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A circular model...

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...that accelerates the ecological transition  
and the decarbonisation of the planet  
in close collaboration with the regions...

Page 22

...and supports its clients,  
its employees and associations

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The CSR  
performance of Paprec

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# Investing in solutions for the future

Jean-Pierre Denis, Vice-Chairman



**"Paprec's strength is being able to propose comprehensive solutions because we are involved throughout the waste treatment and recovery value chain."**

The health crisis, unprecedented in its intensity, has made the last two years particularly challenging and has disrupted our way of life. It also highlighted professions which, like those of the Paprec Group, are essential to the country and occupy a central place in everyday life. These activities continued during the most difficult periods of the pandemic.

— **The Paprec Group is one of the major stakeholders in these areas, which are vitally important to the balance of our society.** The Group has recognised expertise, making it a rather unique company. A company managed and controlled by a family that has become a leader and a benchmark in its markets thanks to its performance and leading position in the field of waste management and recovery.

— **Paprec's outstanding success is no accident.** It is based above all on the professionalism of the Group's more than 12,000 employees, who are committed to serving customers, companies and local authorities on a daily basis. The teams can rely on the resources of a group that has always chosen to be a leader in its field.

**To invest in state-of-the-art industrial assets** and to create even more innovative solutions to recover our waste.

— Since its creation more than 25 years ago, the Paprec Group has sought to recruit and promote people who are committed to their work and attentive to everything that affects **operational efficiency, customer satisfaction and environmental issues**. It has continued to invest in the regions in order to make our economy more responsible and less carbon-intensive. Central to this is the idea that the natural resources and raw materials the economy relies on for development are such rare and precious assets that we must preserve, regenerate and recycle them as much as possible, in the service of a greener planet.

## **“Paprec's exceptional performance is based above all on the professionalism of its employees.”**

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— It was with this conviction that Jean-Luc Petithuguenin, with the vision and intuition that define him, made the choice in 1994 to commit resolutely to the recycling business. These activities are inseparable from an **economy that aims to be more sustainable and more responsible**. This was a pioneering choice at the time. It was even a daring gamble that some people, who advocated for more traditional waste treatment solutions, even considered risky or a dead end.

— The least we can say is that the facts have proven Paprec's founding CEO right: the preservation of natural resources, climate issues and the reduction of our carbon footprint have become imperative requirements for both public decision-makers and private operators alike.

— The Paprec Group is mobilising all of its skills and all of its sites to tackle the environmental challenges that are among the company's top priorities. To do this, the Group can rely on a body of expertise that is constantly improving. This was the case in 2021 **in the field of waste-to-energy, with the acquisition of CNIM O&M, TIRU and Inova Operations**. Today, as the leading recycling company and the third-biggest waste management company in France, with a presence in Switzerland for over ten years, Paprec has recently extended into the United Kingdom, Spain, Poland and Azerbaijan.

— Paprec's strength lies in its ability to **offer comprehensive solutions, thanks to its presence across the entire waste treatment and recovery value chain**. The Group is continuing to invest in solutions for the future, as illustrated by the resources devoted to the biowaste sector and returning organic matter to the soil, which increases carbon stocks in the soil and helps combat global warming.

— Paprec's 2021 Sustainability Report presents a comprehensive overview of the Group's waste collection and recovery activities, describing their contribution to a more responsible and circular economy. It also focuses on the solutions and initiatives undertaken to **accelerate the ecological transition as close on the ground to Paprec's customers, partners and employees**. This is the *raison d'être* of the entire Group.

# Major events

## EXTERNAL

- **1972**  
Creation of the polluter pays principle.
- **1991-92**  
Riboud-Beffa Report and creation of Éco-Emballages.
- **1992**  
Lalonde law against illegal waste dumping.
- **2008**  
Global financial crisis.
- **2009-2010**  
The Grenelle I and II laws set targets for France to reduce waste production and storage and to increase recycling rates.
- **2014**  
The 2014-2020 waste reduction and recovery plan, stemming from the *Loi de Transition Énergétique pour la Croissance Verte* (Law on Energy Transition for Green Growth) (LTECV), sets the objective of halving the amount of waste sent to landfill by 2025.
- **2020**  
The Government's anti-waste and circular economy (AGEC) law affirms the objective of collecting 100% of recyclable waste by 2025.
- **2020-21**  
The Covid-19 crisis.
- **2022**  
Invasion of Ukraine by Russia.

## INTERNAL

- **1994**  
Creation of Paprec: Jean-Luc Petithuguenin takes over a small waste paper company (45 employees and revenue of €3.5 million).
- **2000**  
Paprec invests in plastic recycling (300 employees and revenue of €120 million).
- **2004**  
PAPREC launches a service for local authorities.
- **2005**  
1,000 employees.
- **2007**  
The Arnault and Rothschild Groups acquire a stake in Paprec.
- **2010**  
Paprec acquires the Swiss group, Lottner Gruppe, its first acquisition abroad (170 employees and revenue of €500 million).
- **2012**  
BPI and Arkéa acquire a stake in Paprec's capital. Entrepreneur of the Year Award, EY l'Express.
- **2014**  
4,000 employees.
- **2015**  
The Group is the first mid-sized company in France to issue a Green Bond.
- **2017**  
PAPREC buys Coved Environnement: The Group goes from 4,500 to 8,000 employees for a turnover of €1.3 billion, and becomes the number one recycling company in France and the number three stakeholder in waste management.
- **2019**  
The Paprec Group, through its subsidiary Paprec Agro, wins the European Sustainability Award in the "large company" category, validating its return to the soil and carbon storage strategy.
- **2020**  
Waste collection and treatment is considered to be vital for the country during the Covid-19 pandemic. Paprec continues to operate during these unprecedented times.
- **2021**  
Paprec Energies, the Group's energy recovery division, is created with the acquisition of Inova Operations, CNIM O&M and TIRU (1,500 employees, €300m turnover). Paprec raises €450m of green bonds. The Group as a whole has a turnover of almost €2 billion and employs over 12,500 people.
- **2022**  
In the 5th round of financing, Vauban and Crédit Agricole become shareholders of Paprec.

# Paprec in brief



## A GROWING COMPANY

**€1,879 million**

turnover (30% average annual growth over 20 years)

**+27%**

growth in the volume of waste treated/year

**€165 million**

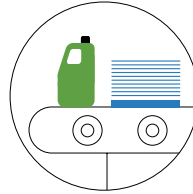
of industrial investments

**€3,090 million**

of industrial assets

**€2,205 million**

invested in our industrial facilities and +67 voluntary acquisitions in 26 years



## RECYCLING IS IN OUR DNA

**13.1 Mt**

of waste collected and treated, of which:

**9.3 Mt**  
of waste recycled

**1.2 Mt**  
of waste recovered in a waste recovery plant

**78%**

total recycling

**17 kt**

of SRF produced



## A COMMITTED EMPLOYER

**11,852**

employees

**19.9%**

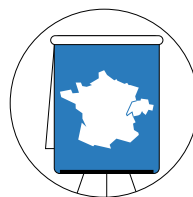
women

**66**

nationalities

**4,508**

employees trained



## LOCAL PRESENCE

**308**

sites in France and abroad, including: 180 plants and 21 agencies and administrative head offices

