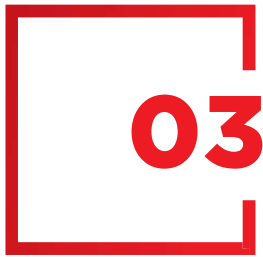


03

EXTRA-FINANCIAL PERFORMANCE

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3.1 CSR approach and strategy

3.1.1 Analysis of CSR risks

The risk analysis has enabled potential risks to be identified in the social/societal, environmental, human rights, anti-corruption and tax evasion areas. The management and control systems in place enable these risks to be mitigated and the priority actions presented in the "Concretely Responsible 2018-2022" program to be defined.

This paragraph also meets the provisions of law no. 2017-399 of March 27, 2017 on the duty of vigilance presented in section 3.9.

Two separate risk analysis mappings were prepared using a single methodology:

- ▣ a mapping of specific corruption risks that meets the requirements of law no. 2016-1691 of December 9, 2016, known as the Sapin 2 law;
- ▣ a mapping of CSR risks (human rights and fundamental freedoms, health and safety of people and the environment).

These mappings enable risks to be identified, analyzed and ranked in order to prepare appropriate action plans using the following method:

- ▣ identification of potential risks;
- ▣ identification of internal control measures and means of controlling these risks;
- ▣ prioritization and scoring of risks arising from the impact and probability of occurrence of these risks.

The scoring of those risks revealed three levels of potential risk:

- ▣ priority;
- ▣ secondary;
- ▣ low.

Potential risks identified as priorities are addressed by the actions and controls described in the CSR roadmap, with the aim of mitigating and managing them.

The potential risks inherent to the Group's businesses and subject to specific management measures are as follows:

- ▣ environmental risks due to insufficient levels of shredder residue recovery;
- ▣ workplace health and safety;
- ▣ environmental risks related to air and soil pollution, etc.;
- ▣ fire;
- ▣ loss of customer assets due to customer dissatisfaction;
- ▣ human rights and compliance with labor laws;
- ▣ pandemic (incorporated into the risk matrix for the previous fiscal year).

As part of its actions to mitigate CSR risks, Derichebourg Group continues to roll out its "Concretely Responsible 2018-2022" program.

The risks listed above and presented in this chapter are the items identified as material at the end of the risk analysis.

In view of its business activities, the Group does not provide details on the following topics, as they are deemed to be immaterial:

- ▣ actions against food waste;
- ▣ actions against food insecurity;
- ▣ respect for animal welfare;
- ▣ responsible, fair and sustainable food practices.

The Group does not implement any arrangements to artificially reduce its corporate tax expense or to transfer its taxable income to countries with lower taxes.

In response to the Covid-19 pandemic, the Group set up a special crisis management system in March 2020:

- ▣ a Crisis Executive Committee to monitor the development of the pandemic, government decisions and decide on the actions to be taken;
- ▣ a business continuity plan (personal protective equipment (PPE): masks, hand sanitizer, DUERP (single occupational risk assessment document), work organization, etc.).

The system was successful and business was able to quickly resume, except in the subsidiaries linked to the aeronautics sector.

3.1.2 CSR strategy

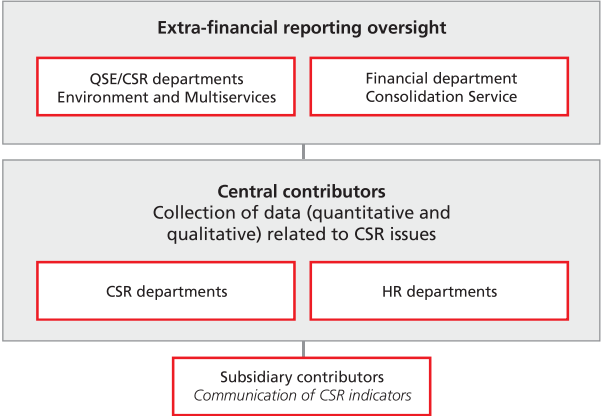
The CSR Committee monitors the action plans and the effectiveness of the systems put in place through management indicators.

In addition to risk analysis, major challenges were defined in the following stages:

- consultation of external stakeholders (customers, suppliers, trade federations, etc.);
- discussions in internal thematic workshops;
- creation of sector benchmarks.

These efforts led to the “Concretely Responsible 2018-2022” program, a roadmap that defines priority actions as well as performance indicators and associated goals.

The indicators in this year’s report are monitored for the full scope, unless otherwise specified. Monitoring of the extra-financial performance is defined according to the following organization:

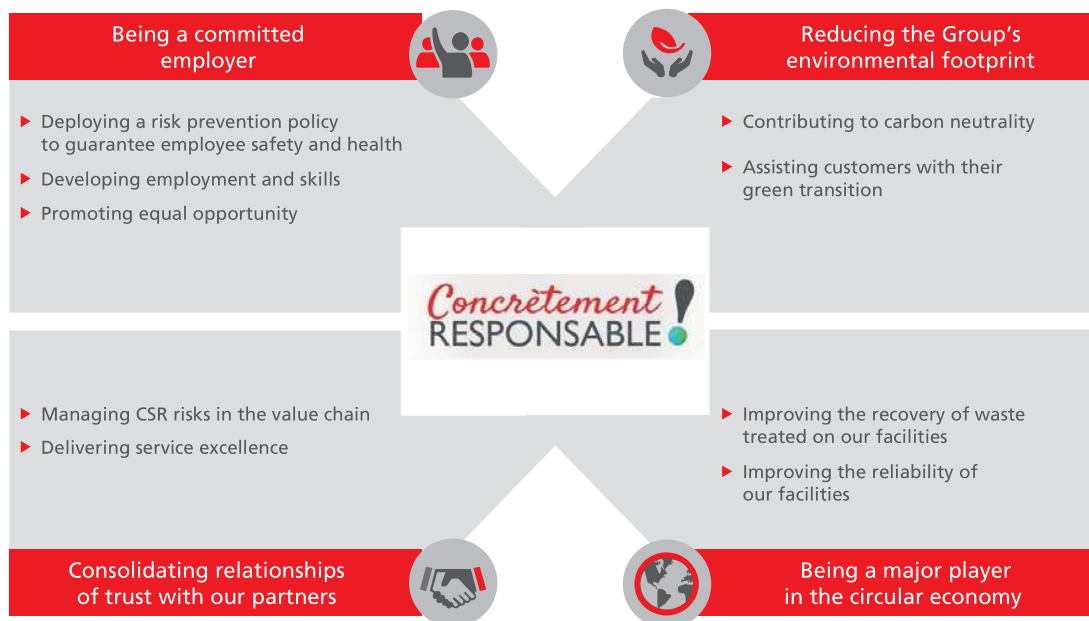


The subsidiary contributors collect, check and analyze the indicators that correspond to their businesses. The central contributors and consolidation department check the consistency of the data.

The indicators are then audited by the independent third party, EY (see the corresponding report at the end of the chapter, section 3.10).

The 2018-2022 program

4 strategic axes → 9 main ambitions



3.2 Business model

RESOURCES



FINANCIAL AND ORGANIZATIONAL RESOURCES

- **Family shareholding** (>57% in voting rights)
- **Listed on Euronext Paris** (Eurolist B) and **member of SBF 120**
- **Present in 10** countries on **3** continents
- **More than 400** sites



INDUSTRIAL ASSETS

- **28** ELV shredders in use
- **70** shear balers
- **574** trucks, with a policy for renewal to meet the latest environmental standards
- **440** household waste dumpsters and **2,008** Multiservices LCVs UVs



INNOVATION AND DIGITAL

- Digital pilot platforms for our customer service activities (My pilot, Dclic, energy monitoring platforms)
- HR process digitalization
- Physical flow service digitalization (trucks)
- Claims tracking digitalization

MISSION

TO SERVE
people while
protecting their
environment

Our personal and
professional values,
the basis of our
strategy and
day-to-day actions



EXPERTISE



A SENSE
OF SERVICE



SUSTAINABLE
DEVELOPMENT



LOCAL
SERVICES

CHALLENGES

—
INCREASING
ENVIRONMENTAL
STANDARDS

—
ADAPTING OUR
BUSINESS MODEL
TO THE ECONOMIC
ENVIRONMENT

—
DEVELOPMENT
VIA DIGITAL

—
ROWING
OUTSOURCING
DEMAND

—
PERSONALIZATION
OF SERVICES

ACTION



PROTECT ENVIRONMENT AND ITS RESOURCES

Preserving and optimizing resources through our activities recycling waste produced by industries, local authorities, and individuals.



CLEAN UP PROFESSIONAL ENVIRONNEMENTS

By contributing to cleaning and improving the living environment of everyone through our services to local authorities.



OPTIMIZE PROFESSIONAL ENVIRONNEMENTS

By offering a wide range of services to businesses and local authorities, allowing them to outsource all transferable services and thus refocus fully on their core business.

VALUE CREATION FOR OUR STAKEHOLDERS

FINANCIAL AND ORGANIZATIONAL

- **Revenue of €3.6 billion**
 - Derichebourg Environnement: **€2.7 billion**
 - Derichebourg Multiservices: **€871.5 million**
- **€388.2 million** recurring Ebitda



MANUFACTURING

- Recycling of **3.96 million tons** of ferrous metals and **626,600 tons** of non-ferrous metals to avoid the emission of **6.9 million t CO₂ eq.**
- **93,200 tons** of aluminum ingots produced



INNOVATION AND DIGITAL

- Energy gains (Alertgasoil, Effenco and LED)
- Business and customer relationship oversight
- Proximity of HR and customers



- 

HUMAN CAPITAL

 - **41,337** employees
 - **125** nationalities
 - A culture of health and safety
 - **1** professional training center created in 2008
- 

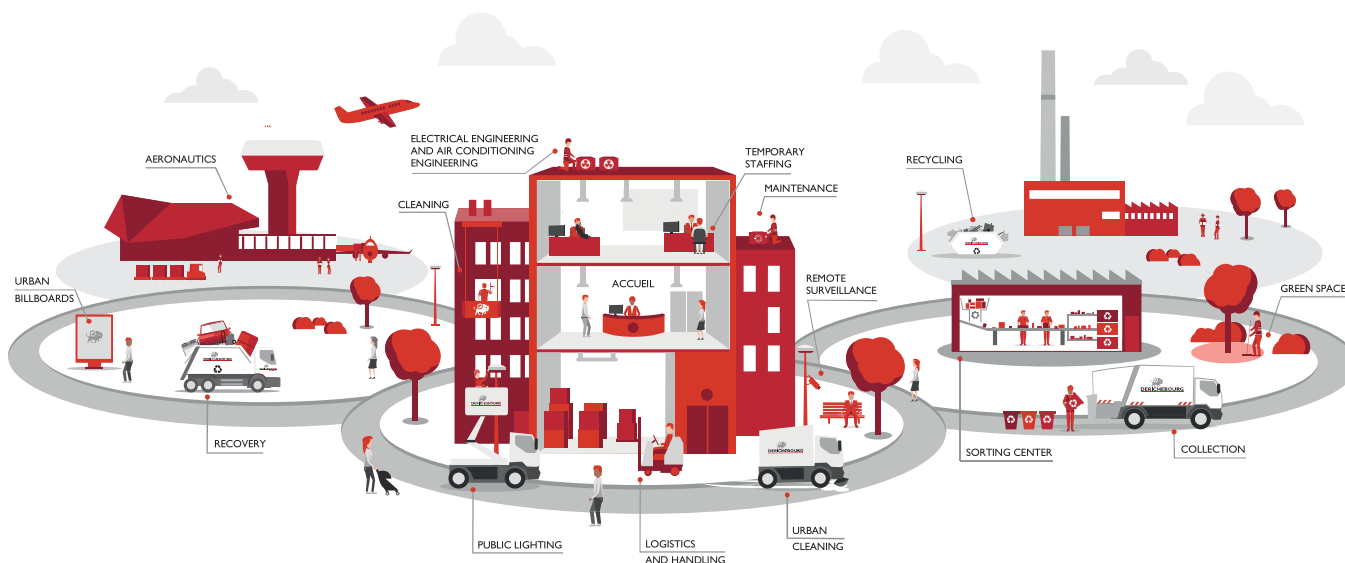
RELATIONSHIP-BASED LOCAL ECOSYSTEM

 - Supplier Proximity: factories, professionals, individuals
 - Diverse customers: industries, local authorities, services, Eco-organizations
 - Institutional and associative partnerships
- 

ENVIRONMENTAL CAPITAL

 - **465** hectares owned and operated
 - **59.8%** of industrial sites ISO 14001-certified
 - A major player in the circular economy

A major operator of environmental services for business and local authorities, organized into two complementary divisions:
Environmental Services and Multiservices



HUMAN

- **7.2%** employees with disabilities
- **62%** women / **38%** men
- Lost-time accident frequency rate: **26.9**
- **121,614 hours** of training over **46,499 hours** of dedicated safety training



RELATIONSHIP-BASED ECOSYSTEM

- Average recommendation score: **7.3**



ENVIRONMENTAL

- **30.4%** of shredder residue sent for recovery
- **225,100 tons** of WEEE recovered
- **481,600** end-of-life vehicles recovered



3.3 Being a committed employer

3.3.1 Deploying a risk prevention policy to guarantee employee health and safety

Beyond the obligation and moral duty to guarantee the health and safety of our employees and partners, Derichebourg Group is committed to constructing a healthy and safe working environment with the objective of “zero accidents.” This commitment is affirmed by compliance with regulations, and also the definition of ambitious targets, set out in a shared policy signed by General Management. The following targets have been communicated to all Group subsidiaries:

- ▣ eradicate serious and fatal accidents;
- ▣ reduce the frequency rate (FR) by 20% by 2022 compared to 2018;
- ▣ implement ISO 45001⁽¹⁾ certified management systems for all our sites by 2022;
- ▣ prevent occupational illnesses;
- ▣ manage fire risk on all operating sites;
- ▣ manage risks related to the outsourcing of activities and to interference associated with activities carried out jointly.

These targets can be achieved through the implementation of significant resources:

- ▣ capitalization on feedback through the communication and digitalization of information on workplace accidents and incidents, in order to act faster and make the data more reliable;
- ▣ involvement of players to instill a safety culture shared by all:
 - setting up of a national and international network of safety contacts,
 - training from arrival at a work station and throughout the professional career,
 - coordination of safety by installing communication tools;
- ▣ application of the Group’s requirements to partners:
 - prevention of risks and measurement of accident rates of our temporary workers,
 - training of teams in preparing prevention plans,
 - training of our managers in risk prevention and on our workplace health and safety management system,
 - favoring partners that share our workplace health and safety values;

▣ managed risks:

- reinforcement of our risk identification and analysis tools,
- implementation of prevention means and suitable equipment.

