

PAPREC GREEN BOND FRAMEWORK

October 2026



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1 Introduction

1.1 Paprec and sector overview

1.1.1. Paprec in brief

Paprec Group ("Paprec") is a French family-owned waste services specialist, founded in 1994 by Jean Luc Petithuguenin and now managed by his two sons Mathieu and Sébastien Petithuguenin. Leader on the French recycling market, Paprec Group is also the third player in terms of waste treatment in France (composting, incineration, waste-to-energy, biogas, non-hazardous waste storage centers management).

In 30 years, the Group grew from 45 to c.15,300 employees and now operates more than 400 sites in France, Spain, Switzerland, Poland, the UK and Azerbaijan. Paprec Group reported revenue of c.€3.2 billion in 2025 having collected, recovered and recycled c.18.7 million tons of waste during the year which allowed the avoidance of more than 6.7 million-tons of equivalent CO₂ of which 1.7 kTons from energy recovery.

1.1.2. Main focus of Paprec's strategy: supporting the development of a circular economy

As a pure player of the recycling and waste management sector, Paprec Group's core business is based on material recycling and recovery. Paprec's investment policy is based on two key commitments:

- **Increasing collection rates** – We invested c.€180m in waste collection equipment over 2022A-2024A. Our fleet of collection trucks is connected and geolocated to optimise transport. Also, c. 15% of orders for industrial vehicles are electric-powered. We adapt our offers (delegated management of industrial sites or door-to-door collection through EasyCollecte, for example), cooperation with eco-organisations and raising public awareness;
- **Improving recovery rates** – We invested c.€189m in our waste processing equipment over 2022A-2024A. In 2024, Paprec pursued its investments to recycle new materials (plastic film, yoghurt pot offcuts, etc.) on its sorting lines and to digitalize its tools (sorting robots that use artificial intelligence, high-precision optical sorting lines, data shared through a secure portal or through a Digital Analysis and Expertise Centre), reducing the proportion of final waste at the end of the line.

Paprec Group focuses its investment capacity on industrial development. This includes both organic growth, with investments in industrial recycling assets, and external growth, with acquisitions of companies specialized notably in waste collection and recycling activities but also in ultimate waste management, notably through waste-to-energy units (please note this Green Bond framework only covers waste collection and recycling activities)

- The company's main environmental objective is to improve its waste recycling and recovery rate, by developing innovative technologies and business models, such as the trade of refuse-derived fuel. Quantitative targets are set up at processes and at site level, in particular to decrease the volume of recycling rejects;
- In recent years, the Group has invested heavily in producing green energy at the energy recovery units it operates. As a result, 892 GWh of green electricity and 2257GWh of heat were injected into the networks in 2024;
- Signatory of the Global Compact since 2005, Paprec Group has issued a formalised commitment to environmental protection and waste recovery in its Environmental policy, covering most challenges linked to its activities;
- In 2025, Paprec renewed its commitments in favor of biodiversity as part of the Act4Nature project. Paprec has a dedicated site in Dordogne, Paprec Agro, which has been awarded the 2019 European Commission Award for Sustainable Development by Frans TIMMERMANS for its action in favour of carbon storage through agroforestry.
- In January 2021, Paprec signed a twenty-year contract with Voltalia to secure 10% of the Group's electricity supply with green energy generated by a new 56 Mwatt photovoltaic plant located in the South of France.

1.1.3. Paprec's values and CSR policy

Paprec Group was structured based on five values, systematically displayed in our agencies:

- **RESPECTING THE INDIVIDUAL** – We promote equal opportunities and fight all discriminations;
- **DIVERSITY** – We respect people's diversity of opinion, culture, religion, origins, age, and training;
- **PROFESSIONALISM** – We believe performing both individually and collectively is an important condition to insure our long-term growth and development;
- **SEARCH OF EXCELLENCE** – We aim to be the best recycling professionals, with cutting edge technology and high quality;
- **TEAMWORK** – Solidarity and teamwork are vital to our continuing success.

Paprec's CSR policy is structured around eight pillars:

- **The development of the circular economy** – We are constantly seeking to improve our collection rates:
 - Developing innovations such as robotic arms for door-to-door collection via EasyCollecte
 - Collaborating more actively with environmental organisations
- **The fight against climate change**
 - Optimising collection rounds by using live geolocation
 - Using hybrid or biofuel-powered vehicles
 - Training drivers in eco-driving
 - Using river transport
- **Protecting biodiversity**
 - Signing the Act4nature commitment in 2018 to integrate biodiversity preservation actions into all our activities.
 - Drafting the Biodiversity Action Plan, which brings together all the actions implemented for this purpose. It includes areas focusing on staff awareness and controlling the impact of the group's landfill activities.
 - Trialling soil restoration projects at the PAPREC Agro agroforestry centre in Dordogne. These projects were recognised by the European Commission in 2019 with the European Sustainable Development Award
- **Customer satisfaction**
 - We make customer satisfaction a priority: speed, quality and precision in the delivery of our services are the foundations of our customer approach.
 - Our investment capacity also means we have industrial facilities equipped with the most advanced technologies, enabling us to respond to the challenges raised by the creation of new recycling streams.
- **The safety of our staff, a priority issue for the Group**
 - Each region now has its own QSE manager, and regular meetings are organised between the managers involved and the QSE department to share best practices and discuss areas for improvement.
 - We also train our site managers in safety culture and the application of the Safety Manual. All Paprec and Coved's security certifications were also renewed in 2020.
- **The development of our employees' skills**
 - To facilitate their integration into the group, new arrivals follow an induction programme and benefit from a mentoring system.
 - We also set up a dedicated integration committee whenever a new company joins the group: consisting of the executives and staff affected, it helps to spread the group's values.
- **Promoting diversity and professional equality**
 - In 2014, after consulting the staff, the group adopted a Diversity and Secularism Charter.
 - In 2019, we acquired Résilience, a company that works to promote the integration of people with difficulties accessing the job market.
 - Our professional equality index increased from 90 in 2022 to 93 in 2024.
 - We are also committed to promoting the integration of employees with disabilities. In 2024, there were 356 such employees within the group.
- **Promoting employee well-being**