**€4.1 million**

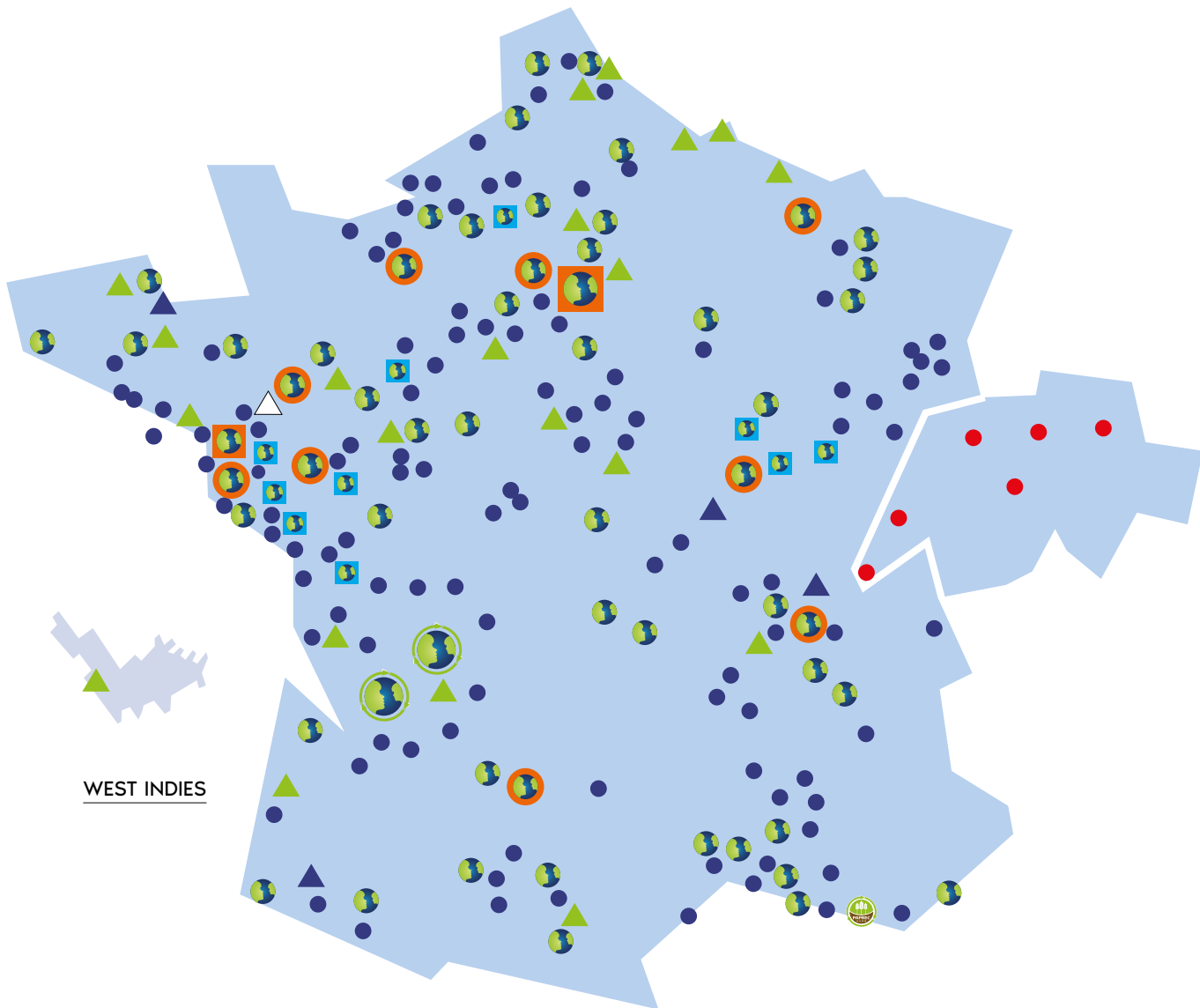
in sponsorship

**100%**


direct local employment



# Breakdown of our business activities



 PAPREC Group

 Head Offices


 Paprec Plastiques

 Paprec Métal


 Paprec Suisse

 Coved  
Environnement

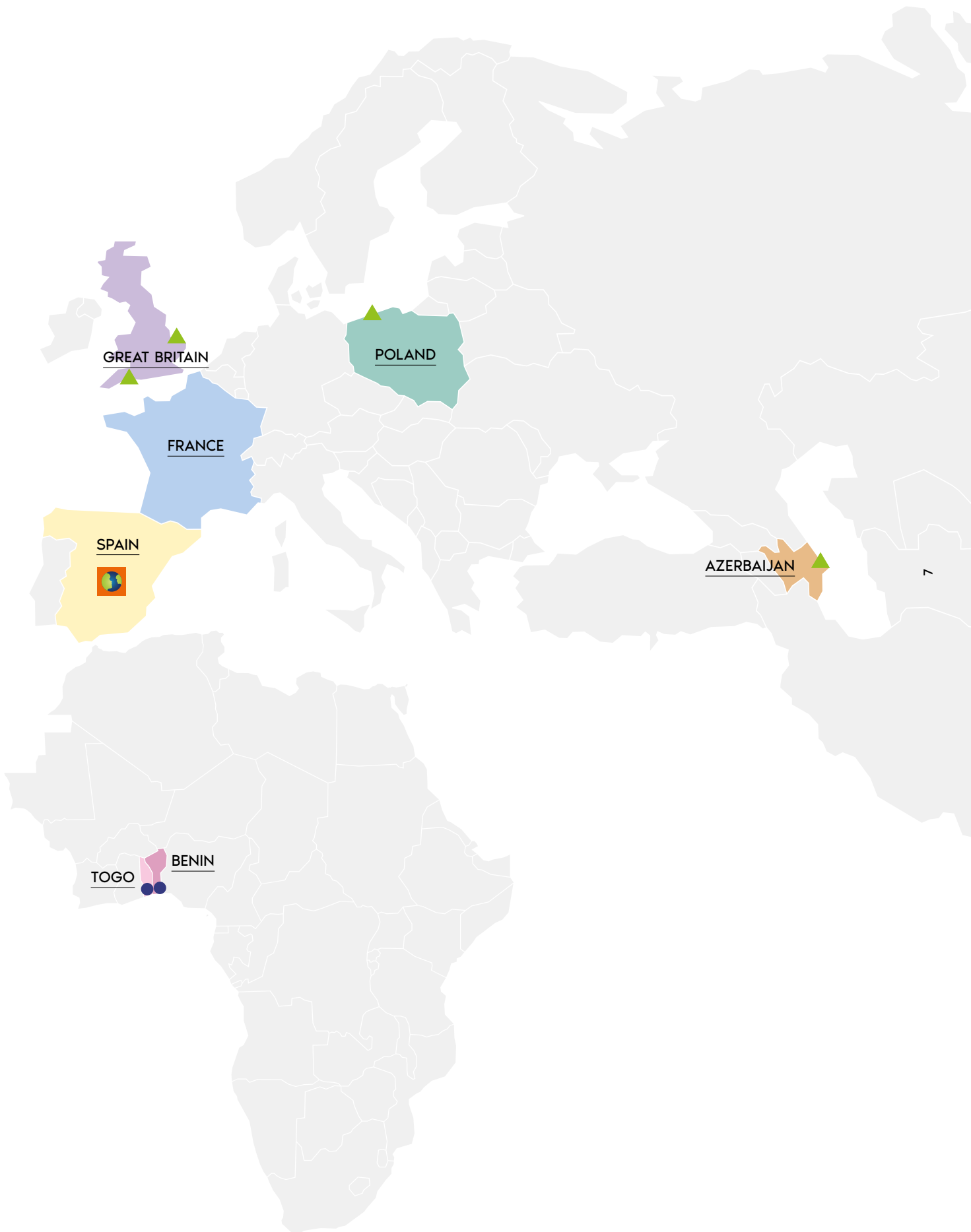
 Paprec Agro

 Energy recovery  
unit

 Organic recovery  
unit

 Treatment of bottom ash





# An integrated vision of sustainable development

As a key stakeholder in the sector, Paprec has extended its activities to every link in the waste management chain to maximise the benefits of recovery, most recently through energy production.

## A large family business with steady leadership

The Group's ability to make effective and rapid decisions is based on a long-term family organisation: the Petithuguenin family, in association with Arkéa, holds the majority of Paprec's capital, with the rest of the capital held by the *Banque publique d'investissement* (Bpifrance - 30%) and financial investors.

## CSR organisation aligned on the company's strategy

The Group's intrinsic contribution to the societal challenge of sustainable development represented by waste management is reflected in its integrated approach to CSR issues: they are overseen at the highest level by General Management and the CEO, in close collaboration with the Sustainable Development Department.



# 98%

participation in the strategic committee

# 18%

Female members on the Board of Directors

# 20%

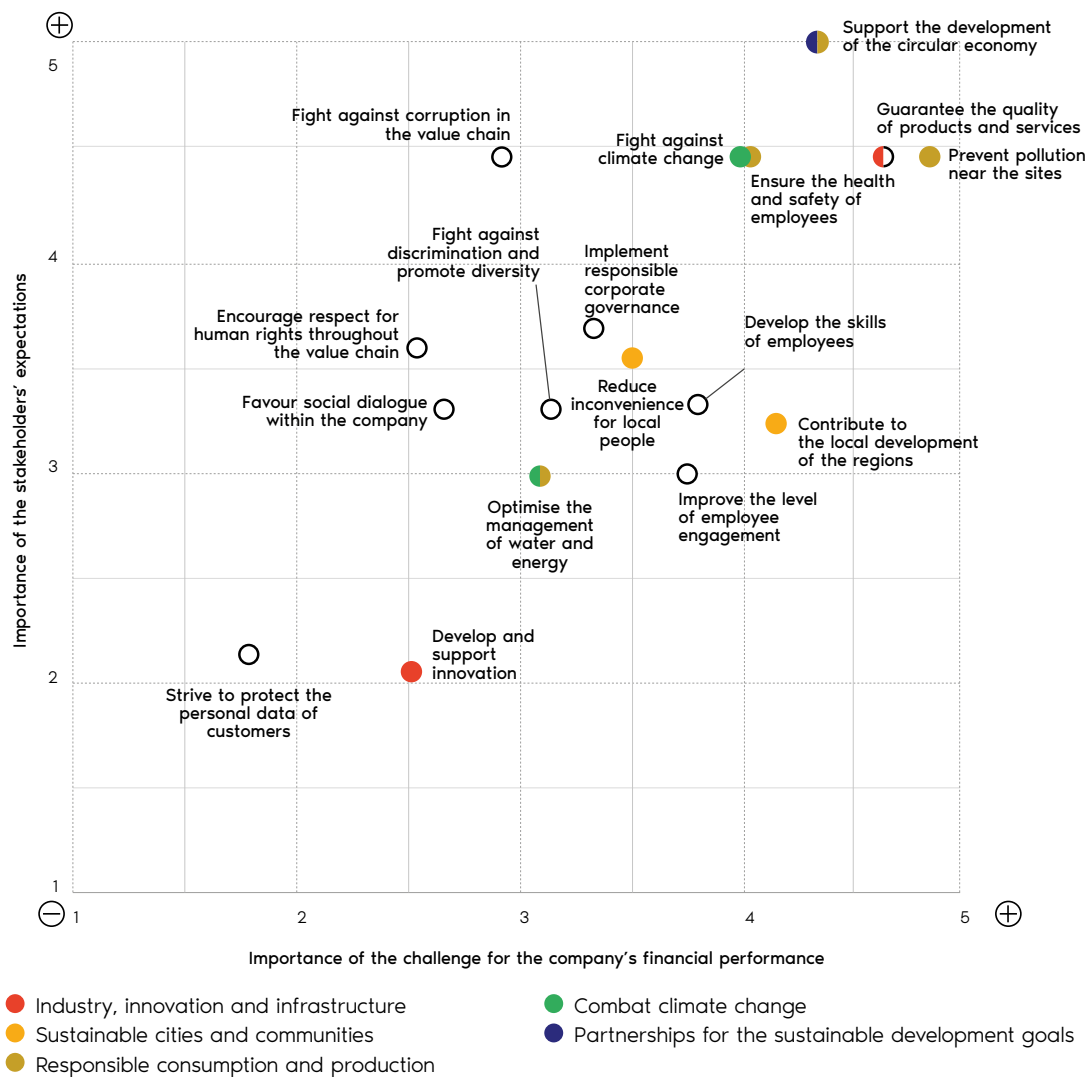
independent members on the Board of Directors

## The Paprec Group's CSR challenges

Paprec's CSR challenges are an integral part of the Group's overall strategy.

At the heart of Paprec's CSR approach, the materiality analysis consists of identifying the Group's priority CSR issues, in line with the Sustainable Development Objectives. To do this, 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 assess the potential impact of sectoral and societal issues on the sustainability of the Group's business model. These interviews were followed up with an analysis of the financial, regulatory and reputational risks associated with each challenge.



# 0

## A circular model

With over 25 years of expertise, Paprec offers efficient local services to collect, sort, recycle, recover and innovate across the waste-management chain. The Group's dynamism comes from a sustainable business model based on increasing investment in innovative industrial facilities.

# 1







# An innovative, sustainable and regional economic model

## Our strengths

### Committed employees

- 11,852 employees
- 1,550 jobs created in 2021
- 80% participation in the employee survey

