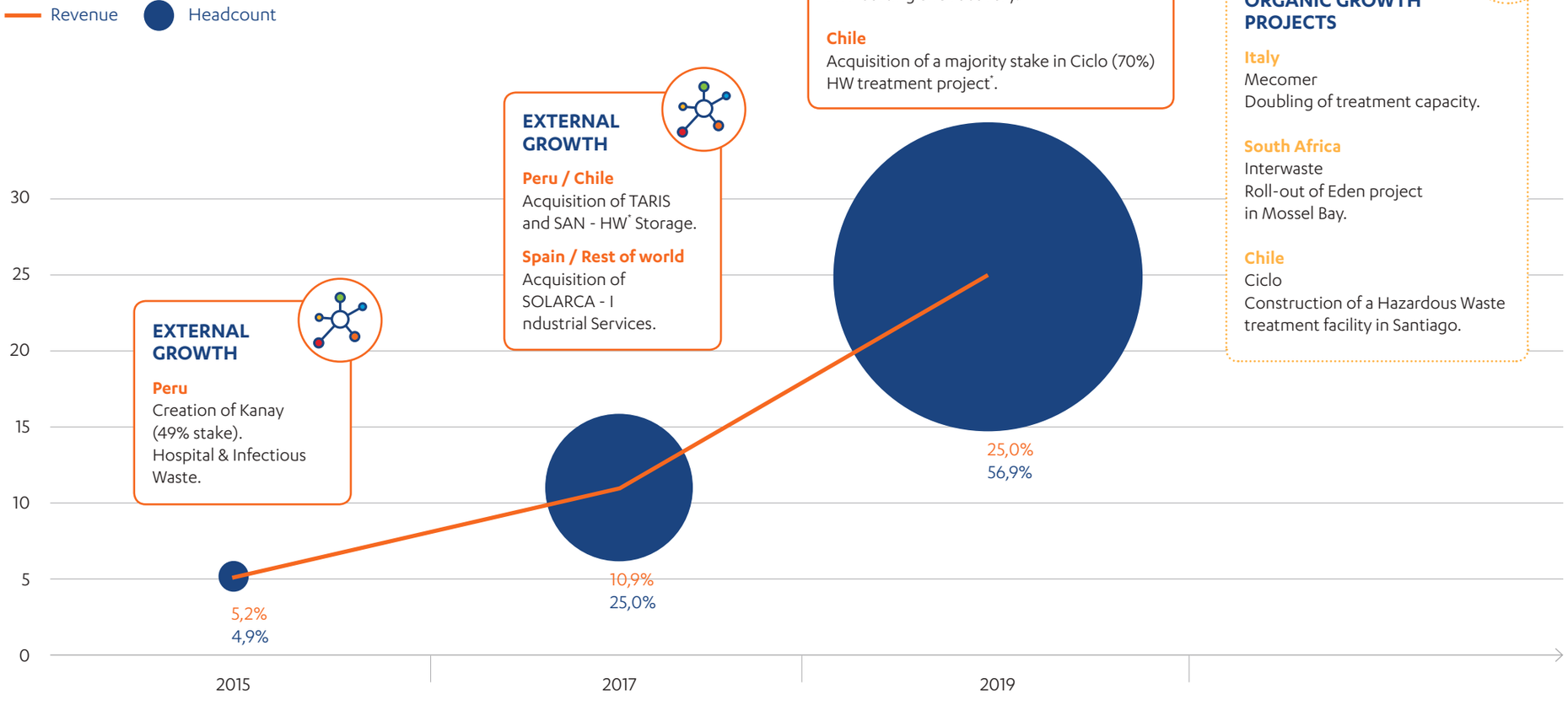
Signature of Entreprises Engagées pour la Nature Act4nature

Satisfying ESG* criteria for the impact loan

* ESG : Environment, Social and Governance

Acceleration
of international expansion

Share of revenue and international workforce



EXTERNAL GROWTH

Peru
Creation of Kanay (49% stake).
Hospital & Infectious Waste.

EXTERNAL GROWTH

Peru / Chile
Acquisition of TARIS and SAN - HW* Storage.

Spain / Rest of world
Acquisition of SOLARCA - I ndustrial Services.

EXTERNAL GROWTH

Peru
Acquisition of 100% of Kanay
HW* incineration + Industrial services.

South Africa
Acquisition of Interwaste
No. 2 in waste management.

Italy
Acquisition of Mecomer
HW* sorting and recovery.

Chile
Acquisition of a majority stake in Ciclo (70%)
HW treatment project*.

ORGANIC GROWTH PROJECTS

Italy
Mecomer
Doubling of treatment capacity.

South Africa
Interwaste
Roll-out of Eden project in Mossel Bay.

Chile
Ciclo
Construction of a Hazardous Waste treatment facility in Santiago.

* HW:Hazardous waste

EXTEND our responsible waste expertise

01

Trédi Hombourg (68)

Séché

EXTEND our responsible waste expertise

INNOVATIVE SOLUTIONS

for the circular economy, materials recovery and energy recovery from waste.

A SPECIALIST APPROACH

for the development and implementation of environmental solutions integrated into the entire value chain in accordance with the principles of conservation of nature (preservation of biodiversity and the fight against climate change).

A PARTNERSHIP APPROACH

through management of lasting infrastructure and an industrial ecology policy to foster sustainable development in local areas.

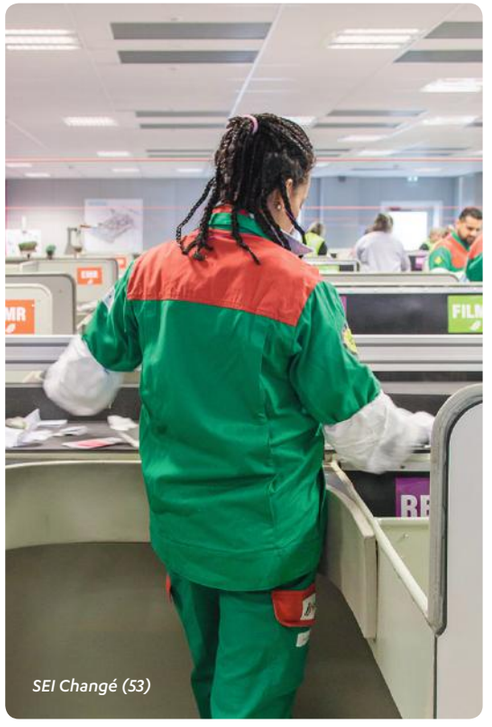
OUR AMBITION: CLEANING UP POLLUTION WITHOUT POLLUTING

This Business approach comes with environmental concerns – we must conduct our business in optimum conditions for the future of our planet, by preserving biodiversity and combating climate change.

Séché Environnement has invested in these two areas since the beginning.


Solarca (Spain)


Taris (Peru)


SEI Changé (53)

OUR STRATEGIC BUSINESS DEVELOPMENT PRIORITIES

PRIORITY 1 International expansion

Historically, France is Séché Environnement's main market, followed by European countries for specific hazardous waste (gas in Germany, liquid waste in Italy, solvent regeneration in Spain).

New export markets are driving growth. For "major export" markets, two countries are representative of the Group's strategy in their geographical area: Peru for Latin America and South Africa, with hazardous waste as the primary target.

PRIORITY 2 Hazardous waste

Hazard management is a solution to the challenges of a sustainable industrial economy.

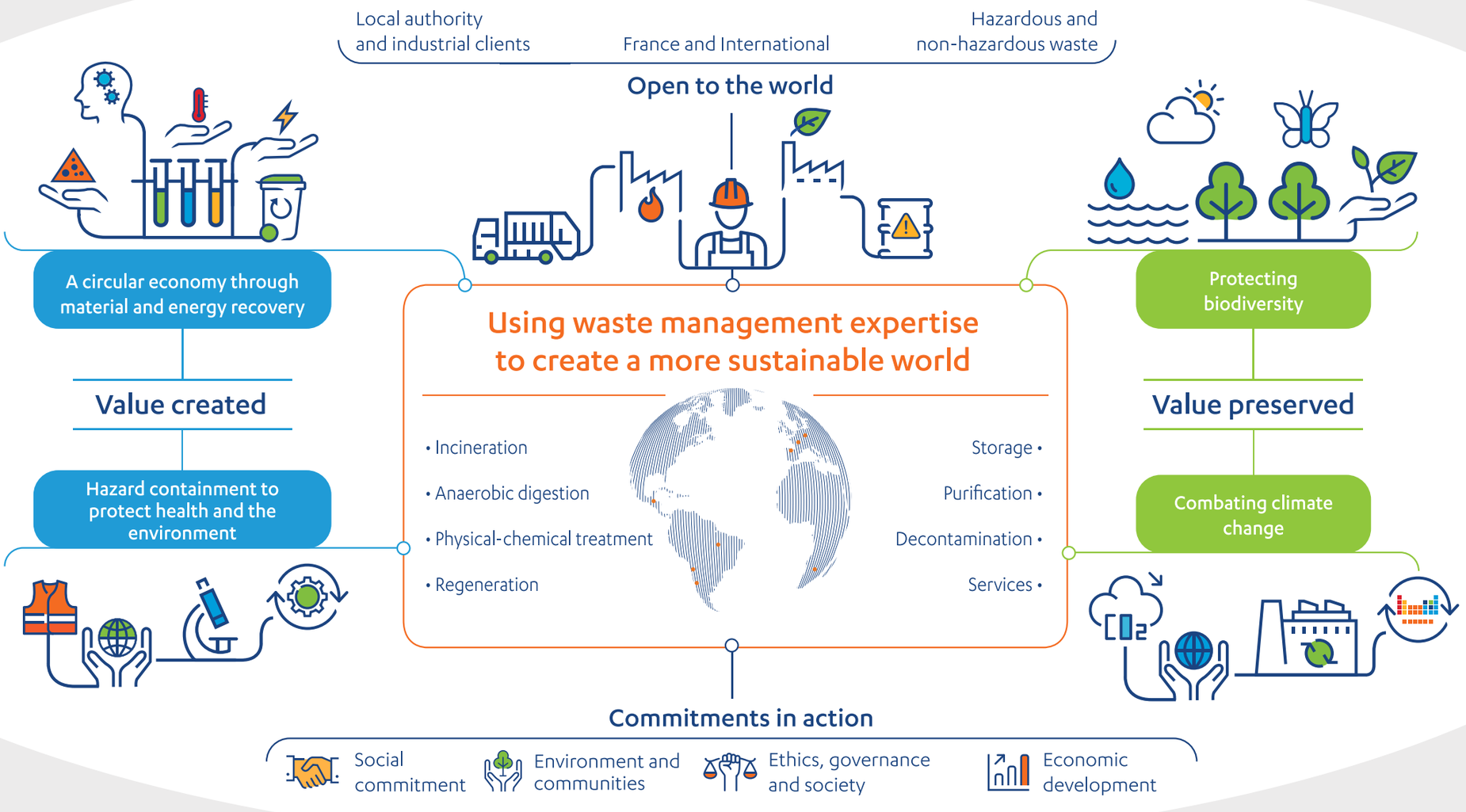
It involves taking into account society's needs in terms of human health, environmental protection and living conditions in compliance with legislation (process safety and the issue of required certifications).

PRIORITY 3 Markets and customers

The waste business has changed dramatically in just a few years. Historically, the approach to theproblem was based on the idea that waste was something to get rid of to stop it being a hazard. Today, the business model gives more weight to environmental awareness and new economic interests. By listening to the needs of energy and commodity markets it is possible to extract the value-added portion of waste, as materials become ever scarcer (be it due to the depletion of deposits or accessibility problems).

BUSINESS MODEL

Through waste recovery (as materials or energy), treatment (reducing toxicity), and storage (isolation from the biosphere), Séché Environnement's operations stand at the intersection of potential human impacts (health and wellness), preserving biodiversity and natural resources (consumption and impact stemming from activity, reducing greenhouse gas emissions).



PRIORITY 1

International expansion

Séché Environnement's international expansion is consistent with the strategy of supporting industrial customers in the hazardous waste markets and winning market share in countries with high growth potential.

