



Global Compact : Communication on Progress - 2007

Waste treatment and storage : a profession dedicated to environment

Séché Environnement is one of the major French actors on the waste management sector. To properly carry out this assignment, Séché Environnement has gradually created the full set of tools, which are efficient and compliant with laws and regulations: thermal treatments and storage with energy recovery, specific tools for certain special waste. The Group can then deal with widest possible range of waste with the safest conditions concerning techniques, health, environment or regulations.

Séché Environnement stands out by positioning itself downstream from operations of collection and sorting of waste, at the heart of the most demanding activities in the waste management sector.

The Group deals with various flows of industrial or household waste, while respecting human beings and nature. Its operations are the latest step in the life cycle of goods, whether manufactured or not. This continuously renewed service is mainly provided in France (94% of its revenue of EUR 373.7 million in 2007) and in Europe (4%).

The nearly 1,520 women and men that make up the Group put their knowledge at the service of this mission. Their day-to-day responsibility is to control waste management and to address new questioning regarding its impacts upon public health.

Today, our view of the profession is still on the move: it is less a matter of integrating sustainable development requirements, task which is already well ahead, than a matter of providing environmental solutions that limit the ecological impacts of our customers economic activities (whatever local authorities private companies). The main aspects are: to fight against climate change (Greenhouse gases), to preserve natural resources (raw materials and renewable energies), and to protect health and environment.

Activity of general interest, waste treatment requires, more than any other, to be attentive to the needs of the society. Séché Environnement is strongly involved alongside the stakeholders. It knows that the social acceptance of its activities is indivisible from its capability to show that to put waste out of sight does nothing to solve the problem of what will happen to it.

On the contrary, it is essential to ensure that waste are appropriately treated and recycled whenever it is possible, so as to provide everyone with absolute security. Waste treatment is one of the "human well-being" factors. This notion can be addressed through avoided harmful situations (health protection, risk management), or in a more positive manner of a healthy, enjoyable and preserved environment (non renewable natural resources saved). Ecology and societal approach can then find their legitimacy within the economic sphere.



Aware of this situation, Séché Environnement invested in opening, transparency, pedagogy and information actions towards local populations since twenty years. High standards in terms of environment, social aspects, and promotion of society symbiosis put the Group under permanent scrutiny.

Regarding its own responsibility towards society, the Group always needs to conduct educational actions to appropriately reflect its involvement in sustainable development. Analysing these actions often tell us a lot about the quality of the population listening, the necessity to find a common language in order to reach a good understanding of mutual interests and a better respect of everyone.

We formalized this process of continuous improvement a few years ago by endorsing the ten Global Compact principles of the United Nations. These principles are now in full use and we are reporting on it.

Paris, 1st May 2008

Didier Gauthier General Secretary for Sustainable Development



Signatory to the Global Compact since 2003, Séché Environnement regularly gives account of its application to its third parties

These qualitative and quantitative data as well as their commentaries are published for the 6th consecutive year in the « Annual Corporate Social Responsibility Report ». Its content complements financial documents on social, environmental, society and strategic aspects. *Bureau Veritas* checked the sincerity of these data.

These documents are largely available and can be:

- Ordered at com (paper format or CD-Rom)
- □ Downloaded on the Group website : <u>www.groupe-seche.com</u>

Details of Séché Environnement's commitments below:

Global Compact Principles	Séché Environnement's achievements in 2007
HUMAN RIGHTS	
Principle 1 : Businesses should support and respect the protection of internationally proclaimed human rights.	
Principle 2 : Businesses should ensure that they are not complicit in human rights abuses.	
LABOUR	
Principle 3 : Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Social dialogue and Sustainable Development are inseparable; therefore Séché Environnement advocates cooperation with its staff members and their representatives concerning all issues of common interest, and supplies them with high-quality information. (2nd ethical commitment of Code of behaviour and action*)
Principle 4 : Businesses should support the elimination of all forms of forced and compulsory labour.	Non-discrimination commitments Séché Environnement will not make use of child labour or forced or obligatory labour, either directly, or indirectly by the use of subcontractors, during operations in the Group's facilities. Due to the geographic areas where the Group is present, there is little exposure to such risks. (2007 Annual Corporate Social Responsibility Report, p 32bis)
Principle 5 : Businesses should support the effective abolition of child labour.	Non-discrimination commitments Séché Environnement will not make use of child labour or forced or obligatory labour, either directly, or indirectly by the use of subcontractors, during operations in the Group's facilities. Due to the geographic areas where the Group is present, there is little exposure to such risks. (2007 Annual Corporate Social Responsibility Report, p 32bis)



Principle 6: Businesses should support the elimination of discrimination in respect of employment and occupation.