### Hightech industry

- €375 million in total Group investments
- Continuous innovation

### Strong regional presence

- 180 plants

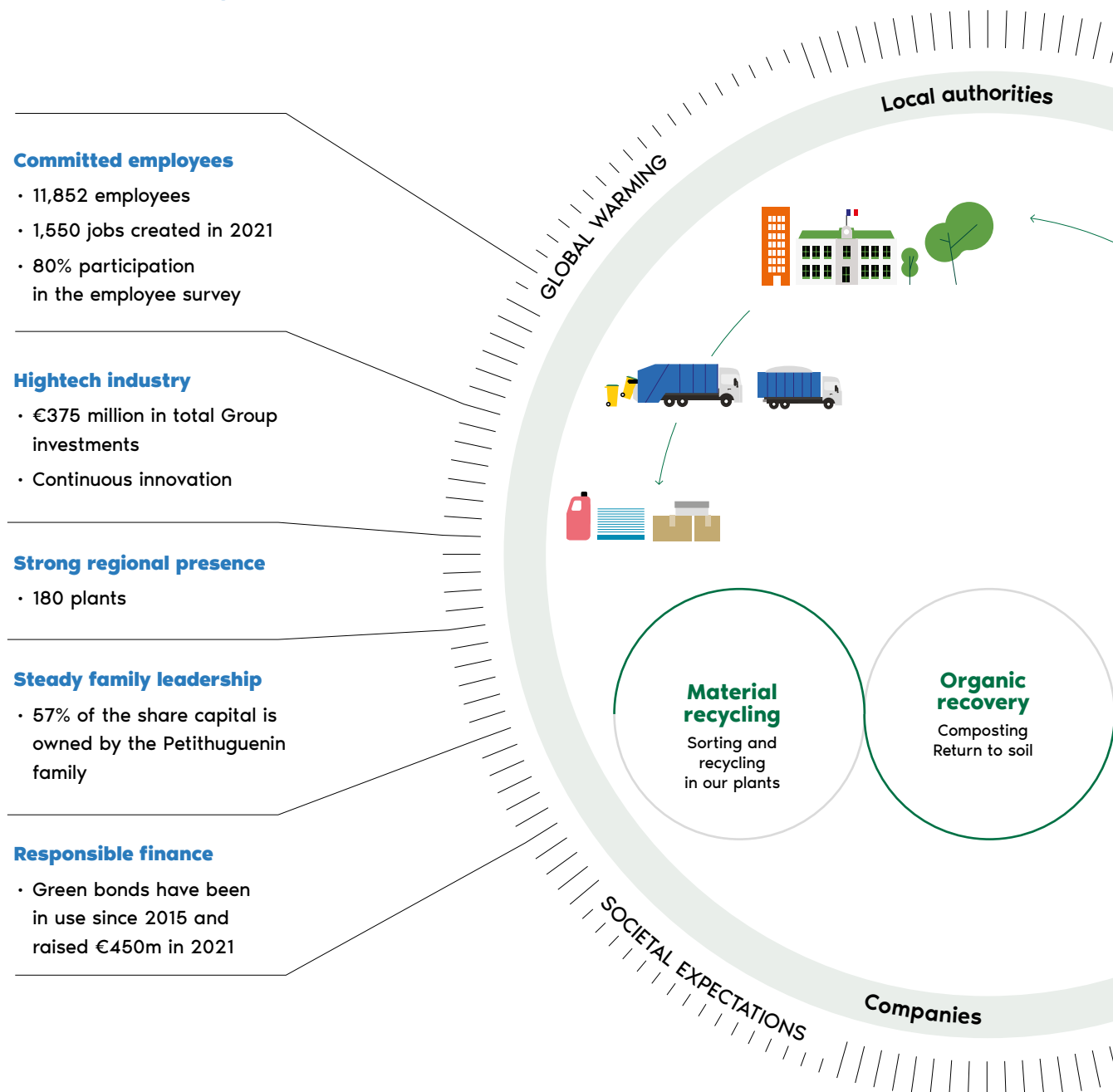
### Steady family leadership

- 57% of the share capital is owned by the Petithuguenin family

### Responsible finance

- Green bonds have been in use since 2015 and raised €450m in 2021

## Our actions



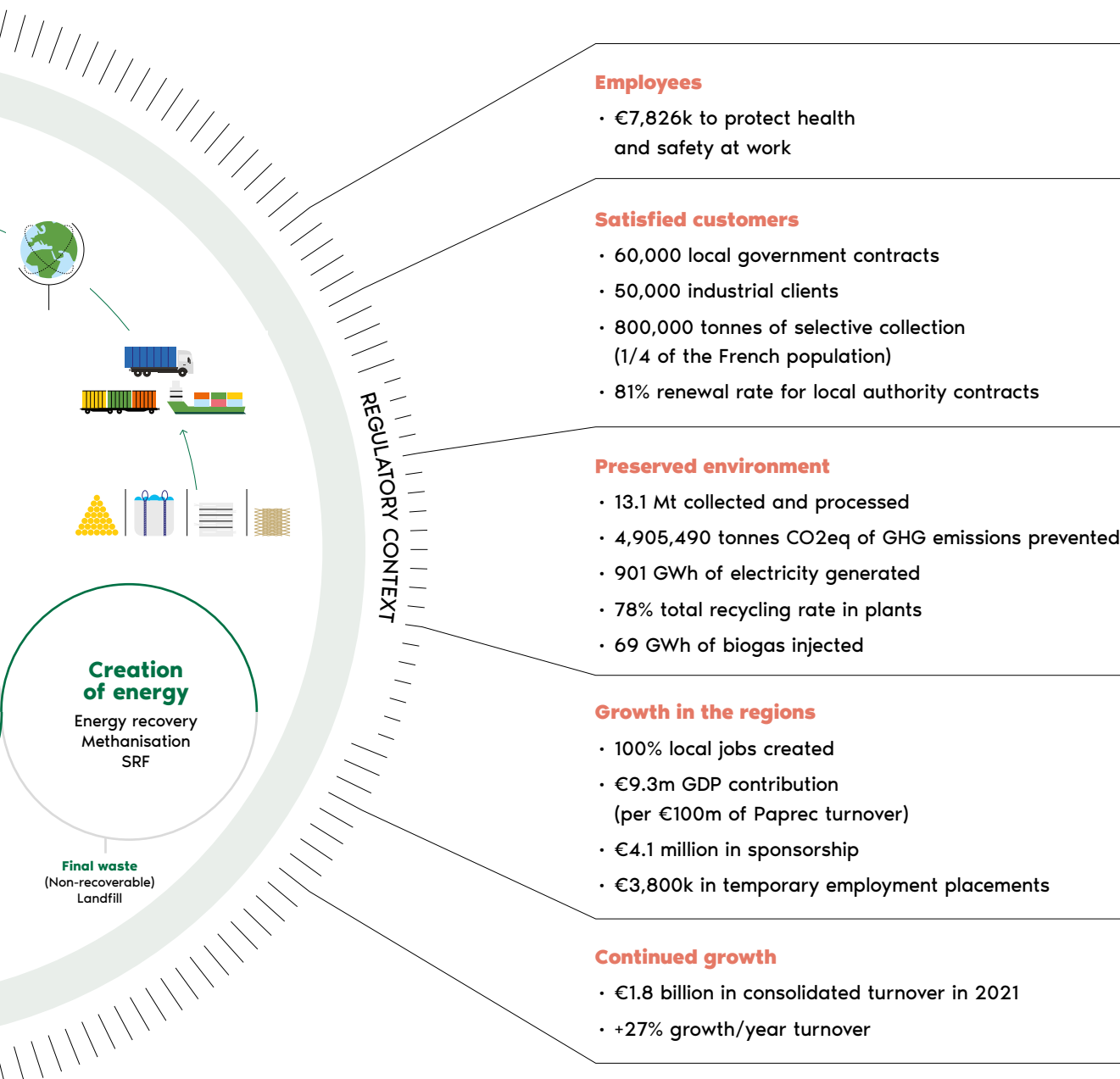
As France's leading recycling company and third-largest waste management company, Paprec has placed the circular economy at the heart of its strategy.

The Group is involved in the entire waste-management chain: from collection from its customers (private and public) to the sale of recycled raw materials, the recovery of biowaste and the management of final waste (non-recyclable waste).

Plastics, construction-site waste, wood, scrap iron, paper and board: in all, there are some 15 families of waste treated by the Group each day.

Building on its strengths in the service of a recently enhanced circular economy model, Paprec reconciles economic performance with positive impacts on the environment, people and regions.

## The value we create





# A business primarily focused on recycling

## Collection

The first link in the waste management chain, it is the fundamental step ahead of sorting, recycling and recovery. The Group's 3,500 drivers and waste collectors are the primary ambassadors of Paprec's activities to customers and the public. They work hand-in-hand with planning officers, weighbridge agents, mechanics and salespeople to ensure this vital work is done every day.

On-board vehicle trackers, predictive-maintenance sensors, connected devices made available to customers to notify the company that a skip is full and to organise its replacement: Paprec invests in technological innovations to respond to customer needs, optimise the collection of waste and reduce its environmental footprint.

### Actiplast, a pioneer in compounding, joins the Paprec family

This SME specialises in the formulation and production of plastic compounds: it fuses used plastic materials with additives to create a resin. Each year, 12,000 tonnes of compound plastics and 30,000 formulas are produced. In a regulatory context that encourages increased use of recycled plastic, Paprec is continuing to improve its business areas and expertise. Actiplast is a positive step in this direction.

## Sorting and recycling

Starting with its traditional business, paper and cardboard recycling, Paprec has expanded the categories of materials processed over the years by improving its sorting and recycling rates. The Group currently manages a network of 308 sites in France and abroad.

Paprec has invested in innovations every year to modernise its production facilities and respond to its customers' expectations, as well as to regulatory changes such as the extension of sorting instructions. This strategy has proven to be a success, as the Group is now known for the quality of the recycled raw materials it exports to 65 countries.

The performance of waste-sorting centres is especially important as the AGEC law provides for the introduction of objective performance criteria so that the most efficient sorting centres can be rated. The aim is to encourage investment in the development of material recovery and to meet landfill-waste reduction targets.



# Organic recovery and return to soil

## Recovery of bio-waste

Biowaste represents a quarter of the French population's waste bin. By 2023 in France, this type of waste must be collected at source. For several years, Paprec has been developing a composting offer to anticipate this obligation in the circular economy law on the sorting of biowaste from 2024.

This activity has two distinct benefits:

- The manufacture of fertilisers for farmers via organic recycling: a process that transforms some of the biowaste into an approved fertiliser.
- The production of biogas via methanisation, ultimately generating electricity and heat.

In order to be recycled, packaging needs to be removed from some bio-waste, particularly

from large-scale food distribution. Depackaging equipment separates the contents from the container in order to recycle the organic waste. Paprec has this type of equipment at the Brive and Fresnoy-Folny sites and will equip additional sites in 2022. More broadly, in 2021, the Group invested heavily in dedicated equipment.

As part of its commitment to a "return to soil" strategy, the Paprec AGRO division recycles biowaste at its two sites in Saint-Paul-la-Roche and Saint-Christophe-de-Double to store carbon in the soil ("4 per 1000" Initiative) and to support the development of sustainable agriculture. This won them the European Prize for Sustainable Development in 2019.

### Fresnoy-Folny: a pioneering site

Bought by Paprec in 2018, the Capik methanisation plant was set up 10 years ago. Since then, the Group has invested heavily to develop a high-performance industrial facility including a compactor, biowaste depackaging equipment and an in-house leachate treatment system.

In 2021, 36,000 tonnes of biowaste were converted into biogas and 20,000 tonnes of green waste were composted. The agricultural cooperative NatUp supplies the organic waste and they also recover the digestate from the methanisers to fertilise the soil: the circular economy on a regional scale!

## 45,572

tonnes composted in 2021

## 69 GWh

of biogas injected

## 4,441 MWh

produced from source-separated bio-waste

# Energy recovery

## Production of SRF

When recycling of certain types of waste is technically impossible, it can be redirected to energy recovery.

One of the solutions developed by Paprec is the production of Solid Recovered Fuels (SRF) from sorted waste that cannot be directly recycled, making it possible to replace coal in cement works and boiler rooms, for example.

The production process is carefully controlled to ensure consistency of outlets: plants are equipped with grinders, granulators, screens and optical sorters so that only combustible materials leave the production line. SRF is then mixed with traditional fuel and used by industry. The regulatory implications are significant, as SRF plants can help France achieve carbon-free energy independence.

With a view to maximising outlets for this type of fuel, Paprec is continually investing in solutions for recovering energy from SRF to generate energy, heat or for industrial use, while respecting the order of treatment methods.

The Group's recent strategic acquisitions aim to complement its business activities in this area, broaden its expertise and ensure more responsible waste management.

## Innovating for better value

Paprec has teamed up with Vicat to reduce the amount of waste in landfill sites.

The building materials specialist wants to substitute 100% of the fossil fuels used in its cement processes by 2025.

The two industrial figures will create "ALTèreNATIVE", a joint venture dedicated to the manufacture of SRF.

## With Paprec Energies, the Group has positioned itself as a producer of renewable and competitive energy

Since 2018, with the acquisition of Inova Operations (in which Paprec has held 100% of the capital since 2021), the Group has been developing expertise in the construction and management of waste-to-energy units.

In 2021, Paprec completed its energy recovery offer with the acquisition of two flagships of the French waste industry: CNIM Opération & Maintenance at CNIM and TIRU at EDF, enabling complete control of the waste management chain.

With the creation of a new division, Paprec has become the 3<sup>rd</sup> largest stakeholder in energy recovery and will develop projects in Europe to reduce the use of fossil fuels and limit CO<sub>2</sub> emissions.





With 25 energy recovery units (ERUs) and an annual recovery capacity of 4 million tonnes of waste, Paprec Energies has 1,500 employees and a turnover of €300 million.

This new division gives the Group an international dimension: two operating waste-to-energy units are located in the United Kingdom, three in Poland and one in Baku, the capital of Azerbaijan. The latter is the Group's largest waste-to-energy plant, with a recovery capacity of 500,000 tonnes per year.

Including the creation of SRF boilers and furnaces for industry, SRF projects are a subject of constant work to increase the Group's expertise in this area. The Group is developing major projects for the production of SRF.

## 901 GWh

Total production of green electricity  
(ERUs + landfill)

## 1.2 Mt

of waste incinerated



# Paprec Energies combines three flagships in energy recovery



## **CNIM O&M, a specialist in energy recovery**

Founded in La Seyne-sur-Mer in 1856, the Constructions Navales et Industrielles de la Méditerranée Group (CNIM) is a flagship of French industry. The company is a specialist in the environment, energy, defence and high-tech industries. It has built a large number of European energy recovery facilities. It has operated the waste-to-energy plants for more than 50 years and is involved in all types of energy recovery and flue gas treatment systems.