Outlook

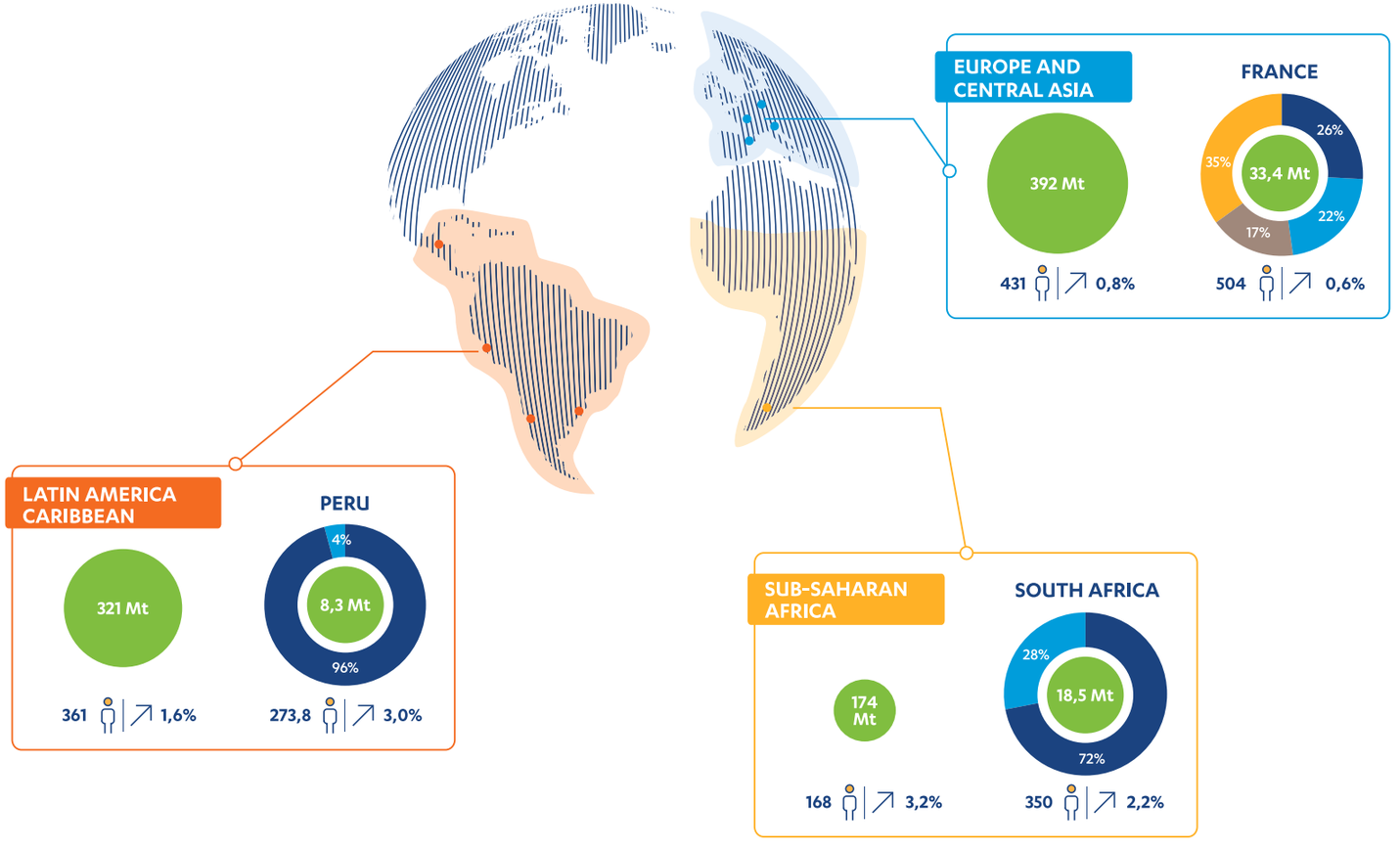
Using the World Bank's approach, expected annual growth (for non-hazardous waste) for South Africa is 2.2%. As this country is already more developed economically than its neighbors, this figure is lower than the average of the sub-Saharan region. In the long term, these markets could become growth markets extending outward from a well-established South African base. In contrast, in Peru, for similar reasons, expected growth (3%) exceeds the average for the continent, as the market is expected to catch up its neighbors.

Specifics

By the same token, we are seeing differences in the level of maturity of these markets with respect to the treatment technologies used. These differences are mainly the consequence of lags in the dates of entry into force of market organizing legislation. In France, the treatment range is extensive: recycling, composting, incineration, and storage. In South Africa, recycling is the only recovery process besides storage today. In Peru, storage is the only waste treatment approach that has been implemented so far. It can be anticipated that the technology mix will change significantly in the coming years in these countries to move a step closer to the European model.

INTERNATIONAL WASTE GENERATION AND NON-HAZARDOUS WASTE TREATMENT MARKET

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



FACILITIES

In order to serve our global customer base, Séché Environnement has a network of sites specializing in our various business lines as close as possible to its markets.


Alcéa (44)

LEGEND

- MATERIAL RECOVERY
- ELECTRICAL ENERGY RECOVERY
- THERMAL ENERGY RECOVERY
- HAZARD MANAGEMENT

* Waste collection, sorting and logistics, decontamination , cleaning, and turnkey contracts are offered to ours custom

NON-HAZARDOUS WASTE

INCINERATION PLANTS

- Alcéa Nantes (F)
- Béarn Environnement Pau (F)
- Sénerval Strasbourg (F)

PHYSICAL-CHEMICAL TREATMENT DECONTAMINATION

Séché Eco industries Lacq (F)

sTRORAGE FACILITIES

- DRIMM Montech - Escatalens (F)
- Gabarre Energie (Guadeloupe)
- Opale Environnement Calais (F)
- Séché Eco-industries La Dominelais (F)
- Séché Eco-indutries Le Vigeant (F)
- Séché Environnement Ouest + Ecosite (F)

HAZARDOUS WASTE

INCINERATION PLANTS

- Trédi Salaise (F)
- Trédi Strasbourg (F)
- Triadis Services Rouen (F)
- Kanay (Peru)

REGENERATION/PURIFICATION

- Speichim Processing Beaufort (F)
- Speichim Processing Mourenx (F)
- Speichim Processing St-Vulbas (F)
- Valls Quimica (Spain)

PHYSICAL-CHEMICAL TREATMENT DECONTAMINATION

- Trédi Saint-Vulbas (F)
- Séché Healthcare (F)
- Sodicome (F)
- Sotrefi Etupes (F)
- Trédi Hombourg (F)
- SEM Trédi (México)
- Trédi Argentina (Argentina)
- UTM (Germany)

Séché Eco-industries Changé (F)

Interwaste (Afrique du Sud)

- SAN (Chili)
- TARIS (Peru)

Séché Transport (F)

BUSINESS SERVICES*

- Séché Eco-services (F)
- Triadis Services Beaufort (F)
- Triadis Services Béziers (F)
- Triadis Services Etampes (F)
- Triadis Services Rennes (F)
- Triadis Services Toulouse (F)
- Ibertredi (Spain)
- Solarca (Spain)
- Mecomer (Italy)

PRIORITY 2

Hazardous waste

Hazard management is a solution to the challenges of a sustainable industrial economy.

It involves integrating society's needs in terms of healthcare and living conditions.

Incineration
(Peru)

Physical-chemical processing
Hombourg (68)

PCB decontamination
Saint Vulbas (01)

Regeneration
(Spain)

Gas treatment
Saint Vulbas (01)

Storage
(Chile)

Infectious medical waste
(Peru)

Implementation of radiation protection
(France)

Clean-up site
Charente-Maritime (17)

Manage the risks (procedures and technical barriers)

Special facilities to manage hazardous waste (storage and treatment) in order to improve traceability and optimally manage the risks and the associated nuisances: protection of water and soil, managing accidental spills, treatment and monitoring the release into a water body, air, etc.

Take action in close proximity to disasters (technical clean-up and environmental emergencies)

Within a few hours of an incident, mobilization of specialized intervention teams with a view to safety and containment, followed by dealing with contamination.

Use the best suitable technical tools (efficient maximum allowed capacity)

Pooling of a wide range of facilities to treat the broadest spectrum of waste (particularly hazardous waste), saving our industrial customers from having to make the investment themselves.

PRIORITY 3

Markets and customers

13,000 customers in France

5,000 international customers

€687.8m in contributed revenue

Operating in the BtoB markets, Séché Environnement is continuously improving its technological responses.

This continuous innovation strategy enables it to offer new circular economy solutions, particularly in the hazardous waste markets, and to create ad hoc processes to meet the specific needs of its customers.

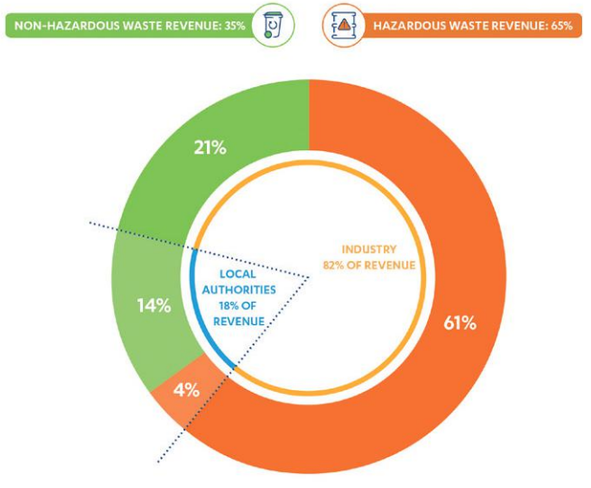
From the simplest waste...

The bulk of non-hazardous waste is easy to collect and recycle as-is, such as secondary raw materials (wood, paper/cardboard, etc.). It requires varying levels of sorting expertise and involves logistical operations for delivery to the brokered secondary raw materials market. The Group is a provider of services to local and regional authorities and producer responsibility organizations such as Citeo, Eco-Mobilier, and Valdelia and recycles waste sorting rejects that cannot be recovered for use as secondary raw materials into fuel and solid recovered fuel (SRF).

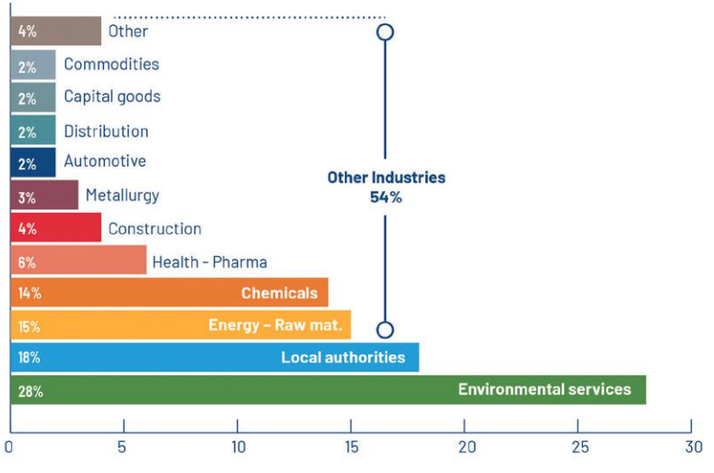
...to the most complex

The recovery of usable materials goes on all around us, even in connection with the treatment of hazardous waste, but the major characteristic of these secondary raw materials is that they can be extracted by using primarily sophisticated chemical treatment techniques to separate, concentrate and purify the scarce materials they contain (solvents, hydroxide sludges, etc.).

BREAKDOWN OF CONTRIBUTED REVENUE AT 12/31/19 BY SECTOR OF ACTIVITY



BREAKDOWN OF CONTRIBUTED REVENUE AT 12/31/19 BY DIVISION AND BY CLIENT TYPE



A centralized research facility dedicated to business development


Speichim (01)

With the aim of maximizing synergies between its various priority development areas, Séché Environnement's research and development activities have been centralized since 2018. At the St-Vulbas (01) site, a specially dedicated department with the latest equipment.

This site currently employs around ten highly qualified experienced scientists (graduates from universities or engineering schools) with expertise in chemicals, chemical physics, biology, and scientific processes.

Improve processes

Technical tools require constant adaptations to satisfy customer demands or to improve their performance. This is the role of the research team.

› Improved energy efficiency

Vacuum evaporators are one of the most effective solutions for reducing and treating liquid industrial waste. Vacuum evaporation is clean and safe, and its running costs are very low. The technique transforms residual effluents into two flows – one with concentrated residue and one with high quality water.

Following conclusive tests on effluents from various industrial uses (wastewater containing detergents, soluble oil waste, etc.), the system chosen uses the principle of vacuum evaporation via Mechanical Vapor Compression (MVC), which is a low-energy solution. In financial terms, this process will significantly reduce effluent treatment costs because it removes the need for demulsification, in particular for soluble oil waste.

› Optimization of anaerobic digestion at waste storage centers

Anaerobic digestion, or methanization, is a biological process based on the decomposition of organic matter by microorganisms a controlled environment. The optimization of methanization facilities is essential to the expansion of this process in France.

The Métafor project aims to produce a panel of expertise to help the operators of our non-hazardous waste storage facilities to optimize methane production while ensuring biological security across the system.

The panel includes laboratory analysis, the classification of inputs, in particular with information on their methane production capacity, real time biological monitoring, and recommendations on how to operate such facilities.

Develop ad hoc processes

The direct and indirect contribution of the Séché Environment Research and Development Center is estimated at 5% of consolidated 2019 revenue. This involves the implementation of new processes and industrial applications or even innovations made to existing processes. It is an answer to the high social and economic expectations of our customers, whether upstream (waste producers) or downstream (consumers of chemicals).

› Bromine recycling

To meet the industrial sector's geostrategic need to produce bromide in Europe, Séché Environnement has developed a unique production process for recycled bromine from their own waste. Going forward, chemical producers can integrate recycled bromine (goal of 4,500t in 2022) into their processes.

This circular economy in action combines bromine concentration cycles with a technology to thermally purify bromine-containing brine contaminated by organic pollutants. This constitutes an innovative, effective capture system that can recover more than 99% of the bromine in the form of brine.

› The fate of some end-of-life engineering plastics

MMAtwo

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.

Polymethyl methacrylate (PMMA) is a polymer known for its optical properties (Plexiglass). Approximately 300,000 tonnes of PMMA are produced in Europe each year, of which only 30,000 tons of waste are collected for recycling (10% of annual production), while PMMA can be retransformed into its monomer by thermal depolymerization, thereby saving precious resources and avoiding CO_2 emissions.

The majority of PMMA recycling in Europe currently uses a lead-based process. This process does not allow the treatment of low-grade PMMA and focuses on post-industrial PMMA, rather than end-of-life PMMA. The latter, however, represents the bulk of the total flow of exported, stored, and incinerated PMMA waste.