In France, almost 52% of the Group’s sites are OHSAS 18001/ISO 45001 certified (up 9% compared to 2019-2020)⁽¹⁾. Safety coordinators are responsible for implementing risk prevention programs for each subsidiary.

The Company’s health and safety culture is expressed through talks, communications and safety meetings at all subsidiaries, which all employees can get involved in. The Group’s General Management team is committed to health and safety at the highest level. This is reflected by all Executive Committees and enables the sharing of different health and safety experiences.

Since June 2019, five e-learning modules have been created and are used in the prevention of workplace accidents, musculo-skeletal disorders and falls, the taking care of workers, and appropriate behavior when faced with dangerous situations.

There is a digital alert tool in the event of accidents or incidents, operational for the Recycling business in Europe as well as for the entire Collection business. The tool enables incidents to be communicated and taken into account at the highest levels of the Company, and promotes feedback.

The MIQSE (Integrated Quality, Safety and Environment Management) tool was rolled out to the Derichebourg Propreté subsidiary in order to alert those concerned in the event of an accident and analyze the causes of accidents in order to implement corrective actions and boost prevention. This tool will be rolled out to other Multiservices subsidiaries in 2022 and is intended to cover other areas of QSE (prevention plan, single risk assessment document, etc.).

number of health
and safety training hours

 **46,499** 

(1) The ISO 45001 standard was published in April 2018. It will gradually replace OHSAS 18001.

		Environmental Services		Business Services		Total	
	2022 targets	2021	2020	2021	2020	2021	2020
Lost-time accident frequency rate ⁽¹⁾	28	41.2	37.4	24.3	25.8	27.0	27.8
Lost-time accident severity rate ⁽²⁾	N/A	3.3	2.9	1.6	1.6	1.8	1.8
Number of safety training hours	N/A	23,625	49,145	22,874	29,372	46,499	78,517

(1) The frequency rate is the number of accidents with lost time in excess of one day, divided by the number of hours worked, multiplied by 1,000,000. Its calculation is limited to the Environmental Services and Business Services sectors on which the 2022 target is based.

(2) The severity rate represents the number of days lost through workplace accidents, divided by the number of hours worked, multiplied by 1,000. Its calculation is limited to the Environmental Services and Business Services sectors on which the 2022 target is based.

The work-related accidents accounted for in the frequency rate are those that were notified by the competent administration during the period. For the Environmental services division, we note a slightly higher frequency rate and severity rate than last year. However, for the Group's main business activities in terms of workforce (Cleaning and

Recycling), the frequency and severity rates remain better than those of the two respective professional divisions. The number of hours of safety training has decreased for the same reasons as for training in general (see section 3.3.2.2 "Supporting skills development"). However, the decrease was less significant for safety than for other areas.

The division frequency and severity rates (2019 statistics) for the Cleaning and Recycling businesses are presented in the table below:

NAF (principal company activity) code	Frequency rate	Severity rate
8121Z Routine building cleaning (CTN I)	31.4	3.0
3832Z Recovery of sorted waste (CTN C)	44.8	3.4

Data from the CNAM (Caisse nationale d'assurance maladie)/DRP. Accident rate AT 2019.

This year, the frequency rate for the Multiservices division has improved slightly, primarily thanks to the performance of Derichebourg Propreté with a frequency rate of 21.4 compared to 25.3 the previous year.

The frequency rate for the Environmental division decreased slightly in the Collection business and more noticeably in the Recycling business, primarily due to the consolidation over the full year of the

Derichebourg España subsidiary (FR: 47.2 compared to 34.1 the previous year).

The rollout of risk prevention processes and tools began in Spain this year, and the results should start to show in the next fiscal year.

		Environmental Services		Business Services		Total	
	2022 targets	2021	2020	2021	2020	2021	2020
Number of lost-time accidents for temporary employees	N/A	33	28	11	12	44	40
Frequency rate for temporary employees ⁽¹⁾	N/A	33.1	34.6	23.1	27.6	29.9	32.1

(1) The frequency rate is the number of accidents with lost time in excess of one day, divided by the number of hours worked, multiplied by 1,000,000.

With a frequency rate of 29.9, the accident rate for temporary workers in the Group is improving, despite an increase in the number of lost-time accidents over the period (44 compared to 40 the previous year). This increase in absolute value is due to the strong rebound of the post-Covid activity in the Recycling business, which meant that more temporary workers were used. In fact, the number of hours worked by temporary employees at Group level increased by 18.1% compared to the previous year (up 49.8% for the Recycling business).

Another priority for the Group is to control the risks of working together. The in-house development of the e-learning prevention plan training tool has been delayed, and its launch is postponed until the beginning of the 2022, with the first training sessions due to start in the second quarter of 2022. Despite the delay, we are still on track to meet the initial target. It will be combined with the implementation of prevention plan digitalization process, which will be aligned as far as possible to MIQSE project operations in the Multiservices division.

The number of occupational illnesses recognized by the *Caisse primaire d'assurance maladie* (CPAM) over the 2020-2021 fiscal year within the Group's scope is 58 compared to 61 in 2019-2020.

Despite all the precautions taken to ensure the safety of employees, there is no such thing as zero risk. This is evidenced by the death of an employee while working for the *Servicios integrales de Limpieza* Net subsidiary in Spain.

3.3.2 Developing employment and skills

The nature of its businesses means that the Derichebourg Group is a significant provider of local jobs.

Derichebourg Environnement's activities require that its recycling facilities are located as close as possible to the sources to be processed. As a result, these local activities generate employment that cannot be off-shored.

Derichebourg Multiservices' service activities promote local employment, with services provided at customer sites. Efforts are being made to develop skills in order to provide customers with a high quality service.

Breakdown by country and by business

	Environmental Services		Business Services		Holding companies		Total	
Employees	2021	2020	2021	2020	2021	2020	2021	2020
France	3,387	3,439	25,141	25,357	142	150	28,670	28,946
Other European countries	951	965	11,426	11,975		0	12,377	12,940
Europe	4,338	4,404	36,567	37,332	142	150	41,047	41,886
Americas	288	355		0		0	288	355
Asia			2				2	
Total	4,626	4,759	36,569	37,332	142	150	41,337	42,241

There was no significant change in the workforce during this fiscal year (down by 2.1% compared to 2019-2020). There was a 2.3% increase in hours worked due to an increase in the number of hours worked per employee.

The Multiservices division accounts for 88.5% of the Group's workforce. These are service provision businesses with a strong requirement for labor, while the Environmental Services Recycling business makes greater use of sorting and processing equipment than personnel.

The Multiservices headcount includes temporary employees from temporary employment subsidiaries working on customer sites. As at September 30, 2021, 7.7% of the employees of Multiservices companies were temporary workers.

employees

41,337



Recruitment and departures

It should be noted that Household Waste Collection/Cleaning (Environmental Services) and Cleaning (Multiservices) are subject, both in France and abroad, to regulations which may require the transfer to successor companies of employees working on a given contract, in line

with specific detailed procedures. These employees typically have permanent contracts. Changes in headcount are therefore directly related to business trends.

	Environmental Services		Business Services		Holding companies		Total	
All contract types	2021	2020	2021	2020	2021	2020	2021	2020
Recruitment	933	715	75,478	70,820	34	25	76,445	71,560
Departures	1,027	868	73,794	68,655	41	27	74,862	69,550

Compared to the 2019-2020 period, hires increased by 6.8% while departures increased by 7.6%.

3.3.2.1 Recruitment

The skills of the men and women who make up the Company are a key performance driver.

The Group is faced with a shortage of profiles and the need to retain talent. Recruitment and career management are therefore essential parts of our human resources policy.

A recruitment website has been set up (for the subsidiaries of the Multiservices division) to share profiles and manage a pool of internal or external applications, for greater responsiveness. Partnerships have been forged with schools, notably with the Institut de gestion sociale (IGS) for the creation of specific HR training, with Audencia for the training of future local managers, and with other schools providing technical training to support recruitment needs in operational sectors.

Several actions are conducted simultaneously to find candidates able to fill vacant positions within teams:

- promote internal mobility by supporting employees who change or wish to change jobs;
- conduct function weighting and remuneration benchmarking across all key positions in order to offer remuneration which is aligned with the market;
- recruit junior profiles, apprentices or professionalization contracts, supported by internal tutors;
- recruit people that are changing careers;
- continue the "young talents" operation to integrate young masters-level graduates, with the aim of training them for operating manager positions;
- communicate with schools to increase awareness of the Derichebourg Group and its activities;
- communicate via social networks.

Within Derichebourg Multiservices, a recruitment guide has been created to support the entire HR Department and managers in each stage of recruitment, from identifying needs to offering an employment contract.

3.3.2.2 Supporting skills development

The Group has made skills management a major focus of its HR policy to encourage the career development of its employees, and to retain them by offering them more career development prospects.

The aim is to lay down a Career Path and Employment Management (GEPP) policy that takes account of occupational changes and the growth of organizations in order to:

- support the modernization of the Company and plan ahead for future needs;
- match employees' skills with the needs of the Company;
- enhance the efficiency of organizations;
- guide the skills development policy;
- identify potential employee development.

As such, Derichebourg Multiservices has chosen to create its own Academy to promote, deploy and facilitate these topics. Derichebourg Academy is an internal training body that positions itself as a partner for both the businesses and employees. In its variation, it is a rich and varied multi-modal training offer (face-to-face, virtual classroom, e-learning, webinars, conferences, co-development, coaching, etc.), offering both targeted modules and professional development paths. It also provides career opportunities and is a career observatory. Training is delivered by our community of internal trainers, and also with the help of external partners.

We have a full training offering through the Derichebourg Passport:

- an on-demand service offering training in a specific area and thus developing skills. More than 100 training initiatives organized around 12 topics are now available to employees;
- a career path and professional development path giving employees the opportunity to develop their skills in a given field. These courses are available in two formats: internal courses and courses in partnership with schools.

With regard to the careers component, two major challenges were identified this year: making existing jobs visible and giving everyone the means to shape their own career.

A total of 128 jobs have been identified within Derichebourg Multiservices and included in the job mapping. This work was supported by the circulation of employee profiles and two major events: the careers week in March 2021 and the VIS MON JOB scheme in September 2021.

Employees can use the educational resources available on the Academy website to support them through each stage of building a career plan: e-learning (building a project, creating a skills portfolio, etc.), webinar, working documents, etc.

Progress reviews are conducted every year for managers, supervisors and technicians to identify potential employees and support them through individual training programs.

The French entities conducted 65.1% of annual interviews during this fiscal year. This rate is up compared to last year (56.3% in 2019-2020) due to the improved deployment of this approach in the Environment division.

Internal mobility is an essential way of meeting the career focus. Therefore, an internal mobility charter has been signed by the General Management for Derichebourg Multiservices. An Employment Site is accessible to all employees to allow each one to apply for open positions within the Group.

The Group is particularly committed to an employee professionalization and certification approach. Indeed, for several years, the following opportunities have been available to employees:

- willing employees can pursue Certificates of Professional Qualification (CPQ) that are specific to their role (cleaning, sorting etc.) or to management (team leader) with a view to obtaining an accreditation. In the fiscal year 2020-2021, 48 people on permanent contracts or professionalization contracts have obtained or are in the process of obtaining a CQP;

- the Recycling division's production operators receive technical training on the handling, upkeep and maintenance of construction equipment. This training, provided by the company Liebherr, aims to improve user safety, optimize their performance and reduce tool maintenance costs.

Within the professional division, the Recycling division is helping to redesign the content of the CQP, including this year's manual and mechanical sorting operator.



number of training hours

121,614

	2021	2020
Number of training hours	121,614	248,100
Average number of training hours per person per year	2.9	5.9
Average number of training hours per FTE per year ⁽¹⁾	6.1	N/A

The number of training hours decreased due to unfavorable conditions for the implementation of training during employee furlough schemes, and the health constraints that made it impossible to deploy further training actions. However, the number of training hours per FTE remains at an acceptable and controlled level.

3.3.2.3 Quality of life at work

When detecting psychosocial risk factors, the Derichebourg Group attaches great importance to the quality of life of its employees.

Several actions have been taken, including an annual survey on the Multiservices division, which aims to optimize the quality of life at work for everyone in order to improve the Company's competitiveness, in addition to personal fulfillment within the professional community. It also aims to allow all stakeholders (managers, staff representatives, employees, line management, HR Director, etc.) to share and take ownership of a common project.

The latest Quality of Life at Work (QVT) survey by Derichebourg Multiservices, delivered in January 2021, revealed some key focus areas for quality of life at work and employee engagement. In general, nearly eight out of 10 employees say they like working for Derichebourg Multiservices, and more than nine out of 10 say they like their work.

The survey naturally leads to the creation of action plans refined by subsidiaries, according to the needs and requests that emerge. It is in this context that several projects are currently under way, including the

development of HR communication, particularly on career management tools and developing the accessibility of HR for all employees.

HR accessibility is now ensured by means of various digital tools, which enable everyone to simplify their procedures and make the entire HR offering easily accessible. This offering is deployed by means of an electronic safe for each employee, an employee portal, a dedicated HR after-sales team that can be contacted at any time, and soon a mobile application simplifying contact between employees and their HR team. A "digital inclusion" training module has been created to support the use of digital tools, and is being rolled out across the Group. Within the Multiservices business unit, 66.3% of eligible users are using these digital tools.

Finally, new HR initiatives stemming from employee expectations include a Social division, which has been created within the Multiservices division, bringing together 14 services for employees, on health topics (online medical consultations, health assistance, mutual fund health insurance issues, social fund), housing (housing action), retirement (assessment and retirement points), help for carers (caregiver support policy), and mental health support (with a dedicated listening unit available 24 hours a day, 7 days a week).

(1) Full-time equivalent

3.3.3 Promoting equal opportunity

3.3.3.1 Promoting diversity

Working towards gender equality between women and men

employee breakdown



25,507 15,830

	Environmental Services		Business Services		Holding companies		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Proportion of female managers	19.7%	19.6%	32.9%	32.9%	32.4%	37.2%	28.9%	29.8%
Proportion of male managers	80.3%	80.4%	67.1%	67.1%	67.6%	62.8%	71.1%	70.2%

The decrease in the percentage of female managers is due to departures, primarily from the Derichebourg Environnement Holding company for various reasons (moving, retirement, resignation, etc.).