1.1.4. Paprec's security and certification standards

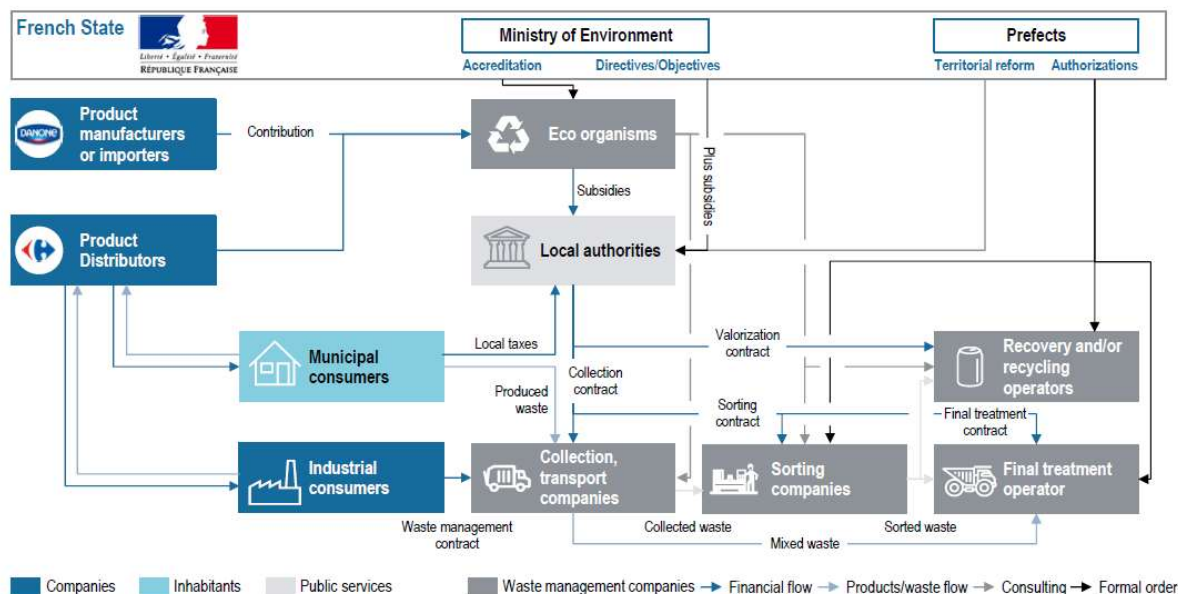
Security has always been a top priority for Paprec, with rules that are strictly formalized and closely monitored. A Security Committee was established in 2001 to define and issue security standards. This Committee holds monthly meetings attended by the Safety Department, Executive Management, as well as service and agency directors.

In addition, each agency is required to complete two monthly checklists: one focused on safety and the other on fire prevention, in order to ensure full compliance and maintain operational safety standards.

Each facility has at least one of the following certifications: ISO 9001 for quality, ISO 14001 for environmental management, OHSAS 18001 for security. Paprec's industrial sites are all ISO 14001 certified within 3 years when eligible; in 2024, 91% of them were certified.

1.1.5. Waste sector impacts & levers

The waste management sector is a complex market, involving a large variety of stakeholders, all interacting with one another. The chart below displays the stakeholders of the waste management sector in France:



Source: Company information

Regulation impacts all stakeholders, with a past historical trend towards increased transparency on environmental impact. The table below displays historic regulation & objectives on waste:

Public services	Households
19 November 2008 EU Directive States must reach EU recycling goals by 2020 (i.e. recycling @50% of household waste) and set up prevention national programs 19 November 2008 EU Directive Creation of "Metropolis" status for large urban areas of over 400k inhabitants. Waste management over the Metropolis can be centralized in a common office responsible for procurement and management of contractors 2015 New land organization act (NOTRe) Extend competences of regions for waste prevention and management through a regional plan (Art. 5). Create a regional plan for waste prevention and management and of a regional land use and sustainable development plan (SRADDT)	15 July 1975 Act "Polluter pays" principle: Households (owner-taxpayers or service users) pay yearly for waste collection and treatment through a council tax, the tax on the removal of household waste ("TEOM") attached to property tax 29 December 1993 Decree Information right related to waste: waste elimination utilities subject to prefectural order establish every year a public information file containing explanations on the facility and on nature and composition of rejected gas and material
1999 General Taxation on Polluting Activities (TGAP) Tax paid by incinerators and landfills, re-billed to clients (waste producers) 4 December 2000 Directive Limitation of waste that can be incinerated November 2014 Waste reduction and recovery national plan Tighten the application of waste treatment methods hierarchy	13 July 1992 Act ("Royal law") Establishment of proximity principle: waste transport organization so that waste is treated as close as possible to where it is produced. Measures to prevent or reduce toxicity, decrease waste production, recover waste and provide public information 23 July 2009 Act ("Grenelle 1") Set up of waste production reduction and recovery rates targets for 2009 – 2015 8 December 2003 Directive WEEE: collecting, sorting and treatment sector organized; producers pay for the collecting and the treatment of their products. Goal: 4kg/hab of WEEE
Waste management companies	Waste producing companies
	13 July 2010 Act ("Grenelle 2") Sustainable waste management (extended REP, construction waste planning and management) 2014: National plan for waste prevention 2014-2020 Progressively dissociate economic growth and waste production through extended prevention actions

Source: Company information

In recent years, regulation has set even more stringent objectives as national regulations aligned with European ones. The table below shows the most recent French regulations and objectives on waste:

