Reducing carbon together

2021

INTEGRATED REPORT

Séché

A word from the Chief Executive Officer

Séché Environnement, a historic player in waste management, is continuing to develop in the fields of the circular economy and decarbonization. Through its activities to help the environment, the Group participates in the preservation of natural resources, the climate and biodiversity, while simultaneously creating value for its private and public clients.

The waste management sector is at the heart of the transition to the circular economy. In addition to the historical imperative of waste treatment, aimed at controlling its hazards and reducing pollution, there is also the need to recover waste, i.e., to turn it into a resource in the form of material or energy.

The circular economy solutions developed by Séché Environnement complements these historical businesses. The implementation of local energy loops (steam, electricity, hot water) reduces the carbon footprint of industrial, tertiary, and residential consumption. Recycling and regeneration make it possible to substitute virgin raw materials that have a high impact on the environment with recycled and regenerated materials. Rehabilitation and remediation activities also reduce the environmental impact of historical pollution and restore biodiversity.

The human values of Séché Environnement - trust, solidarity and quality - have enabled us to meet the challenges of 2021. The safety policy is at the heart of the Group's operational excellence. In the countries where we operate, Séché Environnement pays close attention to the health and safety of all its employees: the objective is always zero accidents.

The resilience of Séché Environnement's business model enables the Group to extend its historical growth by reaching a contributory revenue of 735.8 million euros in 2021, with a net income of 28.4 million euros.

In 2021, Séché Environnement has accelerated its commitment to the fight against global warming. The Group announced its decarbonization strategy in early 2022, aligning it with the Paris Agreement: reducing greenhouse gas emissions by 25% by 2030 and increasing avoided emissions to its customers by 40% by 2025, through its circular economy activities. In November, the Group successfully issued a 300 million euro bond with climate impact criteria.

At the heart of a rapidly changing environment, Séché Environnement is pursuing its internal and external growth dynamic. The teams from Mo'UVE in Montauban and SpillTech in South Africa joined us in 2021. Since January 1st, eight centers specializing in the maintenance of wastewater networks and facilities that belonged to SARP Osis-IDF have joined the Séché Environnement family.

Our positioning in the crucial businesses of the circular economy allows us to look to the future with confidence and pride. For 2025, the group aims to achieve a contributed revenue close to €1 billion (at constant 2022 scope) with a gross operating margin of between 24% and 25% (excluding acquisitions). The Group's raison d'être is to participate in the ecological transition of territories and industries: as proof, 73% of the 2021 turnover is considered green according to the European taxonomy.

Maxime Séché
Chief Executive Officer

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01. A global Group to accelerate the circular economy

The business of taking care of companies and municipality's waste is no longer aimed solely at the treatment of waste but rather at its reintegration into the economic circuit. The shift from a linear economy - extract, produce, consume, throw away - to a circular economy also helps decarbonize the economy. For a group like Séché, this change implies a significant industrial development - including internationally - in order to implement a wide range of complementary, high-quality solutions in all regions.

SÉCHÉ COMMITTED TO

WE SUPPORT UN GLOBAL COMPACT

«Today, for the 20th consecutive year, the Board of Directors of Séché Environnement reaffirms its voluntary commitment to respect and apply the 10 principles of the Global Compact, in the areas of human rights, working conditions, the environment and the fight against corruption.»

Joël Séché, Chairman of Séché Environnement

This chapter presents Séché Environnement's contributions to the objectives of sustainable development:

12 CONSOMMATION ET PRODUCTION RESPONSABLES

Responsible consumption and production
Establish sustainable consumption and production patterns.

11 VILLES ET COMMUNAUTÉS DURABLES

Sustainable Cities and Communities
Ensure that cities and human settlements are inclusive, safe, resilient and sustainable.

Speichim (01)

OUR BUSINESS MODEL

Today more than ever, our teams are mobilized to deploy our circular economy solutions while preserving biodiversity, human health, and the environment. The recovery of material and energy from waste reduces our customers' GHG emissions.

Figures as of December 31, 2021

OUR FAMILY BUSINESS MODEL

Séché Environnement is an entrepreneurial and family success story. Stable capital and governance allow for a long-term perspective in strategic decisio and investments. Our business model is sustainable: our economic results are solid, and investors have con dence in Séché's value. To accelerate the ac vement of our non- nancial objectives, our bond nancing is backed by social and environmental objectives.

GOVERNANCE

69.8%

OF SHARES HELD DIRECTLY AND INDIRECTLY BY THE SÉCHÉ FAMILY

The composition of our Board of Directors is sevenn members, including three women and three independent members, and complies with the best governance prac tices recommended by the AFEP-MEDEF reference code

In 2021, a year characterized by its stock market volatility, Séché Environnement's share price rose steadily, closing at +80.4% (vs. CAC40 +28.9% and CAC MID&SMALL +16.3%).

ECONOMIC RESULTS

CONTRIBUTED REVENUE:

€735.8 Million

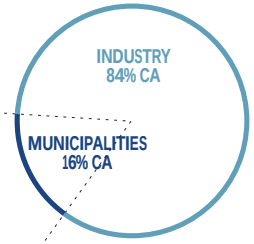
IN 2021, I.E., +9% PER YEAR FOR THE LAST 5 YEARS

We are seeing a steady increase in revenues thanks to our exter- nal growth (acquisitions) and organic growth (development of in- ternal resources) and a diversi ed portfolio of more than 18,000 clients.