Environmental Services

	France		Europe (excluding France)		Americas		Total	
<i>In thousands of euros</i>	2021	2020	2021	2020	2021	2020	2021	2020
Average annual earnings, female managers	58.1	55.5	50.8	34.3	47.2	44.5	56.2	50.1
Average annual earnings, male managers	67.4	68.2	69.9	63.7	43.7	42.8	64.1	64.5
Average annual earnings, non-managerial women	24.6	23.1	22.8	24.9	41.3	46.3	25.4	24.3
Average annual earnings, non-managerial men	29.1	27.7	27.2	26.8	32.9	31.3	29.3	27.8

Business Services

	France		Europe (excluding France)		Total	
<i>In thousands of euros</i>	2021	2020	2021	2020	2021	2020
Average annual earnings, female managers	46.5	47.0	57.9	33.8	47.7	44.9
Average annual earnings, male managers	55.0	53.6	51.3	57.3	54.7	53.9
Average annual earnings, non-managerial women	20.4	19.2	3.8	6.9	11.5	12.3
Average annual earnings, non-managerial men	19.1	21.1	20.0	11.9	19.3	19.8

The average wage is the ratio between the annual remuneration and the annual average headcount over the 12 calendar months.

Gender equality index

In 2021, the Environmental division published the only calculable gender equality index, that of the headquarters, with a result of 88/100.

The Business Services division provided the gender equality index for seven of its subsidiaries (Derichebourg Énergie, Derichebourg SNG, Derichebourg Aeronautics Services France, Derichebourg Intérim, Derichebourg Accueil, Derichebourg Propreté and Derichebourg Retail). All the subsidiaries report an index above the regulatory target (75/100) with an average of 83/100, results attesting to the efforts already undertaken and ongoing, and which will be amplified over the coming years. The subsidiaries have posted markedly positive results in terms of remuneration and individual increases.

Procedures to support and analyze the remuneration of women returning from maternity leave have been implemented.

In-depth work is continuing on the gap in the distribution of promotions between women and men, and the absence of women among the highest salaries in the Company. On this point, targets for complete parity have been set for 2030.

As a result, Derichebourg Multiservices has opened a priority project on professional career development. Staff reviews are essential and negotiations on professional equality will target qualitative promotion.

The Derichebourg Group strives to prevent situations of violence and harassment to which each of its employees could be victims, and more generally, to prevent psychosocial risks. This desire to do everything possible to protect the health and safety of employees is part of a comprehensive prevention approach. In the event of hostile actions by

one or more employees, the employer undertakes to respond to the emergency of the situation by deploying the protection mechanism of the protocol for managing interpersonal conflicts at work, in order to identify the cause of the problems and put in place appropriate prevention measures.

Each subsidiary also endeavors to make training fairer and more accessible: e-learning training, monthly information sessions by webinars through the Derichebourg Academy platform, a space dedicated to gender equality accessible via the intranet, etc.

In the first quarter of 2022, the voluntary Diversity Ambassadors will be given professional training and will be responsible for communicating via a reference charter that will notably be included in the new hire pack.

Lastly, the subsidiaries will communicate even further about diversified recruitment by showcasing in particular portraits of women in technical and managerial roles (20 women will be honored in March 2021 in the Environmental division). In the Multiservices division, access for women to team management qualifications such as the MBS (Montpellier Business School) and HEC will be subject to specific attention.

As part of its older workers policy, the Group offers its workers aged 45 and over the option of attending a retirement meeting with Humanis (Derichebourg Propreté) or AG2R (Derichebourg Environnement). The purpose of this meeting is to review the workers' careers, support them in their different initiatives or simply to provide them with information.

	Environmental Services		Business Services		Holding companies		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Proportion of employees over the age of 55	23.0%	20.5%	27.7%	27.2%	19.7%	18.0%	27.2%	26.4%

The proportion of employees over the age of 55 across the whole Group was up year-on-year. This development is linked to the retention of experienced employees in the workforce (who pass on knowledge to younger people), as well as the recruitment of older employees.

The Business Services division has set up a personalized support scheme to facilitate the return to work of employees undergoing a job change following a restructuring operation or a disability. The scheme provides them with support for a period of three months, involving:

- three modulable interviews to establish a professional skills analysis, define the employee's plan and support its implementation;
- a user-friendly, interactive platform to search for a job, draft a resume and prepare for job interviews.

For this purpose, the Business Services division has entered into a partnership with a company specialized in professional reconversion – AKSIS.

Employing young people

Since 2019, in order to ensure the renewal of its operational managers, every year the Derichebourg Environnement division recruits and integrates around 10 young graduates of engineering schools and business schools in France through the “jeunes pousses young graduate program. This operation has provided an opportunity to raise public awareness of all jobs in the recycling chain, communicate about the Group, and enter into partnerships with schools.

The young recruits undergo a one-year onboarding process comprising on-site training modules on operations, purchasing, transport, sales and more, as well as periodic assessments.

On July 10, 2020, Derichebourg Multiservices joined the “Pacte avec les quartiers pour toutes les entreprises” network. This support program, propelled by IMPACT Partners and Bpifrance, was launched by the Minister of Regional Cohesion and Local Government Relations, who is

responsible for cities and housing. This commitment cements the Group's actions towards the economic inclusion of priority districts (quartiers prioritaires de la politique de la ville – QPV) through youth awareness, recruitment, training and purchases in these areas. As of September 30, 2021, more than 20% of Derichebourg Multiservices employees reside in a QPV priority district.

The Derichebourg Énergie subsidiary has onboarded its first class of people from the integration program, in maintenance technician roles. With our Pro Emploi partners, who are tasked with the financing model and the preselection of candidates, and IFEN, a specialized training institute, a tailor-made training course dedicated to Derichebourg Énergie has been created, which comprises specific educational modules to subsequently be applied within the Company. After a recruitment campaign and a theoretical and practical refresher course over six weeks, 12 people were selected to undergo apprenticeship training of more than 300 hours.

Apprenticeship

	Environmental Services		Business Services		Holding companies		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Proportion of employees under work-study contracts	0.3%	0.4%	0.4%	0.3%	3.5%	3.3%	0.4%	0.29%

The work-study recruitment policy covers all diploma classifications from the CAP to the Master's. In the 2020-2021 fiscal year, the Group had 181 work-study students. This figure is up compared to last year (122 work-study students).

Within the Group, a knowledge transfer system has been set up: each work-study student who joins the Group has a tutor who is his or her point of contact in the Company and who will guide them through their course.

Derichebourg is regularly approached by schools to organize exchanges and talks for middle and high school students, as well as higher education institutions. Partnerships have been initiated with AgroParisTech, the University of Le Mans, the Goethe Institut, INSA Lyon and MinesParisTech.

In order to raise awareness among young people about the recycling sector, Derichebourg Environnement has been a partner of the “I film the job that I like” (*Je filme le métier qui me plaît*) competition since 2021. Created 14 years ago by the Euro-France association, it is an educational project under the high patronage of the French ministries of Labor, National Education and Higher Education. Aimed at young people (middle and high school students and college students), the competition aims to highlight the various professions, including recycling from the angle: “Recycling, an industry which serves the planet” (*Le recyclage, une industrie au service de la planète*). Among the winning projects, two short films were shot at the Group's recycling sites. After opening 12 recycling facilities in 2021 for filming, nearly 20 facilities will be offered for the 2022 edition.

To support the Euro-France association, part of the apprenticeship tax is donated to this body, which is authorized to collect the apprenticeship tax nationwide.

In February 2021, Derichebourg Environnement took part in Industry Week to present the recycling industry to a large number of Grade 9 students, as part of a live week of discovery.

Integration

Under WEEE (Waste Electrical and Electronic Equipment) recycling contracts, several businesses entrust the disassembly and dismantling of large household appliances or small mixed household appliances to ENVIE, the French federation of vocational integration companies. The Group's partnership with ENVIE has now lasted for nearly 15 years. The Derichebourg Group has 11 WEEE recycling platforms in France. At six of these, the Group operates in partnership with ENVIE. Every day, 110 employees work with the Group under vocational integration programs. This partnership has been welcomed by the Hauts-de-Seine prefecture, which awarded the Group the “Responsible purchasing and corporate social responsibility Hauts-de-Seine” certificate for its Gennevilliers site on October 8, 2018.

The Passerelle program, launched on April 7, 2021 and part of the new “Collective Transitions” program offered by the State, was presented to around 30 DERICHEBOURG Multiservices employees, in partnership with the Korian Group, the leading European private group in the sector for managing dependency. This program is offered to willing employees and enables them to benefit from professional retraining and to develop their employability towards a profession of the future. After completing a 14-month qualifying training course with a Korian establishment, Derichebourg employees become full-time caregivers. On Thursday, November 18, 2021, Derichebourg Multiservices received the “Coup de Cœur” Trophy for Human Capital Leaders for this innovative project.

On March 18, 2021, on Global Recycling Day, the Group wanted to highlight its historic partnership with Fédération Envie. The Group used photo profiles to share the stories with their partners and on networks of people currently working at Envie and people recruited by Derichebourg Environnement after completing their immersive experience.

Disability

The Derichebourg Group is implementing an ambitious action plan to promote the professional integration of employees with disabilities.

The objective is to increase the employment rate of workers with disabilities, and the actions focus on five areas through the disability plan:

- ▣ recruitment;
- ▣ continued employment in the event of a disability during working life;
- ▣ collaboration with the sheltered employment sector;
- ▣ personalized support for employees with disabilities to help them progress;
- ▣ training/awareness to offer suitable career paths.

Local representatives trained in disability issues, known as Diversity Ambassadors, are tasked with welcoming, integrating and keeping employees with disabilities in the Company.

employees
with
disabilities

7.2%



As of September 30, 2021, the Group reached a disabled worker employment rate of 7.2%. Despite the reform of the DOETH (mandatory declaration of employment of disabled workers) method, this result exceeds the legal obligation set at a 6% employment rate, and has increased for two consecutive years (6.7% the previous year).

The disability employment rate of the Multiservices division French subsidiaries was 5.5%. When the Iberian division entities are included, which are not subject to the French regulation on the calculation of beneficiary units, the employment rate reached 7.7%.

In addition to the direct employment of people with disabilities, the Company wants to establish sustainable partnerships with the sheltered employment sector (sheltered employment companies (EA) and organizations providing assistance through work (ESAT)). The Facility Management division of Derichebourg Multiservices subcontracts part of its green space activities to the sheltered sector.

Since January 2016, REFINAL industries has subcontracted the manufacture of suction cups for three robots taking aluminum ingots from its production line to an ESAT. Almost 200 suction cups are manufactured every month.

Lastly, Derichebourg Multiservices deploys a network of 30 Diversity Ambassadors, located close to employees and trained in disability support. These Diversity Ambassadors lead training and awareness-raising workshops and support employees with disability recognition, as well as all managers in managing disability on a daily basis.

Multiculturalism

The Derichebourg Group is a signatory to the European Union's Diversity Charter. In this way, the Group demonstrated its intention of continuing and boosting measures at all levels of the Company to promote diversity, from hiring through to career management.

The Group's managers lead teams composed of employees with over 125 nationalities. In this way, Derichebourg is a major player in the area of integration.

Certain subsidiaries offer their employees the opportunity to take training courses in core skills and in French (possibility of obtaining the DILF certificate⁽¹⁾). These courses have positive impacts both in professional and personal terms. They increase staff employability and facilitates their work because the training improves their understanding of instructions given to them. Employees express themselves and communicate much more easily and can perform their jobs with greater independence. In personal terms, the training makes their everyday lives easier. Administrative tasks become easier and they can even help their children do their homework.

Societal commitment

Derichebourg Multiservices is committed to actions of general interest for causes including environmental protection, equal opportunity and well-being with programs such as:

- ▣ salary rounding, which allows employees who wish to do so, to support partner associations (Sport dans la ville, Nos Quartiers ont des Talents, Simplon) by making a micro-donation of their salary (between €0.5 and €5). Derichebourg Multiservices doubles the amount of each donation. It is a joint employee-employer solidarity scheme. More than 300 employees are currently involved in this scheme;
- ▣ sponsorship to help young people from priority neighborhoods find employment or apprenticeships with the non-profit organization "Nos Quartiers ont des Talents". Since 2006, the association has been working to promote equal opportunity by supporting young people with three or more years of higher education, aged under 30, from priority neighborhoods or from modest social backgrounds, in their search for employment, work-study programs or entrepreneurship opportunities;
- ▣ "United Heroes" enables employees to improve their daily well-being through sporting challenges or reading articles. In September 2021, Derichebourg Multiservices took part in the HGames, the first inter-company sports competition for disability sport.

Since March 2020, Derichebourg Multiservices has provided its employees with a Solidair'Action platform to enable them to actively participate in these actions.

In 2021, Derichebourg Environnement and Derichebourg Multiservices are supporting general interest associations to integrate people who are out of work, such as Sport dans la Ville or La Cravate Solidaire. On this occasion, a large collection of work clothing was organized at the end of November 2021 among the Group's employees, so that people who are integrating or reintegrating into the workplace have the right kind of clothing, and therefore preventing discrimination on the basis of their appearance at a job interview.

(1) Basic French language certificate.

3.4 Reducing the Group's environmental footprint

3.4.1 Contributing to carbon neutrality

The Derichebourg Group's ambition is to subscribe to the commitments of the Paris Agreement for the fight against global warming. The Group marked this commitment by signing the French Business Climate Pledge in August 2019.

The Group has two main areas in which it can actively combat global warming: firstly through its recycling activity and secondly by reducing its own greenhouse gas (GHG) emissions.

Greenhouse gas emissions are calculated under Scope 1 (direct emissions) and Scope 2 (indirect emissions associated with energy), based on the ADEME reference framework, accounting for 205,230 metric tons of CO₂ equivalent for the fiscal year 2020-2021.

The Group's greenhouse gas emissions can be broken down into:

- electricity purchased: 22,174 metric tons CO₂ equivalent;
- consumption of fossil fuels related to the facilities: 121,789 metric tons CO₂ equivalent;
- fuel consumption related to travel: 61,267 metric tons CO₂ equivalent.

70.1% of GHG emissions are related to the operation of facilities (gas, electricity and RNG) and 29.9% related to transport. Greenhouse gas emissions increased by 21.3% in absolute value, particularly for purchased electricity and fossil fuel consumption related to facilities.

The two main causes of this increase are:

- the increase in scope (Derichebourg España over 12 months compared to 9 months last year);
- the rebound in post-Covid recycling activity (a 24% increase in tonnage processed).

Therefore, the increase in GHG emissions is not significant in comparison to business activity: 37.2 kg CO₂ equivalent/metric ton treated compared to 37.1 kg CO₂ equivalent/metric ton processed for the previous year, i.e. an increase of 0.3%.

Derichebourg Environnement mainly uses electricity as a source of energy for its recycling units. The high share of electricity generated using nuclear power in the energy mix in France helps to limit the Recycling business's greenhouse gas emissions.