Its Operation & Maintenance (O&M) branch will join Paprec in the Paprec Energies division. It manages 10 waste-to-energy units in France, Azerbaijan and the UK.

# 1,500

employees in the Paprec Energies division

## **TIRU, a specialist in thermal recovery and methanisation**

TIRU, a former subsidiary of Groupe EDF, operates 16 recovery units to process more than 2 million tonnes of household waste for 1.99 TWh of energy produced. A project to build and operate an SRF energy recovery unit is also planned in Poland.

The plant in the Landes region of France won the 2021 ecological transition prize awarded by L'Usine Nouvelle. This prize was awarded for the SRF production process for household waste for use in cement works to replace fossil fuels.

## **TIRU, a pioneer of patented moving grate incinerator technology**

This technology allows the incinerator to oscillate in both directions to ensure better mixing of waste. It optimises energy production through improved combustion, minimal maintenance, maximum availability and very low levels of GHG emissions.

# 1,430 GWh

of heat produced from ERUs

# 830 GWh

of electricity generated from ERUs

## Inova Operations

A specialist in the operation and maintenance of incinerators, the company treats 190 kilotons of waste annually in three ERUs: Chinon (Indre-et-Loire), Noyelles-sous-Lens (Pas-de-Calais) and Pithiviers (Loiret). The total energy produced is more than 82,000 MWh.

**7 years after  
its first green bond was  
issued, Paprec raises  
€450 million**

A pioneer in raising green bonds in 2015, the Group has successfully repeated the operation with 160 investors, 30% of whom are French. These new green bonds are intended to finance projects that promote the ecological transition. Confirming the confidence of investors in Paprec's capacity to meet the challenges of waste collection and recovery, these bonds will enable the Group to invest massively in efficient industrial facilities.



# The management of final waste, a key area of expertise

In order to be present throughout the waste management chain, Paprec offers the highest-level outlets for final waste, which cannot be recovered for material or energy.

## Storage as the ultimate solution

To anticipate the 50% reduction in landfill by 2025, as set out by law in 2015, Paprec is developing alternative solutions by improving collection, sorting, recycling and energy recovery in line with storage capacities to reduce the tonnage stored. Paprec wants to set an example at its non-hazardous waste landfill sites. All facilities are monitored and are the subject of constant dialogue with stakeholders: consultations with local residents, work with local associations, etc. The ISO 14001 certification of all of these sites means they meet regulatory obligations. In order to ensure integration into the environment and sustainability, the Group guarantees environmental monitoring and invests in landscape integration and biodiversity. It also uses innovative processes such as in-situ treatment of leachates using vacuum evaporator-concentrators.

## A plant to reduce the amount of waste sent to landfill and the use of fossil fuels

In 2021, the Group was entrusted with a flagship project on behalf of the Syndicat des Portes de Provence, as part of a public service concession. The Portes de Provence Drôme Syproval plant will recover 50% of the 110,000 tonnes of final waste per year through:

- Material recovery by type of material
- Energy recovery, with the production of SRF for use in cement plants or industrial boilers
- Biodrying of the organic materials to reduce waste volumes.

## Innovative leachate treatment

Paprec uses an innovative process to treat leachate at a pilot site in Montblanc (Hérault): bacteria feed on biodegradable organic pollutants. The bacteria removes ammonia from the liquid produced during natural fermentation of waste and from rainwater to release non-pollutant water into the environment, as required by regulations.





# Innovation to benefit the entire value chain

Paprec's dynamism comes from increasing investment in high-performance industrial facilities. Today, Paprec is investing in the digital transformation and innovation for recycling processes and products.

## Innovative processes

- Production of LDPE pellets from plastic film for use in industrial packaging.
- Development of multi-channel waste sorting and recovery solutions for local authorities and industrial companies by the Major Projects Division.

Digitisation and automation:

- The "Mon Tri" application for users in the Sundgau local authority area informs citizens about sorting, schedules and collection points.
- The ID Collect', Pick Collect' and Prati Collect' applications optimise collection.
- The Gargantua platform gathers data from the Group's connected objects to optimise transport.
- The Kizeo application allows waste collection centre wardens to directly request a truck.



## A solution for vehicle batteries

RECYVABAT, Paprec's battery recycling and recovery project anticipates the boom in battery production in the automotive sector. By 2030, the number of electric vehicles on the road is expected to increase tenfold. Paprec has therefore joined forces with Orano, MTB Manufacturing, Saft and CEA-Lite to benefit from cutting-edge research and industrial expertise.

## Quality products

- Paprec has invested in a new machine that can quickly and accurately assess the quality of recycled plastic materials, which is unmatched in Europe.
- Laboratories in each branch rigorously check wood destined for biomass boilers to provide customers with a quality product.
- The R-bag innovation allows for the collection of construction waste in Big Bags.
- Each Paprec Plastique plant has a laboratory.
- Patent for book recycling.
- 50% increase in production capacity at the ultra-modern France Plastique Recyclage (FPR) plant: food-grade recycled PET.
- Actiplast: first French compounder to propose a CSTB (Centre Scientifique et Technique du Bâtiment) certified formula for its PVC thermal insulation materials.

That accelerates the  
ecological transition  
and the decarbonisation  
of the planet  
in close collaboration  
with the regions.

Thanks to its industrial facilities and employees, Paprec is now on the front line in meeting the societal challenge of creating a more responsible, more circular economy that is more respectful of people and the planet. This means that the Group avoids using virgin raw materials and the related release of greenhouse gases into the atmosphere.









# Developing the circular economy

By recycling waste, the Group supports a circular and responsible economy and promotes more sustainable production methods. This is reflected in an ambitious investment policy serving two major commitments:

- **Increased collection rates** through investments in an effective collection tool (with connected and geolocated collection vehicles, for example), adapted offers (delegated management of industrial sites or door-to-door collection through EasyCollecte, for example), cooperation with eco-organisations and by raising public awareness.
- **Improved recovery rates:**  
in 2021, Paprec continued investments to recycle new materials (plastic film, yoghurt pot offcuts, etc.) on its sorting lines or to reduce waste-treatment costs and thereby reduce the proportion of final waste at the end of the line through the digitisation of 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).

In recent years, waste recovery has become an unavoidable sector and factor for the ecological-transition process.

France's Grenelle laws, the 2014-2020 waste-recovery plan, the circular economy law, the paper-board market crisis, and the industrial agreement on reduce-at-source packaging volumes: the successive laws on increasing recovery rates, the reduction of outlets for final waste and the international context have posed a real challenge for Paprec.

The AGECL law of February 2020 and the recovery plans give increasing importance to these issues in order to reduce waste volumes and to expand the Extended Producer Responsibility (EPR) scheme. In parallel, the European Union revised numerous

## Collection bags made from recycled plastic made by Paprec

A partnership with Plasthylen has led to the development of a bag manufactured in France using mostly recycled plastic produced by Paprec's specialist sites. Today, Plasthylen supplies the Group with 17,000 bags each month, or 20 tonnes of bags produced from recycled raw materials.

regulations in 2020 while preparing its "Green Deal" in order to develop, in particular, the use of recycled raw materials.

Through its business activities, Paprec plays a major role in achieving the following objectives:

- 100% of all plastic recycled by 2025
- Improve local authorities' waste collection
- Prevent the destruction of new non-food unsold stock, donate or recycle products by the end of 2023
- Encourage the reuse or recovery of construction-site waste
- Combat illegal waste dumping
- Expand the range of EPR streams to include new product families (toys, cars, cigarettes, etc.)

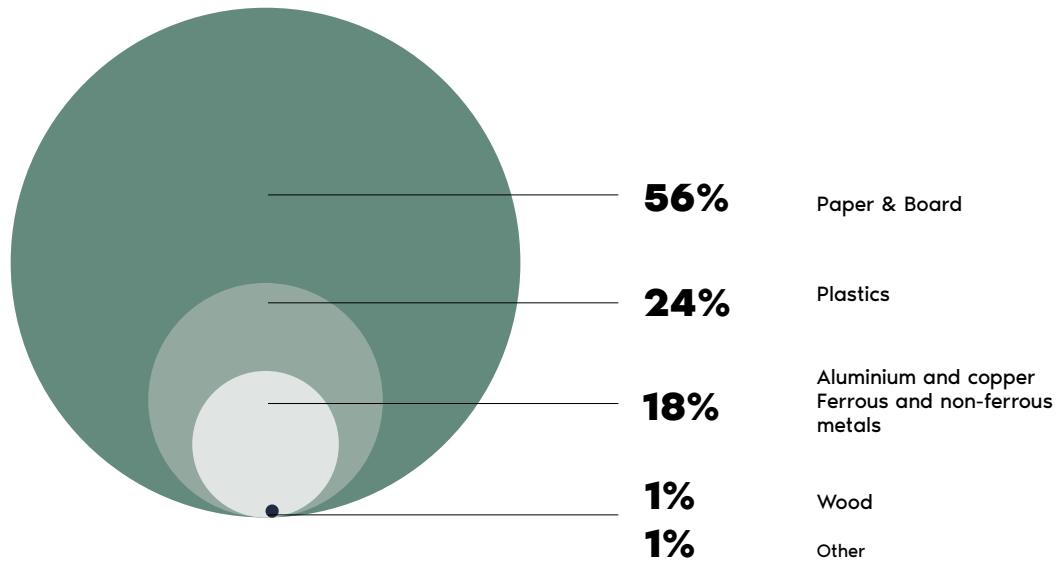
# Combating climate change

As a waste collector and recycler, Paprec produces raw materials from recyclable materials, preventing the extraction of virgin raw materials and saving energy in the "primary smelting" process. Since 2011, the Group has tracked changes in its greenhouse gas emissions. In 2021, 72% of the Group's emissions came from vehicle fuel consumption and 26% from energy required to operate sorting centres and plants.

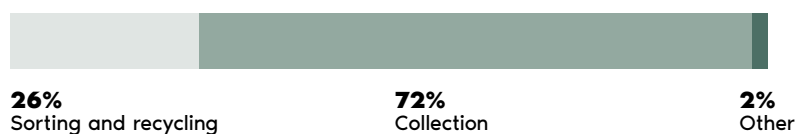
Paprec has implemented a series of actions to reduce its environmental impact: training drivers in eco-driving, optimising routes, using river transport, hybrid vehicles and gas-powered trucks.

In addition, by recovering organic waste, the Paprec Agro subsidiary stores carbon in the soil ("4 per 1000" Initiative). In 2019, the project won the European Commission's sustainable development award.

## Breakdown of emissions prevented related to recycling



## Breakdown of GHG emissions by activity related to recycling



# Helping the energy transition

Paprec contributes to the reduction of CO<sub>2</sub> emissions through its principal recycling activity, saving energy from the initial smelting process and preventing GHG emissions linked to the use of virgin raw materials.

With the creation of Paprec Energies, energy recovery is a response to the dual challenge of sustainable development: reducing the amount of waste in landfill and decarbonising energy production France.

This strengthens France's energy autonomy, which is essential for the necessary transition of the sector.

The Group has invested heavily in recent years to produce green energy and now operates 25 waste-to-energy units. As a result, 901,387 MWh of green electricity and 69 GWh of biomethane were produced and injected into networks in 2021.

By offering recycled PVC formulations, Actiplast, Europe's leading PVC compound company, is accelerating the ecological transition of plastics manufacturers.

## The plant in Thivernal-Grignon has been recycling waste for over 50 years

This plant was set up in 1975 by the CNIM Group and now has three incineration lines for annual production of 243,000 tonnes. Two of the lines are for heating (hot water) and the third is for electricity generation (from steam). It is one of the most efficient plants in the sector, following modernisation works in 2016 and 2020. The recovered thermal energy supplies a district heating network equivalent to 5,500 homes.