ENHANCE
the sustainability
of our company

02

OUR CHALLENGES:

REGULATORY COMPLIANCE

HUMAN RESOURCES

ETHICS COMPLIANCE

Séché

ENHANCE the sustainability of our company

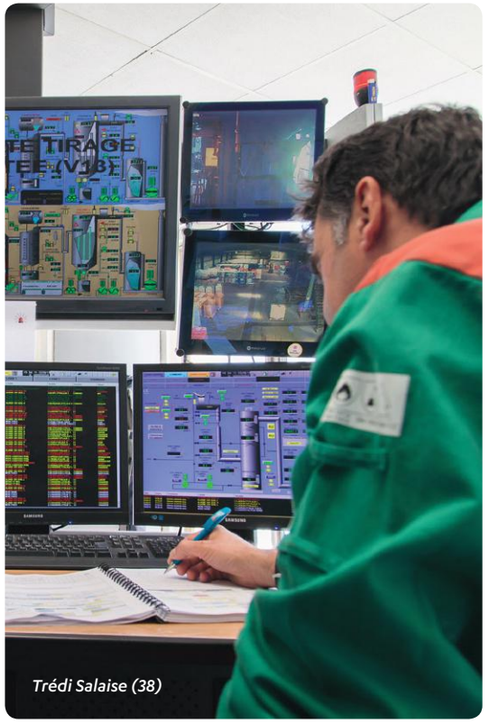
Séché Environnement's responsible corporate approach is to extend its expertise to keep a performing French industry and to create jobs and wealth. Beyond this, the Group strives to improve the practices of its business lines, working conditions and its present and future impacts..

In 2019, Séché Environnement undertook a materiality matrix analysis that takes into account the expectations of stakeholders (employees, clients, suppliers, partners, etc.) and the issues facing the company.
It incorporates risks (financial, regulatory, reputation and business continuity risks) as well as the extent to which each risk is managed.

OUR AMBITION: COMPLIANCE COMBINED WITH EXCELLENCE

The waste management business is subject to a relatively high number of regulations.

It is against this backdrop that Séché Environnement is leveraging its know-how to become a cutting-edge leader in its areas of expertise


Trédi Salaise (38)

Alcea (44)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THE MAJOR CHALLENGES WE FACE IN PREPARING THE COMPANY OF TOMORROW

CHALLENGE 1 Regulatory compliance

As part of its strategy of making international acquisitions, the Group is moving away from a European environment with proliferating regulations to a young regulatory framework that is in the process of being built.

One of the challenges facing Séché Environnement is the transfer of its expertise to its newly acquired facilities while gradually guiding them to high standards of excellence.

CHALLENGE 2 Human resources

In its current phase of international expansion, the Group is focused specifically on the company's people, who are crucial to our success.

The social policies instituted by the company were strengthened in 2019: attractiveness, employee retention, continuous skills improvement, our disabled accommodation policy, and our occupational health and safety program.

CHALLENGE 3 Ethics compliance

For Séché Environnement, rising to this challenge requires protecting itself against exposure to multiple types of risks and providing an appropriate response, particularly in the fight against corruption, tax evasion, the defense of human rights and our own sphere of influence.

The company has renewed its determination and resolve to meet this challenge by creating a dedicated risk officer and developing the means to avoid these risks.

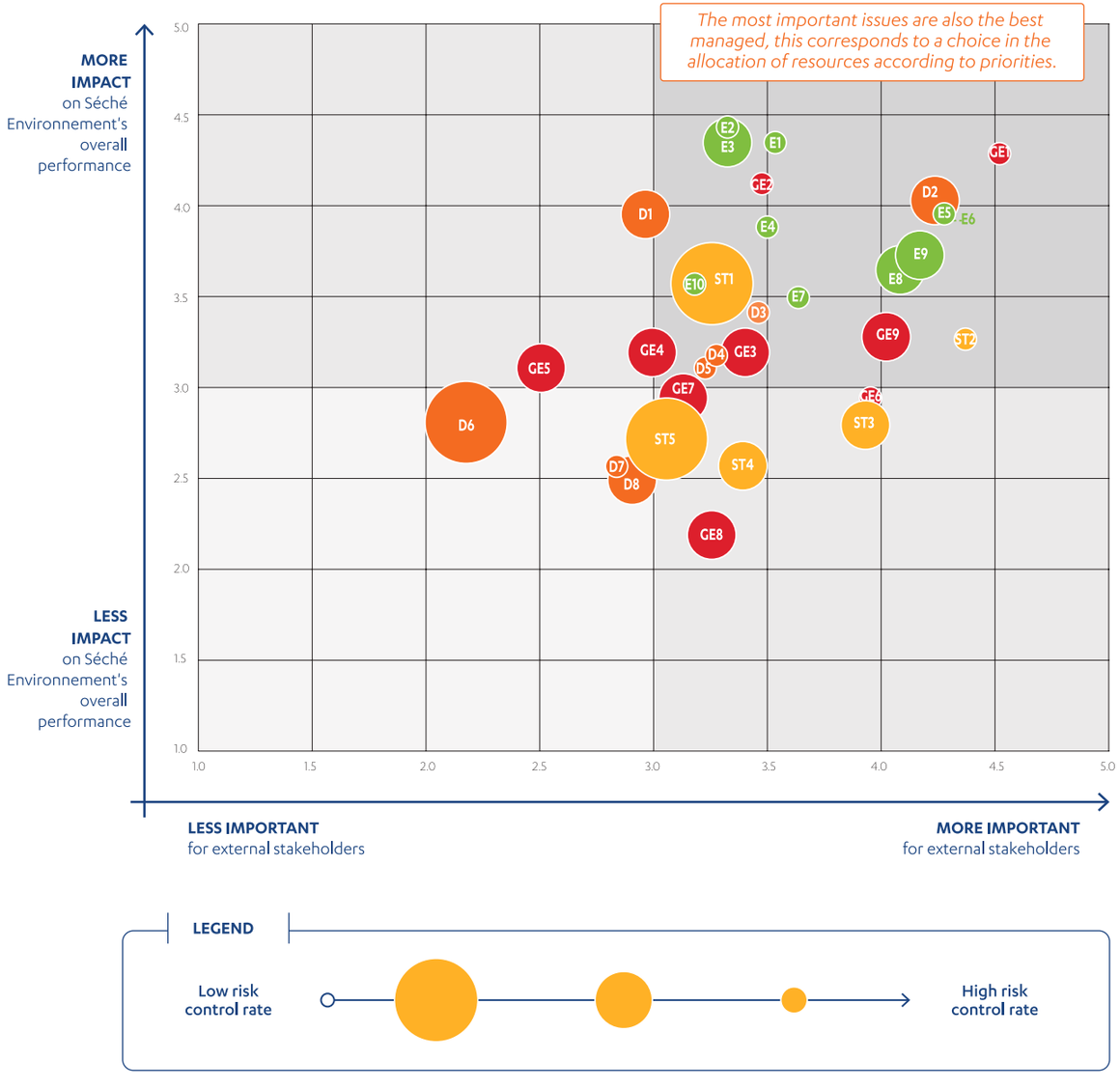
GLOBAL MATERIALITY MATRIX

Source: Tennaxia

At the end of 2019, Tennaxia (assisted by Grant Thornton for financial aspects) mapped the risks to which Séché Environnement is exposed and analyzed the materiality of issues relating to its CSR.

The mapping process and the analysis were supervised by the Audit Committee and the Board of Directors, which approved the conclusions at its meeting on December 5, 2019.


Triadis Etampes (91)



ENVIRONMENT AND COMMUNITIES

- **E1** Circular economy and efficient management of resources
- **E2** Greenhouse gas emissions
- **E3** Site planning and biodiversity
- **E4** Energy efficiency
- **E5** Atmospheric emissions
- **E6** Aqueous waste
- **E7** Limitation of local impact, noise, odors
- **E8** Management of traceability
- **E9** Health of local communities
- **E10** Water consumption

ECONOMIC DEVELOPMENT

- **D1** R&D, Innovation
- **D2** Management of waste treatment procedures and risks
- **D3** Long-term profitability
- **D4** Financial strength
- **D5** Logistics management
- **D6** Digital transformation of activities
- **D7** Development of local employment
- **D8** Cyber security

SOCIAL COMMITMENT

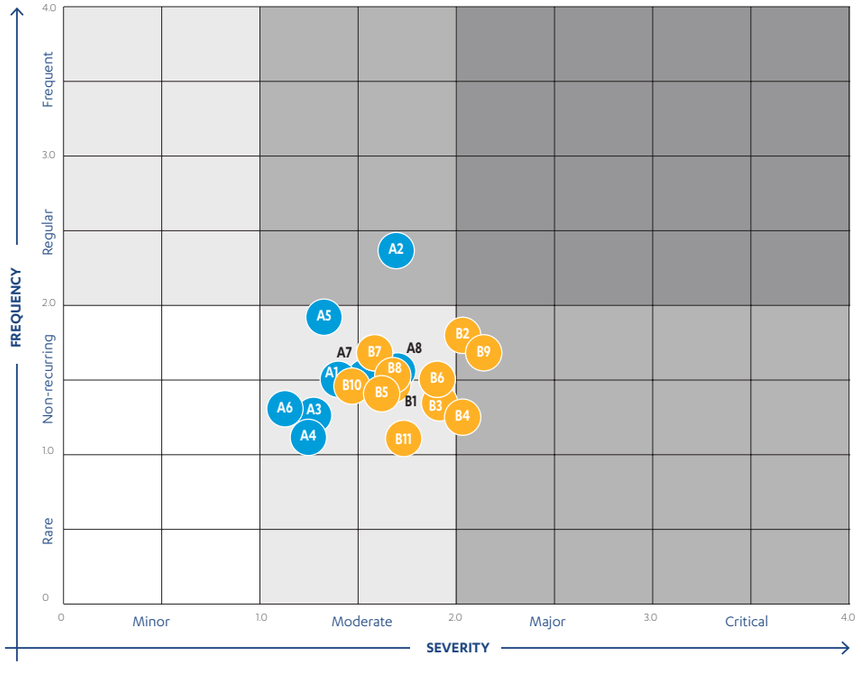
- **ST1** Employee skills development
- **ST2** Health, safety, quality of life in the workplace
- **ST3** Social dialog
- **ST4** Diversity, inclusion, non-discrimination
- **ST5** Gender equality

ETHICS, GOVERNANCE AND SOCIETY

- **GE1** Compliance with regulations and permits
- **GE2** Dialog with stakeholders and communities
- **GE3** Respect for human rights and fundamental freedoms
- **GE4** Responsible lobbying
- **GE5** Responsible procurement
- **GE6** Financial and tax transparency
- **GE7** Responsible sales
- **GE8** Personal data protection
- **GE9** Combating corruption

RISK MAP AFTER MITIGATION (NET DATA)

Comparing the materiality matrix with the net risk matrix makes it possible to identify one issue associated with each risk and to assume that three additional issues – which do not involve any major net risk – are just as important to stakeholders, namely the circular economy and the efficient management of resources, energy efficiency and greenhouse gas (GHG) emissions, and, lastly, landfill design and biodiversity. As this study was carried out in 2019, it did not factor in pandemic risk because this risk was not considered to be company-specific.



10 ASSOCIATED KEY ISSUES	6 MAJOR NON-FINANCIAL RISKS
GE1. Compliance with regulations and permits **E8.** Management of traceability	**B9.** Regulatory compliance
D2. Management of industrial procedures and risks **E7.** Limitation of local impact: noise, odors, etc.	**B8.** Specific risks relating to the operation of industrial sites
E5 et E6. Aqueous waste and atmospheric emissions **E9.** Health of local communities	**B4.** Civil and criminal liability, in particular relating to health and safety and the environment
ST1. Stable workforce **ST1.** Employee skills development	**B7.** Employer attractiveness and employee retention
ST2. Health, safety, quality of life in the workplace	**B6.** Occupational health and safety
GE3 et GE9. Respect for human rights and freedoms, anti-corruption	**B10.** Ethics and non-compliance

LEGEND

FINANCIAL RISKS

- **A1** Interest rate risk
- **A2** Foreign exchange risk
- **A3** Liquidity risk
- **A4** Counterparty risk
- **A5** Risk relating to fluctuations in the price of raw materials and
- **A6** Risk relating to asset impairment losses
- **A7** Risk relating to changes in the Group's activities
- **A8** Insurance risk

NON-FINANCIAL RISKS

- **B1** Risk relating to market trends, technology and competition
- **B2** Country risk
- **B3** Risk relating to natural disasters, climate change and seasonality
- **B4** Civil and criminal liability risk, in particular relating to health and safety and the environment
- **B5** Risk relating to the safety of individuals, and tangible and intangible assets, values and information systems

NON-FINANCIAL RISKS

- **B6** Occupational health and safety risk
- **B7** Risk relating to employer attractiveness and employee retention
- **B8** Risk relating to the operation of industrial sites
- **B9** Regulatory compliance risk
- **B10** Ethics and non-compliance risk
- **B11** Image risk (media risk)

IMPACT OVER TIME (future outlook)

☐ Increase ○ Stable

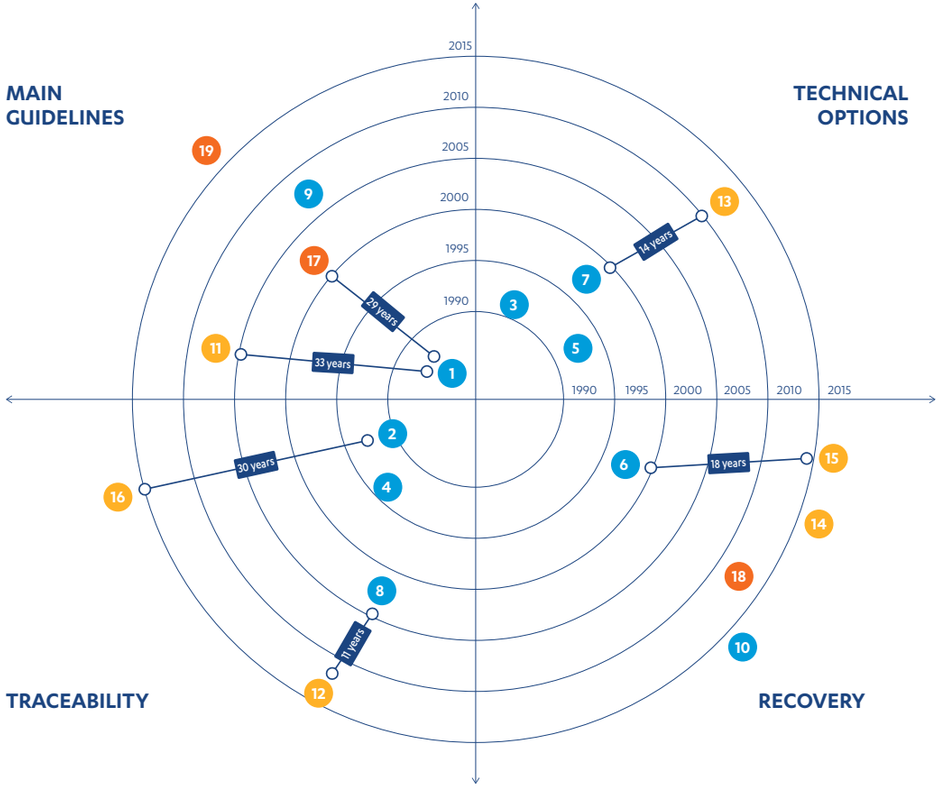
CHALLENGE 1

Regulatory compliance

A far-reaching corpus of laws ranging *from 1975 to the start of the 21st century organizes waste management in the European Union. These laws are reviewed regularly and supplemented to include new themes such as the circular economy and greater responsibilities for waste producers.