French regulations



2015 Energy Transition for Green Growth Act

- > Reduction of landfill waste by -50% of landfilled waste in 2025 vs 2010
- > Increase organic valorization of waste to reach 65% of total weight by 2025
- > Reduction by 50% of non recyclable manufactured goods by 2020
- > Mandatory sorting of 5 waste flows

2019 Plan national de gestion des déchets

- > Reduction of 10% of household waste by 2020 vs. 2010
- > Objective of 55% recycled Municipal waste by 2025 and 65% by 2030
- > Increase recycling rate of packaging to 65% by 2025, 70% in 2030
- > Objective to recycle 50% of total plastic packaging¹⁾ by 2025
- > Establishment of mandatory sorting of 5 flows of waste

2020 "Loi relative à la lutte contre le gaspillage et à l'économie circulaire"

- > Reduction of household waste by 15% by 2030 vs. 2010
- > Reduction of I&C waste of -5% by 2030
- > Objective of 100% of plastics recycled by 2025
- > Proportion of 5% of reused materials in packaging by 2023 and 10% by 2027
- > End of non reusable plastic packaging by 2040
- > Reduction of household waste landfilled to 10% of total household waste
- > Objective to collect 77% of recyclable plastics

 National application of European directives

Source: Company information

While recycling as a waste management solution has been steadily growing in France, the French recycling rate is still relatively low when compared to other EU member states. The GTPA tax has been continuously increasing and will reach new heights, shifting volumes to incineration and recycling. Please refer to Appendix "5.2 Evolution of the GTAP tax" for more information.

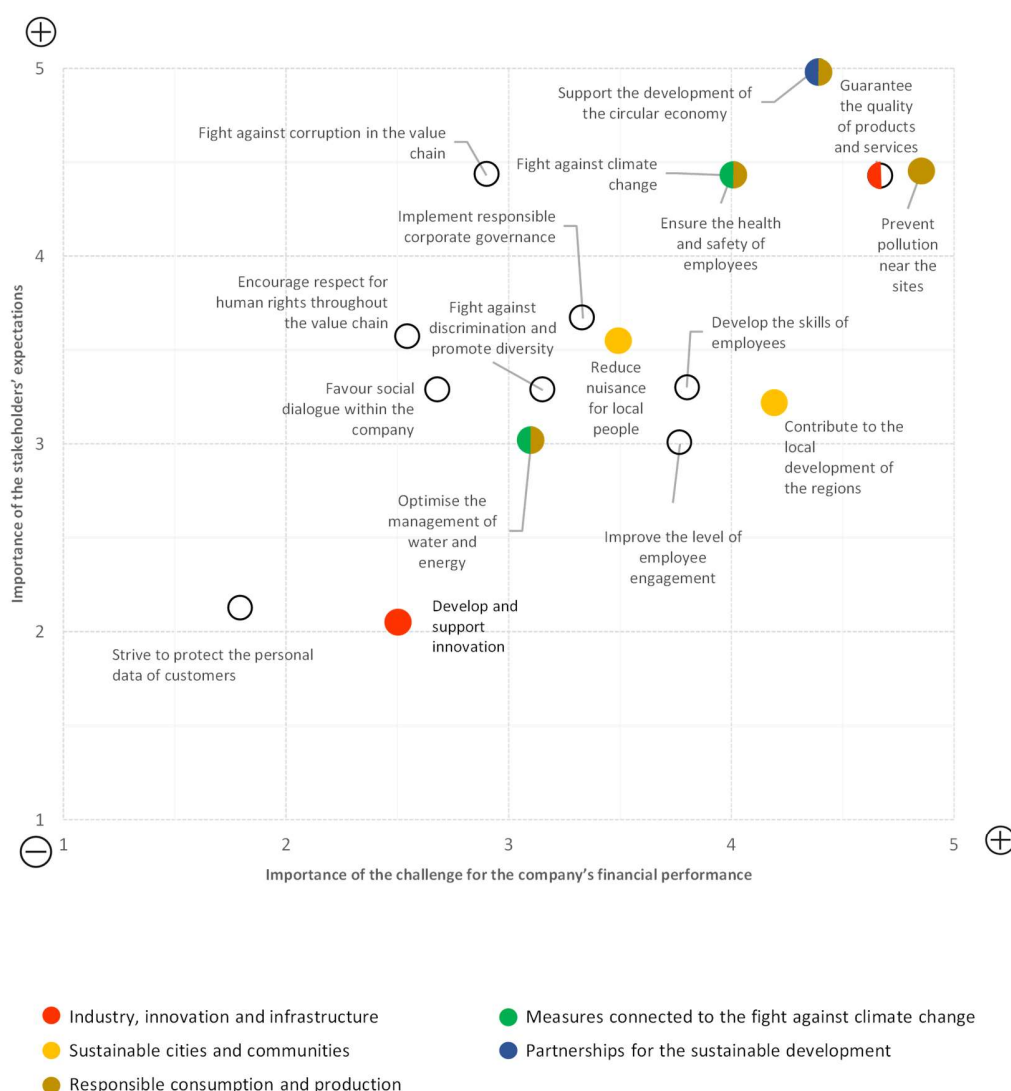
1.2. Paprec Corporate Social Responsibility

The CSR strategy of Paprec Group is overseen directly by the Executive Management and the Chairman. The Chief Sustainable Officer and Head of Public Affairs is a member of the Group's Executive Committee and works in close coordination with Paprec's Management to ensure that all material sustainability issues are incorporated into the Group's strategy.

Fully committed in the United Nations Global Compact since 2005, Paprec actively contributes to a range of high-level sustainability initiatives that help shape the corporate environmental responsibility agenda. These include Entreprises pour l'Environnement (EpE), the Institut de l'Entreprise, or Orée, which focuses on industrial and regional ecology.