# 25,000 t

of recycled PVC per year

# €8.5 million

invested in the production of SRF

# 6

SRF units



# Protecting biodiversity



By giving a second life to waste and preventing the over-exploitation of natural resources, Paprec has built an economic model based on business activities that make a significant contribution to biodiversity.

## Strengthening the commitment to biodiversity

The Group has implemented a range of actions, including:

- Signing the “Act4nature” in 2018, committing to incorporating biodiversity conservation into all of its business activities.
- Continuing the partnership with Humanité & Biodiversité signed in 2020 to develop actions in the regions where Paprec is present.
- Drawing up a “Biodiversity Action Plan” with sections on employee awareness and managing the impact of the Group’s landfill business.
- Preserving the landscape by installing anaerobic digestion units.
- Creating a new value chain for waste from oyster farming in line with organic farming practices.

- Trialling soil restoration projects via the Paprec Agro centre in the Dordogne, which has won numerous awards including the European Commission’s sustainable development award.

At the Group’s ICPE sites (“facilities classified as important for the environment”), preserving biodiversity is of major importance. Consequently, on these sites impact studies are conducted, local fauna-and-flora monitoring programmes are carried out and ancillary activities are performed: beekeeping, tree planting or even eco-grazing.

## €12.8 million

allocated to environmental protection

## 173

sites with environmental certification

## 4

Biodiversity oases



# Regionally-based organisation

## Dense national coverage...

Paprec made the decision to stay local: its 180 industrial sites, spread throughout mainland France and abroad, optimise the management of waste, as close to customers as possible, and facilitate the Group's ability to respond and adapt to customer challenges and constraints.

## Strengthened by new strategic acquisitions

Following the strategic expansion of the waste-to-energy scope, Paprec is expanding its territorial network with the sites of CNIM's O&M division, TIRU and Inova Operations.

## Decentralised organisation

Paprec's head office is spread across the country: Paris, La Courneuve, Saint Herblain, Toulouse, Lyon, Marseille, Lens, Rouen and Rennes. Similarly, five regional general managers oversee business activities and sit on the Executive Committee. A new division - Paprec Energies - was created following the acquisitions of TIRU, CNIM O&M and Inova Operations.

10

average number of plants per region

180

number of plants in France

1,550

jobs created

## A strong local presence

Paprec has always given preference to local SMEs and suppliers when making purchase decisions. Over the past six years, the Group has assessed its suppliers against a responsible purchasing guide made available to each agency. The decision to support local purchases, dear to Paprec, enables the Group to contribute to the creation of jobs in the regions, limit its greenhouse gas emissions and secure supplies.

Paprec supports innovative French groups by entrusting them with facilities to be built in a pioneering partnership: See Pellenc and Aktid, for example. Cooperation with all of its stakeholders is at the heart of the Group's DNA. Paprec works with the Local Employment Integration Plans (PLIE) in Île-de-France and Bouches-du-Rhône. Open days, local celebrations, exhibitions in media libraries, summer workshops on beaches and presentations for schools, customers and local authorities: Paprec has already welcomed 10,000 school children for education days at its sites and elsewhere to raise public awareness of recycling issues and its professions, despite delays caused by the Covid-19 crisis.

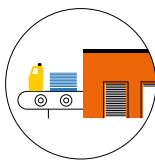
## Paprec raises awareness among future generations about sorting and recycling

In partnership with the "Label Bleu" association, a card game was created in the TRIVALO 34 centre to raise awareness among children and their families about cleanliness in the Occitanie region.

# The socio-economic footprint

Through our operations and the value chain we are implementing, the Paprec Group creates socio-economic benefits that go beyond just the scope of

our business activities and affect all of the regions where the Group is present. In France, these benefits are distributed as follows:



**FOR 1 PAPREC  
INDUSTRIAL SITE**

**139**

direct, indirect and induced jobs (FTE) supported



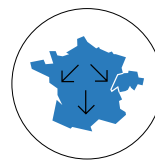
**FOR 10 PAPREC  
(FTE) EMPLOYEES**

**4**

indirect (FTE) jobs supported

**2**

induced (FTE) jobs supported



**FOR EVERY €1 MILLION  
OF REVENUE GENERATED  
BY PAPREC**

**€568,000**

direct, indirect and induced contribution to GDP

1

## **DIRECT SOCIO-ECONOMIC BENEFITS**

The Paprec Group's activities cover the entire waste management value chain: collection, sorting, recycling, sale of recycled raw materials, organic and energy recovery, final waste management, etc. The Group creates jobs and contributes, through its revenue, to France's GDP. These are Paprec's direct socio-economic benefits.

2

## **INDIRECT SOCIO-ECONOMIC BENEFITS**

The suppliers Paprec uses for all of its activities provide transport, collection and waste treatment equipment. These suppliers also call on their own suppliers, who, in turn, do the same throughout the value chain. To respond to extra demand created by PAPREC, those in the chain generate jobs and contribute to the country's wealth. These effects constitute the Group's indirect socio-economic benefits.

3

## **INDUCED SOCIO-ECONOMIC BENEFITS**

Jobs created directly and indirectly by Paprec are a source of income that households will then spend in the economy, leading to demand for different goods and services, and mobilising other value chains to address them.

The data used in this calculation relates to the whole of the 2021 financial year, within the scope of the Paprec Group in France.

# 0

## and supports its clients, employees and associations

For more than 25 years, Paprec has offered its customers local solutions and services adapted to their needs.

The key to its success is that employees are at the heart of its ambitions: fighting discrimination, encouraging potential and promoting team spirit, ensuring the safety of employees and striving for excellence and performance in all of the Group's business lines.

In line with the values it promotes, Paprec supports and sponsors numerous projects and associations.

# 3









## Local authorities

The Group is continuously improving its service offering. Collection of waste and household refuse, sorting, delegated management of sorting centres, management of waste collection centres, recovery of materials, methanisation, management of mechanical-biological treatment (MBT) and storage of final waste: Paprec offers a full range of services.

The Group's success lies in its operational excellence and investment capabilities, as evidenced by the major contracts won in 2021: Bourges Plus, a sorting centre for selective collection in Tours, Cergy Pontoise, design and management of the sorting centre in Bourges (Trivalo 18), Grand Nancy metropolitan area.

# 25%

of selective collection in mainland France

# €592 million

local authority turnover

### Cergy: a considerable contract for Paprec

In December 2021, the Cergy Pontoise urban community awarded Paprec a 15-year contract to manage a multi-activity centre including energy recovery, selective collection sorting, bulky waste sorting, composting and a network of five waste collection centres and a recycling centre - i.e. 216,000 tonnes.

This contract demonstrates the complementary nature of the Paprec teams' work.

## Eco-organisations

According to the principle of extended producer responsibility (EPR), reinforced with the AGEC law, companies are responsible for the end-of-life of the products they put on the market. The most common solution is to join larger eco-organisations, some of whom are Paprec's clients. These specialist organisations (furniture, packaging, medicines, etc., for example) are approved according to a set of specifications.

Paprec D3E collects, for example, electrical and electronic equipment waste (WEEE) in partnership with specialist eco-organisations to channel this waste to sorting centres.

### Paprec D3E broadens its skills

Ecosystem supports Paprec in the processing of large household appliances (LHE), excluding refrigeration equipment.

The Group already processes small mixed equipment, so it's now a matter of broadening its know-how and skills in this new waste stream to exceed a 90% recycling rate.

# Companies

From collection, sorting, recycling and landfill to incineration, Paprec has created a comprehensive range of services for companies and the tertiary sector. Paprec is involved in the entire spectrum of waste management to meet customer needs: design and installation of storage equipment, waste collection, sorting and recovery, hazardous waste management, delegated management of industrial sites or technical equipment, and material recovery.

The experience, trust and quality of service Paprec provides to companies are illustrated by the large number of new contracts signed in 2021, with tailored offers. In 2021, the Group continued to roll out "My Paprec," its online platform where customers can consult reports concerning the tonnage and recycling rate of their waste and order additional services. The site [easyrecyclage.com](https://www.easyrecyclage.com) develops new online solutions for the treatment of waste produced by industry. The site enables customers and prospects to quickly find the collection material that they require and the corresponding service.

In 2021, for example, Paprec's teams helped the RATP raise awareness of sorting among its customers by assessing the waste collected to identify recoverable and final waste. Paprec

offered the SNCF a dual-flow collection system to optimise the processing of recoverable waste. The Group also offered the PSA Group optimum performance with the use of R'Track for internal collection and a connected button to trigger collection in sensitive areas. In 2022, Paprec is renewing the contract with Danone for 7 years, allowing Danone to manufacture 100% recycled plastic bottles (rPET).

## Several major contracts won in 2021

Contracts won: Airbus, Air France, Amazon, Ariane, Auchan, Center Parcs, Cora, Danone, e-factory, Française des Jeux, JCDecaux, Michelin, Nutribio, PSA, RATP, Sanofi, SNCF, Souffle, Veolia...

## + 45,000

contracts signed by Paprec  
with manufacturers in France

## 99.6

contract renewal or extension rate

## €1,287 million

revenue from industry contracts

## The FPR plant (Limay), the flagship for recycled PET in France

The new gold of recycled plastic, r-PET is one of the few recovered products that can be used for food contact after recycling. Recycled PET granules now sell for €1,300 a tonne compared with €800 just five years ago. The plant operates using cutting-edge technology, such as laser spectroscopy for optical sorting, and supplies leading consumer goods manufacturers.

# Ensuring the safety of employees

Paprec employees work in a key sector in which health-and-safety risks are high: road accidents, fire, repetitive strain injuries and exposure to Covid-19. It is for this reason that site and employee safety is a priority for the Group.

## A positive balance sheet for 2021

2021 saw a positive balance sheet, with the reorganisation of the Quality Safety Environment (QSE) departments, initiated in 2018. Henceforth, a regional QSE manager, working in close contact with the agencies and the 70 fire officers, is the Group's preferred relay of its policy, actions and best practice. Paprec has continued to train employees on the ground in safety culture with a Safety Manual. Paprec renewed all of its safety certifications and earned specific certificates for each specialist business activity (D3E, hazardous waste, etc.). In addition, initiatives dedicated to health and safety are implemented at Paprec sites, such as the organisation of safety challenges and talks on these subjects. Accident indicators are monitored per site and in regional committees. This resulted in a workplace accident frequency rate of 33.26 and a severity rate of 2.27 in 2021.

## €14 million

invested since 2017 in fire detection and extinguishing equipment

## €7.8 million

invested in safety

### Firefighting

70 fire officers have been appointed on a voluntary basis for the Group's branches to tackle fires. These officers have been trained to independently carry out fire drills in the agencies assigned to them.

## An intensified prevention policy

With €7.8 million invested in 2021, Paprec has allocated the resources needed to implement a policy of wide-scale fire prevention and management, a risk inherent in its activities: audits, thermal cameras, sprinklers, employees spokespersons, drills and powerful hoses have made it possible to control some fires before the fire brigade arrives.

Over the past two years, refuse collectors, sorters, machine operators, technicians, supervisors, drivers, team leaders and operations managers have been on the front line of the Covid-19 epidemic.

One-off bonuses have been awarded to support the efforts of these everyday heroes who have kept the waste treatment sites open. Their profession has been recognised as an essential activity for the nation.



# Encouraging diversity and equality in the workplace

Paprec has grown with the desire to build a more fraternal society. It was the first French company to adopt a diversity and secularity charter in 2014 to respect employees' diversity of opinion, culture, education and age.

In 2019, the Group acquired Résilience, a company whose purpose is to find employment for the long-term unemployed, and "Le Petit Plus," a "social and solidarity economy" company which employs 70 disabled people to collect and sort office waste.