Derichebourg Environnement is also working on a project to convert non-recyclable shredder residues into solid recovered fuel (SRF). This technique will make it possible to produce a fuel from waste as a substitute for fossil fuels (coal, fuel oil, etc.) and contribute to the national objectives of diversifying the electricity mix by way of a 40% reduction in fossil energy consumption by 2030.

In addition to the plan to reduce its greenhouse gas emissions, the subsidiary Derichebourg Propreté is offsetting its residual greenhouse gas emissions for the second consecutive year with two projects in Brazil: one is financing the construction of two small-scale hydropower plants, and the other the construction and commissioning of a landfill gas collection and burning system (Canhanduba landfill). This system

uses the gas to generate electricity. More than 5,682 metric tons of CO₂ were offset this year.

3.4.1.1 Reducing GHG emissions from transport

Environmental Services

The Group's Environmental division began the strategic transformation of its transportation activity in 2018.

The Company aims to provide its truck fleet with tools and procedures to monitor and optimize its fuel consumption.

The transportation transformation plan is based on a number of cumulative solutions:

- the resizing and renewal of the fleet through:
 - the removal of old and superfluous vehicles,
 - the acquisition of 155 new vehicles out of the nearly 400 now dedicated to collection in the French Recycling fleet, including only 15 vehicles delivered in 2021 due to supply difficulties related to the shortage of electronic components. Fleet renewal will continue in 2022. The new vehicles will all meet the Euro VI standard as a minimum and are all equipped with the AdBlue™ system and particulate filters. Thus, to date, 48% of the fleet (Europe excluding Italy) already meets the Euro VI standard (down following the integration of the Derichebourg España fleet);
- the choice of the right engine power to reduce fuel consumption. The power of our trucks is limited to the minimum required and always adapted to the local road network;
- the deployment of fleetenergies™ technology (formerly AlertGasoil™).

fleetenergies™ is a complete solution for measuring and controlling fuel consumption and greenhouse gas emissions to facilitate overall management and reduce waste (TMAVA monitoring⁽¹⁾ driving behavior, etc.). The technology used is certified "class 4" by ADEME, the highest possible level of certification of the accuracy of fuel consumption and CO₂ emissions measurements.

Equipping our vehicle fleet with the on-board fleetenergies™ system provides comprehensive and accurate fuel consumption monitoring.

The rollout of the on-board sensors began at the start of the 2018-2019 fiscal year, and was completed in June 2019 for the French, Belgian and German vehicle fleets. The deployment of this technology for the Derichebourg España subsidiary has been postponed until 2022;

- driver training in France.

Ecodriving brings together the issues of sustainable development (efficient use of energy) and road safety by providing employees with every solution to be implemented on a daily basis for responsible, economic and ecological driving, whilst reducing road risks and fuel consumption.

(1) Temps Moteur Allumé Véhicule à l'Arrêt (the time the engine is running while the vehicle is stationary).

The various subsidiaries of the Environment division began training sessions two years ago and, to date, more than 150 drivers have participated in such sessions.

However, the Group has changed its strategy and is now moving towards more appropriate training aimed at correctly handling the new vehicles delivered (use of the robotic gearbox, optimum torque, etc.), in partnership with car manufacturers and bodybuilders (management of accessories; auxiliary crane, etc.). Indeed, due to a lack of knowledge, it was observed that drivers may overconsume when they were driving new vehicles. This has contributed to a slight downward trend in the indicators, even though the fleet is newer and less polluting;

- route planning assistance.

A shared initiative is being undertaken by operating managers for the Recycling business, route planners and commercial teams in order to improve how collection routes are organized and motor vehicles shared to reduce the number of unnecessary kilometers driven.

Similarly, Derichebourg entered into a partnership in 2016 with Michelin Group to manage its tire stock. Accordingly, the Group has chosen to place the emphasis on extending the life of tires by retreading and regrooving them, where this is possible, helping to reduce the amount of raw materials consumed compared with manufacturing a new tire.

The introduction of tire pressure monitoring has also helped to reduce fuel consumption.

Accordingly, through these different initiatives, by 2022 the Group wants to:

- keep vehicle consumption below 42 liters/100 km;
- reduce the volume of diesel used;
- reduce CO₂ emissions from the Transportation business by close to 10% compared with December 31, 2018.

Monitoring of the energy performance of the Recycling business is carried out using the following indicators:

In liters per 100 km	Environmental Services		
	2022 targets	2021	2020
Fuel consumption per 100 km traveled ⁽¹⁾	42	43.2	43.1
In grams of CO ₂ per kilometer traveled			
	2022 targets	2021	2020
CO ₂ emissions per kilometer traveled ⁽¹⁾	1,200	1,327	1,324

(1) Scope Europe excluding Italy.

For downstream transportation, the Group also prioritizes the use of maritime or river transportation, where possible, which is cheaper and helps to protect the environment. New site openings are, whenever possible, next to waterways.

As a reminder, the Group has access to river or maritime infrastructure for most of its subsidiaries: Marseille (Purfer), Rouen and Valenciennes (Revival), Houston (Derichebourg Recycling USA), Nantes (AFM Recyclage), Brussels and Liège (Derichebourg Belgium), Karlsruhe (Derichebourg Umwelt GmbH), Strasbourg (Eska), etc.

This is the case for the Group's two most recent shredding lines: Gennevilliers (on the HAROPA – Paris Ports site) and since late September 2018, the new Bassens shredding line (located on the Bordeaux Port Authority site).

The Group also continues the use of rail transport. This mode of transportation is an alternative to road transport (one wagon for every two trucks). It is less developed than water transport, due more to structural reasons than any real desire on the Group's part.

On September 13, 2021, the French government unveiled the national strategy for the development of rail freight. This strategy meets the objective of doubling the modal share of rail freight by 2030 (from 9% in 2019 to 18% in 2030), enshrined in the law on combating climate change. In the longer term, the State has set itself the target of achieving a 25% rail freight modal share by 2050. A €1 billion investment plan will be deployed as part of the recovery plan, together with an additional annual budget of €170 million until 2024. As a user, Derichebourg Environnement closely monitors these changes.

The share of tonnages transported worldwide by waterway and/or rail is as follows:



<i>In thousands of metric tons transported</i>	2021	2020
Secondary raw materials transported by waterway	1,091.1	792.4
Secondary raw materials transported by rail	380.2	264.5

For information, the modes of transportation by waterway or rail avoided the circulation of approximately 58,850 trucks over the 2020-2021 fiscal year (based on each truck transporting 25 metric tons).

The Poly-Environnement subsidiary (Public Sector Services) has continued investing in its own transportation for providing its services.

Thus, the roll-out of Active Stop-StartMC technology from Quebec-based Effenco continued at several branches in the Paris region and Normandy, bringing the number of vehicles equipped with this technology to 134, or 41% of the French fleet. In addition, Derichebourg Canada equipped 21 dump trucks (20% of the fleet) with this technology during the year. This system is designed to cut the truck's engine when it is immobile, whilst keeping its accessories and equipment operational, such as the container lifting and dumpster compaction systems. In general, these stops represent 40% to 50% of the vehicle's usage time and thus enable a 30% reduction in greenhouse gas emissions.

The PolyNormandie branch acquired 28 dump trucks for its new site in Colombelles (Calvados) for the collection of household waste (OM dump trucks) running on natural gas for vehicles (NGV) and has set up its own NGV distribution station.

To date, more than 55% (up 15 points compared to 2019-2020) of Poly-Environnement's fleet of OM dump trucks (France scope) run on NGV, i.e. 181 vehicles.

The use of B100 bio-fuel (100% plant-based) made from rapeseed grown and processed in France was also successfully tested at the Colombelles branch. This trial will be extended to the Recycling business from 2022. The objective is, in the short term, to replace part of the diesel consumed with bio-fuel, reducing CO₂ emissions by 60% and particulate matter by 80%.

58% of Poly-Environnement's fleet of company and service vehicles (scope France, 150 vehicles) is composed of hybrid or electric vehicles.

Multiservices

96% of Derichebourg Multiservices' direct GHG emissions come from its fleet of more than 2,000 vehicles.

A survey of the vehicle fleet was conducted in 2020 to identify actions to reduce the average rate of CO₂ emissions/km of the vehicle fleet, to ensure business continuity and to optimize the Total Cost of Ownership (TCO).

The following action plan was rolled out in 2021:

- ▣ recruitment of a fleet manager;
- ▣ implementation of fleet monitoring software;
- ▣ setting out a new car policy incorporating four mobility packs (car pack, green car pack, plug-in pack and green pack), two of which offer mobility credit solutions to encourage mobility solutions as an alternative to the company car.

This year, these actions have prepared the Group for measures to be taken under the French Mobility Orientation law (LOM). In fact, 248 vehicles were renewed, 10% of which have low emissions (less than 60 g CO₂/km). In total, 7% of the fleet is electric (compared to 3% last year) and a third of the fleet has an emission level of less than 116 g of CO₂/km (according to the WLTP standard).

3.4.1.2 Improving site energy efficiency

Derichebourg Environnement is committed to a pro-active approach to managing its energy consumption, notably through ISO 50001 certification in the Refinal Industries and Derichebourg Umwelt GmbH subsidiaries.

The Derichebourg Group has implemented various actions to reduce the energy consumption of its production units. The most significant are:

- ▣ the installation of frequency converters on shredding lines to adjust the energy supply to requirements in real time;
- ▣ the gradual replacement of shredding unit motors by more energy efficient motors;
- ▣ the acquisition of four new shear balers equipped with frequency converter technologies.

Furthermore, the second phase of regulatory energy audits took place in 2019 and 2020 for all of the relevant French subsidiaries. For activities with the highest energy consumption, these audits are carried out by specialist companies in the energy efficiency sector. These companies are committed to meeting the requirements of the European NF EN 16247 (1 to 4) standard and will enable the Group to prepare an energy efficiency action plan for 2022.

The action plan will be monitored alongside the monitoring of the new indicator defined in the CSR roadmap, i.e. the energy consumption of the operating sites per metric ton treated.

<i>In kWh LCV** per metric ton treated</i>	Recycling business*		
	2022 targets	2021	2020
Site energy consumption per metric ton treated	30	30.4	32.5

* Scope France, excluding REFINAL INDUSTRIES.

** Lower calorific value: theoretical amount of energy contained in a fuel.

Extra-financial performance

Reducing the Group's environmental footprint

This indicator takes into account consumption of electricity and off-road diesel on sites. As gas consumption is not significant, it has not been included (except for Refinal Industries' two aluminum refining sites) for reasons of simplicity. Refinal Industries is not included in the scope of this indicator as, on the one hand, its activity is very specific, and on the other, it is governed by ISO 50001 certification.

The clear improvement in the indicator is linked to the return to a pre-Covid level of activity. In fact, the Group's facilities had operated under capacity for several months during the previous fiscal year, which explains the excess consumption per metric ton processed.



electric
consumption

142.5 GWh

+17% compared to 2020

Furthermore, energy consumption in absolute values for the Group (worldwide scope) is as follows⁽¹⁾:

fuel
consumption
(road)



17.8 million
liters

-1.1% compared to 2020

Natural Gas
for Vehicles
(NGV)



2.8 million cubic
meters

+46.1% compared to 2020

The increase in absolute value of the various consumption figures is due firstly to the rebound in post-Covid activity (up 24% in volume), and secondly to the consolidation of Derichebourg España over 12 months instead of nine months during the previous fiscal year.

Non-Road
Gas (NRG)



10.3 million
liters

+39.5% compared to 2020

gas
consumption



40.5 million cubic
meters

+27% compared to 2020

Gas consumption for the facilities has increased to 98.5% by the Group's four refineries (aluminum and lead) using this energy source to operate their refining furnaces.

NGV consumption increased significantly compared to the previous year (up 46.1%) following the deployment of new trucks in the Collection business to replace trucks running on diesel.

The share of bio-fuel and gasoline in overall fuel consumption is growing and now stands at 2% of overall consumption.

Thus, with the diversification of fuels, the Group observed its first year of decline in diesel consumption (down 3.1%).

In addition, Derichebourg Environnement has continued its partnership with the company Total Flex for the second year running to make available capacity to reduce its electricity consumption.

Elimination or electrical flexibility is the ability of a site to reduce or even stop its consumption in the event of strong demand or a shortage of supply, at the request of Réseau de Transport Électricité (RTE), the French Electricity Transmission Network. Indeed, in the event of consumption peaks, in order to avoid having to restart old and polluting power plants (particularly coal-fired, which emit a lot of CO₂), RTE is asking volunteer companies to significantly reduce their consumption and mitigate the said peak.

The impact is twofold; it avoids a potential regional power cut, and helps to reduce the carbon intensity of the French energy mix.

Through Total Flex, the Group provides RTE with a capacity of 19 MW through 37 production sites.

By way of comparison, this power corresponds to the power of almost 3,200 typical French households (based on 6 kVA as the subscribed power per dwelling).

⁽¹⁾ Derichebourg España's diesel consumption was estimated based on the kilometers traveled by trucks and the average consumption measured in France by the fleetenergies system.

3.4.1.3 Avoided greenhouse gas emissions

A business serving the circular economy: recovery of metal waste

Due to the nature of its historic scrap metal recycling business, Derichebourg Environnement is helping to preserve natural resources (iron ore, copper, bauxite, etc.) while reducing the quantity of waste eliminated.

Metal waste, first of all, undergoes a sorting process. That not requiring any processing is grouped directly by quality, then resold. Ferrous scrap metals that need to undergo an industrial preparation process before being processed in steel mills are either sheared or cut (thick ferrous scrap metals), or shredded (light ferrous scrap metals or those mixed with other materials).

During this fiscal year, Derichebourg Environnement processed 3,96 million metric tons of ferrous metal waste and around 626,600 metric tons of non-ferrous metals.

As part of this scrap metal processing activity, Derichebourg also has two aluminum refineries. The historical refinery in Lomme produced 67,340 metric tons of aluminum ingots. This year, the Prémery refinery, which was acquired more recently, produced 10,440 metric tons of ingots, processing different types of aluminum to those used at Lomme.

The Group also increased its aluminum production capacity through the acquisition of Lyrsa (renamed Derichebourg España), which has produced 15,430 metric tons of ingots in its refinery over the year.

Also through the acquisition of Lyrsa, the Group now owns a lead refinery that has produced 24,600 metric tons of ingots.

Thus, by returning quality secondary raw materials to the marketplace, Derichebourg Group contributes to reducing overall energy consumption. The recycling of metals enables considerable energy savings compared to their primary production: up to 94% for aluminum and 40% for steel (source ADEME/Federec, Environmental assessment of recycling in France according to the LCA method⁽¹⁾ – May 2017).