In the rest of the world, waste management is gradually becoming more organized, with a lag of two or three decades for certain countries.

FIRST YEARS OF WASTE REGULATIONS IMPLEMENTATION (EXAMPLES) BY COUNTRY



LEGEND

EUROPE (DIRECTIVES)
1 Waste 75/442
2 Basel Convention (1989)
3 Hazardous waste 91/689
4 List of hazardous waste (1994)
5 Incineration of hazardous waste 94/67
6 Used tires 99/31
7 Storage 99/31
8 Waste catalogue 2002
9 Waste framework 2008
10 Circular economy package 2017

SOUTH AFRICA
11 National Env. Managt Waste Act 2008
12 Waste classification 2013
13 Standards waste disposal 2013
14 Norms for sorting, shredding 2017
15 Waste tyres regulation 2017
16 Control of waste import/export 2019

PERU
17 Supreme Decree 2004
18 Waste recyclers regulation 2010
19 Solid waste management law 2016

X years — Time lag

Waste treatment

Regarding the fate of waste after collection, it is virtually impossible to measure what is recovered or recycled. Europe's history in this respect is important. For example, legislation regulating the recycling of tires dates back to 1999 in Europe and to 2017 in South Africa while there is still no such legislation in Peru.

Classification of waste

The lack of consistent data on global waste production is also due to regulatory lags. In Europe, a list of hazardous waste has been in existence since 1994 while a global list first appeared in 2002. In South Africa, the hazardous waste classification dates back to 2013. Furthermore, it should be noted that the very definition of "waste" may differ from country to country.

Control of imports and exports of waste

In order to control cross-border movements of hazardous waste to developing countries, which usually do not possess the technical resources to manage these flows in a sustainable manner, the OECD countries adopted a Convention (known as the Basel Convention) in 1989. In South Africa, hazardous waste legislation was passed in 2019.

Control of industrial risks *and effluent compliance levels*

A strong culture of innovation has enabled Séché Environnement to strengthen its industrial processes and to control its effluents and their impacts.

R&D focuses on a multidisciplinary approach intended for application to anticipate, in the medium/long term, regulatory changes and to explore new areas of eco-development with the unwavering goal of protecting human and environmental health.

Focus on atmospheric emissions

Atmospheric emissions are primarily caused by incinerators and combustion facilities. Flue gas (primarily carbon dioxide, water vapor, nitrogen, and oxygen) includes pollutants such as dust (2 to 5 g/Nm^3), carbon monoxide (20 to 80 mg/Nm^3), dioxins (<0.1 ng/Nm^3), and heavy metals (90 to 100 mg/Nm^3). Hydrochloric acid (HCl), sulfur dioxide (SO_2), carbon monoxide (CO), and nitrogen oxides (NOx) are monitored in particular – the first two for their acidifying power, the latter two as a source of eutrophication.

› Potential nanoparticle emissions from the end-of-life incineration of nanomaterials

Although nanoparticles or nanomaterials are now widely used in various forms in all business sectors, there are currently no French or European regulations on managing the associated waste, at the manufacturing, use, or end-of-life stage. The ADEME-led programs named CORTEA (knowledge, reduction at source, and treatment of air emissions), NanoFlueGas and Nano-Wet examined the treatment of nano-structured waste by incineration with combustion of the gas produced at 850°C and 1,100°C respectively. The scientific and technical objectives of these programs were to characterize particle emissions in post-combustion solid and gas effluents, to measure the effectiveness of flue gas treatment, and to issue recommendations on minimizing the associated risk.

› Fate of mercury emissions from waste incineration

The Mimosa project was set up ahead of the reduction in mercury emissions by waste-to-energy (WTE) plants, including the obligation to provide constant measurements. The aim is to better understand the occurrence of erratic variations in the presence of mercury in combustion exhaust gas to allow better management and more effective elimination before it is released into the atmosphere. Studies were carried out at the Alcéa site as part of an industrial experiment. The data collected were used to establish the parameters to be applied for the operation of the WTE plant in order to comply with the forthcoming emission limit value set in the Incineration BREF (Best Available Techniques Reference Document), which takes effect in December 2023. The study also improved understanding of the different forms of mercury during the thermal waste treatment process and assessed mercury capture during flue gas treatment.

CHALLENGE 2

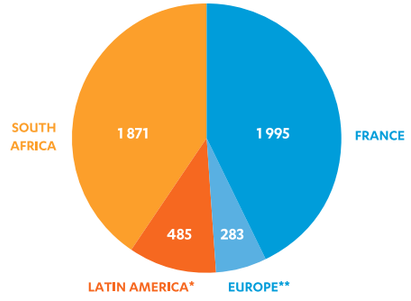
Human resources

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

Moving past the preconceptions tied to waste and the waste handling sector also represents a key challenge for the Group. As talent tends to place value on the environmental sector in general, the answer lies in employer attractiveness and the retention of employees. The Group relies on two positive levers: the technical capabilities of the business lines and the mix of skills.

In addition, the Group's international growth requires new expertise and presents new opportunities for workforce mobility, particularly for executives.

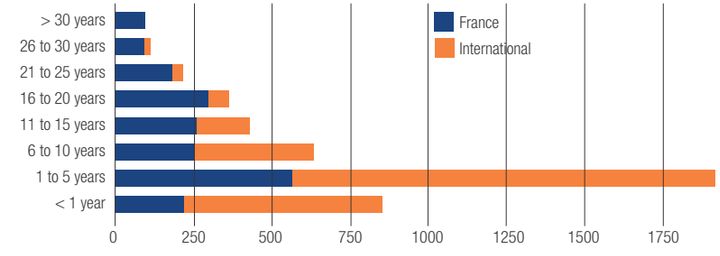
WORKFORCE AND INCREASING THE NUMBER OF WOMEN



- **1,995 employees**
  in France
  24,1% of whom are women
- **4,634 employees**
  worldwide
  22% of whom are women

* *Peru, Mexico, Argentina, Chile* ** *Spain, Germany, Italy*

PYRAMIDE DE L'ANCIENNETÉ



Proactive recruitment policy

The Group's recruitment policy spans a variety of media, including a careers page on the Group website, ads on job boards, relations with universities, jobs fairs and social media.

With its international reach, close-knit teams, and level of expertise, Séché Environnement has significant size advantages which candidates find attractive:

- Join an international Group offering a wide range of businesses 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 with short decision-making processes.
- Contribute to the waste processing sector with its high environmental standards for the benefit of the common good.

Knowledge of employee expectations

Through the set-up of professional development reviews, managing the company's talents involves knowing what employees expect and how they are doing. These proceed in five steps:

- Touch base with the employee about their work;
- Review how the company's plans fit with 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.

Job Fair


Kanay (Peru)


Safety equipment training

In France:

73%
of employees
received training

65
people
with disabilities
work at the company

9
FTEs* work under subcontracting agreements with specialized associations

* Full-time equivalent

Continuous skills development

The Group's ambitious training policy is designed to enable each employee to acquire culture, know-how and soft skills. On-the-job training remains a key part of professional development. The Group has three main goals:

- 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.

	FRANCE	INTERNATIONAL
EMPLOYEES TRAINED	1 420	1 823
TRAINING HOURS	35 301	35 009
NUMBER OF HOURS OF TRAINING PER EMPLOYEE	18	14

Disabled accommodation policy

Since 2010, Séché Environnement and all of its subsidiaries have been committed to a policy to assist people with disabilities. Following an assessment carried out at the subsidiary level:

- A Disability officer is present within each scope in order to optimize best practices for the inclusion of staff with disabilities.
- Several disability awareness procedures have been developed as part of this policy.
- The company has made a practice of using service providers specialized in this area at the time of recruitment (CAP Emploi, temporary manpower agencies specializing in insertion, etc.).
- Each year in November, the Company actively participates in Disability Employment Week, particularly by organizing job awareness days.

Opale Environnement has been a member of the «Fondation Agir Contre l'Exclusion» (FACE) for nearly ten years. Their objective is to participate in aid activities encouraging the return to the workplace.

57%
of the French sites
reported an injury frequency rate (FR1*) of zero

49%
of French sites
have had no workplace accidents for two years or more

Health - Safety

Site managers who bear this responsibility can rely on the expertise of a central organization that is wholly dedicated to occupational health and safety, such as a QSSE manager, who enforces the Group's policy at the basic site level, regional incident prevention officers who support everyone in managing safety on a day-to-day basis, and Economic and Labor Relations Councils (CSE) set up by the 2018 French Labor law. Each site trains first-aid officers as part of its training program.

› Organization

As soon as the laws (Article L.4644-1 of the French Labor Code) amending the organizational structure of occupational health monitoring and prevention came into force, the Group named a "professional risk employee" for each of its constituent companies. These employees act as liaisons with the occupational physicians to make their interventions more effective in terms of medical monitoring and complementary/multidisciplinary skills.

› Special training

Training sessions were conducted on Managing and Optimizing Safety Behaviors, with the goal of reducing risky behavior that could result in accidents. Supervisors speak to operators on the ground during regular field visits and establish whether the safety measures in place are suitable or not. The goal is to implement corrective measures if need be and to report feedback.

› E-learning

Since 2018, the Group has been experimenting with "self-learner" training materials intended for new arrivals or as a prerequisite for actions known to be hazardous. These materials are being developed and submitted to those concerned. They include an individual assessment quiz that determines whether or not the operator is permitted to do the task.

	FRANCE	INTERNATIONAL
ACCIDENTS WITH ABSENCE FROM WORK	69	55
DAYS OF ABSENCE	3 061	794
FR1* (EMPLOYEES AND TEMPORARY STAFF)	19,8	8,6
SEVERITY RATE (SR)	0,99	0,12

* *Frequency of workplace accidents with absence (FR)*

SAFETY OBJECTIVE

The aim is to achieve a workplace accident frequency rate of below 5 by 2021. This target was set by Executive Management at the 2019 Health and Safety seminar and was formally accepted by all site and business line managers.

Internationally, the sharing of best practices will be rolled out between 2020 and 2022.

Drill with self-contained breathing apparatus

CHALLENGE 3

Ethics compliance

Compliance involves applying procedures within the company to comply with hard rules (local and international laws and regulations, such as the Sapin II law in France) and soft rules (Universal Declaration of Human Rights, ILO conventions, rules specific to the company's business sector).

The Group did not wait for a regulatory framework to make ethics an important component of its policy.

1
Group Compliance
Director

0
tolerance
on corruption

Due to the Group's family capital structure, the fact that the legal entity carries the name of the founder and Chairman, and image risk in a highly competitive and local industry, ethics is central to Séché Environnement. Séché Environnement's management bodies reiterated their commitment to fighting corruption in a message from the Chairman to all the Group's employees, 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 (no alerts were raised in 2019).

From an outdated requirement to recent international extension

When the family-owned business was organized into a Group as a result of its policy of growth through acquisitions in 2001, this requirement was circulated to all employees in France via the Code of Conduct and the signature of the United Nations Global Compact in 2003. The principles expressed in the Compact are considered essential to both relationships within the company and relationships with customers, suppliers, the authorities, local residents and, more broadly, all the company's external stakeholders.

For the past few years, the international expansion strategy factors "country risk" into its foreign location choices, particularly the risk of corruption linked to particular regions. This watchfulness is one of many investment and development policy guidelines designed to protect the reputation of the "Séché brand". With this in mind, Corporate Governance Rules have been transmitted to all of the Group's boards of directors and a Group Head of Compliance has been appointed.

Appointment of a Group Head of Compliance

Reporting 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.

Updating of procedures and training campaigns

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 incurred by 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 following recent acquisitions.


Séché Days


Anti-corruption meeting (Chile)

Classroom-based training was organized in international subsidiaries to roll out the anti-corruption program.Another objective of this effort was to identify the requirements of local anti-corruption legislation in countries where the company's international subsidiaries operate. A network of Compliance reporting agents has also been put in place, acting as the Head of Compliance's local contacts for matters such as third-party evaluations.

| CONTRIBUTE to a more sustainable world

03

Séché

CONTRIBUTE to a more sustainable world

Séché Environnement focuses on three major challenges for a more sustainable world: promoting the circular economy, combating climate change and preserving biodiversity. These efforts correspond to three major stakeholder expectations, underscored by the materiality matrix analysis (see p.17) and have been resolutely pursued for many years.

PRESERVATION OF NATURAL

biological, hydrogeological and physical environments in the locations where we operate.

DEDICATED MULTIDISCIPLINARY TEAMS

of energy and biodiversity specialists.