In 2021, everyone moved into the La Courneuve head office with two goals: to benefit from optimal working conditions and complete integration into the Group, and to be accompanied by La Corbeille Bleue, a Paprec subsidiary that specialises in the management of tertiary-sector waste.

For certain services, Paprec turns to organisations that reintegrate workers with disabilities. See for example the Arbois agency, which works in partnership with Elisa 13, an ESAT (establishment and service for assistance through work), for collection and pre-sorting assignments.

In accordance with national regulations, Paprec has calculated its professional equality index for 2021. It was 90/100, whereas the regulation sets a target of 75/100.

In addition, the Group's profit-sharing agreement was extended to all Paprec subsidiaries in 2021.



## 315

number of employees with disabilities

## 26.6

M/F ratio in management positions

## 90

Professional equality index

## 66

nationalities

# Growing through people

The commitment and performance of employees are key to the Group's business model and corporate culture and have enabled Paprec to grow for over 25 years. Recruitment and development of skills is a priority that is inseparable from the Group's economic health. By committing to guaranteeing an attractive career path and training, Paprec capitalises on the skills of its employees and promotes employability.

The Group has rolled out an ambitious recruitment programme, relying in particular on work-study programmes. A training programme for job seekers is also being rolled out, in partnership with the AFPA.

In the area of skills management, the cooperation of the central and regional HR teams meant that 67,150 hours of training could be given to the Group's talents. A personalised training plan makes it possible to manage this challenge; the plan is monitored throughout the year using a dedicated tool. The Group strives to offer inspiring career opportunities to everyone. In 2021, 790



employees benefited from internal promotion. The internal "Careers" website lets everyone consult and apply for vacancies, and thereby favours internal mobility. An integration programme is also offered to the Group's younger executives.

## A graduate programme to support talented young people

Since 2021, Paprec has offered a two-year course to 8 to 12 young graduates from top schools with the potential to become branch managers/sales managers/service managers. On the programme: a two-week induction course, three eight-month assignments in three different branches/departments in at least two different regions and two different "professions" plus ongoing training.

# 14.9

Average number of hours of training per employee trained

# 790

Number of internal promotions

# Boosting performance through well-being

Since it was established, Paprec has implemented an ambitious social policy. In 2019, the historic site of La Courneuve was overhauled: the "Paprec Academy" has squash and tennis courts and a futsal pitch. A room dedicated to rest and reading has been set up in the Saint-Herblain head office and in some agencies.

In 2021, the Group was particularly attentive to the health and safety of its employees - particularly those considered to be vulnerable. Specific support measures were introduced and the Group's CEO, Jean-Luc Petithuguenin, publicly stated in front of employees that he would not lay anyone off due to the health crisis, thereby making the same commitment as the one that he made in 2008 at the time of the subprime mortgage crisis.

## 2021 employee survey: a success!

The 2021 employee survey had a high participation rate: 80% of employees responded (compared to 77% in 2020).

The survey showed high levels of satisfaction in most of the areas covered and a very high level of awareness of Paprec's strategy: 100% of employees have confidence in the future of the Group.



# Philanthropy



Paprec supports initiatives and associations whose values reflect those of the Group in the fields of sport, culture, health and environmental protection.

## **Paprec has sponsored the Opéra National de Paris since 1998.**

Since 2007, Paprec has been supporting this art form within the Paris Opera House through AROP (Association for the promotion of the Paris Opera). In 2010, the Group became the main sponsor of the ballet. In 2021, Paprec announced the renewal of its sponsorship for the next 3 seasons.

## **Paprec has supported Institut Gustave Roussy since 2018 and the ICM since 2011.**

Since 2018, Paprec has been funding Europe's premier cancer centre. Institut Gustave Roussy is a cancer care, research and teaching centre that treats patients suffering from all types of cancer. Paprec will provide financial support for a specific research programme on childhood cancer over the next four years.

## **Paprec: patron of JALMALV Paris Ile-de-France since 2012**

JALMALV is an association that supports people coming to the end of their life, as well as their family members.

## **Paprec has supported ASMAE since 2020.**

Paprec supports the Sœur Emmanuelle association to help children with disabilities.

## **Paprec has supported the Aide au Vietnam et à l'enfance association since 2017.**

## **Paprec, a partner of France Nature Environnement since 2018 and Humanité et Biodiversité since 2020**

to create "natural oases"—protective bubbles of biodiversity—on a corporate level as well as on the level of the general public. The Group wishes to roll out further specific actions to protect the species on its sites, whether on brownfield or active industrial sites.





# Sponsoring



## **Paprec in the Vendée Globe and the Transat Jacques Vabre races**

Paprec finances the IMOCA-class monohull sailed by Sébastien Simon. The boat was unveiled in the Group's colours in July 2019. The boat took part in its first Vendée Globe in November 2020, and a new monohull is under consideration. In 2021, skipper Yoann Richomme joined the Arkéa-Paprec teams to take part in the Vendée Globe 2024.

## **Paprec supports ASM Clermont-Auvergne and more than 50 sports clubs.**

Paprec sites fund numerous associations in the regions with a social, cultural or sporting dimension.

# Tables of CSR indicators

## Profile and Governance

| INDICATORS   | UNIT | 2019      | 2020      | 2021             | GRI4  | Reference to<br>Grenelle 2 topics<br>- Art. R. 225-102.1<br>(Decree No. 2012-557) |
|--|------|-----------|-----------|------------------|-------|---|
| <b>BOARD OF DIRECTORS</b>  |      |           |           |                  |       |   |
| Number of Board meetings   | No.  | 5         | 5         | <b>5</b>         | G4 34 |   |
| Board participation rate   | %    | 98%       | 98%       | <b>98%</b>       | G4 34 |   |
| Percentage of independent Board Members  | %    | 20%       | 20%       | <b>20%</b>       | G4 34 |   |
| Percentage of women Board Members  | %    | 18%       | 18%       | <b>18%</b>       | G4 34 |   |
| <b>EXECUTIVE COMMITTEE (OR MANAGEMENT COMMITTEE)</b>   |      |           |           |                  |       |   |
| Number of Executive Committee members  | No.  | 19        | 19        | <b>19</b>        | G4 34 |   |
| Number of Executive/Management Committee meetings  | No.  | 11        | 11        | <b>11</b>        | G4 34 |   |
| <b>AUDIT AND INTERNAL CONTROL</b>  |      |           |           |                  |       |   |
| Number of dedicated committee meetings of the Board  | No.  | 7         | 12        | <b>12</b>        | G4 33 |   |
| Audit Committee participation rate   | %    | 100%      | 100%      | <b>100%</b>      | G4 33 |   |
| External auditing expenses (Auditors)  | €K   | 983       | 950       | <b>1,280</b>     | G4 33 |   |
| <b>FINANCIAL INFORMATION</b>   |      |           |           |                  |       |   |
| Total value of assets  | €K   | 2,111,253 | 2,277,061 | <b>3,090,725</b> | G4 9  | Regional, economic<br>and social impact<br>of the company's<br>business           |
| Tangible fixed assets  | €K   | 1,805,042 | 1,850,213 | <b>2,205,946</b> | G4 9  |   |
| Consolidated revenue   | €K   | 1,406,586 | 1,333,241 | <b>1,879,814</b> | G4 9  |   |
| <b>Revenue by type of customer</b>   |      |           |           |                  | G4 9  |   |
| Local authorities  | %    | 32.50%    | 43.80%    | <b>38.06%</b>    | G4 9  |   |
| Private companies  | %    | 67.50%    | 56.20%    | <b>61.94%</b>    | G4 9  |   |
| Group capital investments  | €K   | 128,427   | 124,494   | <b>164,238</b>   | G4 9  |   |
| Acquisition investments  | €K   | 7,139     | 2,329     | <b>211,134</b>   | G4 9  |   |
| Total Group investments  | €K   | 135,566   | 126,823   | <b>375,372</b>   | G4 9  |   |
| Number of Integration Committee meetings for new entities<br>having joined the Group in the year | No.  | 36        | 36        | <b>24</b>        | G4 9  |   |
| <b>SITES</b>   |      |           |           |                  |       |   |
| <b>Total number of Paprec sites</b>  | No.  | 257       | 258       | <b>308</b>       | G4 6  | Regional, economic<br>and social impact<br>of the company's<br>business           |
| In France  | No.  | 250       | 251       | <b>294</b>       | G4 6  |   |
| In Switzerland   | No.  | 7         | 7         | <b>7</b>         | G4 6  |   |
| In the UK  | No.  |           |           | <b>2</b>         | G4 6  |   |
| In Spain   | No.  |           |           | <b>1</b>         | G4 6  |   |
| In Africa  | No.  |           |           | <b>2</b>         | G4 6  |   |
| In Poland  | No.  |           |           | <b>1</b>         | G4 6  |   |
| In Azerbaijan  | No.  |           |           | <b>1</b>         | G4 6  |   |

| INDICATORS  | UNIT | 2019   | 2020   | 2021   | GRI4  | Reference to<br>Grenelle 2 topics<br>- Art. R. 225-102.1<br>(Decree No. 2012-557) |
|---|------|--------|--------|--------|-------|---|
| SITES (cont.)   |      |        |        |        |       |   |
| Number of sites by type   |      |        |        |        | G4 6  | Regional, economic<br>and social impact<br>of the company's<br>business           |
| Plants  | No.  | 136    | 136    | 180    | G4 6  |   |
| Commercial agencies and offices   | No.  | 17     | 17     | 21     | G4 6  |   |
| Other sites (consolidation sites, eco-sites, plants under construction, etc.) | No.  | 68     | 69     | 76     | G4 6  |   |
| Landfill facilities   | No.  | 29     | 29     | 29     | G4 6  |   |
| Types of industrial sites   |      |        |        |        | G4 6  |   |
| Hazardous waste storage platforms   | No.  | 5      | 5      | 5      | G4 6  |   |
| Final waste landfill facilities   | No.  | 29     | 29     | 29     | G4 6  |   |
| Composting plants   | No.  | 13     | 13     | 14     | G4 6  |   |
| Energy recovery unit  | No.  |        |        | 25     | G4 6  |   |
| MBT unit/Green waste/Methanisation  | No.  |        |        | 10     | G4 6  |   |
| WEEE recycling plants   | No.  | 13     | 13     | 13     | G4 6  |   |
| Plastic recycling plants  | No.  | 10     | 10     | 11     | G4 6  |   |
| Worksite waste recycling plants   | No.  | 9      | 9      | 9      | G4 6  |   |
| Waste paper, industrial non-hazardous, timber recycling plants                | No.  | 84     | 85     | 89     | G4 6  |   |
| Confidential office paper destruction plants                                  | No.  | 12     | 12     | 12     | G4 6  |   |
| Selective collection sorting plants   | No.  | 31     | 31     | 36     | G4 6  |   |
| Scrap iron and other metal recycling plants                                   | No.  | 14     | 14     | 14     | G4 6  |   |
| LOCAL ECONOMIC IMPACT   |      |        |        |        |       |   |
| % direct local employment   | %    | 100%   | 100%   | 100%   |       | Economic impact   |
| INNOVATION*   |      |        |        |        |       |   |
| Number of hours devoted to innovation   | No.  | 21,056 | 22,483 | 23,370 | INN 1 |   |
| R&D expenditure eligible for tax credits                                      | €K   | 3,741  | 2,212  | 2,187  |       |   |
| RESEARCH TAX CREDIT (CIR)   | €K   | 1,117  | 663    | 676    | INN 1 |   |