Furthermore, the use of secondary raw materials to produce new steel or non-ferrous metals enables a significant reduction in greenhouse gas emissions compared to producing them using raw materials. Effectively, the production of one metric ton of steel from recycled materials enables a reduction of 58% of CO₂ emissions and as much as 93% for the production of a metric ton of secondary aluminum ingots (source ADEME/Federec, Environmental assessment of recycling in France according to the LCA method – May 2017).

The Group estimates the volume of emissions avoided due to its activity and that of its customers to be 6.9 million metric tons of CO₂ equivalent (up 30% on the previous year), which is the annual emissions of more than 985,000 French inhabitants⁽²⁾.



volume of emissions avoided

6.9 million tons of CO₂ eq

annual emissions of

= 985,000 french people

(1) Life Cycle Analysis.

(2) EpE Zen 2050 study – emission of 7 metric tons of CO₂/inhabitant/year.

3.4.2 Assisting customers with their green transition

The nature of its business means that Derichebourg Multiservices consumes few raw materials. Nevertheless, the services that it offers incorporate the implementation of solutions that enable their environmental impacts to be reduced.

Derichebourg Multiservices incorporates into its business processes equipment featuring water and energy saving technologies. For example, the Cleaning business uses hyper-concentrated products and adapted dosing systems to reduce waste at source. Finally, Derichebourg Propreté ensures that it encourages the use of chemical products with eco-labeling: enzyme products, with eco-labeling or the result of hydrolysis and ionized water solutions. 74.2% of products used over the period from January 1 to September 30, 2021 are part of the eco-responsible range.

In their green space maintenance activities, Derichebourg Propreté and Derichebourg Espaces Verts aim to offer alternative solutions to reduce the amount of phytopharmaceutical products used.

One of Derichebourg Multiservices' objectives is to support its customers in improving their environmental performance. Derichebourg Énergie, Derichebourg Énergie E.P. (Public Lighting) and Derichebourg Propreté subsidiaries are therefore developing their services in line with this objective. Derichebourg Énergie is positioned as a partner in improving the energy performance of its customers' assets by generating 13.3% of its revenue from services activities specializing in the energy performance of buildings and installation, maintenance and repair of instruments for measuring, regulating and controlling energy performance. This subsidiary supports its customers in implementing their High Environmental Quality (HEQ) program ISO 50001 (energy management) and offers them energy performance agreements (including incentive-based packages). Special reports are set up and monitored by an energy efficiency body. A digital energy monitoring platform is also used which provides consultation of consumption/comfort data in real time, detects deviations and implements energy performance action plans. This tool, which is shared with customers and operational teams, makes it possible to involve all stakeholders and to continue energy management during lockdown.

The Derichebourg Énergie subsidiary assists its customers to reduce greenhouse gas emissions, primarily by advising them on eliminating refrigerants with high global warming potential by replacing or retrofitting refrigeration units that use this type of refrigerant.

Derichebourg Énergie E.P. is a significant player in the Île-de-France region in the public lighting renovation market, and to this end uses LED technology and develops contracts with a high energy performance component. This solution allows rapid reductions in energy bills and in the cost of contracts with energy suppliers and also a substantial reduction in maintenance cost. In addition, the upgrading

to the highest colorimetry and light loss standards reduces light pollution directed towards the sky, reducing the impact of public lighting on biodiversity while again improving energy consumption.

The service offered by Derichebourg Énergie E.P. meets the needs of local authorities to reduce their operating budgets and their environmental impacts and is based upon using the most advanced technologies: high energy efficiency streetlights, power variations and photovoltaic and wind energy sources. The material resources used also contribute to the objective of energy efficiency. These include electric vehicles and lifts, reconnaissance studies using light UAVs, optimizing maintenance rounds to minimize the environmental impact, etc.

Finally, Derichebourg Énergie E.P. is a recognized player in new electric mobility through the installation, maintenance and supervision of networks of charging stations for electric vehicles (IRVE accreditation⁽¹⁾), helping to reduce the carbon footprint of the French vehicle fleet.

The improvement in overall energy consumption obtained for customers at the end of September 2021 since the start of the agreements is 15% on average for Derichebourg Énergie and 83% for Derichebourg Énergie E.P. This high rate for Derichebourg Énergie E.P. is explained by the full replacement of lights carried out by this business.

LE STUDIO LED (LSL), a subsidiary of the Multiservices division, designs innovative LEDs tailored to the end customer's needs thanks to upstream analysis of its environment and its economic and CSR objectives. LSL selects components to attain performance levels that are higher than market standards in terms of their lifespans, in particular, L90B10⁽²⁾, and which have a lighting performance of up to 160 lm/W. An innovative fleet management technology has been developed with the aim of adjusting the light to real user needs and thus reducing energy consumption, whilst providing improved comfort and services to users or the operator. Its skills and expertise were recognized by the OPQIBI (engineering certification body) in 2020, which certified the company as "RGE – Études d'éclairage intérieur" (environmental protection compliant), a qualification that allows it to approve subsidy files for Energy Savings Certificates and further set itself apart as meeting the needs of its customers and partners.

Derichebourg Propreté has also extended its service offering by supporting its customers in implementing sorting solutions for different waste types. This service provides the customer with a single contact point for their office cleaning services, ensuring that its waste is traceable and recoverable. These are mainly commercial waste and bio-waste.

By becoming an accredited expert for the Global Climate Initiative, Derichebourg Multiservices is able to offer its customers a carbon neutral service. This offer consists of measuring greenhouse gas emissions from the business activity on the customer site, reducing them and offsetting irreducible emissions.

(1) Electric vehicle charging infrastructure.

(2) Indicator of the lifespan of the LEDs.

3.5 Being a major player in the circular economy

3.5.1 Improving the reliability of our facilities

In July 2019, Derichebourg signed a €130 million loan agreement with the European Investment Bank (EIB) in order to contribute to the long-term financing of a multi-year investment program in France in the area of recycling and circular economy. Investments under this multi-year investment program will mainly cover improving recovery rates of materials processed, adapting shredders to use the best available techniques (in the area of water treatment, smoke treatment and noise protection) and reducing the consumption of fossil energies (trucks and handling machinery).

3.5.1.1 Managing environmental risks

Through the rigorous management of incoming waste and daily maintenance of its facilities, Derichebourg Environnement ensures the prevention of environmental risks and pollution across its 224 industrial sites.

More than €12 million of investments in environmental protection were made during the fiscal year 2020-2021,

This is in addition to environmental operating expenses of nearly €3 million, which enable the Group to have an industrial facility which is compatible with its regulatory obligations.

Work on impermeable areas (concreted areas) and run-off water treatment are two important factors in limiting soil and waterway pollution. The Group pays particular attention to the proper maintenance of its infrastructure, and undertakes repairs and restoration of concrete areas deteriorated by the passage of machinery every year.

To ensure comprehensive management of environmental risks, the Group's subsidiaries with industrial sites or specific customer requirements have committed to ISO 14001 certification of their environmental management systems, with the target of 100% of concerned sites certified by 2022.

Anticipating this objective, several subsidiaries have already obtained triple QSE certification for all or part of their operating sites:

- ▣ AFM RECYCLAGE: 36 certified sites;
- ▣ ESKA: 23 certified sites;
- ▣ POLY-ENVIRONNEMENT: 14 certified branches;
- ▣ REVIVAL: 19 certified sites.

PURFER joined the circle of triple-certified companies with all of its 28 sites certified in 2021.

As a result, the proportion of ISO 14001-certified sites increased significantly during the year (up 12 points).

	2022 targets	2021	2020
Proportion of ISO 14001-certified sites ⁽¹⁾	100%	59.8%	47.7%

(1) Calculated with respect to industrial sites, sites for which a customer requirement was expressed or sites for which certification was decided as part of a Company policy.

Limit pollution from the facilities – Comply with BREF⁽¹⁾ Shredder requirements

The Group's various subsidiaries concerned comply with their monitoring obligations regarding atmospheric and water discharges. Monitoring plans have been introduced in each subsidiary.

As part of Directive 2010/75/EU of the European Parliament and Council of November 24, 2010 on industrial emissions, the conclusions on the best available techniques (BAT) for waste treatment were published on August 10, 2018.

As set out in the regulations, the Group has filed review documents "in light of the best available techniques" for each of the sites in question.

A Group action and investment plan is being rolled out until 2022 and beyond to bring the various facilities into compliance when necessary. The €130 million loan granted by the European Investment Bank (see 3.5.1) is being used for this purpose.

In this context, in order to improve the quality of atmospheric emissions from the shredding lines, the Group tested a system of bag filters on the Charleroi site with the injection of absorbent products (lime, activated carbon, a mixture of the two, etc.). Following this testing phase, the decision was taken to equip the site with this new technology. The work will be carried out during the next fiscal year, at a cost of more than €800 thousand.

Site restorations – termination of ongoing activities

One of Derichebourg Group's strengths is how it manages its real estate assets. Thus, subsidiaries are subject to an analysis that enables a list to be drawn up of the sites that are liable to cease activity over the more or less long term.

Terminations of activity are the subject of management plans, and if applicable, of provisions taking into account the overall financial cost of site restoration.

Provisions for environmental risks changed as follows:

In millions of euros	2021	2020
Environmental Services	9.4	6.7

(1) Best Available Technology Reference.

Extra-financial performance

Being a major player in the circular economy

Moreover, the Group provides financial guarantees (cross-border transportation of waste, safety compliance work on certain facilities classified for environmental protection (decree no. 2012-633 of May 3, 2012), etc.).

The amount of financial guarantees issued as at September 30, 2021 stood at €15.5 million compared with €10.1 million as at September 30, 2020.

Relations with neighbors

Derichebourg Environnement generates significant transport flows from the collection and reception of materials, as well as for bulk product sales.

This commitment is monitored via the following indicator:

	Environmental Services		
	2022 targets	2021	2020
Percentage of complaints dealt with (written response provided) ⁽¹⁾	100%	88.9%	100%

(1) Worldwide.

Only two complaints were not answered in writing during this fiscal year. They are currently being processed.

The number of complaints received during the year was up (increase of 38% compared to 2019-2020) with a total of 18 complaints recorded, but remains relatively low given the number of Group sites. In addition, this increase follows a very sharp decline in the previous fiscal year partly caused by the general decline in activity due to the Covid-19 pandemic.

In order to facilitate and thus make the reporting and processing of complaints even more reliable, it was decided to use the new QHSE intranet, which will allow for centralized monitoring.

The Group's new complaints management procedure specifies the structure put in place.

In addition, various actions are carried out on a daily basis at the Group's operating sites to create ties with neighbors and improve site integration into the local landscape.

Several sites (Athis-Mons, Bruyères-sur-Oise, Gennevilliers, Vitry, etc.) regularly organize school visits or open house days on the theme of recycling.

3.5.1.2 Managing fire risks

A multidisciplinary unit based at the headquarters (Technical Department, QSE, Projects Department) is responsible for boosting fire prevention by:

- organizing fire safety seminars;

Furthermore, the noise, visual and sound factors and safety of the operating sites are all issues which concern local communities.

Thus, any complaints on CSR aspects are managed by the QSE services in the subsidiaries.

To ensure irreproachable management by the Group of complaints, each complaint is answered by a written response.

- conducting internal audits in conjunction with the Group insurance broker's Prevention Engineer;
- monitoring action plans associated with audits;
- deploying Group solutions on all sites;
 - keeping inventory at very low levels,
 - watering of ferrous scrap metal inventory to be shredded in the summer for prevention purposes,
 - installing infrared thermography equipment at production sites,
 - installing detection equipment/extinguishers in electrical rooms and hydraulic power plants,
 - conducting fire drills in collaboration with the fire department (SDIS);
- trialling new solutions.

Investments in fire prevention amounted to nearly €1.2 million in 2020-2021.

Fire outbreaks are reported in real time via the digital alert tool in the event of accidents or incidents. This tool is operational for the Recycling business in Europe as well as for the entire Collection business. Depending on the level of severity, different alert levels ensure that the incident is immediately reported and escalated up to the highest levels of the Company. This tool encourages feedback, which is distributed to all Group sites.

3.5.2 Improving the recovery of waste treated in our facilities (shredder residue)

The draft law on combating food waste and the circular economy is at the center of French political debate. Arising from the circular economy road map published in 2018, this legal text includes core provisions for the recycling industry, such as setting rates for the incorporation of recycled raw materials in new products, improving the way that product recyclability is taken into account, and revising the extended producer responsibility segments.

Given the lack of channels at waste storage facilities, solutions have to be found in order to grant special access for waste requiring final disposal following sorting and recycling operations. In line with the target of halving landfill waste by 2025 against a 2010 baseline, the reduction of authorized capacity at storage centers has had an impact since 2018 on the entire recycling value chain. In parallel, a strict framework must be introduced to restrict access for recoverable wastes at storage centers.

Derichebourg Group thus made an enormous effort in 2019 to meet parliamentarians in the regions by organizing site visits for them to raise their awareness of the Recycling business, which is an essential pillar of the circular economy. The arrival of Covid-19 in 2020 has somewhat dampened this momentum.

3.5.2.1 Limiting the quantity of shredder residue produced

The Group operates 28 shredding lines worldwide which process metal waste only, of which 17 in France. The advantage of this technology is that it allows ferrous metal parts to be separated from non-ferrous metal parts, a mixture containing metals, plastics and shredding residues.

The “surface mines” which Derichebourg Environnement exploits are becoming more complex with technological advances in retail products.

In parallel, legislative changes in Europe, and particularly in France, are imposing increasingly strict recycling and recovery rates (Waste Electrical and Electronic Equipment, end-of-life vehicles, etc.) which require constant Group investment in R&D. Its R&D efforts enable it to operate sorting and separation technologies that set benchmarks in the recycling industry.

For a long time, shredding residues, plastic and even some undetected metallic residues were sent to landfill facilities. Historically, up to 25% of the volumes sent to shredder thus ended up in landfill. For many years, and particularly since the improvement in detection equipment (driven induction, infrared detection, X-rays, optical sorting, etc.), the Group has been endeavoring to reduce the proportion of residues consigned to landfill facilities. During the year, the Group’s shredding lines (excluding Spain) produced 312,000 metric tons of residual waste (up 7% compared to 2019-2020 due to the return to “business as usual”, but down 8% on 2018-2019).

Decontamination and pre-shredding dismantling operations (bumpers, tanks, windscreens in end-of-life vehicles, concrete counterweights on non-refrigeration LHA, etc.), also reduce the amount of shredder residues produced.