A PARTNERSHIP APPROACH

based on cooperation with the scientific and non-profit worlds.

OUR AMBITION: TO PRESERVE THE PLANET

Putting waste back on the right track is the mission that Séché Environnement has set for itself. This ambition aims to create a circular economy where, ideally, one man's waste is another man's resource and would no longer be considered as causing harm; an economy that fights climate change while preserving biodiversity.

SEI Changé (53)

SEI Changé (53)

DRIMM Montech (82)

KEY ISSUES FOR OUR STAKEHOLDERS

ISSUE 1 Promoting the circular economy

Using its waste treatment facilities and management expertise, the Group facilitates the channeling of customer waste to sectors where it will become secondary raw materials. This recovery effort is primarily focused on noble materials, which exist in small quantities but have high added value and are sought by geostrategically important markets.

Recycling these rare elements provides a partial solution to the depletion of natural resources, and to the difficulty of accessing them for technical or political reasons.

ISSUE 2 Combating climate change

This challenge accords with the circular economy: energy-efficient consumption in processes combined with energy recovery. This combination not only conserves resources but acts on greenhouse gases (GHG). It reduces the gases emitted during treatment or avoids them altogether thanks to recovery, which substitutes waste for conventional energy sources. An aggregate for calculating energy generation and consumption, the energy self-sufficiency rate is a tool for measuring the climate challenge for the Group.

ISSUE 3 Preserving biodiversity

Occupying significant parcels of land, the Group is united by a strong commitment to the biodiversity of the surrounding environment. To cement its commitment, it implements coherent initiatives to preserve and monitor the animal and plant world. Aware of the role that business can play, Séché Environnement's Dedicated to Nature through Action (DNA) program will supply the means for structuring and measuring the preservation of regional biodiversity, in a tangible, sustainable, and measurable way.

The company and its stakeholders are committed to strong action to preserve the natural environment.

SUSTAINABLE DEVELOPMENT GOALS (SDGS)

Séché Environnement has been a signatory of the 10 principles of the Global Compact since 2003.

To allow these ten principles to be put into practice, they were translated into the United Nations Millennium Development Goals, which promoted peace, humanity, the planet and prosperity. These goals were further adapted into 17 universal, inclusive, interconnected aims – the Sustainable Development Goals (SDGs).

The aim of this approach is to transform societies by eradicating poverty and ensuring a just transition to sustainable development by 2030. In fact, some of these universal objectives extend beyond the framework of action and/or corporate social responsibility. Through its activities linked to the circular economy, Séché Environnement has announced targets with indicators to measure how they are being met.

« For the 18th year in a row, Séché Environnement's Executive Management is reiterating its concerted commitment to the ten principles of the Global Compact respecting human rights, labor law, the environment and the fight against corruption »

Joël Séché
Chairman of Séché Environnement

INTEGRATION OF GOALS SHARED BY ALL BUSINESSES

RELATED SDGs	SÉCHÉ ENVIRONNEMENT'S GOALS
5 Gender Equality 8 Decent Work and Economic Growth 9 Industry, Innovation, and Infrastructure 10 Reduced Inequalities 11 Sustainable Cities and Communities	**GOOD GOVERNANCE*** **Non-financial performance** **2022 GOAL:** **3-point increase in its EthiFinance rating** *Reference value: 2017 Rating = 74/100* **OCCUPATIONAL SAFETY** **Workplace accidents** **2021 GOAL:** **Frequency of workplace accidents (FR1) < 5** *2019 reference value: FR1 = 19.8*

SPECIFIC GOALS THAT ARE PARTICULARLY RELEVANT TO SÉCHÉ ENVIRONNEMENT

RELATED SDGs	SÉCHÉ ENVIRONNEMENT'S GOALS
6 Clean Water and Sanitation 7 Affordable and Clean Energys 12 Responsible Consumption and Production 13 Climate Action 15 Life on Land	**CLIMATE ACTION*** **Energy independence** **2021 GOAL:** **> 220%** *2017 reference value = 219%* **PRESERVING BIODIVERSITY*** **Biodiversity Plan** **2022 GOAL:** **Full implementation of the plan** *Act4nature, signed in 2018, reiterated in 2019 in « Entreprises Engagées pour la Nature »*

** Impact loan taken out in 2018: the attainment of these objectives can result in an adjustment of up to ± 5 basis points in the interest rate.*

ISSUE 1

Promoting the circular economy

In the circular economic cycle, the main contribution of Séché Environnement, together with its waste-producer customers, occurs primarily at the product end-of-life stage.

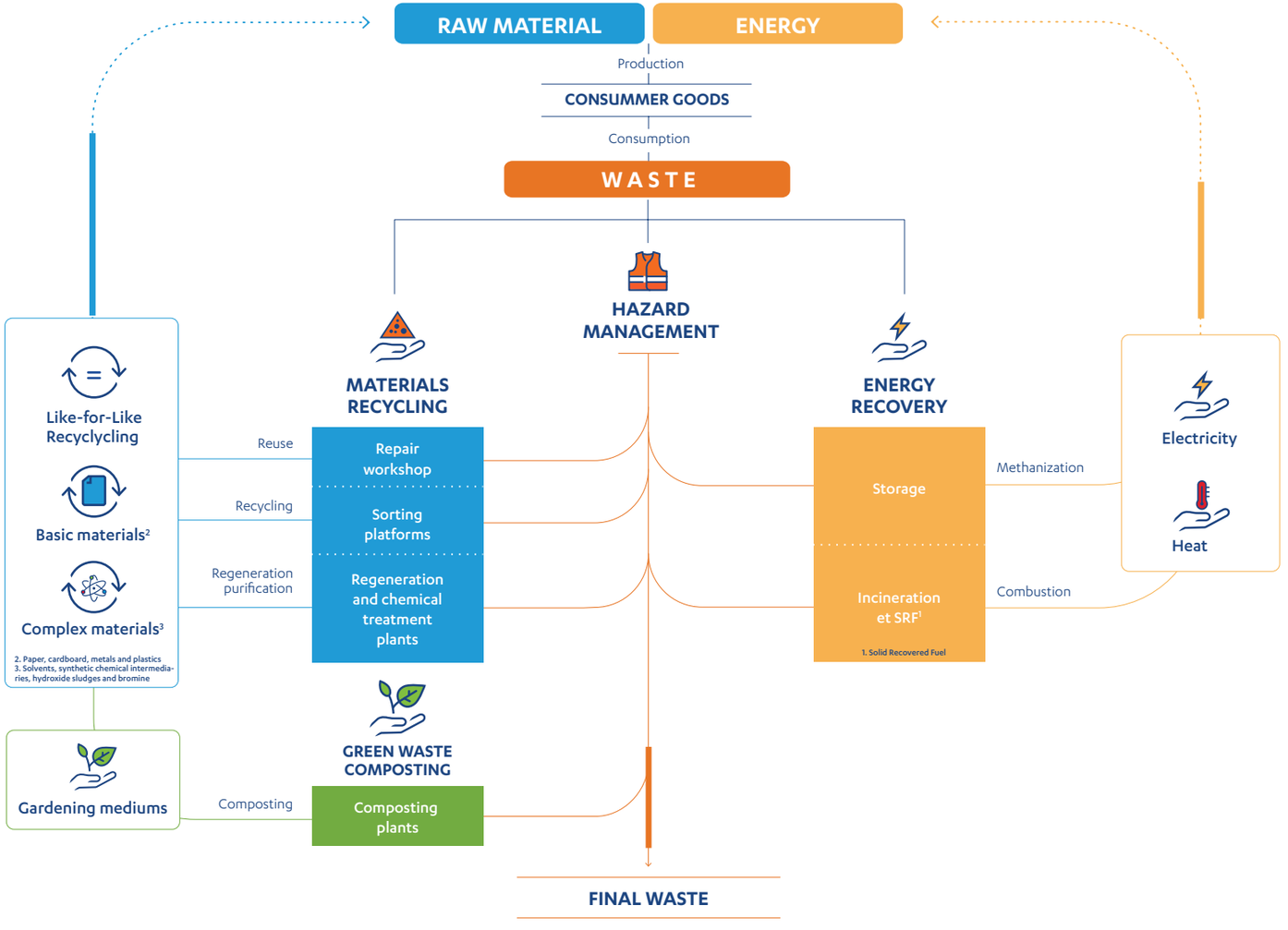
The bulk of waste recovery occurs in the form of industrial ecology with local uses of energy extracted from waste (primarily heat).

If waste is correctly managed and recovered, this makes supply chains more secure and helps preserve the planet's natural resources. The transition from the linear economy adopted since the Industrial Revolution to today's circular economy is a gradual process.

Trédi Strasbourg (67)

PRIORITIZING MATERIAL RECYCLING WHILE MAXIMIZING ENERGY RESERVES

Source: Séché Environnement



1. Solid Recovered Fuel 2. Paper, cardboard, metals and plastics 3. Solvents, synthetic chemical intermediaries, hydroxide sludges and bromine

A long-standing position *on material recovery*

Social and economic expectations, translated by European and French legislative progress and their "circular economy" roadmaps, are driving a rapidly growing material recycling market.

Séché Environnement fully contributes to meeting the needs of upstream (waste producers) and downstream (mainly consumers of chemical products) customers alike.

Expertise and experience dedicated to recycling

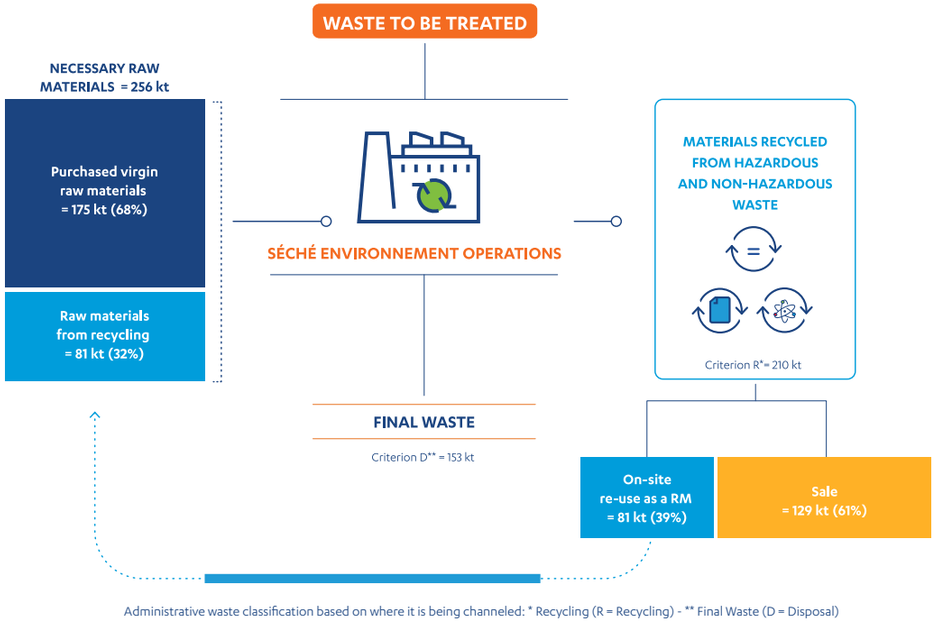
Whenever the Group invests in recycling operations on its own behalf, it is generally to meet demand for a rare material, one which requires technical capabilities and expertise to extract it and ensure that it fulfills the future user's specifications (zinc, nickel, or molybdenum extracted from metal hydroxide sludges, or bromine recovered from industrial chemical effluents).

Historically, the Group has recovered solvents, copper and magnetic plates after decontaminating PCB-contaminated transformers. Scrap metal contained in slag is also recycled, not to mention the slag itself, which is used in roadbeds where it results from the incineration of non-hazardous waste.

New non-hazardous waste treatment facilities (expected to open in 2023)

Building on its experience with non-hazardous waste treatment facilities (Changé and Montech), Séché Environnement will be in charge, alongside Brangeon Environnement, of the construction and operation of the future interregional sorting center in Loublande (79), which will process 48 kt/year. The Group will also jointly manage a multi-sector waste recovery center with a capacity of 85 kt/year at Viviez (12) alongside Sévigné.

AN OPTIMIZED MATERIAL BALANCE



Administrative waste classification based on where it is being channeled: * Recycling (R = Recycling) - ** Final Waste (D = Disposal)

The Group's focus is mainly on recovering maximum content from waste. Hence, Séché Environnement does not itself generate waste, but rather treats waste, extracting value from it, reducing its volume and concentrating its hazardous character into "waste waste" or final waste which is then placed in secure landfill, insulated from any possible contact with the biosphere. Translated into tons of treated waste, the activities that consume the most material are storage and stabilization, followed by treatment (physical-chemical treatment and incineration).

Consumption of raw materials varies based on the nature of the waste being treated (reagents and other chemicals) or the work being done (public works materials for storage cells). 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.