1.3. Paprec's Contribution to the UN SDG's

In 2024, Paprec revised its materiality matrix. Several interviews were conducted with various strategic divisions (Human Resources, Health and Safety, Trading, etc.) as well as external stakeholders (key accounts, local authorities, NGOs and professional organisations) to identify CSR challenges and to grasp the interviewees' view of the long-term future of the Group's business model. The Group identified its contribution to the United Nations' Sustainable Development Goals.



Source: Company information

1.4. A total waste management key player

The name Paprec comes from “Papier recyclé” (i.e. recycled paper). Our historical market is the recycling of paper. We have largely broadened our scope of materials recycled since the launch of Paprec in 1994. Now, our business extends from waste collection to waste sorting, recycling and processing, as well as waste-to-energy conversion and landfilling management services. Nonetheless, please note this Green Bond framework only covers waste collection and recycling activities.

These activities give rise to two major revenue streams:

- **Waste services.** Our waste services offering includes the collection of industrial waste for private customers and household waste on behalf of municipalities, sorting and processing of waste streams in order to extract valuable materials from recycling, waste-to-energy conversion (heat and electricity) and landfilling management coupled with energy valorisation (heat, energy and biomethane generation).
- **Sales of raw materials from recycling.** We process, sort and recycle household and industrial waste in order to extract materials (such as paper, plastic, wood, scrap and non-ferrous metals) from recycling, for sale in the

global spot market. We believe our core recycling offer addresses both consumers' and governments' growing environmental awareness while allowing our customers to reduce their disposal costs by creating value through recycling.

In France only, Paprec runs over 130 recycling plants for paper, N-HIW and wood recycling, over 70 recycling specialized recycling plants (scaps & metals, construction waste, plastics and WEEE) and over 30 selective sorting plants. The sorting operation is the key step to guarantee the quality of the raw material produced recycling, as it allows both to eliminate unwanted material and to select the materials that can be recycled into raw materials and separate those into a variety of streams that will meet Industrial norms and standards.

Paprec notably sorts out and recycles 25% of the French metropolitan population's recyclable household waste. As of 2024, it achieves an average 89% recycling rate, from 68% on industrial mixed-waste and up to 99% on paper or plastic waste. The Group also has a network of tradespeople with the best knowledge of industrial sites and companies worldwide willing to buy our raw materials as substitute to the virgin ones, knowing the top-quality of Paprec's raw materials.

Our group's ambitions are in line with the priorities defined by the European Waste Framework Directive and illustrated in the waste management hierarchy displayed below: waste must be recycled, i.e. recovered in the form of new raw materials, or fertiliser in the case of agro-waste recovery.



Source: https://ec.europa.eu/environment/topics/waste-and-recycling/waste-framework-directive_en

In fact, recycling is becoming financially more and more interesting for Paprec with the increase of material prices for instance, over Q1 2024, raw materials prices rose significantly due to a growing demand from our customers for recycled materials) and incineration and landfilling are becoming costly options for customers with the increase of the TGAP (see appendix 5.2).

1.5. Our material recycling business

Over the past three years, more than 14 million tons of waste have been collected and recovered by Paprec Group.

1.5.1. Paper

Over the past three years, Paprec Group recycled more than 2.5 million tons of old paper and cardboard every year, turning them into recycled cellulose fibers.

Our paper recycling know-how is essential for the successful manufacture of pulp by our paper-making customers. Our industrial customers are highly appreciative of our services, in the fields of recycling and the design, installation and continuous operation of collection equipment.

The Group's network maintains impeccable product quality and fulfills the requirements of its partners, with reliable, modern equipment to ensure the logistics aspects of waste processing: transport solutions, compacting machines, skips, sorting lines, suction, conveyors, dust elimination, etc.

1.5.2. Plastics

We are France's leading plastic recycler and innovate continuously to propose customised solutions in terms of plastic recycling and recovery. In 2024, we recycled and sold more than c.484,000 tons of plastic.

We are present throughout France with 12 plants in France, employing more than 200 people to recycle and recover plastic materials. Our expertise includes all plastic types, including plastic waste from selective collection, agricultural and industrial activities: Acrylonitrile butadiene styrene (ABS), Polyamide (PA), Polycarbonate (PC), Polyethylene (PE), Polyethylene terephthalate (PET), Polymethyl methacrylate (PMMA), Polypropylene (PP), Polystyrene (PS) and Polyvinyl chloride (PVC).

We use various technologies (re-generation, polycondensation, compounding, micronisation, shredding) in our 12 quality certified sites to optimise plastic recovery. For example, we have developed computer reporting and collection tools to enable remote monitoring of storage levels by our technicians. We also have intelligent sorting machines to improve the precision of plastic sorting operations. 100% of our plants have laboratory facilities to perform quality inspections on our recycled plastics to guarantee that their quality is identical to that of virgin materials.

Our Limay site opened a fourth extrusion line which doubled the site's valorisation capacities. A significant capex allocation was budgeted to increase capacities on several sites with the latest technology.

We collect, sort and recycle plastic household waste of more than 250 public authorities. Large industrial corporations, such as Orangina Schweppes, Plastic Omnium, Coca-Cola, Vavin, Saint-Gobain and Lapeyre buy our recycled plastic to manufacture new plastic goods.

1.5.3. Biowaste

Paprec has also developed an expertise in organic waste management, which requires a demanding industrial process.

Organic waste or biowaste is waste from natural animals or plant resources. Biowaste deteriorates thanks to the action of bacteria and other micro-organisms: it rots and ferments, which is why it is also known as fermentable or putrescible waste.

Changes in legislation and the need to reduce the amount of waste sent to landfill sites, which causes pollution and wastes energy, are encouraging us all to maximise the recovery of organic waste. Since 1 January 2012, all large producers of fermentable waste are required to have it processed to facilitate its return to the soil in the form of organic additives. Separate treatment of biowaste enables renewable energy to be produced, thanks to methanation, and the production of quality compost, a natural additive that enables the lasting improvement of agronomic soil, helping plants to grow without using chemical fertilisers.