IN € M	2020	2021	VARIATION
Gross Operating Income (EBITDA)	137.0	170.3	+24,3%
Operating income (OI)	44,2	68,7	+55,4%
Net income (group share)	**13,8**	**28,4**	**+105,8%**

BREAKDOWN OF THE CONTRIBUTED REVENUE AS OF DECEMBER 31, 2021, by sector and by client

NON-HAZARDOUS WASTE REVENUE: 34%



HAZARDOUS WASTE REVENUE: 66%

18.000

INDUSTRIAL AND LOCAL MUNICIPALITIES CUSTOMERS

GREEN FINANCE

To accelerate the achievement of our non- nancial objectives, the Group's voluntary environmental and social actions are included as impact criteria for several nancings: 1 impact loan in 2018 (€270 m) and, in 2021, 1 euro PP nancing (€50 m) and 1 sustai- nable-linked bond (€300 m).

NON-FINANCIAL PERFORMANCE MEASUREMENT by EthiFinance*

80/100

2020 STATUS UPDATE

Target (2022) = 77/100 / Baseline 2017 = 74/100

*Ethi nance developed a speci c methodology for SMEs: the «Gaïa Index» with a set of 150 criteria.

Ecomondo

To accelerate the circular economy

INTERNATIONALIZATION AND COMPLEMENTARY NATURE OF OUR ACTIVITIES

Mecomer (Italy)

OUR INDUSTRIAL SOLUTIONS

- Sorting and grouping of waste
- Chemical recycling of hazardous waste
- Regeneration of chemical elements or custom manufacturing of molecules of interest
- Recovery of all types of non-hazardous waste (metals, wood, bottom ash, soil, etc.)

- Production of steam or electricity by co-generation on waste management sites
- Production of electricity or heat from the biogas naturally generated by the stored waste
- Production of heat through the use of solid recovered fuel (SRF)

- Treatment of hospital medical waste with an infectious risk
- Physico-chemical treatment of contaminated or harmful liquid mineral and organic hazardous waste

- Thermal treatment of waste to neutralize the organic matter contained in the waste
- Waste land ll for no recoverable waste (ultimate waste)

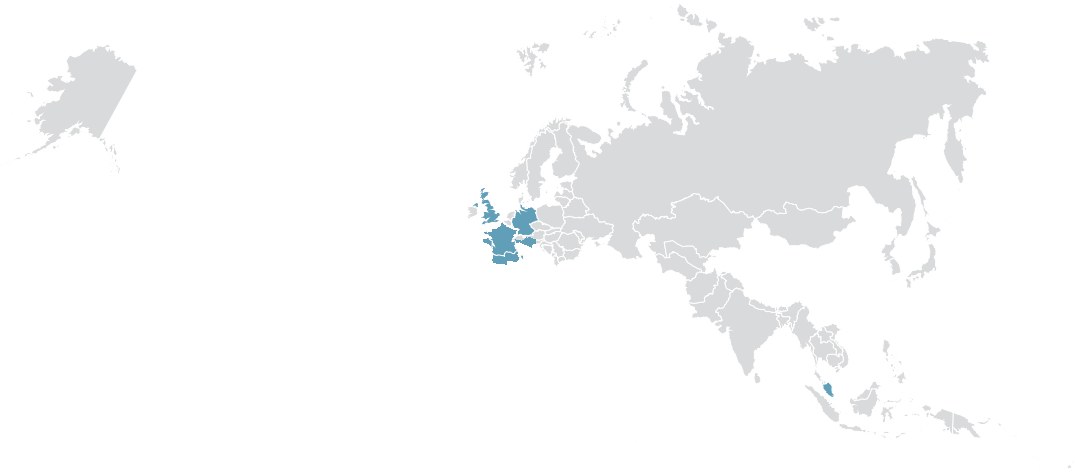
- Remediation, dismantling, risk management and rehabilitation of industrial sites and out of use industrial sites
- Environmental emergency response: securing the impacted area, containing pollution and controlling environmental risks
- Maintenance of sanitation facilities and networks

- Delegated management of waste management activities aiming economic and environmental performance
- Industrial maintenance and process decontamination by chemical, thermal and steam cleaning

- Collection and rental of adapted equipment for municipalities and companies
- Transport of hazardous and non-hazardous waste

Hazardous waste management and services are complementary to recycling and energy recovery: the former make it possible to control the hazardous nature and reduce the pollution associated with waste that cannot be recycled, while the latter meet speci c needs and environmental requirements. Séché Environnement's recent external growth was made to create synergies between its businesses and to continue to open up to new international markets where recovery solutions are underdeveloped.

OUR DEVELOPMENT STRATEGY



Séché Environnement is deploying a three-pronged development strategy in the elds of the circular economy and hazardous waste management: sharing our expertise internationally, diversifying our know-how and consolidating our existing activities

Thanks to our regional coverage in France and our international positions, we seek to support all players, both public and private, in their ecological transition by guaranteeing the implementation of the best available practices. We systematically offer integrated solutions and complementary services for the climate and the environment in growing markets and countries.

Our strategy of internationalization and business diversi cation is re ected in the evolution of our teams. These 4,667 women and men, in their diversity (professions, genders, backgrounds, approaches), contribute in their own way to the protection of the environment and public health.

2022

On January the 1st the new subsidiary Séché Assainissement was crea through the acquisition of eight centers specializing in the maintenanc of sanitation networks and facilities that belonged to SARP OSIS-IDF.

These 233 employees are supported by a eet of more tha vehicles and technical equipment (hydrocurers, tankers, pu etc.) and by video inspection equipment for the networks. This plementary expertise, in buoyant markets, will enable the cre of industrial and commercial synergies, by o ering a wide ran services to an expanded customer portfolio.