ISSUE 2

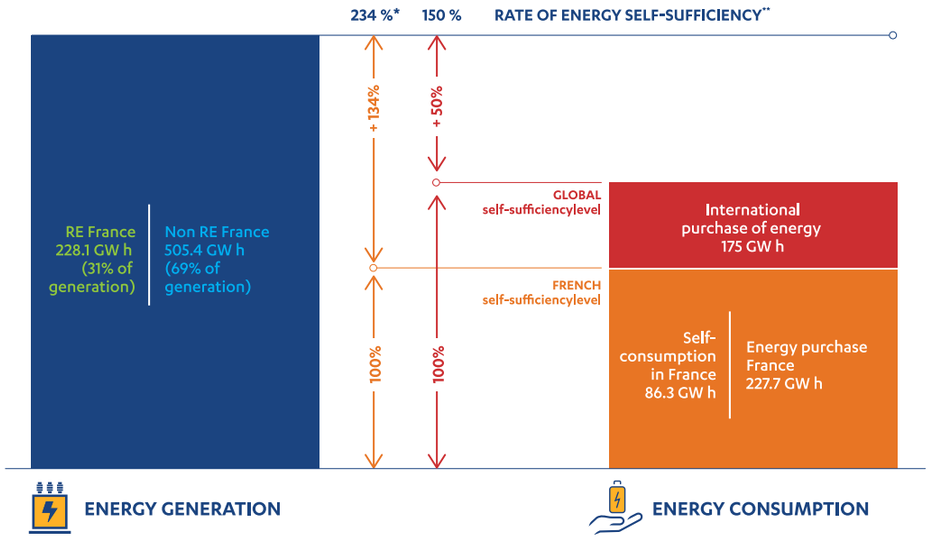
Combating climate change

Energy recovery is a method of treatment preferred over disposal but reserved for waste that cannot be reused or recycled. According to the European Union, 1.5% of final energy consumption is covered by the recovery of energy contained in waste.

In France, Group has a good position in businesses extracting energy from waste (through anaerobic digestion and incineration) with an output capacity of 733.5 GW h, 31.1% of which is qualified as renewable.

Not only are these businesses the primary emitters of the greenhouse gases generated by the Group (Scope 1 and Scope 2 emissions), they are also sources of avoided GHG due to energy recovery.

A SURPLUS ENERGY BALANCE



**Objective set out in the impact loan: > 220% in France - ** Generation/Consumption Ratio

The decline in the rate of energy self-sufficiencyin France in 2019 (234% vs. 246% in 2018) was due to temporary partial shutdowns of the Salaise 2 incinerator (full revamping) and the Triadis Rouen incinerator (following the fire at the Lubrizol chemicals plant located nearby).


Solarca (Spain)

Trédi Salaise will increase its energy efficiency in 2020

Trédi Salaise will triple the quantity of superheated steam delivered to the OSIRIS consortium (i.e. 600,000 t/year). To do so, Trédi has opted for the direct sale of heat, which is more efficient, instead of the current conversion to electricity thanks to a 14 MW turbine-generator unit.

This new supply of waste heat (produced by the incineration of waste) will substitute the consumption of fossil fuel at the neighboring plant, reducing emissions by 120 kteqCO_2/year

After Solarca in Spain, Séché Environnement moves on to solar power in Chilei

The solar power station that will supply the energy for the daytime operations of facilities in the Antofagasta region has entered the commissioning and start-up phase. Its purpose is to reduce its carbon footprint and to have sustainable production processes.

2019 fossil fuel GHG emissions:

567 kteqCO$_2$ in France

59 kteqCO$_2$ internationally

2019 biogenic carbon emissions:

329 kteqCO$_2$ in France

Reducing GHG emissions

Waste treatment generates greenhouse gas emissions representing 2.6% of total emissions in France (2.8% worldwide). Having a material impact on this waste-related source of emissions requires action at each successive stage of the circular economy, from ecodesign to the end of the life of the product. It is not just the actions of the waste processor that can reduce the volume.

› 2019 balance of Group emissions

Due to the different types of waste and the means used to process them, GHG emissions from Séché Environnement are mainly concentrated in France (59 kteqCO$_2$ by the international subsidiaries).

Fossil fuel GHGs emitted by the Group in 2019 in France totaled 567 kteqCO$_2$. Biogenic carbon (biodegradable materials, cardboard, organic household waste, etc.) emissions totaled 329 kteqCO$_2$.

› Limited liability of the final carbon emitter

To have a material impact on waste-related GHG emissions, intervening at the final stage when the product has reached the end of life is not enough. Action must take place upstream in accordance with the principles of the circular economy.

Reducing the volume of raw materials that will ultimately be transformed into waste avoids greenhouse gases caused by the extraction, transformation, transportation and end-of-life treatment of materials.

› ECOCERT Environnement Climate Commitment Management System certification

Contrôlé par ECOCERT ENGAGEMENT CLIMAT

Séché Environnement has held Climate Commitment certification since 2015. This certification, developed by ECOCERT Environnement, evaluates the consistency, relevance and effectiveness of the actions carried out by the organization in order to reduce its carbon footprint: ecodesign, energy efficiency, green transportation, process, and sourcing. This certification is based on the regular measurement of GHG emissions, which allows companies to be aware of their own climate impact and to consider a further gradual reduction of GHG emissions. Séché Environnement was the first company in its sector to obtain certification for all its sites in France.

The waste processor is only the last link in the chain

Energy recovery implements technologies that unfortunately emit greenhouse gases, because they involve combustion (directly through incineration, indirectly in the case of biogas) which ipso facto releases the carbon contained in the waste, mainly in the form of carbon dioxide or methane. Greenhouse gases emitted by operations (Scope 1 and 2) are primarily only those that were latent (fossil and/or biogenic) in waste given to us by customers for energy recovery.

As the last link in the chain, the waste processor has no recourse but to accept upstream choices and its role is limited to minimizing the impacts of the volumes of waste generated beforehand. The waste processor is left to minimize the impacts of the waste treatment itself and concentrates on recovery processes that avoid greenhouse gases.

GHG avoided in 2019 related to energy recovery

70 kteqCO$_2$
in France

GHG abated in 2019

4 002 kteqCO$_2$
in France

Elimination of GHG emissions

The Group operates energy recovery units and thereby avoids GHG. Producing the equivalent of electricity or heat from sources other than waste would have required the consumption of a fossil fuel or at least would have emitted average CO_2 to generate 1 kWh of electricity, depending on the French energy mix.

› GHGs avoided thanks to energy recovery

GHGs avoided in 2019 thanks to energy recovery total 70 kteqCO_2 under French standards, it being understood that the energy generated from biogenic carbon is not necessarily the same thing as avoided GHGs. The drop in GHGs avoided in 2019 is due to less energy generation.

› Contribution through the treatment of certain industrial gases

Since the wake-up call about the impacts of emission of fluorinated and brominated gases on climate change, the regulations resulting from the 1987 Montreal Protocol and the 1997 Kyoto Protocol compelled industry to develop new molecules. The recovery of the gases from equipment when it reaches the end of its life remains to be addressed.

The Group joined forces with a British partner to recycle and regenerate gas refrigerants, fluorinated gases, halons and SF6. By doing so, it is responsible for avoided greenhouse gas totaling 0.2 kteqCO_2 (scope 3) in 2019.

The non-recoverable portion of these gases is treated at the Trédi site in Saint-Vulbas, which is authorized to eliminate them by incineration, considerably reducing their original global warming potential. Greenhouse gases reduced in this manner totaled 4,002 kteqCO_2 in 2019.

› R&D - Action taken on emissions produced by incineration

R&D work has helped to limit the formation of certain greenhouse gases during combustion – such as nitrogen oxide by the injection of urea into flue gas ducts – and the development of membrane-based CO_2 capture solutions from flue gas (patents filed).

› Conversion of residual waste into renewable gas

Plainénergie

In the future, the Plainénergie project plans to recover residual waste as "renewable gas" that will be injectable into the existing gas network. The project combines two key innovative waste recovery technologies: pyro-gasification and biological methanation.

Pyro-gasification involves various techniques that have been specifically adapted and are particularly effective in converting waste that cannot be recycled into energy. It breaks the waste down into different molecules to form syngas. A biological methanation process converts this syngas into synthetic methane, which can replace natural gas for all uses (residential, industrial, fuel).

Plainénergie Project (source: INSA)

Saint Vulbas (01)

ISSUE 3

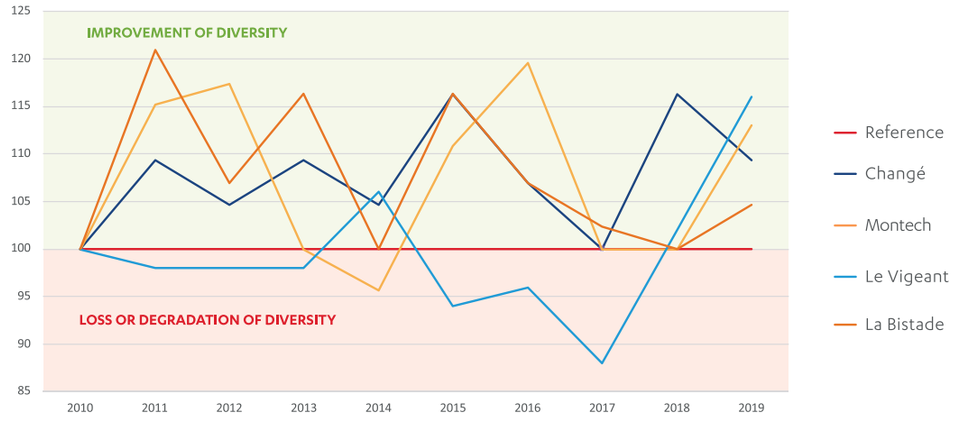
Preserving biodiversity

Séché Environment is involved in the Act4nature initiative (*Entreprises pour l'Environnement*), which brings together major manufacturers, as well the « Entreprises Engagées pour la Nature » initiative of the Ministry of Ecology.

The Group's Dedicated to Nature through Action (DNA) program is the organizational extension of this voluntary commitment set out in the French National Biodiversity Strategy (SNB).

Guichardière

CHANGES IN THE NUMBER OF SPECIES OF BIRDS IDENTIFIED OVER 10 YEARS



Biodiversity policy at each site

- Preserving areas of heritage significance identified at the design stage of the project.
- Implementing measures to monitor the maintenance of biodiversity.
- Integrating into landscape or renaturization programs those elements which can contribute to enriching biodiversity, paying particular attention to choice of plants, shrubs, trees, and seeds (preferably endogenous).
- Adaptive management of natural areas, in particular through differentiated management: a tool that determines resources and timing for the maintenance of protected natural areas and nearby zones (late mowing, ecological engineering of ponds and watercourses, conservation of dead trees etc.) and that uses pastoralism. Each site adapts its policy and activity to the local environment.

A recognized environmental health indicator: avifauna

The eco-compatibility of plants, the choice of seeds, differentiated management of greenspace and the restoration of wetlands are other factors that contribute to protecting biodiversity at the Group's sites. The results of monitoring and wildlife censuses, such as those of bird fauna under the STOC program (temporal monitoring of common birds), conducted jointly with the French National Natural History Museum are testimony to the effectiveness of the measures adopted over the past ten years.

In line with our aim of continuous improvement, new ecosystem monitoring programs for other fauna groups will be implemented in the near future.

ENTREPRISES ENGAGÉES POUR LA NATURE
act4nature France

ADN Action Durable pour la Nature de Séché Environnement

EEN – Act4nature Signature

Changé (53)

Public commitments and grassroots action *in favor of biodiversity*

An exemplary grassroots organization

Aware of the role that business can play, Séché Environnement's Dedicated to Nature through Action (DNA) program will supply tools for structuring and measuring the preservation of territorial biodiversity, in a concrete, sustainable, and measurable way. All sites in France have a biodiversity coordinator, and the Group's international sites are signing up to the initiative. Séché Environnement's DNA commitments are defined Group-wide, but action plans are co-developed in a decentralized way, so as to promote field initiatives for better adaptation to local issues and high levels of appropriation by the players involved. Preserving biodiversity involves all members of staff. with tangible protection initiatives and efforts to raise awareness of biodiversity through information campaigns.

Confirmation and reiteration of public commitments

On December 12, 2019, Séché Environnement signed on to the new scheme initiated by the Ministry for Ecological and Inclusive Transition (MTES) offering structured engagement with companies. This dual mechanism allows the Group to undertake actions both in France and abroad:

- in France, "EEN* – Act4nature France" managed by the MTES;
- internationally, "Act4nature International", sponsored by EpE**, with the support of MEDEF and l'AFEP, associations of mostly large international corporations.

* Entreprises engagées pour la Nature **Entreprises pour l'environnement

Educational initiatives

First anniversary of Act4nature celebrated in Change

OBJECTIVE: BIODIVERSITY

Convinced by the positive impact of "green finance", Séché Environnement has made biodiversity a part of its corporate strategy. The implementation of its biodiversity action plan includes non-financial criteria that will determine interest rate bonuses and penalties to be applied to its "impact loan" taken out in 2018.

act4nature
Les entreprises pour la biodiversité

The appraisal criterion is based on the commitments made in connection with Act4nature with the goal of making 25% progress by the end of 2019. Confirmation of reaching this stated goal is confirmed following analysis by KPMG.

4 AREAS OF FOCUS FOR 84 COMMITMENTS AT 18 SITES (France 16, Spain 1, Peru 1)	TOTAL NUMBER OF INITIATIVES PLANNED	25% PROGRESS AT THE END OF 2019	50% PROGRESS AT THE END OF 2019	75% PROGRESS AT THE END OF 2019
Situate biodiversity initiatives within a strategy of ongoing improvement	18	18	-	-
Make biodiversity a cause that will bring people together within the Group	31	24	7	-
Use biodiversity as a lever to inspire stakeholders	18	12	1	5
Develop awareness of how peoples' lifestyles can impact our planet's biodiversity	17	10	6	1

The Chairmen of the MNHN, Séché Environnement and LPO

Peru

Changé (53)

Cooperation and Partnerships for Biodiversity

Scientific and non-profit sponsorships

In June 2019, Séché Environnement concomitantly signed two partnership and patronage agreements in a joint session at the French National Museum of Natural History (MNHN), reflecting a shared commitment to preserve biodiversity by three types of players – scientists, NGOs, and business:

- With the MNHN, to reduce pollution, and marine pollution in particular, with the Marinarium in Concarneau, through sponsorship of its educational program.
- With the bird protection association Ligue pour la Protection des Oiseaux (LPO), in support of daily life, food choices, cultural techniques, and land occupation, under the "De la terre et des ailes" program.