- Our agencies (Paprec Agro, Paprec CRV, Gros Environnement) ensure the transfer, storage and transformation of green waste in composting platforms.
- In association with Saria Industries, we have created Sariec, a company specialised in the recovery of fermentable waste. Three methanation plants have been commissioned in Bennet (85), Issé (44) and Etampes (91). This offer is intended for:
 - The agri-food industry: packaged food products that cannot be sold;
 - Catering operations: leftovers from preparing food and/or table scraps, including those containing yoghurt pots and plastic packaging.

We propose biowaste management solutions of collection of waste flows, sorting, depackaging of packaged food waste and waste recovery.

Fermentable waste is transported to a depackaging machine, which separates the packaging from the organic matter. This is then dispatched to a biogas production plant. After decomposition, the organic waste is used to produce agricultural fertiliser and biogas to generate heat or electricity.

1.5.4. Wood

Number 2 in wood recycling, the Group has various subsidiaries that implement specialised technologies, subject to specific regulations, to recycle wood waste.

Two kinds of wood are processed:

- Class A wood (untreated): by-products of the raw wood transformation process, untreated and unpainted dry wood, pallets, etc.
- Class B wood (minor treatment): panels, furniture wood, demolition wood with no other debris, forest exploitation residue (stumps, logs, etc.)

We place different types of containers (standard skips for A or B wood only, closed skips with suction systems to collect sawdust and chips, and even mixed skips that can also contain glass, paper and cardboard) in recycling centres and at the sites of our industrial customers.

Wood waste, which was not processed at all a decade ago, is now reused as a new raw material to make wood-derived panels (particle boards and slabs, worktops, melamine shelving, insulation, etc.). Wood waste is processed for use as a new raw material. Impurities such as iron and non-ferrous metals, stones, plastics or glass are removed. Wood waste is then shredded to obtain the size of particles required by the manufacturer. Wood waste can also be recovered to generate energy for boiler systems.

Paprec Group has over 30 plants throughout France that recycled c.453,000 tons of wood waste in 2024 (excl. other wood recycled in construction waste), including more than a million pallets, every year. All our sites have shredding machines to sort, shred and remove metal from wood waste, in compliance with a very specific specification and under strict quality control.

1.5.5. Construction site waste

The construction industry generates ten times more waste than households, and yet little has been achieved in this sector in terms of recycling. Twenty years ago, we anticipated the potential and the requirements of this industry, and current regulatory changes are encouraging our efforts to do more, in collaboration with our customers.

Paprec Chantiers, a subsidiary of Paprec Group, is specialised in the collection, processing and recovery of construction site waste. c.435,000 tons of waste were collected and processed in 2024, split between:

- Inert waste (debris, breeze blocks, tiles, etc.)
- Non-hazardous waste (scrap metal, PVC, polystyrene, etc.)
- Hazardous waste (asbestos, putty, contaminated soil, etc.)

To help its construction customers obtaining HQE, Breeam or Leed certifications for their construction sites, Paprec Chantiers is committed to guaranteeing clean construction sites for the structural works and fittings/finishing phases. This guarantee implies:

- Use of a fleet of recent trucks and alternative transport means (river transport)
- Optimised sorting at the site (skips for each type of waste, installation of information signs, quality expert intervention for large construction projects)
- Implementation of specific schemes for urban construction sites (e.g. big-bag collection by truck cranes)
- Cleaning at the end of construction.

1.5.6. Ordinary industrial waste

Ordinary industrial waste is waste generated by neither households nor the construction industry that is neither inert nor hazardous.

Paprec Group collects ordinary industrial waste from firms in the agri-food, chemical, pharmaceutical and steel industries, as well as from logistics and major retail operators. In 2024, we recycled c.1,767,000 tons of N-HIW industrial waste, a growing amount year on year.

To ensure perfect management of ordinary industrial waste, we invest in equipment such as skips, compacting machines, vehicles, handling equipment, sorting lines, transformation units, etc.

In partnership with equipment manufacturers, we have developed new sorting lines specifically for ordinary industrial waste and our plants are equipped with all the latest technology (aeraulic separators, optical sorting systems, etc.). The recovery rate permitted by these new generation sorting lines increased from c.60% to c.70% with the new lines.

1.5.7. Hazardous industrial waste

Recydis, a subsidiary of Paprec Group, is specialised in the collection and processing of hazardous industrial waste: paint, solvents, asbestos, lead, etc.

Recydis processes c.50,000 tonnes of hazardous industrial waste on a yearly basis. The company has a central site that manages disposal projects and regional presence via c.50 agencies to ensure optimised collection.

Recydis proposes consulting missions to optimise the disposal of hazardous industrial waste in compliance with regulations and implements efficient resources: ADR vehicles, drivers trained in the transportation of hazardous substances, waste tracking forms for traceability (BSD, BSDA, FID, etc.).

1.5.8. Scraps & metals

Since 2009, the series of acquisitions including Prévost, Echalié, Atlantic Métal, Desplat and Les Recycleurs Bretons brought us to rank among the top five scrap metal recycling operations in France. We have expanded our offer and acquired essential new know-how to meet the needs of this sector.

Paprec has become a major recycler of ferrous and non-ferrous metals. In 2024, c.542,000 tonnes of ferrous metal and c.70,000 tonnes of other metals (copper, zinc, aluminum, bronze) were recycled on our various platforms, achieving a recovery rate of 99%.

After collection, the scrap metal is transferred to specialised Paprec sites. Depending on the volumes and customer requirements, it is sorted into categories, compacted, and cut up with a shearing press or packaged as bundles. The processing platforms produce clippings, bundles, bulk scrap, and industrial cuttings.

Paprec Group has logistics bases throughout France. With our 39 scrap metal recycling sites, we guarantee local services for the collection, processing and recovery of new and used, ferrous and non-ferrous metals from industries and public authorities.