End-of-life vehicles (ELV) segment

French legislation transfers responsibility for achieving recycling and recovery rates to the combination of ELV center-ELV shredder. Each shredder deals with several ELV centers, which are responsible for vehicle decontamination before shredding. The recycling rates presented below were calculated for each shredder, then a weighted average (according to the number of ELVs processed) was calculated for the Group. These data are provided by ADEME (the French environment and energy management agency).

The table below presents average reuse and recycling rates, and reuse and recovery rates achieved by the Group’s French shredding sites overall.

average reuse
and recycling
rate for ELVs

86%*
* 2019 data



average reuse
and recovery rate
for ELVs

96%*
* 2019 data

	Legislative target	2021	2020
Average reuse and recycling rate for ELVs	85%	85.5%*	86.1%
Average reuse and recovery rate for ELVs	95%	96.0%*	93.0%

* ADEME data for 2019.

It should be noted that the figures published in this report are for vehicles declared as destroyed in 2019, taking into account the time period for certifying declarations.

The average reuse and recovery rate for ELVs saw a significant improvement in 2019, and allowed the Group to meet its European obligations.

This rate is closely related to the processing of shredder residue. Their multifaceted nature makes their material valuation particularly complex. Thus, to date, one of the main solutions for the recovery of shredder residue is incineration with energy recovery.

However, in 2018, the Group experienced major difficulties with several outlets for this treatment process, particularly at the ESKA and REVIVAL subsidiaries (closed incinerators, administrative and technical incidents, etc.).

These difficulties were encountered by the sector as a whole, which saw its recovery rate drop to 94.2% at the national level, pointing to a cyclical trend.

The situation partially returned to normal in 2019.

The diversification of outlets for the treatment of induction waste and particles (other residues allowing recovery rates to be reached) helped to get non-metallic recovery points back up and running (material and/or energy).

As an example, induction waste has a plastic component that can be recovered by cement works (energy recovery and material recovery by adding the ashes to the cement).

The Derichebourg Environnement Group, through its ECO-VHU subsidiary, which manages and distributes end-of-life vehicles (ELVs), has been providing an interface between automotive manufacturers, importers, concessions and ELV center partners in its network since 1993.

ECO-VHU has put in place and leads a network of more than 400 approved “dismantler” ELV centers throughout France, together with a network of more than 100 approved ELV Group sites, in order to fulfill its customers’ regulatory obligations. In particular, this refers to

the decree of June 27, 2011 relating to the ELV center networks that vehicle manufacturers and importers are required to put in place pursuant to Article R. 543-156-1 of the French Environment Code.

Since 2010, ECO-VHU has been a partner of the Stellantis Group (the leading European automotive manufacturer in terms of CSR performance) and manages the manufacturer’s network for most of southern France.

Following the acquisition of Opel by the Stellantis Group, ECO-VHU is now the operator managing the brand’s ELVs for a large part of southern France.

Since 2014, ECO-VHU has also been the preferred partner of the Direction nationale d’interventions domaniales (DNID) for the destruction of government and authority reassembled vehicles throughout France.

ECO-VHU benefits from all of Derichebourg Environnement’s ELV experience and from relationships with car wrecking firms and enjoys synergies with all of the Group’s subsidiaries.

ECO-VHU has a specifically developed IT tool that allows it to communicate with the various internal and external stakeholders and to guarantee the traceability of ELVs.

Through its monitoring, support and leadership, ECO-VHU was able to achieve the regulated ELV recycling rates for its 2019 network measurements with 86% for reuse and recycling rates (legislative target of 85%) and 96% reuse and recovery rates (legislative target of 95%).

	2021	2020
Number of approved ELV centers*	106	106
Number of approved ELV shredders*	17	17

* Scope France.

In France, during the 2021 fiscal year, the Group processed more than 421,000 metric tons of ELVs in its shredders (up 16.6%).

The Waste Electrical and Electronic Equipment (WEEE) segment

In France, WEEE is processed separately. For this waste stream, the flow recycling rates comply as a minimum with the specifications of the eco-organizations.

The Group’s WEEE recycling sites are committed to a certification strategy in accordance with the European WEEELABEX standard. This label guarantees eco-organizations that the facilities carry out high-performance decontamination activities, achieve the established recycling and recovery rates and ensure the downstream traceability of final waste following processing.

The recycling and recovery rates of the Group’s different units are fully compliant with regulatory requirements.

recycling and recovery rates,
large household appliances
– cold



recycling and recovery rates,
large household appliances
– excluding cold



recycling and recovery rates,
small mixed household appliances



	Legislative target	Rates achieved by the Group*	
		2021	2020
WEEE segment			
Recycling and recovery rates – refrigerated large household appliances (RLHA)	85%	93%	94%
Recycling and recovery rates – non-refrigerated large household appliances (NRLHA)	85%	90%	90%
Recycling and recovery rates, small mixed household appliances (SMHA)	78%	83%	83%

* Results from annual designation campaigns.

New facilities

At its Rennes site, the Group invested in 2021 nearly €1.8 million in a new recycling line dedicated to large household appliances (washing machines, dishwashers and tumble dryers). The “latest generation” sorting cabin allows better recycling rates and improves working conditions for operators. The site is operated in conjunction with the integration company ENVIE (14 employees on the site), which Derichebourg Environnement has been partnered with since 2007.

The Group was also the winner of the France Relance plan (national recovery plan) and won the trophy for the best regional flagship project for its future refrigerated large household appliances recycling unit, which will be built in 2022-2023 in Bonneuil-sur-Marne (Val-de-Marne, France). This line will complement the Group's system in Île-de-France with the possibility of processing refrigerated large household appliances in the south of the region, and the Bernes-sur-Oise facility in the north.

Work on the installation of the new refrigerated large household appliances treatment line at the Mejorada del Campo site (Madrid) began in 2020-2021 fiscal year and will be completed in 2022.

Waste Management (WM) contracts

The Group was also one of the pioneers for the reintegration of WEEE into the official collection circuit.

Accordingly, in partnership with the ECOSYSTEM and ECOLOGIC eco-organizations and under “Waste Management” contracts, the Group has implemented WEEE sorting operations for batches of ferrous scrap metals intended for shredding on most of its different operating sites (140 sites including 17 shredding sites).

These so-called “missing” WEEE (as they are outside of the eco-organization process) are reintegrated into the official stream to be processed in compliance with current regulations, and they are reported to eco-organizations.

This activity, which complies with the French energy transition for green growth law, was initiated in 2019 for professional WEEEs.

Again in this context, the Group entered into a partnership in September 2019 with the ECOLOGIC eco-organization to handle professional kitchens.

For the 2020-2021 fiscal year, the Group contributed to reintegrating over 70,000 metric tons of WEEE into the official processing stream, up 27% compared to the previous fiscal year.

Overall, the Group processed more than 225,100 metric tons of WEEE in its 11 specialist facilities in France.

In line with this dynamic growth, and primarily due to its new facilities, the Group aims to increase its WEEE recycling capacity for the different streams in 2021-2022.

3.5.2.2 Increasing research efforts into the processing of shredder residue

Measures implemented to address this include:

- ▣ extracting plastic parts that can be recycled;
- ▣ recovering the last metallic parts;
- ▣ separating the fine particles that can be used as a sub-base in road construction;
- ▣ preparing waste mixtures that are sufficiently standardized and compliant with specifications, allowing them to be accepted as a solid recovered fuel source for cement works, boilers or other manufacturers wishing to no longer use fossil fuels.

The table below sets out the distribution (for the French sites) of shredding residues according to their destination:

In thousand metric tons	2022 targets	2021	2020
Shredder residue generated	-	224.0	199.8
Shredder residue sent for recovery	-	68.1	66.1
Proportion of shredder residue sent for recovery	40%	30.4%	33.1%

The amounts sent into the recovery stream include both the tonnages sent for energy recovery and the tonnages sent for material recovery, according to their gross tonnage. Every effort is made to find new ways to improve their recovery.

After several years of growth, the recovery rate fell slightly during the 2021 fiscal year, for various reasons such as the temporary closure of outlets following incidents.

The Group is still working on an internal solution to recover shredding waste and has introduced a unit within the technical service department to develop recovery channels.

The introduction of new partnerships and the consolidation of our existing partnerships for energy recovery and mixed recovery of shredder residue remains one of the Group's priorities. Numerous tests were carried out during the year to improve the quality of our product and to market it to potential consumers:

- ▣ pelletisation tests on a pilot line were carried out using shredder residue from the Bassens and Saint Pierre de Chandieu sites. The pellets can then be used as jets in cement plants;
- ▣ a re-shredding line for shredder residue has made it possible to obtain a product that can also be used as a jet in cement plants. After the sending of test samples, several cement groups are interested and once the analytical validation of the product has been carried out, full-scale tests will be done.

Until now, shredder residue could only be used in the cement plant in the precalciner, which greatly limited their use.

Significant advances in the treatment of shredder residue will contribute to a considerable improvement in the proportion sent to the recovery stream from 2021-2022.

For polyurethane foams from the processing of refrigerated large household appliances, new partnerships have been formed with cement manufacturers to use the Bernes-sur-Oise and Marignane powders and Bassens pellets in a jet.

The Group responded to a call for proposals issued by the Strategic Committee for the Channel (Comité stratégique de filière – CSF) “transformation et valorisation des déchets”. In 2019, under the aegis of the French National Industry Council (Conseil national de l’industrie – CNI), the committee undertook work to develop the French channel for solid recovered fuel (SRF).

This project of producing SRF from shredder residue was officially approved by the CSF on May 28, 2019 and is part of the 14 certified projects nationwide that will be supported in their development.

Following long negotiations with the selected heating customer, particularly because of competition from the biomass sector, an agreement was reached and a new tripartite file (Derichebourg/Equipment supplier/Heating customer) was submitted to ADEME.

If the project is successful, a boiler capable of consuming 56,000 metric tons of shredder residue per year will be built and will make a significant contribution to the recovery of the Group's residue. Solid recovered fuels will replace the fossil fuels (coal and gas) currently used by the heating customer.

3.6 Consolidating relationships of trust with partners

EcoVadis assessed four of the Group's subsidiaries. During the 2020-2021 fiscal year:

- Derichebourg Propreté obtained a score of 69% (top 3% of companies in its business sector assessed by EcoVadis);
- Derichebourg Accueil obtained 72% (top 2%);
- Derichebourg Intérim obtained 64% (top 10%).

Derichebourg Énergie obtained a score of 68% in the 2019-2020 fiscal year (top 4%). A new assessment is in progress for this subsidiary.

Major global initiatives



Derichebourg Multiservices has been a signatory of the UN Global Compact since 2013. This commitment is an undertaking to respect the 10 universal principles of the Global Compact regarding human rights, international labor standards, the environment and combating corruption, and to support the Sustainable

Development Goals of the United Nations. From 2021, the Derichebourg Group as a whole holds this membership.



In 2021, the Derichebourg Group took part in the Carbon Disclosure Project (CDP) environmental impact assessment campaign. CDP is a non-profit organization that has established itself as the leading environmental reporting platform for investors, companies, towns and cities, states and regions to manage their environmental impacts.

ESG ratings

The Derichebourg Group is monitored and rated by several French and international extra-financial rating agencies that assess its sustainability policy.

	Organization	Rating	Date
	Gaia Research by Ethifinance (Qivalio)	ESG rating 65/100	November 2021
	MSCI ESG ⁽¹⁾	ESG rating BBB	July 2021
	Vigeo Eiris (Moody's ESG Solutions)	ESG rating 53/100	February 2021
	ISS ESG	ESG rating C+/Prime	March 2021
	Humpact	Social Rating 4.5/5	October 2021

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Green Bond issue

On June 7, 2021, the Derichebourg Group issued a Green Bond for a nominal amount of €300 million to partially fund the acquisition of 100% of the Ecore Group. The Group followed the recommendations of the ICMA (International Capital Market Association) by detailing the green nature of the transaction in a framework which is itself certified by a "Second Party Opinion" (SPO)⁽¹⁾ issued by the ISS ESG rating agency. This transaction is made possible by the activities of the Ecore Group, more than 90% of whose revenue comes from the circular economy and which is in line with the climate objectives of the European green taxonomy.

Keeping our stakeholders informed

In 2020, Derichebourg Environnement launched a Circular Economy Newsletter, intended to share its news and contribute to a better understanding of its challenges by its many stakeholders. This external newsletter is sent to local authorities as well as to partners: it reviews regulatory changes impacting the recycling sector and the Group's main achievements.

3.6.1 Managing CSR risks in our value chain

3.6.1.1 Fair trading practices (anti-corruption)

The Group details the risks related to the activities of the Derichebourg Group in section 2.1 "Risk factors".

The Group has put in place a system relating to law no. 2016-1691 of December 9, 2016 on transparency, fighting corruption and economic modernization, known as "Sapin 2". Actions have been implemented for the eight pillars of the system:

Code of Conduct

The Group has created an Anti-Corruption Code of Conduct, which begins with an introduction by the Chairman and Chief Executive Officer that confirms the Group's commitments in the fight against corruption and defines the code as a guideline for all employees in the daily exercise of their activities. It restates its binding legal status for all stakeholders: employees, corporate officers, shareholders, commercial partners.

The Anti-Corruption Code of Conduct presents the different types of active and passive corruption. It states the definitions of active and passive influence peddling and illustrates the prohibited behaviors with tangible examples.

It sets out the Group's policy in terms of gifts received or offered, hospitality, contracts signed with intermediaries, facilitation payments, patronage and sponsoring.

It alerts readers to the responsibility of all employees and hierarchical managers by recalling the disciplinary, civil and criminal sanctions resulting from non-compliance with the policy.

To ensure that it is accessible to all, the Anti-Corruption Code of Conduct is published in French and English on the Group's intranet and internet sites. A paper version is also displayed within the entities. It is included in the Company internal regulations that apply to employees. A document summarizing this code has been drafted in the six languages of the countries in which the Group operates.

Internal whistleblowing system, designed to collect reports from employees

A whistleblowing procedure validated by General Management is available to employees and to any third party who witnesses an act of or attempted corruption. Alerts are collected confidentially under the whistle blower protection status with the assurance that the alert will be processed. The General Secretary is appointed as the Group's Compliance Officer, approved to receive these alerts via an email address "ethique@derichebourg.com" specifically created for this purpose, or by letter.

No alerts have been raised during this fiscal year.

Risk mapping by business sector and geographical area in which the Company operates

In 2018, the Group drew up a map of its corruption risks. This map identifies theoretical corruption risks, which are scored in two stages:

- ▣ a scoring on impact and frequency in order to obtain a mapping of inherent risks. The types of impacts selected are reputation, marketing, legal and financial and the seriousness is assessed from low to critical. Frequency is defined by time intervals from the possible (every three to 10 years) to the almost certain (several times per quarter);
- ▣ a scoring of the level of inherent risk management in order to prepare a mapping of residual risks. The level of risk management represents the level of internal control maturity in respect to a risk. It has been assessed as being exemplary when the risk is covered by a control mechanism that is appropriate, formalized and supervised.