\*Scope = Paprec in France

## Social performance

| INDICATORS  | UNIT             | 2019   | 2020   | 2021   | GRI 4 | Reference to<br>Grenelle 2 topics<br>- Art. R. 225-102.1<br>(Decree No. 2012-557) |
|---|------------------|--------|--------|--------|-------|---|
| JOBS AND HEADCOUNT  |                  |        |        |        |       |   |
| Total average annual headcount  | No. of employees | 9,618  | 9,722  | 11,852 | LA 1  | Employment  |
| Breakdown by division   |                  |        |        |        | LA 1  |   |
| Head offices and commercial agencies  | %                | 12.67% | 10.58% | 10.25% | LA 1  |   |
| Plants and other  | %                | 87.33% | 89.42% | 89.75% | LA 1  |   |
| Headcount by geographic region  |                  |        |        |        | LA 1  |   |
| France  | No.              | 9,120  | 9,152  | 11,522 | LA 1  |   |
| Switzerland   | No.              | 150    | 170    | 170    | LA 1  |   |
| Spain   | No.              |        |        | 3      | LA 1  |   |
| United Kingdom  | No.              |        |        | 55     | LA 1  |   |
| Poland  | No.              |        |        | 1      | LA 1  |   |
| Azerbaijan  | No.              |        |        | 101    | LA 1  |   |
| Headcount by type of contract   |                  |        |        |        | G4 10 |   |
| Open-ended contract   | %                | 83.25% | 77.60% | 74.12% | G4 10 |   |
| Fixed-term contract and temporary employees                                   | %                | 14.87% | 20.41% | 22.88% | G4 10 |   |
| Other types of contracts: apprenticeships and professional contracts          | %                | 1.88%  | 2%     | 3%     | G4 10 |   |
| Headcount by category   |                  |        |        |        | G4 10 |   |
| Management  | %                | 10.07% | 11.80% | 10.95% | G4 10 |   |
| Supervisors and management assimilated  | %                | 11.66% | 10.34% | 15.80% | G4 10 |   |
| Employees and workers   | %                | 78.20% | 77.70% | 73.25% | G4 10 |   |
| Employees by age brackets   |                  |        |        |        | LA 1  |   |
| Employees aged under 30   | %                | 13.23% | 12.95% | 11.63% | LA 1  |   |
| Employees aged between 30 and 49  | %                | 55.31% | 54.25% | 47.14% | LA 1  |   |
| Employees aged over 50  | %                | 31.46% | 32.80% | 41.24% | LA 1  |   |
| Average age   | Years            | 42.91  | 43.90  | 42.64  | LA 1  |   |
| Average length of service in the Group (or entity integrated by Paprec Group) | Years            | 8.57   | 9.10   | 8.91   | LA 1  |   |
| EMPLOYEE MOVEMENTS  |                  |        |        |        |       |   |
| Number of hires by category   | No. of employees | 1,840  | 1,426  | 2,031  | LA 1  | Employment  |
| Management  | No. of employees | 223    | 181    | 202    | LA 1  |   |
| Supervisors and management assimilated  | No. of employees | 148    | 152    | 286    | LA 1  |   |
| Employees and workers   | No. of employees | 1,469  | 1,093  | 1,533  | LA 1  |   |
| Percentage of hires on open-ended contracts                                   | %                | 70.11% | 72.86% | 73.6%  | LA 1  |   |
| Number of departures and reason   | No.              | 1,209  | 1,003  | 1,339  | LA 1  |   |
| Trial period ended  | %                | 2.23%  | 3.30%  | 6.76%  | LA 1  |   |
| End of fixed-term or temporary employment contract                            | %                | 27.30% | 24.70% | 24.68% | LA 1  |   |
| Retirement  | %                | 7.28%  | 9%     | 6.77%  | LA 1  |   |
| Retrenchment  | %                | 17.04% | 19.20% | 16.48% | LA 1  |   |



## Social performance

| INDICATORS   | UNIT             | 2019   | 2020   | 2021   | GRI 4    | Reference to<br>Grenelle 2 topics<br>- Art. R. 225-102.1<br>(Decree No. 2012-557) |
|--|------------------|--------|--------|--------|----------|---|
| EMPLOYEE MOVEMENTS (contd.)  |                  |        |        |        |          |   |
| Voluntary departure and resignations   | %                | 21.84% | 18.50% | 21.47% | LA 1     |   |
| Other  | %                | 24.32% | 28.90% | 23.84% | LA 1     |   |
| Departure rate*  | %                | 16.48% | 10.76% | 12.16% | LA 1     |   |
| Churn rate*  | %                | 16.06% | 11.36% | 18.10% | LA 1     |   |
| Number of applications received (web and post)                                   | No.              | 40,429 | 37,425 | 61,826 | LA 1     |   |
| EMPLOYEE RELATIONS*  |                  |        |        |        |          |   |
| Number of collective bargaining agreements                                       | No.              | 76     | 101    | 105    | LA 4     | Social relations  |
| Percentage of employees covered by these CBAs                                    | %                | 100%   | 100%   | 100%   | LA 4     |   |
| Number of union delegates  | No.              | 47     | 43     | 49     | LA 4     |   |
| Participation rate in professional elections                                     | %                | 63.22% | 65.04% | 76.50% | LA 4     |   |
| Number of delegates elected  | No.              | 489    | 528    | 534    | LA 5     | Health and safety   |
| WORKPLACE HEALTH AND SAFETY  |                  |        |        |        |          |   |
| Total workplace health and safety expenditure (training and equipment purchases) | €k               | 7,721  | 7,305  | 7,826  | LA 6 & 7 | Health and safety   |
| Workplace accident frequency rate  | rate             | 33.94  | 31.50  | 33.26  | LA 6 & 7 |   |
| Profession average accident frequency rate                                       | rate             | 47     | 40     | 40     | LA 6 & 7 |   |
| Workplace accident seriousness rate  | rate             | 1.91   | 2.20   | 2.27   | LA 6 & 7 |   |
| Occupational average severity rate of accidents at work                          | rate             | 3.60   | 3.50   | 3.50   | LA 6 & 7 |   |
| Number of calendar days lost because of workplace accidents                      | No.              | 27,994 | 30,112 | 40,001 | LA 6 & 7 |   |
| Absenteeism rate*  | rate             | 5.75   | 10.10  | 8.57   | LA 6 & 7 | Work organisation   |
| TRAINING AND SKILLS DEVELOPMENT  |                  |        |        |        |          |   |
| Average number of hours of training per employee trained                         | No.              | 21.20  | 12.56  | 14.9   | LA 9     | Training  |
| Total number of hours of training  | No.              | 70,182 | 43,037 | 67,162 | LA 9     |   |
| Number of internal promotions  | No. of employees | 710    | 561    | 790    | LA 10    |   |
| O/w employee to supervisor and worker to supervisor                              | No. of employees | 74     | 49     | 95     | LA 10    |   |
| O/w supervisor to assimilated manager or manager                                 | No. of employees | 33     | 3      | 23     | LA 10    |   |
| Number of integration pathways for new hires                                     | No.              | 122    | 333    | 496    | LA 10    |   |
| Average duration of integration pathways for supervisors                         | No. of days      | 15     | 15     | 15     | LA 10    |   |
| Average duration of integration pathways for managers                            | No. of days      | 30     | 30     | 30     | LA 10    |   |

\*Scope = Paprec in France

## Social performance

| INDICATORS  | UNIT             | 2019    | 2020    | 2021    | GRI 4 | Reference to<br>Grenelle 2 topics<br>- Art. R. 225-102.1<br>(Decree No. 2012-557) |            |
|---|------------------|---------|---------|---------|-------|---|------------|
| DIVERSITY AND EQUAL OPPORTUNITY   |                  |         |         |         |       |   |            |
| Employees by gender   |                  |         |         |         | LA 1  | Employment  |            |
| Men (%)   | %                | 80.54%  | 80.93%  | 80.12%  | LA 1  |   |            |
| Women (%)   | %                | 19.46%  | 19.07%  | 19.88%  | LA 1  |   |            |
| Proportion of women by category   |                  |         |         |         | CLT 1 | Diversity and equal<br>opportunity  |            |
| Management  | %                | 20.53%  | 20.75%  | 18.64%  | CLT 1 |   |            |
| Supervisors   | %                | 22.99%  | 20.82%  | 26.97%  | CLT 1 |   |            |
| Employees and workers   | %                | 56.48%  | 58.43%  | 54.40%  | CLT 1 |   |            |
| Proportion of women by category   |                  |         |         |         | CLT 1 |   |            |
| Management  | %                | 28.81%  | 31.49%  | 26.66%  | CLT 1 |   |            |
| Supervisors   | %                | 38.36%  | 39.05%  | 33.45%  | CLT 1 |   |            |
| Employees and workers   | %                | 14.76%  | 14.31%  | 13.26%  | CLT 1 |   |            |
| Number of hires aged over 50  | No.              | 252     | 225     | 375     | CLT 1 |   |            |
| Number of differently-abled hires   | No. of employees | 26      | 19      | 19      | CLT 1 |   |            |
| Number of disabled employees  | No. of employees | 250     | 272     | 315     | CLT 1 |   |            |
| Percentage rate met for regulatory<br>threshold of employees with disabilities                  | %                | 74.98%  | 64%     | 66%     | CLT 1 |   |            |
| Number of employee birth countries  | No.              | 80      | 80      | 81      | CLT 1 |   |            |
| Number of nationalities   | No.              | 59      | 59      | 66      | CLT 1 |   |            |
| REMUNERATION  |                  |         |         |         |       |   |            |
| Monthly gross minimum salary*   | €                | 1,835   | 1,863   | 1,890   | LA 1  |   | Employment |
| Total payroll   | €K               | 218,268 | 219,226 | 263,022 | LA 1  |   |            |
| Average annual gross salary excluding welfare<br>contributions by category*                     | €k               | 31.87   | 32.50   | 33.94   | LA 1  |   |            |
| Management*   | €k               | 54.95   | 56.90   | 62.80   | LA 1  |   |            |
| Supervisors*  | €k               | 34.52   | 34.70   | 37.58   | LA 1  |   |            |
| Employees and workers*  | €k               | 27.73   | 28.00   | 28.41   | LA 1  |   |            |
| Professional equality index*  | No.              | 85      | 89      | 90      |       |   |            |
| WORKING CONDITIONS  |                  |         |         |         |       |   |            |
| Percentage of workers on shift work   | %                | 4.60%   | 4.60%   | 8.79%   | LA 1  | Work organisation   |            |
| % temporary employees from agencies with which<br>we have an anti-illegal employment agreement* | %                | 100%    | 100%    | 100%    | LA 1  |   |            |