1.5.9. Batteries and waste from electrical and electronic equipment (WEEE)

From computers to freezers, cellphones to TVs, the amount of waste from electrical and electronic equipment (WEEE) is growing three times faster than any other type of waste. It can no longer be disposed of via landfill sites and the authorities have drawn up strict specifications concerning its recycling. In response to these increasing volumes and the regulatory context, we created Paprec D3E ("D3E" is the equivalent to WEEE in French "*Déchets d'équipements électriques et électroniques*") to collect and optimise the recycling of batteries and other WEEE in France.

Paprec D3E has 14 classified plants throughout France, which serviced c. 228,000 tonnes of WEEE in 2024.

After sorting, saline and alkaline batteries are shredded and all recyclable materials are recovered by classified facilities. The other types of batteries are processed by specific streams.

2 Rationale for Green Bond Issuance

Paprec's Green Bond Framework is consistent with the Group's strategy and has been established to support the funding of the Group's development plan in sustainable waste management and renewable energy.

3 Green Bond Framework

Paprec has designed this Green Bond Framework in compliance with the Green Bond Principles 2025 (the "GBP") as published by the International Capital Market Association (the "ICMA").

In accordance with the ICMA Green Bond Principles 2025 and for each financing operation of Eligible Green Projects as described in the Use of Proceeds section of this Framework, Paprec asserts that it will follow the four key pillars below as set out in this Framework:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

This Framework may be updated in the future to ensure compliance with applicable laws and continued alignment with voluntary market practices (including the GBP), or updates to Paprec Group's sustainability strategy. For any material revision of the Framework, Paprec Group will seek to obtain a refreshed Second Party Opinion ("SPO").

3.1 Use of Proceeds

An amount equal to the net proceeds of Paprec's Green Bond under this Framework will be used to finance or refinance, in whole or in part, existing or future Eligible Green Projects.

Eligible Assets are located in any of jurisdictions whereas Paprec is operating its main business activities and consist in:

- **Capital expenditure ("Capex")** may further include the acquisition of tangible and intangible assets as well as companies, in accordance with section 1.1.2.1 under the Annex I of the Delegated regulation - 2021/217816, via business combinations (strictly limited to majority equity investments); company acquisitions are defined as equity investments for the acquisition of a controlling stake in "pure player" companies which are following the Eligibility Criteria described below (i.e. companies having at least 90% of revenue, or if not applicable 90% of the balance sheet, derived from Eligible Project Categories described in the Green Financing Framework).
- **Selected Operating Expenditure ("Opex")** will include expenditures as defined under Annex I, section 1 of the Delegated regulation - 2021/217817, and in particular personal costs, maintenance, repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment. Opex will not constitute more than [20%-30%] of the Use of Proceeds.

Eligible Assets will include expenditure relating to the categories below:

- 2.3 Collection and transport of non-hazardous and hazardous waste (Pollution prevention and control)
- 2.7 Sorting and material recovery of non-hazardous waste (Circular Economy)

Eligible Assets will qualify with a maximum look-back period of three years for Capex and one year for Opex.

The following Eligible Categories align with the Pollution prevention and control, and Circular economy adapted products, production technologies and processes categories of the GBP.

Each of the Eligible Categories is mapped to the relevant UN Sustainable Development Goals and EU environmental objectives.

<i>GBP category</i>	<i>Description</i>	<i>Eligibility Criteria</i>	<i>SDG contribution</i>
Collection and transport of non-hazardous and hazardous waste (Circular Economy)	Eligible Assets and corresponding expenditures related to the separate collection and transport of non-hazardous and hazardous waste prior to treatment, material recovery or disposal, including the construction, operation and upgrade of facilities involved in the collection and transport of such waste, such as non-hazardous waste transfer stations, as a means for appropriate treatment. Assets, projects, technologies and/or businesses mainly consisting of, but not exclusively: • Purchase of waste collection trucks • Truck maintenance and repair costs • Waste bins, compactors... • Collection equipment at customers' premises	<i>2.3 Collection and transport of non-hazardous and hazardous waste (NACE: E38.11, E38.12 and F42.9)</i> <i>Substantial Contribution to Circular Economy</i>	11. Sustainable cities and communities  12. Responsible Consumption and Production 
Sorting and material recovery of non-hazardous waste (Circular Economy)	Eligible Assets and corresponding expenditures related to construction, upgrade, and operation of facilities for the sorting or recovery of non-hazardous waste streams into high quality secondary raw materials using a mechanical transformation process. This does not include sorting and recovery of combustible fractions from mixed residual waste to produce refuse derived fuel, such as in mechanical and biological treatment plants. Assets, projects, technologies and/or businesses mainly consisting of, but not exclusively: • Sorting of waste from selected household collections • Production of recycled materials from non-hazardous waste (paper, cardboard, plastics, scraps, metals, wood...)	<i>2.7 Sorting and material recovery of non-hazardous waste (NACE: E38.32 and F42.9)</i> <i>Substantial Contribution to Circular Economy</i>	11. Sustainable cities and communities  12. Responsible Consumption and Production 

3.2 Process for Evaluation and Selection of Projects

Paprec Group has an internal procedure for the management of Green Bond proceeds and related assets. The evaluation and selection process of Eligible Assets is clearly defined, the decision process is formalized for each type of asset (infrastructures, equipment, real estate, etc.).