An update of this corruption risk mapping was carried out in September 2020, which included the disposal of businesses and new acquisitions.

Procedures for assessing the circumstances of customers, top-tier suppliers and intermediaries

The Group has identified 300 third parties (customers and suppliers) who are currently being assessed on the following topics:

- ▣ politically exposed persons;
- ▣ sanctions;
- ▣ negative press.

This assessment is carried out automatically via a secure and outsourced platform bringing together all public data, which allows for an objective and independent assessment.

⁽¹⁾ These documents are available on the Company's website at www.derichebourg.com: regulated information (financial reports, etc.)

Accounting control procedures

The scope of controls was defined by the Group's Finance Department and Accounting Department. It aims for the automatic implementation of seven key controls via the accounting system.

After analyzing the results of these controls, action plans will be set out and deployed for all Group subsidiaries, to ensure compliance.

A procedure including the identification of key controls, the analysis of extractions, the control of errors and their feedback will be formalized and validated by General Management.

Training system for employees most exposed to corruption risks

A clear, adapted training program has been rolled out for the employees in question, in particular members of the Executive Committee, business directors, and sales, development and purchasing managers.

The aim is to train all of the relevant people every two years. For this year, the decision was made to train more people than in other years to cover corruption risks. In order to do so, a monitoring and follow-up process has been put in place at Group level.

In 2021, 601 people were trained by the e-learning developed internally by Derichebourg Academy. There were 762 people targeted, i.e. a training program completion rate of 79%.

Foreign subsidiaries people will be trained through e-learning translated into the languages of the countries in which the Group operates. These e-learning courses will be rolled out in 2022.



rate of completed
anti-corruption training courses
79%

Disciplinary regime for sanctioning company employees in the event of a breach of the provisions of the Group's Code of Conduct

Any employee who breaches the provisions of the Derichebourg Group's Code of Conduct is liable to disciplinary sanctions appropriate to the seriousness of the offense, in accordance with internal regulations, other similar subsidiary documents and local laws.

In the event of a breach of anti-corruption laws and regulations, employees will be held accountable for their actions and may be subject to legal proceedings and civil or criminal penalties by the competent authorities.

Internal control and assessment system for the measures implemented

The role of the Head of Internal Control is to carry out a second-level audit through regular sampling, in particular on account entries relating to donations, gifts, invitations, sponsorship, fees, commissions and expense reports. The objective is to ensure compliance with the Code of Conduct and to identify any potentially corrupt items.

3.6.2 Delivering service excellence

ISO 9001-certified quality management systems ensure compliance with standards.

Derichebourg Multiservices, through its "Service Excellence" program, sees customer relations as a new approach based on the delivery of a service. This approach includes services attitudes, and "soft skills" that comply with the relational interaction requirements with prospects and customers.

Group	Percentage of sites/branches	
	2021	2020
ISO 9001	73.3%	72.6%

This company program includes a training course in which each employee learns the basics for a personalized service, and thus develops the key skills needed to deliver the service properly and look after the customer.

For the second consecutive year, as part of the service excellence approach, Derichebourg Multiservices carried out a satisfaction survey conducted by a specialized independent firm from June 2 to July 12, 2021.

The scope of consultation was extended this year to the Derichebourg Propreté "TOP 50" and to the subsidiaries SNG, Derichebourg Aeronautics Services, Derichebourg Facility Services (Portugal) and Grupo Net (Spain). In previous years, these surveys were conducted internally by managers, which explains the variation in results.

A total of 722 interviews were conducted, representing 52% of the surveyed panel.

On average across all subsidiaries, 75% of customers surveyed were either fairly or completely satisfied. The recommendation level is 7.3/10. Six themes are addressed in customer interviews: Derichebourg's image, customer relations, relations with operational teams, Derichebourg's delivery of services, Derichebourg's digital services monitoring tools and Derichebourg's commitments to sustainable development and health and safety at work.

This year, the Company once again scored well on responsiveness (the aspect most cited by customers) and the professionalism of its teams (criterion best rated in terms of satisfaction).

For those who know them, the Company's commitments in terms of sustainable development, health and safety at work remain highly valued (95% satisfied, the same rate as 2020).

Derichebourg Multiservices builds on the Derichebourg Group's IT Department skills to implement information systems that meet the needs and specific features of Derichebourg Multiservices' customers, whilst ensuring compliance with best practices in the fields of safety (physical, logistical, organizational, etc.), integrity, availability, reversibility, control and monitoring.

Several information systems for customers have been developed, notably for Derichebourg SNG, Derichebourg FM, Derichebourg Propreté and Derichebourg Énergie.

For example, as part of Facility Management services, MyDBox, a new customer request monitoring portal, has been set up, enabling requests to be monitored by means of the service catalog portal. It is possible to view whether the request is on-going, fulfilled or closed in real time in its environment and to view, via indicators, compliance with "Service Level Agreements" (SLAs).

The request declaration can be made through the portal, a mobile application, via QR codes or sensors (DOD Program – Derichebourg On

Demand) according to the customer file organization and the proposed modules.

The data collected can also be made available in the customer's tools, on Building Information Modeling (BIM) platforms or Computer Assisted Maintenance Management (CMM) software for multi-technical maintenance.

The information system developed for Signage business Dclic enables real-time monitoring of service completion.

The Covid-19 pandemic is forcing companies to rethink the organization of their buildings and reception areas in order to protect the health of building occupants. Derichebourg Multiservices has continued to deploy solutions included in its "serenity offer", to help its customers limit the risks of infection on their sites and guarantee continuity of service in a safe and healthy environment. This offer provides a reliable working environment for customers and their employees through prevention, protection and disinfection.

3.7 Scorecard showing principal social, environmental and societal information

The purpose of this section is to highlight those indicators that best illustrate the impact of the Group's business and actions on the environmental, social and societal criteria. The figures presented in this section are covered in more detail in the rest of the report.

	2022 targets	2021	2020
Work accident frequency rate	28	26.9	27.6
Percentage of employees with disabilities	7%	7.2%	6.7%
Share of ISO 14001-certified industrial sites	100%	60%	48%
Recycling site energy consumption per metric ton treated ⁽¹⁾	30 kWh PCI ⁽²⁾ /t	30.4 kWh PCI/t	32.5 kWh PCI/t
Fuel consumption per 100 km traveled for the Recycling business ⁽³⁾	42 l/100 km	43.2 l/100 km	43.1 l/100 km
CO ₂ emissions per km traveled for the Recycling business ⁽³⁾	1,200 g CO ₂ /km	1,327 g CO ₂ /km	1,324 g CO ₂ /km
Proportion of shredder residue sent for recycling ⁽¹⁾	40%	30.4%	33.1%
Average recommendation score from Multiservices customers (/10) ⁽⁴⁾	8	7.3	7.1

(1) Scope France.

(2) Lower calorific value: theoretical amount of energy contained in a fuel.

(3) Scope Germany, Belgium and France.

(4) This indicator replaces the average customer satisfaction score which was 8.3 in 2020.

3.8 The European Green Taxonomy and its impacts

3.8.1 Overview of the European Green Taxonomy

In December 2019, the European Commission presented its European Green Deal, a roadmap aimed at making the European economy sustainable by transforming climate and environmental challenges into opportunities and achieving carbon neutrality by 2050.

To direct investment in economic activities considered environmentally sustainable and to combat greenwashing, the European Parliament has adopted regulation (EU) 2020/852 of June 18, 2020 on “the establishment of a framework to facilitate sustainable investment”, amending regulation (EU) 2019/2088, thus establishing the European Green Taxonomy.

The Taxonomy aims to define the EU’s environmental objectives and the corresponding economic activities. This is a major legislative act to facilitate and develop sustainable investment, and therefore the implementation of the European Green Deal. Specifically, by providing companies, investors and policymakers with definitions of economic activities that can be considered environmentally sustainable, it should help to redirect investments where they are most needed.

The EU has set itself six environmental targets:

- ▣ climate change mitigation;
- ▣ climate change adaptation;
- ▣ sustainable use and protection of water and marine resources;
- ▣ transition to a circular economy;
- ▣ pollution prevention and control;
- ▣ protection and restoration of biodiversity and ecosystems.

3.8.2 Publication obligations

From January 1, 2022, companies subject to the declaration of extra-financial performance, transposition into French law of the NFRD (Non-Financial Reporting Directive) which will become the CSRD

(Corporate Sustainability Reporting Directive) in 2023, must publish their sensitivity to European Green Taxonomy. For the purposes of determining the degree of environmental sustainability of an investment, an economic activity is considered environmentally sustainable if that economic activity:

- ▣ contributes substantially to one or more of the six environmental objectives;
- ▣ does not significantly harm to any of the other environmental objectives;
- ▣ is exercised in compliance with the minimum guarantees provided;
- ▣ complies with the technical screening criteria established by the Commission.

However, from January 1, 2022 to December 31, 2022, non-financial companies only disclose the share of economic activities eligible and not eligible for the taxonomy in their total revenue, their total capital expenditure and their total operating expenses, as well as any qualitative information relevant to this disclosure.

The delegated acts specifying the technical review criteria for the first two climate change objectives were ratified by the European Parliament on October 5, 2021. The delegated acts for the four other objectives are expected in 2022.

The Derichebourg Group, wishing to support the implementation of the European Green Taxonomy, has voluntarily decided to bring the legal disclosure requirement forward by one year for its economic activities eligible for the first two objectives of the taxonomy in its revenue, capital expenditures and operating expenses in its accounts closed September 30, 2021.

3.8.3 Group activities eligible for the Taxonomy objectives

Many of the Derichebourg Group’s activities are eligible for the objectives of the European Green Taxonomy. As of September 30, 2021, the Group presents the following assessment:

Substantial contribution criterion	Revenue		CAPEX		OPEX	
	2021	2020	2021	2020	2021	2020
Climate change adaptation	68.5%	N/A	72%	N/A	53.1%	N/A
Climate change mitigation	68.7%	N/A	72%	N/A	53.1%	N/A
Overall assessment of eligible activities	68.7%	N/A	72%	N/A	53.1%	N/A

A number of the Derichebourg Group’s activities are eligible for the Taxonomy’s objectives:

ENVIRONMENTAL SERVICES

- ▣ Recycling
 - Within Recycling, three activities are eligible for the adaptation and mitigation of climate change objectives:
- Material recovery from non-hazardous waste (criterion: the activity converts at least 50%, in terms of weight, of the processed separately collected non-hazardous waste into secondary raw materials that are suitable for the substitution of virgin materials in production processes).

- The historical and main activity of the Derichebourg Group is the recycling of ferrous and non-ferrous metals which are non-hazardous waste (see Appendix II of Article R. 541-8 of the French Environment Code), after decontamination in the case of end-of-life vehicles (ELVs) and Waste Electrical and Electronic Equipment (WEEE).

- Aluminum production: (criterion: Manufacture of aluminum through primary alumina (bauxite) process or secondary aluminum recycling).

The Derichebourg Group operates three aluminum refineries in which it produces ingots from secondary aluminum, with production totaling 93,211 metric tons over the year. This activity is considered transitional for the climate change mitigation objective.

- Manufacture of batteries: (criterion: manufacture and recycling of rechargeable batteries, battery packs and accumulators).

The Derichebourg Group recycles end-of-life lead-acid batteries at its Spanish site at Albalade del Arzobispo, and produced 24,600 metric tons of secondary lead ingots over the year.

▣ Public Sector Services

Public Sector Services is an activity eligible for the climate change adaptation and mitigation objectives:

- Collection and transport of non-hazardous waste in source segregated fractions: (criterion: covers all non-hazardous waste separately collected and that have been segregated at source and intended for preparation for reuse or recycling).
- Within the Derichebourg Group, this concerns the activities covered by point M of Article 278-0 *bis* of the French General Tax Code establishing a value added tax reduced to 5.5% on "separate collection services, collection at recycling centers, sorting and material recovery of household waste [...] as well as services that contribute to the smooth running of these operations". To be on the safe side, the Group has opted out of collecting bulky items.

▣ Transitional and enabling activities

The "Aluminum manufacturing" activity is considered transitional for the objective of climate change mitigation.

MULTISERVICES

Within Derichebourg Multiservices, four activities are eligible, three of which cover both climate change adaptation and mitigation objectives, and one specifically for climate change mitigation. They are exercised in the Derichebourg Énergie, Derichebourg Énergie EP, Derichebourg SNG and Le Studio LED (LSL) subsidiaries:

- Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings.

This activity corresponds to Derichebourg Énergie's regulation and technical building management (BMS) activity. This activity also includes a portion of HVAC (heating, ventilation, air conditioning) that cannot be separated, which should be eligible for the following category "Installation, maintenance and repair of energy efficiency equipment";

- Installation, maintenance and repair of energy efficiency equipment, covers in particular the installation and replacement of energy-efficient light sources such as LEDs.

This business activity is a full match with that of the subsidiary Le Studio Led (LSL) and a partial match with that of Derichebourg Énergie E.P.

- Installation, maintenance and repair of charging stations for electric vehicles in buildings (and in parking spaces attached to buildings).

The Derichebourg Énergie E.P. and Derichebourg SNG entities market and install electric vehicle charging infrastructures on behalf of customers.

The following activity is only eligible for the climate change mitigation objective:

- Professional services related to the energy performance of buildings.

The Derichebourg Énergie entity offers and markets energy performance contracts. This activity is considered as enabling for the objective of climate change mitigation.

▣ Transitional and enabling activities

The activity of "Professional services related to the energy performance of buildings" is considered as enabling for the objective of climate change mitigation.

3.8.4 Accounting methods

The vast majority of Recycling activities are eligible for the Taxonomy. To ensure this, these activities were identified and then traced as closely as possible using the Group's cost accounting to exclude the non-eligible portion. In case of doubt, the Group has chosen to be prudent in not counting the corresponding activities.

The Public Sector Services business falls under the "Collection and transport of non-hazardous waste in source segregated fractions" in the Taxonomy. To identify revenue from eligible activities, the Group has decided to rely on point M of Article 278-0 *bis* of the French General Tax Code establishing a value added tax reduced to 5.5% on "Separate collection services, collection at recycling centers, sorting and material recovery of household waste [...] as well as services that contribute to the smooth running of these operations" and to avoid bulky items. As the equipment used can be versatile and also be used for the collection and transport of unsorted waste, the Group has decided to adopt a cautious approach and not to count any OPEX, and for the CAPEX to count only the vehicle fleets. In fact, by investing in hybrid and electric vehicles, the Group is able to reduce its greenhouse gas emissions regardless of the activity to which the vehicle is assigned.