Séché Environnement scrupulously ensures that the rights of employees are respected, and **especially prohibits any discrimination** because of the origin, sex, sexual orientation, age, political or religious opinions, union membership or handicap of individuals, whether at recruitment, hiring and/or during the period of the work contract, in France or in any other country.

(2nd ethical commitment of Code of behaviour and action*)

ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges.

STOC EPS (Temporal Monitoring of Common Birds by Simplified Snap Sampling):

It makes possible to know about the abundance of bird species present on a site and the areas around it, and assess the specific wealth and diversity of the environment. It consists in monitoring changes to the different ornithological populations present over time, and making an estimation that is as exhaustive and homogeneous as possible of the population sizes of a maximum number of species. By following changes in bird populations, it gives the operating company the means to visualise some of the impacts, and therefore assess the existing conservation and compensation measures, or even to anticipate and appraise the efficiency of ecological projects carried out from time to time.

The protocol of the STOC EPS programme is set up and managed by the Museum National d'Histoire Naturelle. It gave a team of naturalists in the Group the opportunity to create a common frame of reference for its storage facilities (in Changé, Montech and La Bistade), and work using a scientific protocol applied all over France. The data gathered is shared and added to that collected by the Muséum in France.

(2007 Annual Corporate Social Responsibility Report, p 54)

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.

The renovation of the historic Greenhouses of the Jardin des Plantes in Paris

The mission of the Muséum National d'Histoire Naturelle (MNHN) is to facilitate the general public's access to scientific culture. In this framework, it launched a programme of discovery and learning about plant diversity in 2007, which will take place in two highly significant places in the Muséum: the School of Botany and the historic greenhouses in Paris. The project consists in creating learning tools about the plant world. It will take visitors on a journey through the plant world, so that they may grasp the extraordinary diversity of plants, the dependence of human beings on plants and the fragility of the ecosystems that are presented.

(2007 Annual Corporate Social Responsibility Report, p 40)



At Changé, the sorting centre and mechanobiological unit under construction are subject to a "High Environmental Quality" (HEQ) process, whose goals are:

- To integrate a building of significant size in the landscape: the solution was found by an architectural design with a planted roof with several varieties of succulents that change colour according to the seasons;
- To optimise the use of rainwater: reducing impacts on the environment where the building is constructed by using part of vegetation taken at ground level to plant it on the roof, reorganizing the rainwater management system, and authorising the storage of 40 litres per m2 to better control the water in case of heavy rain;
- To favour renewable materials, such as wood that is not treated chemically and which comes from local forests: selection of heat-treated spruce.

(2007 Annual Corporate Social Responsibility Report, p 53ter)

Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

Two research programmes were launched by the Group in 2007, in partnership with industrial and/or academic groups.

 Membrane processes for postcombustion capture of CO2 from incineration smoke

The MECAFI project, supported by *l'Agence National de la Recherche* (ANR) in the framework of the 2007 CO2 capture and storage programme, has the goal of developing a new process of membrane separation for low pressure situations, which only requires low energy consumption to implement the capture of carbon dioxide emitted by industrial waste incineration facilities. New materials must be developed, with a view to integrating them in smoke treatment systems. The final goal of this project is the definition and sizing of a pilot unit with a minimum capacity of 1000 Nm3/h operating on real effluents produced by one of the Group's waste treatment plants, to check

the behaviour of the ceramic membranes that have been developed, when faced with clogging and the presence of minor pollutants over long periods. The energy efficiency of the process will also be improved, by its direct integration in a waste energy recovery unit, which will produce vapour and/or electricity. This work will make it possible to estimate the investment and operation costs, and therefore to assess the economic viability of the concept developed, and show which sites should be a priority for application.