Biodiversity management certification by ECOCERT Environnement

Contrôlé par ECOCERT ENGAGEMENT BIODIVERSITÉ

In 2016, Séché Environnement was awarded "Biodiversity Commitment" certification for all its sites covering more than 10 hectares (storage sites), 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).

Cooperation with international subsidiaries

Peru's Chilca ecocenter and Spain's Valls Quimica solvent regenerator have joined the Dedicated to Nature through Action (DNA) program. These two subsidiaries have made a commitment to protect local biodiversity, fauna and flora and to ensure more awareness among employees, customers and stakeholders about the importance of preserving biodiversity.

In Peru, 200 ficus trees were planted in cooperation with students from the National Institute of Education.The action has seen greater commitment from parents and neighbors, who have taken on the responsibility of taking care of the planted trees. Both facilities anticipate the creation of a biodiversity protection area on the land occupied by the site.

SHARE regional challenges

04

Séché

SHARE regional challenges

Located at the heart of regional economies, Séché Environnement has historically been a major player in the world of waste treatment encouraging constructive dialog with its stakeholders.

Economic development, social involvement, societal symbiosis, integration into local ecosystems, and the Group's interactions with its environment are aimed at prioritizing the "right to participate" instead of the mere "right to know".

OUR AMBITION: BUILD A RELATIONSHIP OF TRUST

Establishing and ensuring high-quality dialog with its stakeholders is one of Séché Environnement's stated ambitions.

The preconditions for achieving this ambition involve getting the Group to bring its challenges into line with the expectations of its stakeholders while promoting the transparency of these exchanges.

UPE (Union Pour les Entreprises) inauguration

Bird Protection League visit to Changé (53)

Peru

OUR LEVERS FOR ACTION IN THE REGIONS

LEVER 1 Economy

Within the company, dialog with stakeholders is sustained by Séché Environnement's decision-making bodies and through the mobilization of its capital. With its balanced governance, the company is maturing in an ecosystem where it has multiple economic exchanges with local players which in turn create much of its driving force.

The company's strength lies in being able to measure the direct and indirect impacts of the links forged with the community.

LEVER 2 Investment policy

To provide solutions to the issues of the circular economy, maintain its waste processing facilities and develop a local industrial ecology, Séché Environnement continuously invests and innovates in technology and in the development of its activities.

LEVER 3 Sharing the wealth

The Group espouses societal causes and encourages its employees to invest similarly in local, targeted actions.

The themes selected are those incorporated into the Group's strategy, with strong emphasis on people and environmental protection. Regional environments have a significant influence on the nature of the actions to be implemented.

LEVER 1

Economy

As an international group, Séché Environnement is wholly committed to a responsible business approach that incorporates environmental and social challenges into the company's business model.

The Group can make progress on these issues thanks to its stable and balanced ownership structure and the rising price of its shares aided by improving economic performance and a successful international expansion strategy.

7
members
of the Board of Directors

57%
independent
directors

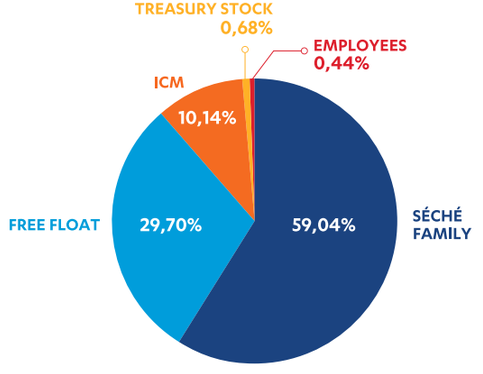
43%
women sitting
on the Board of Directors

A balanced ownership structure for the challenges that lie ahead

Changes in the company brought about by a more ecology-focused ambition and overhauled economic interests have strengthened Séché Environnement's corporate governance approach. First, its founding family control structure with its majority shareholding is committed to a long-term growth strategy. Second, its corporate governance draws on best practices with a Board of Directors that rigorously meets the requirements of complementary skills, gender equality and independence.

On December 10, 2019, the roles of Chairman, performed by Joël Séché, and Chief Executive Officer, performed by Maxime Séché, were separated.

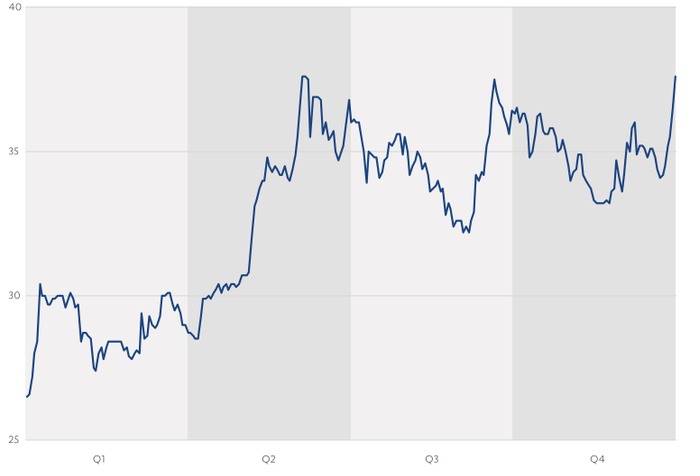
OWNERSHIP STRUCTURE



Confirmed stock value

In an equity market driven by solid economic and financial indicators, Séché Environnement's stock price increased substantially in 2019 (+41.9%), outperforming the CAC 40 Index (+27.5%). This solid stock market valuation was accompanied by a significant increase in trading volumes compared to last year (an average of 14,604 shares were traded daily in 2019 on all trading platforms combined vs. 5,916 shares in 2018, with transaction amounts increasing on average from €277k in 2018 to €478k in 2019).

SÉCHÉ ENVIRONNEMENT'S CLOSING SHARE PRICE IN 2019 (€)



Changé (53)

Kanay (Peru)

€687.8m
contributed revenue*
+23% vs. 2018

€135.4m
earnings before interest, tax, depreciation and amortization (EBITDA)
+25% vs. 2018

€46.8m
operating income (OI)
+23% vs. 2018

€17.8m
net income (group share)
+14% vs. 2018

Impact loan: The criteria relating to energy self-sufficiency and progress of the biodiversity plan have been met and the company's non-financial Éthifinance rating has been upgraded.

Solid growth in consolidated revenue

Over the period, the Group saw robust organic growth in most of its markets in France and worldwide, in line with its forecasts.

With contributed revenue of €687.8m, up 22.7% compared to 2018, Séché Environnement is reporting strong growth in its consolidated activities, reflecting both the quality of its organic growth across its historic scope of operations (+4.4%) and the contribution of its expanded international scope.

In 2019, Séché Environnement pursued its international expansion with the acquisition of Kanay in Peru, Interwaste in South Africa, Mecomer in Italy, and Ciclo in Chile (+€102.5m).

Earnings up sharply

Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) totaled €135.4m (+24.6%), reflecting a further increase in gross operating profitability, which rose to 19.7% of contributed revenue (vs. 19.4% in 2018).

This good operating performance was due to:

- within the France scope, primarily volume effects and positive price effects, which drove treatment activities in the hazardous and non-hazardous waste markets;
- mainly the contribution from the entities acquired in 2019, which came to €18.4m, for international business.

Net income (group share) totaled €17.8m vs. €15.6m in 2018 (+14.1%) and net income per share came out to €2.27 vs.€2.00 one year earlier.

The improvement in gross operating margin (EBITDA/revenue) enabled the Group to maintain its financial flexibility at a level in line with objectives, despite a high level of industrial and financial investments.

* Contributed revenue refers to reported revenue minus IFRIC 12 revenue and diversion compensation collected by Sénerval (net of variable cost savings on metric tons not incinerated, collected to cover the costs laid out to ensure continuity of public service). IFRIC 12 revenue corresponds to the amount of investments in service concessions, which are booked as both intangible fixed assets and as revenue in accordance with the recommendations of IFRIC 12.

LEVER 2

Investment policy

While the Group's activities are constantly evolving to ensure full compliance with regulations and to improve the efficiency of its sites, investments are also being made locally so that its know-how, particularly in the areas of industrial ecology and decontamination, can be deployed to the investment locations.

Developing the regional industrial ecology

Proper waste management to address health and environmental hazards is a basic right of every citizen. Séché Environnement's facilities are major contributors to the organization of areas by providing them with solutions for the recovery of their waste and by being part of industrial ecology.

For direct application of the circular economy in the regions of France, industrial ecology requires a new business model in which materials and energy are recovered from waste in order to benefit regional stakeholders.

The Group has long invested in exchanges of materials and energy in its operating locations, with both industries and local communities.


Trédi Salaise (38)


Alcéa (44)

Deployment of the Trédi site in Salaise

For many years, this site, located in Isère and at the forefront of thermal treatment, has been recovering energy from waste with a view to selling the steam generated to nearby industries. Trédi and the OSIRIS Roussillon consortium have developed a major industrial ecology solution with the deployment of a new local district-heating network that will significantly reduce the chemical platform's consumption of fossil fuels, which in turn will lead to a reduction in greenhouse gas emissions.

Complementary features of the Changé site

Since 2018, a boiler dedicated to the recovery of SRF (Solid Recovered Fuel) has enabled the distribution of waste heat in the Laval metropolitan area. This example of industrial ecology at the very heart of the region makes it possible to supply heat to a local district-heating network, distributing this energy to 6,400 dwellings using a specially prepared fuel derived from waste which, until recently, could not be recovered.

As this facility is also a biogas producer, the energy derived from these two energy sources is routed to an agricultural cooperative to allow farmers to dehydrate alfalfa to be used as livestock feed. This example clearly illustrates the complementary nature of energy uses and the synergies that are created by an industry with roots in the local community.

Energy recovery at the Alcéa site

In Nantes, the household energy recovery plant has an ORC (Organic Rankine Cycle), which allows electricity to be generated from waste heat when the district heating network, its first priority, is unable to consume enough of the thermal energy available.

Extending *waste expertise*

Recovery and decontamination activities are part of the Group's historical expertise and feed into each other with the investment in international expansion.

Through investment

> Industrial investment

Trédi Salaise
Salaise-sur-Sanne (France)

- Modernizing the Salaise 2 hazardous waste thermal treatment plant: replacement of key components (furnace, flue gas post-combustion and treatment, electrostatic precipitator).
- Maximizing the generation of steam by the Salaise 3 boiler.
- Goal: to increase availability (along the lines of 30%), productivity (reduction of down time for maintenance) and safety (operational modernization).

> External growth

Interwaste
South Africa

- 2,000 employees
- Acquisition of one of the few integrated operators managing hazardous and non-hazardous waste and one of the main players serving South Africa and neighboring countries.

> External growth

Mecomer
Italy

- 63 employees
- A recognized specialist in the management of high added value solid and liquid industrial waste, in particular for the chemical, pharmaceutical and energy sectors.
- Thanks to a high-performing logistics solution in terms of safety and environmental friendliness, Mecomer delivers relevant solutions to the core issues facing its clients in developing a circular economy.

> Acquisition of a controlling stake

Kanay
Peru

- Purchase of outstanding shares to acquire control of 100% of the capital.
- Medical waste treatment and decontamination business lines.
- Active development in the direction of hazardous waste markets, particularly in the incineration business lines.

> Acquisition of a controlling stake

Ciclo
Chile

- Acquisition of 70% of the capital.
- Plan to create facilities that meet the highest international standards for the recovery, treatment and storage of industrial waste, in particular hazardous waste.

Extending *waste expertise*

Through decontamination activities

> Séché Urgences Interventions (SUI)

Since 2015, Séché Environnement has been able to respond 24/7 to emergency situations throughout the country in less than four hours to prevent and address the risk of environmental pollution and health hazards caused by an industrial accident or disaster. A unit made up of formally trained multidisciplinary teams can intervene in any situation causing pollution or posing a risk: chemical, biological, low-level radioactivity, explosion, etc.

The combination of facilities in France and decontamination expertise enables the Group to operate across five continents by participating in major decontamination or contaminant processing bids for customers like the United Nations, the FAO or European bodies.

> Séché Eco-services (SES)

Once the immediacy of the situation has faded and the crisis has been brought under control, our teams of experts start putting their skills to work managing the most chronic or historic pollution scenarios.

Séché Eco-services provides solutions for decontamination and site remediation. Its expertise extends to decommissioning and industrial dismantling as well as specialized know-how where risks of explosion and health hazards due to asbestos removal are present. Regarding the management of polluted soils, recovery is the preferred solution if the circumstances permit. Failing this, containment solutions, on-site and off-site treatment or treatment by an outside organization may be used.

Initially involved in large-scale projects in France such as Noroxo in Harnes (62), Séché Environnement has relied on its expertise in hazard containment and its responsiveness in deploying this solution to its customers.

> Sinking of the Grande America

In March 2019, Séché Urgences Interventions unloaded the cargo, recovered the oil from the sea and retrieved the equipment (oil booms, nets) used to collect the oil from this shipwreck. The company dispatched its experts with training in the procedures advocated by CEDRE (Center of Documentation, Research and Experimentation on Accidental Water Pollution), the reference body for oil spill response. They transferred the liquid and solid waste recovered by the oil spill response vessels, working in close collaboration with their crews. The waste was transported to authorized Classified Facilities for Environmental Protection.In particular, Séché Environnement has all the treatment centers necessary for guaranteeing precise operational traceability.

> Notre-Dame fire in Paris (75)

Horror struck, the entire world looked on as the thousand-year-old cathedral was consumed by flames. It then had to deal with the pollution caused by the blaze. In all, the fire melted 400 tons of lead, emitting particles into the Parisian air and resulting in soil pollution. Paris City Hall decided to decontaminate the courtyard in front of the cathedral and some affected schools. Séché Environnement was selected to perform the large-scale decontamination work at any buildings frequented by children.