For the Multiservices businesses, the Group mainly identified the contracts eligible for the Taxonomy and aggregated these results to arrive at a total revenue. As CAPEX and OPEX in these service businesses are relatively weak and difficult to identify, the Group has chosen to be cautious and decided not to allocate these CAPEX and OPEX to eligible activities. However, the acquisition and long-term leasing of vehicles is recognized, because by investing in hybrid and electric vehicles, the Group is able to reduce its greenhouse gas emissions, regardless of the activity to which the vehicle is assigned.

Below are the tables summarizing the activities of the Derichebourg Group eligible for the Taxonomy.

Taxonomy Revenue 2021

Economic activity	Code(s)	Absolute revenue k€	Share of revenue	Substantial contribution criteria		Enabling activity category	Transitional activity category
				Climate change mitigation	Climate change adaptation		
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY							
Recovery of materials from non-hazardous waste	E.38	2,224,923	61.5%		X	X	
Aluminum manufacturing	C.24.42	147,563	4.1%		X	X	X
Battery recycling	E.38.32	48,409	1.3%		X	X	
Collection and transport of non-hazardous waste in source segregated fractions	E.38.11	42,103	1.2%		X	X	
Installation, maintenance and repair of energy efficiency equipment	C.27	11,731	0.3%		X	X	
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	F.43	2,604	0.1%		X	X	
Installation, maintenance and repair of charging stations for electric vehicles inside buildings (and in parking spaces attached to buildings)	F.43	95	0.0%		X	X	
Professional services related to the energy performance of buildings	M.71	6,260	0.2%		X		X
Revenue from activities eligible for the Taxonomy		2,483,687	68.7%		2,477,427	2,483,687	
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY							
Revenue from activities not eligible for the Taxonomy		1,132,632	31.3%				
Total A + B		3,616,319	100%				

Taxonomy CAPEX 2021

Economic Activity	Code(s)	Absolute CAPEX k€	Share of CAPEX	Substantial contribution criteria		Enabling activity category	Transitional activity category
				Climate change mitigation	Climate change adaptation		
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY							
Recovery of materials from non-hazardous waste	E.38	84,598	54.4%	X	X		
Aluminum manufacturing	C.24.42	3,406	2.2%	X	X		X
Battery recycling	E.38.32	3,837	2.5%	X	X		
Collection and transport of non-hazardous waste in source segregated fractions	E.38.11		0.0%	X	X		
Freight transport services by road	H.49.41	13,948	9.0%	X	X		
Transport by motorbikes, passenger cars and light commercial vehicles	H.49.39	6,223	4.0%	X	X		
Installation, maintenance and repair of energy efficiency equipment	C.27		0.0%	X	X		
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	F.43		0.0%	X	X		
Installation, maintenance and repair of charging stations for electric vehicles inside buildings (and in parking spaces attached to buildings)	F.43		0.0%	X	X		
Professional services related to the energy performance of buildings	M.71		0.0%	X			X
CAPEX of activities eligible for the Taxonomy		112,012	72.0%	112,012	112,012		
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY							
CAPEX of activities not eligible for the Taxonomy		43,567	28.0%				
Total A + B		155,579	100%				

Taxonomy OPEX 2021

Economic Activity	Code(s)	Absolute OPEX k€	Share of OPEX	Substantial contribution criteria		Enabling activity category	Transitional activity category
				Climate change mitigation	Climate change adaptation		
A. ACTIVITIES ELIGIBLE FOR THE TAXONOMY							
Recovery of materials from non-hazardous waste	E.38	32,137	44.9%		X	X	
Aluminum manufacturing	C.24.42	1,929	2.7%		X	X	X
Battery recycling	E.38.32	553	0.8%		X	X	
Collection and transport of non-hazardous waste in source segregated fractions	E.38.11	3,408	4.8%		X	X	
Installation, maintenance and repair of energy efficiency equipment	C.27				X	X	
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	F.43				X	X	
Installation, maintenance and repair of charging stations for electric vehicles inside buildings (and in parking spaces attached to buildings)	F.43				X	X	
Professional services related to the energy performance of buildings	M.71				X		X
OPEX of activities eligible for the Taxonomy		38,028	53.1%	38,028	38,028		
B. ACTIVITIES NOT ELIGIBLE FOR THE TAXONOMY							
OPEX of activities not eligible for the Taxonomy		33,603	46.9%				
Total A + B		71,631	100%				

3.9 Duty of vigilance

This section sets out the Derichebourg Group's vigilance plan for the 2020-2021 fiscal year for its two divisions, Environment and Multiservices. It incorporates the provisions of law no. 2017-399 of March 27, 2017 on the duty of vigilance, which are based on "reasonable vigilance measures to identify risks and prevent serious violations of human rights and fundamental freedoms, the health and safety of persons and the environment".

The vigilance plan is based on the following obligations:

Risk mapping to identify, analyze and prioritize risks:

A CSR risk map exists and is updated annually. This map includes all risks related to human rights, the health and safety of people and the environment. This map primarily takes into account the disposal of certain subsidiaries and the actions taken to reduce risks. This map identifies, analyzes and prioritizes risks, and is reviewed and updated regularly.

Actions to mitigate risks and prevent serious harm:

- ▣ Vigilance with regard to human rights and fundamental freedoms: In order to communicate its values, the Group has an ethics charter for its employees and stakeholders (customers, suppliers, intermediaries, etc.). It describes the following Group principles:
 - the Group undertakes to comply with the laws and regulations in each country in which it operates,
 - the Group guarantees to its employees and stakeholders a working environment that excludes any discrimination based on gender, sexual orientation, ethnic origin or religion, employee representative status or being in a trade union role, political opinions, disability, age and any other offensive physical, verbal or visual behavior. Any form of harassment is prohibited and punishable in accordance with current national legislation,
 - Derichebourg respects the privacy of its employees and protects their personal data,
 - Derichebourg guarantees adequate working conditions to its employees, including health and safety. Employees have a duty to contribute to this by complying with the Company's rules in this area,
 - the Group has an active disability policy by encouraging the employment and integration of employees with disabilities, and by supporting people if a disability occurs during their professional life,
 - Derichebourg ensures compliance with the rules of fair competition. No action by the Group shall prevent, restrict or distort competition.

▣ Vigilance towards health and safety:

- implementation of specific actions required by the risk of a Covid-19 pandemic: the Group has anticipated the seriousness of this risk on the health and safety of its employees and partners. Immediate actions in compliance with government directives have been rolled out throughout the Group. The prevention measures have been updated as defined in section 3.1.1 – "Analysis of CSR risks";
- as a committed employer, the Group is renewing its involvement in the themes already defined in 2020, in addition to compliance with regulations and in order to set ambitious targets. These include protecting employee health and safety by rolling out an occupational health and safety network, developing a culture of prevention, pursuing actions for employment and skills development (long-term action with the Derichebourg Academy), guaranteeing respect for rights and non-discrimination, helping to build a society based on solidarity by developing a regional focus and promoting diversity,

▣ Vigilance towards the environment:

- to reduce its environmental footprint, the Group is pursuing actions aimed at carbon neutrality by developing "soft" mobility, improving the energy performance of its transportation and enhancing the impact of its facilities (ISO 14001 certification target at all Derichebourg Environnement industrial sites),
- in addition, the Group makes a continuous contribution to preserving natural resources by recycling metal waste and playing an active role in the circular economy. Actions aimed at recovering waste treatment in the facilities (reducing the quantity of shredding residues and recovery of these residues, such as Solid Recovery Fuel) are carried out with a long-term objective,

System for monitoring measures and assessing their effectiveness:

- ▣ The measures are monitored and their effectiveness guaranteed by:
 - the CSR Committee, made up of permanent participants (General Secretary, Finance Department, Human Resources and CSR Departments) and specific experts (insurance, legal). The committee monitors the action plans and the effectiveness of the systems put in place through steering indicators,
 - the Group's Internal Control Department under the auspices of the General Secretariat.
 - the annual audit by a third party independent organization.

3.10 Report by the independent third party organization on the consolidated statement of extra-financial performance

To the General Meeting,

As an independent third party organization accredited by COFRAC under number 3-1681 (accreditation scope available on the site www.cofrac.fr) and member of the network of one of the Statutory Auditors of your Company (hereinafter the "entity"), we hereby report to you on the consolidated statement of extra-financial performance for the fiscal year ended September 30, 2021 (hereinafter the "Statement"), as presented in the management report under the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Responsibility of the entity

The Board of Directors is responsible for preparing a Statement in accordance with the legal and regulatory provisions, including a presentation of the business model, a description of the main extra-financial risks, a presentation of the policies applied in respect of these risks and the results of these policies, including key performance indicators.

The Statement was prepared in application of entity procedures (hereinafter the "Standards"), of which the significant items are presented in the Statement and on request from the entity's registered office.

Independence and Quality Control

Our independence is defined by provisions stipulated in Article L. 822-11-3 of the French Commercial Code and the code of ethics for the Statutory Auditor profession. Furthermore, we have implemented a quality control system that includes documented policies and procedures that aim to ensure compliance with applicable laws and regulations, ethical rules and professional standards.

Responsibility of the third party independent organization

Based on our work, our role is to provide a reasoned opinion expressing a conclusion with moderate assurance on:

- the Statement's compliance with the provisions stipulated in Article R. 225-105 of the French Commercial Code;
- the fair presentation of the information provided in application of 3° of I and II of Article R. 225-105 of the French Commercial Code, *i.e.* the results of the policies, including the key performance indicators, and the actions, with respect to the main risks, hereafter the "Information".

However, it is not our responsibility to comment on the compliance by the entity with any other applicable legal and regulatory provisions, in particular in terms of any vigilance plan and the fight against corruption, nor on the compliance of products and services with applicable regulations.

Nature and scope of the work

Our work as described below has been carried out in accordance with the provisions of Articles A. 225-1 *et seq.* of the French Commercial Code, with the professional guidance issued by the national auditing body (Compagnie nationale des commissaires aux comptes) relating to this type of engagement and with the ISAE 3000 international standard⁽¹⁾:

- we have taken note of the activity of all entities included in the consolidation scope, and of the main risks;
- we have assessed the appropriate nature of the Standards in terms of their relevance, completeness, reliability, neutrality and comprehensibility, taking into account sector best practice, where applicable;
- we have verified that the Statement covers each category of disclosures stipulated in III of Article L. 225-102-1 in social and environmental terms as well as the information stipulated in paragraph 2 of Article L. 22-10-36 on compliance with human rights for human rights and the fight against corruption and tax evasion;
- we have verified that the Statement presents the information required under II of Article R. 225-105 when it is relevant with regard to the main risks and includes, where applicable, an explanation of the reasons for the absence of the information required by paragraph 2 of III of Article L. 225-102-1;
- we have verified that the Statement presents the business model and a description of the main risks associated with the activity of all entities included in the consolidation scope, including, where relevant and proportionate, the risks created by its business relations, products or services as well as the policies and results including key performance indicators covering the main risks;

(1) ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information

- ▣ we consulted documentary sources and conducted interviews in order to:
 - assess the process for selecting and validating the main risks as well as the consistency of results and key performance indicators selected in view of the main risks and policies presented, and
 - corroborate the qualitative information (actions and results) that we considered the most significant presented in Appendix 1. For certain risks (anti-corruption, shredder residue recovery, service excellence), our work was carried out at the level of the consolidating entity, while for the other risks work was carried out at the level of the consolidating entity and in the following entities: Derichebourg Énergie, Derichebourg Propreté, Derichebourg España;
- ▣ we have verified that the Statement covers the consolidated scope, *i.e.* all entities included in the consolidation scope in accordance with Article L. 233-16 with the limits specified in the Statement;
- ▣ we have reviewed the internal control and risk management procedures implemented by the entity and have assessed the process for collecting information to ensure that it is complete and accurate;
- ▣ for the key performance indicators and the other quantitative results that we considered the most significant presented in Appendix 1, we have implemented:
 - analytical procedures to verify the correct consolidation of the collected data as well as the consistency of their changes,
 - detailed tests based on surveys, to verify the correct application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out for a selection of contributing entities listed above, which cover between 17% and 51% of the consolidated data selected for these tests (51% of the workforce, 35% of workplace accidents with lost time and 17% of fuel consumption);
- ▣ we have assessed the consistency of the whole Statement compared to our knowledge of all entities included in the scope of consolidation;
- ▣ we consider that the work that we carried out in exercising our professional judgment allows us to provide a conclusion of moderate assurance; a higher level of assurance would have required more extensive verification work.

Means and resources

Our work was conducted by a skilled team of five people between July and December 2021, and lasted for ten weeks.

We conducted three interviews with the people responsible for preparing the Statement primarily representing the QSE-CSR, transport, Human Resources and Finance Departments.

Conclusion

Based on this work, we have not detected any material misstatements that could call into question the fact that the consolidated Statement of extra-financial performance complies with the applicable regulatory provisions and that the Information, taken as a whole, is fairly presented in accordance with the Standards.

Comments

Without calling into question the conclusion expressed above and in accordance with the provisions of Article A. 225-3 of the French Commercial Code, we make the following comment: the CSR roadmap is partially rolled out to international subsidiaries, representing 31% of registered employees and 31% of revenue.

Paris-La Défense, December 7, 2021.

The independent third party organization EY et Associés

Philippe Aubain,
Partner, Sustainable Development

Extra-financial performance

Report by the independent third party organization on the consolidated statement of extra-financial performance

Appendix 1: information considered to be the most significant

Employee information	
<i>Quantitative information (including key performance indicators)</i>	<i>Qualitative information (actions or results)</i>
Derichebourg employee workplace accident frequency rate Frequency rate of workplace accidents affecting temporary workers Number of fatal workplace accidents Fulfillment rate of annual interviews (managers and employees/technicians/supervisors)	Actions taken to promote equal opportunity (professional reintegration, digital inclusion training)
Environmental information	
<i>Quantitative information (including key performance indicators)</i>	<i>Qualitative information (actions or results)</i>
Fuel consumption for the Recycling business (liters/100 km) Percentage of complaints from neighbors prior to processing (%) Percentage of shredder residue sent to sectors other than landfill (%)	Actions taken to reduce greenhouse gas emissions, including the carbon footprint of the vehicle fleet (deployment of fleet management tools, training on how to use vehicles)
Societal information	
<i>Quantitative information (including key performance indicators)</i>	<i>Qualitative information (actions or results)</i>
Proportion of alerts received and processed (%) Recommendation rate for Multiservices customers	Actions taken to combat corruption (implementation of the anti-corruption training module)