Combustion by metal oxides in a thermochemical loop

Compared with other CO2 separation and capture processes (precombustion, oxycombustion and postcombustion), this technique above all makes it possible to avoid the problem of air enrichment or production of oxygen with a high level of purity. The other advantage of this system of oxidation in a regenerative loop is the absence of direct contact between air and the combustible. Nitrogen dioxide must not be found in the combustion reactor, and therefore the carbon dioxide produced during the oxidation reaction is not diluted in the nitrogen in the air and can therefore be easily recovered after the condensation of the water vapour present in the combustion gas. The CO2 capture rate can be estimated at higher than 90%.



The first two advantages cause no energy penalty for oxygen production and CO2 separation, and make it possible to foresee a cost lower than 20 u/tonne of CO2 avoided. The partnership developed by Séché Environnement with *l'Ecole des Mines* in Nantes consists in assessing the feasibility and efficiency of the combustion of gases, solids or pasty solids, in a fluid bed reactor

representing the "combustible" reactor. The gases, solids and pasty solids have been selected, either according to products that are already present in the production units in the Group, or according

to alternative or future solutions that could be implemented later

(2007 Annual Corporate Social Responsibility Report, p 70bis-71bis)

A futurology discussion workshop for Industrial Ecology: ARPEGE

Séché Environnement participates in ARPEGE, under the aegis of l'Agence Nationale de la Recherche (ANR - Sustainable Energy Durable and Environment Department), especially with the CREIDD (Centre for Research and Interdisciplinary Studies on Sustainable Development) of l'Université de Technologie de Troyes (UTT). The goal of this workshop is to stimulate global thinking about the way to develop industrial ecology, especially from the perspective of Sustainable Development, which consists in promoting growth with global consumption of raw materials and energy that is constant or even decreases. The first conclusions were published in 2007.

(2007 Annual Corporate Social Responsibility Report, p 35)



ANTI-CORRUPTION

Principle 10: Businesses should work against all forms of corruption, including extortion and bribery., instead should read: Businesses should work against corruption in all its forms, including extortion and bribery

Séché Environnement, which is an active participant in society, respects strict political, religious and philosophical neutrality:

- The Group will not make any financial contribution to political candidates, elected representatives or political parties :
- Staff members, may, of course, take part in political life in a private capacity, outside the workplace and while off duty, but they may not use the image of the Group in support of their political involvement;
- The Group limits its participation to the financing of associations, foundations or sponsorship operations, where permitted by applicable laws and regulations, in the framework of the values and priorities defined by the Group. (4th ethical commitment of Code of behaviour and action*)

In trade relationships, ethics, integrity and respect for the law are linked:

- Staff members must not accept gifts, remunerations or other benefits from a competitor, customer or supplier of the Group, nor give any gifts, remunerations or other benefits to them. Only gifts or invitations that are within acceptable limits with regard to customs and anti-corruption laws may be tolerated. In no case is a staff member authorised to solicit a gift or an invitation.
- It is forbidden in any country to pay, to offer or accept to pay bribes or offer unjustified advantages to a public official and/or a private person, either directly or through an intermediary, with the aim of obtaining favourable treatment or to influence the results of a negotiation in which the Group has an interest. These practices are contrary to the law and to the international convention for the fight against corruption in most countries.
- Ethics and integrity require the total integrity of everyone in their professional activities. Every staff member must avoid any situation of conflict between the interests of the Group and his/her personal interests or those of his/her relatives and friends. Thus, everyone is forbidden from having an interest in a supplier or a customer, except if it is made by purchasing shares in the framework of the management of a share portfolio, respecting the rules that forbid the use of privileged information. In the same way, it is forbidden to work for an existing or potential competitor, customer and/or supplier without the permission of the Group.

(7th ethical commitment of Code of behaviour and action*)

* Code of behaviour and action edited in December 2007 and delivered to each Group employee. Commitments edicted in this Code apply to every collaborators.