> Lubrizol chemical plant fire in Rouen (76)

On 26 September 2019, a fire broke out at the Lubrizol site. Séché Urgences Interventions intervened the following month to initially recover 160 drums damaged by fire-fighting chemicals using a robot.

Decontamination operations around the site followed, and Séché Environnement, a specialist in waste collection and treatment, was called into action locally through its specialized subsidiary, Séché Urgences Interventions, to clean up the hydrocarbons that had made their way to a nearby pond connecting to the Seine River. The deployment of special equipment for selective pumping made it possible recover more than 150 tons of hydrocarbons, which were diverted to a hazardous waste treatment facility.

Grande America

SUI Polmar

LEVER 3

Sharing the wealth

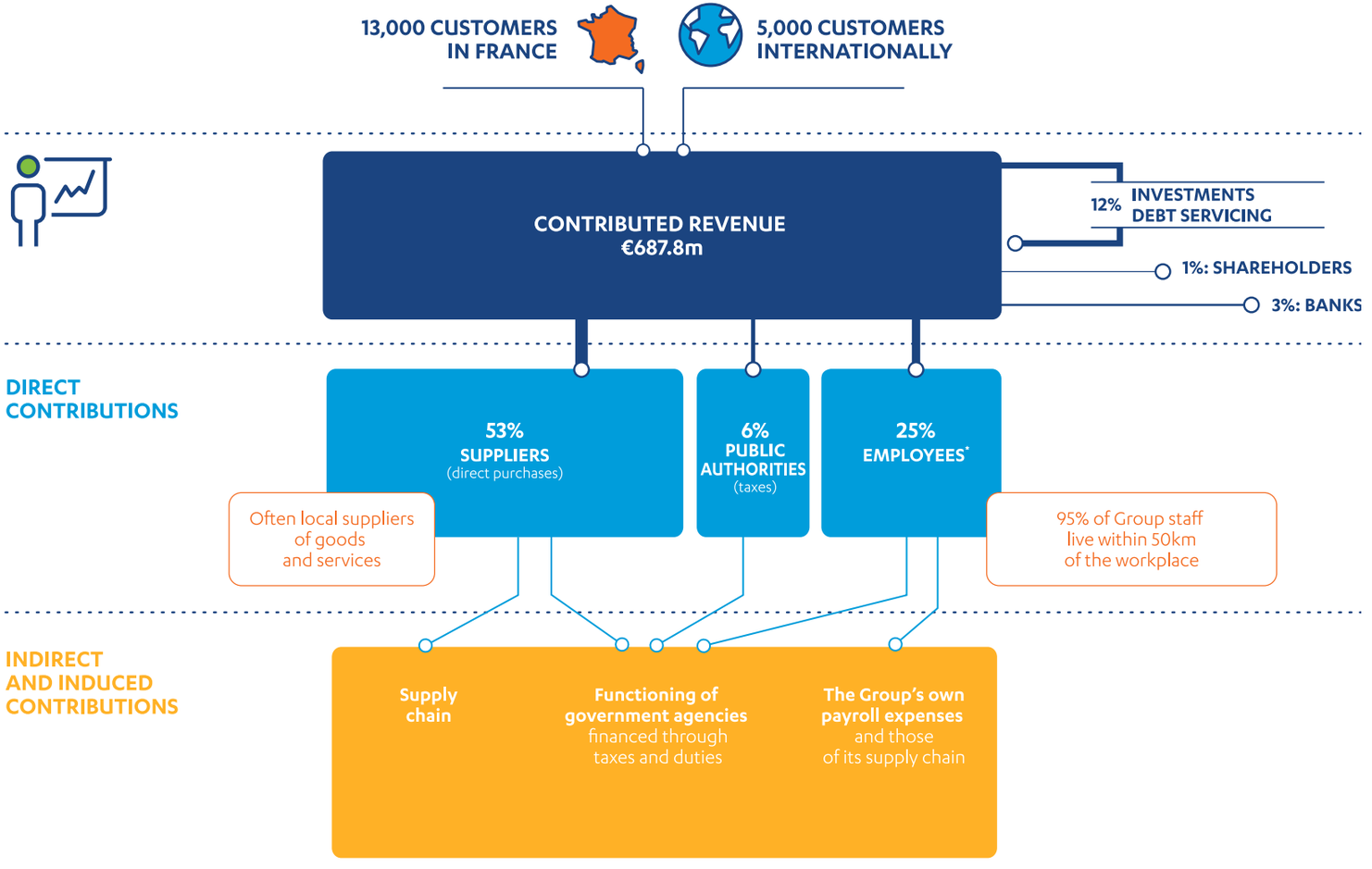
Séché Environnement evaluates the total financial flows generated by its business activity and redistributed to the principal stakeholders.

This economic approach shows that the just over half of beneficiaries are suppliers, followed by employees, who account for a quarter. Taxes represent a little over 6% of revenues.

In addition to direct taxes on purchases made primarily from local suppliers, wages paid to employees and the direct remittance of taxes and duties, the company has to pay indirect and induced contributions.

These taxes are assessed on the entire supply chain and provide the funds needed to ensure the functioning of government agencies, schools, health services, public safety, roads and infrastructure.

SHARING THE WEALTH



* Are paid to the salaried employees in the form of wages, incentives, profit-sharing and social security contributions.

In France:

€7m
in local business tax (CET)
i.e. 1% of revenue

9,000 visitors
were welcomed in 2019
at the Group's facilities

Fiscal and qualitative contributions to the regions

› *Direct contributions*

Initiating outreach to stakeholders to open dialog and raise awareness about its business activities is just as important as opening the doors of its facilities to encourage employee involvement and to illustrate the industrial practices implemented in the region.

Further support is provided for local development by businesses through tax instruments, such as the local business tax *contribution économique territoriale* or CET). In particular, this tax also finances public services. Séché Environnement has contributed the equivalent of 162 local jobs, i.e. just over €7m.

› *Qualitative contributions*

In education

Séché Environnement makes its expertise available to the regions and increases brand recognition by contributing to the education of future generations. The Group develops special relationships via industry/academic exchanges and encouraging managers to host conferences or provide teaching. It also welcomes apprentices, which also boosts its attractiveness as an employer (26 work-study contracts in France).

Promotion of waste management professions

- In February, the Auvergne-Rhône-Alpes region organized the *Mondial des Métiers* job fair where Séché Environnement was one of the exhibitors in the Village of Chemistry sponsored by France Chimie. For four days, Trédi and Speichim representatives were able to present the Group's business lines in all their unique aspects. Our professionals put their talents on display for visitors in order to share their experiences in the company. The fair was an opportunity for participating employees to emphasize links to the local community with these stakeholders, some of whom were in search of employment while others simply wanted to know a little more about our business lines, whether students, teachers or job seekers.
- As part of a partnership with the Foundation for Action to Combat Exclusion (FACE), Opale Environnement visited a few middle schools in northern France to raise awareness among young people about environment-related professions and gender equality in the business world as part of the TECKNIC program.

Raising awareness about key societal issues

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. Visitors are invited to see the methods used and the specific steps taken to protect public health, the environment as a whole and biodiversity, particularly at waste storage sites which, being in the countryside, tend to be most suitable for this purpose.

Outreach to *overseas communities*

The value of Séché Environnement's social capital is most apparent in its relationships of trust and the sharing of values both in France and abroad where a local presence makes a difference, especially in the most vulnerable communities. In these regions, local environments are channeling the Group's best practices into specific efforts.

SOUTH AFRICA

› Environmental awareness and solidarity

Interwaste participates in efforts to raise environmental awareness among younger people by showing them how to collect and recycle as part of a socially responsible undertaking. In order to finance the purchase of a wheelchair, which will be given to the least fortunate through a specialized center for persons with disabilities, students at a primary school have collected plastic bottle caps. Interwaste has partnered with their quarterly community effort to recycle these bottle caps and in turn supply the funds needed for this donation.

PERU

› Development of economic life for indigenous Amazon rainforest communities

Our response strategy in decontamination projects has some fundamental social aspects for the Group illustrated by numerous contributions to local economic development:

- **Social support in aboriginal communities**

  Indigenous communities far away from healthcare facilities and many public services are now being provided with faster transportation (5-hour journey by river) to reach these essential facilities thanks to the support provided by our community relations team.

- **Recruiting local labor**

  When sites require decontamination in Peru, particularly in the Amazon forest, the Group hires workers from local communities. In March and April 2019, 40 people from the Chapis community assisted us with our environmental remediation activities. From September to December 2019, 58 jobs were created for the Nativa Mayuriaga community for duties complementary to operational work..

- **Litter collection**

  Voluntary work collecting trash from Plazuela de Barranco square to the Playa Agua Dulce surf and swim area in Lima. 35 employees and members of their families participated in 2018.

Using waste management expertise to create a more sustainable world

01. BUSINESS

ECONOMIC CAPITAL

€687.8m
in contributed revenue

International Activities
25% of revenue

Hazardous waste
65% of revenue

Industry
82% of revenue

Local authorities
18% of revenue

IN €M	2019	CHANGE
Revenue (reported)	704,4	20%
o/w Contributed revenue	687,8	23%
EBITDA (earnings before interest, tax, depreciation and amortization)	135,4	25%
Current Operating Income (COI)	47,8	8%
Operating Income (OI)	46,8	23%
Net financial income	-17,5	-
Income tax	-10,4	-
Net income (Group share)	17,8	14%

02. COMPANY

HUMAN CAPITAL

4,634 employees
worldwide

57% of workforce
is international

22% of employees worldwide
are women

TRAINING

Number of hours of training per employee:

18 hours
In France

14 hours
internationally

SAFETY

FR1* of 19.8
In France

FR1* of 8,6
internationally

* Full-time employees and temporary staff

SUSTAINABLE DEVELOPMENT GOALS

OCCUPATIONAL SAFETY
Workplace accidents
2021 GOAL: Frequency of workplace accidents (FR1) < 5
2019 reference value: FR1 = 19.8

Using waste management expertise to create a more sustainable world

03. PLANET

FIGHTING CLIMATE CHANGE

	FRANCE	INTERNATIONAL
Energy consumption	314 GWh	175 GWh
Energy generation	733,5 GWh	-
Of which renewable	31%	-
Energy independence	234%	-
GHGs emitted	895 ktéqCO_2	59 ktéqCO_2
GHG emissions avoided by energy recovery	70 ktéqCO_2	-
GHG emissions abated by the treatment of particular industrial gases	4 002 ktéqCO_2	-

PRESERVING BIODIVERSITY

Séché Environnement *« Entreprises Engagées pour la Nature - Act4nature »*

Two partnerships and two sponsorships promoting biodiversity with MNHN* and LPO*

** MNHN : Muséum National d'Histoire Naturelle et LPO : Ligue pour la Protection des Oiseaux*

04. STAKEHOLDERS

GOVERNANCE

57% independent directors

43% women sitting on the Board of Directors

59% of share capital held by the Séché family

December 10, 2019:
the roles of Chairman, performed by Joël Séché, and Chief Executive Officer, performed by Maxime Séché, were separated.

SHARING THE WEALTH

13,000 customers in France

Suppliers **53% of revenue**

Employees **25% of revenue**

Public authorities **6% of revenue**

5,000 customers internationally

Banks **3% of revenue**

Shareholders **1% of revenue**

SUSTAINABLE DEVELOPMENT GOALS

CLIMATE ACTION**
Energy independence
OBJECTIF 2021 : > 220%
2017 reference value = 219%

PRESERVING BIODIVERSITY**
Biodiversity Plan
OBJECTIF 2022 : Full implementation of the plan
Act4nature signed in 2018, reiterated in 2019 in Entreprises Engagées pour la Nature

GOOD GOVERNANCE**
Non-financial performance
OBJECTIF 2022 : 3-point increase in its EthiFinance ratinge
Reference value: 2017 Rating = 74/100

*** Impact loan taken out in 2018: attaining these objectives can result in the interest rate being adjusted by up to ± 5 basis points.*

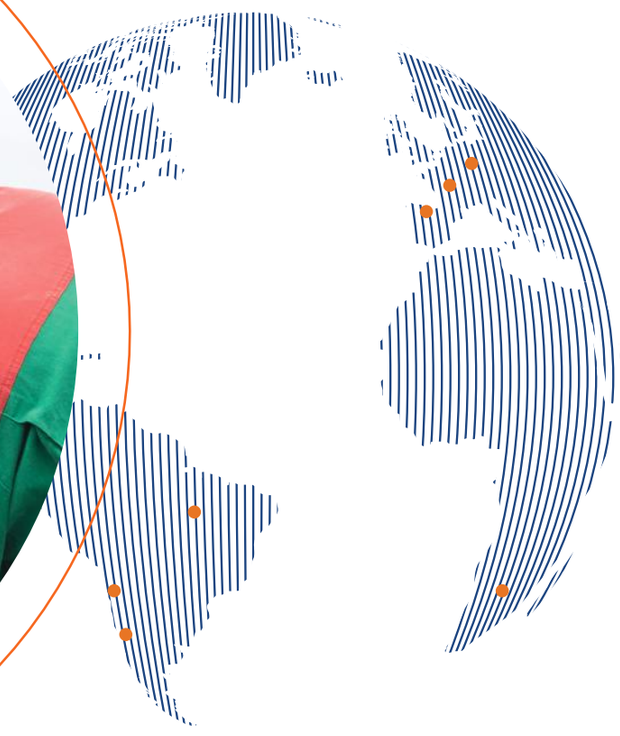
Séché

Les Hêtres - CS 20020
53811 Changé Cedex 9

Tel.: +33 (0)2 43 59 60 00
Fax: +33 (0)2 43 59 60 61

Contact: dd@groupe-seche.com

www.groupe-seche.com



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COMMUNICATION ON PROGRESS

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