Paprec's process is structured around four steps:

1. Identification and proposal of Assets by the relevant business functions;
2. Selection and evaluation of Eligible Assets based on relevant internal expertise with defined internal roles and responsibilities:
 - Decisions are taken within dedicated committees, defined by asset category, which meet monthly. These committees are composed of a member of the Petithuguenin family, the legal team, local teams involved in the contemplated projects, as well as the heads of the involved region/activity/subsidiary. The QSE (quality, safety and environment) team is also involved in some of these committees. They include:
 - The Investment Committee, for infrastructures that do not require a construction license;
 - The Real Estate Committee, for constructions requiring a construction license;
 - The Purchasing Committee, which oversees the company's purchasing policy;
 - The Merger & Acquisition Committee, which oversees external growth operations.
 - The eligibility of the investments to Green Bond financing is analysed by the Issuer within the committees described above, based on the Green Bond eligibility criteria:
 - Use of proceeds criteria based on the definition of the Eligible Assets' categories and defined in line with Paprec Group's strategic priorities;
 - Exclusion criteria for the external growth category, to exclude companies not demonstrating satisfactory social climate and environmental legal compliance. This decision is taken based on a human resources study where several indicators are considered (number of strikes, number of warnings, etc.), a field study, based on interviews with the management team and a media study to identify potential controversies.
 - Paprec benefits from a good integration of environmental and social factors in project management, covering the main ESG risks associated with the Eligible Assets:
 - Regarding organic growth:
 - Investment decisions are mainly based on financial and risk criteria. For equipment purchases (Investment Committee), the main decision criteria include innovation and features improving the health and safety of employees. The company reports that the Investment Committee considers the respect of environmental legislation;
 - Sustainability practices are key in Paprec's purchase process. All suppliers' contracts are annexed with a Responsible Procurement Charter signed by both parties. Environmental, social and ethical commitments are shared with suppliers.
 - Regarding external growth projects:
 - ESG factors are integrated in the evaluation and due diligence processes carried out before acquisition, based on documentation and site visits covering human resources, governance, industrial quality of sites and equipment and compliance with environmental legislation;
 - An analysis of controversies history (via previous workers and press) and various internal ESG due diligence assessments are conducted.
3. Validation of Eligible Assets by the Executive Committee for all investment decisions. For acquisitions, external experts are involved (external auditors, lawyers, employee representatives...) as required by the law.
4. Monitoring internal processes to identify known material risks of negative social and/or environmental impacts associated with the Eligible Projects and appropriate mitigation measures where possible:
 - Reviewing on a regular basis the portfolio of Eligible Assets to ensure they remain aligned with the Eligibility Criteria and are not subject to major ESG controversies; excluding projects that no longer comply with the Eligibility Criteria, are exposed to major ESG controversies or have been disposed of, on a best effort basis;
 - Monitoring the ongoing evolution of the GBPs, particularly in relation to disclosure and reporting, to ensure this Framework remains in line with best market practices and to consider the potential future update of the Framework to reflect such changes.

Paprec Group is aware of the potential ESG risks related to the Eligible Assets. The Group complies with all laws and regulations applicable to its countries of activities and has set ambitious Group-wide ESG policies and risk management systems, often going beyond regulatory requirements.

Paprec's Sustainable Development and Institutional Affairs departments follow environmental regulatory changes through rigorous environmental regulatory monitoring and regularly conducting internal environmental audits to identify environmental non-compliance and proposing actions to achieve environmental compliance as quickly as possible. Compliance with internal ESG policies is ensured through an environmental regulatory compliance control at Group level. The Group's ESG policies and codes of conduct, which define the values and rules applicable to the whole Group notably include:

- Responsible Procurement Charter
- Anti-corruption Code of conduct
- Whistleblowing procedure
- Employee health and safety

Paprec Group also set up a safety, health, environment and quality (SHEQ) department responsible for overseeing the smooth operation of its activities. Its aim is to improve the control of Paprec Group's processes and demonstrates its commitment to high standards of quality, safety, environmental protection and energy efficiency, thus strengthening its ability to guarantee operations in compliance with regulations.

3.3 Management of Proceeds

The net proceeds of the Green Financing Instruments raised under this Framework will be deposited in Paprec's general account and handled by Paprec's Finance & Treasury Department. An amount equivalent will be tracked for allocation to Eligible Assets, as overseen by the financial department. In addition, external auditors will intervene when major events occur, such as large-scale acquisitions.

Paprec commits on a best effort basis to reach full allocation within 24 months following each green issuance. Pending full allocation, the net proceeds will be invested on a temporary basis, in accordance with relevant internal liquidity policies, in cash or cash equivalents.

In the case of an Eligible Asset's disposal or if an Eligible Asset no longer meets the Eligibility Criteria or is subject to a major ESG controversy, the proceeds will be reallocated to another Eligible Asset as soon as reasonably practicable.

3.4 Reporting

Within one year from the first issuance date, Paprec Group will publish annually (i) an Allocation Report (at least until full allocation) and (ii) an Impact Report.

The reports will be available on Paprec Finance's website either as part of our Yearly Operating Financial Review or in a separate report.

Allocation Report

With the aim of providing disclosure on the allocation of net proceeds, the Allocation Report will include:

- An overview of the Green Financing Instruments outstanding;
- The aggregated amount of net proceeds allocated to Eligible Assets at category level;
- The proportion of the net proceeds allocated to financing vs refinancing;
- A breakdown by types of expenditures (Capex, Opex);
- The balance of unallocated proceeds invested in cash and/or cash equivalents, if any;
- The percentage and / or degree of EU Taxonomy aligned Eligible Projects financed.

Impact Report

The Impact Report will provide information on the associated environmental impact and outcomes of the Green Financing Instrument, subject to the availability of suitable information and data.

Impact reporting metrics may include (for illustration)

Eligible Categories	Objective	Potential Quantitative Impact Indicators
Collection and transport of non-hazardous and hazardous waste	Circular Economy	- Energy consumption reduction - Percentage of Euro 5 and Euro 6 trucks (%) - Share of orders for industrial vehicles with electric power (%) - Number of sites connected for rail, river or sea transport - Total volume of waste transported by river and sea
Circular economy	Circular Economy	- Total tonnage of waste recycled (kT) - Recycling and recovery rates overall and per type of waste (%) - GHG emissions avoided by the recycling business (ktCO₂e) - Percentage of sites with an environmental management system (ISO 14001 or equivalent) - Percentage of sites certified (ISO 9001 or 14001 or 45001 or 50001)

4 External Review

4.1 (Pre-issuance) Second Party Opinion

Paprec has obtained a Second Party Opinion from Moody's to evaluate the Green Bond Framework, its transparency and governance as well as its alignment with the ICMA Green Bonds Principles 2025.