\*Scope = Paprec in France

## Environmental performance

| INDICATORS   | UNIT        | 2019    | 2020    | 2021    | GRI 4       | Reference to<br>Grenelle 2 topics<br>- Art. R. 225-102.1<br>(Decree No. 2012-557) |
|--|-------------|---------|---------|---------|-------------|---|
| RECYCLING AND WASTE PREVENTION   |             |         |         |         |             |   |
| Total tonnage  | In kilotons | 12,175  | 11,522  | 13,124  | EN 1 & 2    | Raw materials   |
| Total mass of waste recovered using ERUs   | In kilotons |         |         | 1,201   | EN 1 & 2    |   |
| Total mass of waste recycled   | In kilotons | 9,444   | 8,797   | 9,299   | EN 1 & 2    |   |
| % waste collected by Paprec Group  | %           | 75.04%  | 74.94%  | 76.10%  | EN 1 & 2    |   |
| % directly contributed waste<br>(delivered directly to the Paprec Group site)                          | %           | 13.10%  | 13.11%  | 12.42%  | EN 1 & 2    |   |
| % of raw materials from recycling bought (trading)   | %           | 11.87%  | 11.95%  | 11.48%  | EN 1 & 2    |   |
| Percentage of recycling achieved per type (%)  |             |         |         |         | EN 1 & 2    |   |
| Paper (sector average)   | %           | 98%     | 98%     | 98%     | EN 1 & 2    |   |
| Plastics   | %           | 86%     | 86%     | 86%     | EN 1 & 2    |   |
| Non-hazardous waste (calculated at plant outlet<br>at 4 sites with a non-hazardous waste sorting line) | %           | 67%     | 67%     | 68%     | EN 1 & 2    |   |
| Worksite waste (calculated at exit from Paprec<br>worksite plants)                                     | %           | 76%     | 76%     | 76%     | EN 1 & 2    |   |
| WEEE waste   | %           | 79%     | 79%     | 79%     | EN 1 & 2    |   |
| Selective collection waste   | %           | 80%     | 80%     | 85%     | EN 1 & 2    |   |
| Timber (sector average)  | %           | 99%     | 99%     | 99%     | EN 1 & 2    |   |
| Scrap iron (sector average)  | %           | 99%     | 99%     | 99%     | EN 1 & 2    |   |
| Other metals (sector average)  | %           | 99%     | 99%     | 99%     | EN 1 & 2    |   |
| Green waste (sector average)   | %           | 99%     | 99%     | 99%     | EN 1 & 2    |   |
| Plants' total recycling rate   | %           | 77.6%   | 76.3%   | 77.9%   | EN 1 & 2    |   |
| ENERGY   |             |         |         |         |             |   |
| Energy consumption   |             |         |         |         | EN 3 & EN 4 | Sustainable use of<br>resources   |
| Electricity  | MWh         | 161,940 | 122,942 | 280,179 | EN 3        |   |
| Diesel   | k litres    | 53,979  | 56,480  | 59,717  | EN 3 & EN 4 |   |
| Electricity production at landfills  | MWh         | 48,606  | 65,220  | 71,387  | EN 3 & EN 4 |   |
| Heat self-consumption at landfills   | MWh         | 42,388  | 50,552  | 52,698  | EN 3 & EN 4 |   |
| Electricity generation from ERUs   | GWh         |         |         | 830     | EN 3 & EN 4 |   |
| Heat production from ERUs  | GWh         |         |         | 1,430   | EN 3 & EN 4 |   |
| Biomethane production from ORUs and MBTs   | MWh         |         |         | 53,511  | EN 3 & EN 4 |   |
| Injected biomethane produced from landfill*  | MWh         | 8,986   | 13,201  | 15,501  | EN 3 & EN 4 |   |
| Cost of electricity consumed   | €k          | 11,765  | 11,900  | 14,156  | EN 3 & EN 4 |   |
| Cost of diesel consumed  | €k          | 58,024  | 47,883  | 60,041  | EN 3 & EN 4 |   |

\*Scope = Paprec in France

## Environmental performance

| INDICATORS  | UNIT                 | 2019      | 2020      | 2021      | GRI 4      | Reference to<br>Grenelle 2 topics<br>- Art. R. 225-102.1<br>(Decree No. 2012-557) |
|---|----------------------|-----------|-----------|-----------|------------|---|
| GHG RESULTS   |                      |           |           |           |            |   |
| GHG emissions<br>(Scopes 1 and 2 of GHG Protocol)   | t eq CO <sub>2</sub> | 326,509   | 321,227   | 2,485,205 | EN 15 & 16 | Climate change  |
| O/w GHG emissions from recycling business   | t eq CO <sub>2</sub> | 193,655   | 188,883   | 195,422   | EN 15 & 16 |   |
| O/w GHG emissions from Paprec Energies<br>business  | t eq CO <sub>2</sub> |           |           | 2,152,893 | EN 15 & 16 |   |
| GHG emissions avoided by recycling business   | t eq CO <sub>2</sub> | 4,649,316 | 4,030,336 | 4,427,573 | EN 19      |   |
| Prevented GHG emissions related to<br>Paprec Energies business  | t eq CO <sub>2</sub> |           |           | 477,917   | EN 19      |   |
| TRANSPORTATION  |                      |           |           |           |            |   |
| Number of sites connected*  |                      |           |           |           | EN 30      | General environmental<br>policy   |
| Rail  | No.                  | 7         | 7         | 7         | EN 30      |   |
| Inland waterway   | No.                  | 6         | 6         | 6         | EN 30      |   |
| Doubly connected  | No.                  | 2         | 2         | 9         | EN 30      |   |
| Tonnage transported by inland waterway<br>(incoming waste collection and outgoing waste<br>logistics, e.g., rubble) * | Tonnes               | 103,266   | 101,150   | 107,527   | EN 30      |   |
| Percentage of Euro 5, Euro 5 EEV and Euro 6<br>standard trucks  | %                    | 62%       | 67%       | 74%       | EN 15 & 16 | Climate change  |
| ENVIRONMENTAL MANAGEMENT AND CERTIFICATIONS   |                      |           |           |           |            |   |
| Environmental protection budget   | €k                   | 14,110    | 10,524    | 12,813    | EN 31      | General environmental<br>policy   |
| Number of sites with at least one certification   | No.                  | 168       | 149       | 173       | G4 15      |   |
| Number of sites (entities) certified ISO 14001  | No.                  | 107       | 108       | 134       | G4 15      |   |
| Number of sites (entities) certified ISO 9001   | No.                  | 107       | 73        | 79        | G4 15      |   |
| Number of sites certified 45001   | No.                  | 20        | 18        | 40        | G4 15      |   |
| Number of sites certified 50001   | No.                  | -         | -         | 22        | G4 15      |   |
| Number with triple certification<br>(45001, ISO 9001 and ISO 14001)   | %                    | 17        | 16        | 22        | G4 15      |   |
| Number of sites with quadruple QSEEn certification<br>(ISO 9001, 14001, 45001, 50001)                                 | No.                  |           |           | 6         | G4 15      |   |
| % of sites with an Environmental Management<br>System (ISO 14001 or equivalent)                                       | %                    | 72%       | 73%       | 76%       | G4 15      |   |

\*Scope = Paprec in France



## Environmental performance

| INDICATORS   | UNIT | 2019 | 2020 | 2021        | GRI 4 | Reference to<br>Grenelle 2 topics<br>- Art. R. 225-102.1<br>(Decree No. 2012-557) |
|--|------|------|------|-------------|-------|---|
| <b>ENVIRONMENTAL MANAGEMENT AND CERTIFICATIONS (cont.)</b>   |      |      |      |             |       |   |
| Number of treatment sites without any certification  | No.  | 23   | 22   | <b>22</b>   | G4 15 | General environmental<br>policy   |
| O/w present in the Group for less than 3 years   | No.  | 13   | 10   | <b>9</b>    | G4 15 |   |
| Percentage of recycled raw material sales certified ISO 9001   | %    | 100% | 100% | <b>100%</b> | G4 15 |   |
| Percentage of treatment and sorting sites classified as important for the environment*   | %    | 100% | 100% | <b>100%</b> | G4 15 |   |
| % treatment sites classified as important for the environment requiring a permit*  | %    | 63%  | 63%  | <b>61%</b>  | G4 15 |   |
| % treatment sites classified as important for the environment requiring registration*  | %    | 20%  | 20%  | <b>20%</b>  | G4 15 |   |
| % treatment sites classified as important for the environment requiring a declaration*   | %    | 17%  | 17%  | <b>19%</b>  | G4 15 |   |
| Number of Regional Department of the Environment, Planning and Housing inspections of sites classified as important for the environment* | No.  | 73   | 81   | <b>51</b>   | G4 15 |   |
| Number of new permits received for sites classified as important for the environment*  | No.  | 15   | 18   | <b>14</b>   | G4 15 |   |
| Number of internal ISO regulatory audits (Quality and/or Safety and/or Environment)  | No.  | 72   | 63   | <b>76</b>   | G4 15 |   |
| Number of letters sent to and received from the administration*  | No.  | 795  | 872  | <b>723</b>  | G4 15 |   |

\*Scope = Paprec in France

## Social commitment

| INDICATORS  | UNIT | 2019  | 2020  | 2021  | GRI 4 | ARTICLE 225   |
|---|------|-------|-------|-------|-------|---|
| SPONSORSHIP   |      |       |       |       |       |   |
| Total sports sponsorship budget   | €k   | 1,627 | 3,398 | 3,677 | SO 1  | Relations with people or organisations interested in the company's business |
| Total philanthropy budget   | €k   | 1,512 | 1,418 | 431   | SO 1  |   |
| RESPONSIBLE PURCHASING PRACTICES*   |      |       |       |       |       |   |
| Expenditure on integration*   | €k   | 1,800 | 3,133 | 3,800 | SO 1  | Sub-contracting and suppliers   |
| % temporary employment expenditure with agencies having signed an agreement to combat false papers and identity theft | %    | 100%  | 100%  | 100%  | G4 56 |   |

\*Scope = Paprec in France

# Awards received

30 awards since 1994



- |  |   |  |   |
|--|---|--|---|
| <ul style="list-style-type: none"> <li>1998 ARSEG prize</li> </ul>                           | <ul style="list-style-type: none"> <li>2011 Espoirs du Management Award</li> </ul>                              | <ul style="list-style-type: none"> <li>2014 Grand Prix National de la Laïcité</li> </ul>                         | <ul style="list-style-type: none"> <li>2019 European Sustainable Development Award</li> </ul> |
| <ul style="list-style-type: none"> <li>2004 INSEAD Entrepreneur Award</li> </ul>             | <ul style="list-style-type: none"> <li>2012 Papyrus Prize from the Bureau of International Recycling</li> </ul> | <ul style="list-style-type: none"> <li>2014 Chaptal of the Comité des Arts Économiques</li> </ul>                | <ul style="list-style-type: none"> <li>2019 Plaine Commune Architecture Prize</li> </ul>      |
| <ul style="list-style-type: none"> <li>2007 Sporsora Sports Marketing Award</li> </ul>       | <ul style="list-style-type: none"> <li>2012 Entrepreneur of the Year (EY/Express)</li> </ul>                    | <ul style="list-style-type: none"> <li>2015 Eco-construction Geste d'Argent 2015 for Paprec Chantiers</li> </ul> | <ul style="list-style-type: none"> <li>2020 Trophées du Commerce France-Suisse</li> </ul>     |
| <ul style="list-style-type: none"> <li>2008 Flèche d'Or Plaine Commune</li> </ul>            | <ul style="list-style-type: none"> <li>2013 Trophée d'Or des Leaders de La Finance</li> </ul>                   | <ul style="list-style-type: none"> <li>2015 European Business Awards National Champion</li> </ul>                | <ul style="list-style-type: none"> <li>2020 Geste d'Or 2020 Architecture</li> </ul>           |
| <ul style="list-style-type: none"> <li>2008 IIPP Award</li> </ul>                            | <ul style="list-style-type: none"> <li>2013 CEO Awards</li> </ul>   | <ul style="list-style-type: none"> <li>2016 Global Responsible Business Award</li> </ul>                         | <ul style="list-style-type: none"> <li>2020 Industrial figure of the year</li> </ul>          |
| <ul style="list-style-type: none"> <li>2010 Private Equity Exchange Silver Award</li> </ul>  | <ul style="list-style-type: none"> <li>2013 Trophées de la Diversité</li> </ul>                                 | <ul style="list-style-type: none"> <li>2016 Entrepreneur of the Year (BFM)</li> </ul>                            | <ul style="list-style-type: none"> <li>2021 Trophée Or "Greentech and Energy"</li> </ul>      |
| <ul style="list-style-type: none"> <li>2010 CFNews Grand Prix for External Growth</li> </ul> | <ul style="list-style-type: none"> <li>2014 Winner of the ESSEC Grand Prix</li> </ul>                           | <ul style="list-style-type: none"> <li>2017 Leaders League</li> </ul>  | <ul style="list-style-type: none"> <li>2021 TIRU ecological transition prize</li> </ul>       |
| <ul style="list-style-type: none"> <li>2011 Grand Mécène de la Culture medal</li> </ul>      | <ul style="list-style-type: none"> <li>2014 CSR Award</li> </ul>  | <ul style="list-style-type: none"> <li>2017 United Nations Global Compact</li> </ul>                             |   |

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