The Second Party Opinion will be made available on Moody's and Paprec's website (<https://www.paprec.com>).

Paprec commits to have the Second Party Opinion reviewed in case of any material changes to the Framework.

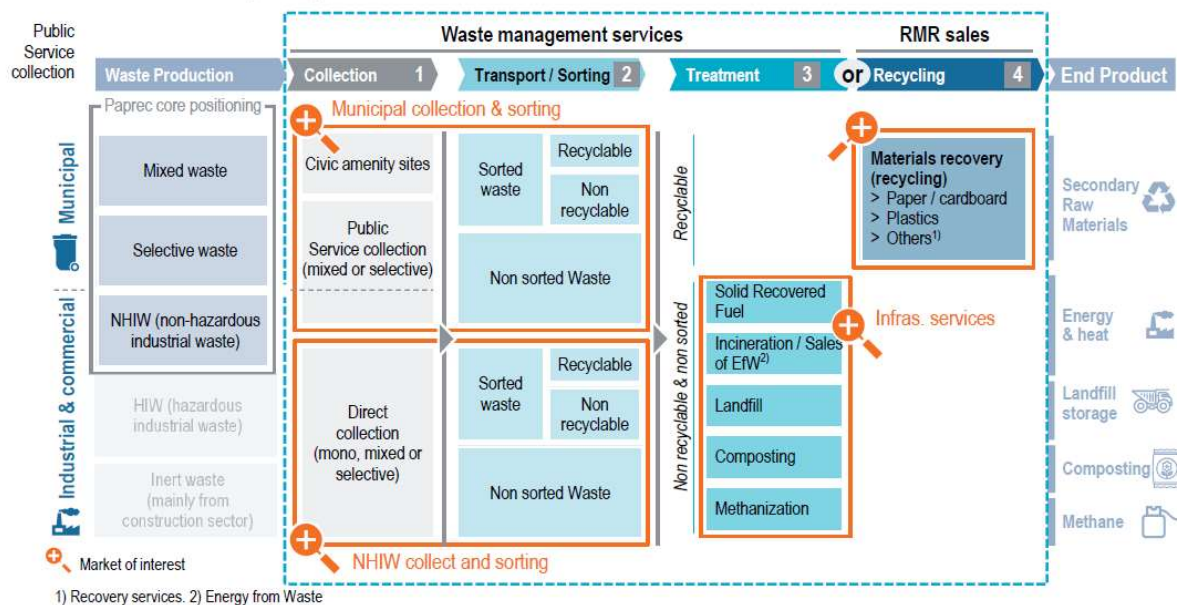
4.2 Post-Issuance External Verification

An external auditor will be appointed to provide at least a limited assurance of each Allocation Report published with regards to the use of net proceeds allocated in accordance with the Framework.

5 Appendix

5.1 Overview of Paprec's addressable market

Waste management consists in collecting and treating domestic and industrial & commercial waste, which can eventually be sorted during the process to be treated. The below chart displays the different steps and options in the waste management market:

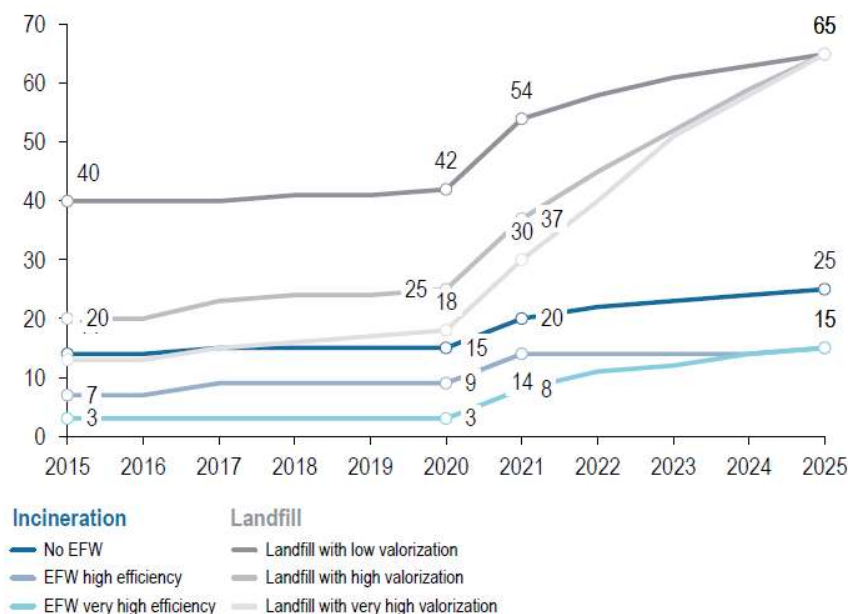


Source: Company information

5.2 Evolution of the GTAP tax

GTAP (General Tax for polluting activities) tax has been continuously increasing and will reach new heights, shifting volumes to incineration and recycling. 2019 reform has set objectives for 2025 with the willingness to enforce the 2015 LTE law (*“Loi de Transition Énergétique”*) by making landfill more expensive than recycling by 2025. Landfill rates are converging up towards EUR 65 per ton in 2025 without distinction on environmental performance to comply with LTE mandatory. Two benefits for recycling: (i) volumes are shifting to valorization, less expensive than landfill and (ii) new recycling technologies / waste streams becoming economically affordable.

The chart below displays the GTAP tax on landfill and incineration between 2015 and 2025 (in euro per ton):



Source: Company information

GREEN BOND FRAMEWORK 2026 - DISCLAIMER

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