

LET'S CLOSE THE LOOP TOGETHER.

Corporate Social Responsibility Report | 2022



SULO[®]

Imprint

Published by

SULO SAS
1 rue du Débarcadère
92700 Colombes, France
info@sulo.com

Publication Date

September 2023

Editorial Office

SULO SAS
Quality, Health, Safety and Environment Department

Design and realization

SULO SAS
External Group Communication

Photo Credits

Cover, P.4, P.16, P.17, P.19, P.31, P.35, P.38 Shutterstock, Inc.
P.7, P.8, P.15, P.20, P.29, P.31, P.33, P.36 SULO France SAS
P.24 Deva Darshan
P.32, P. 45 Olivier Laly
P.36 SULO Iberica
P.37 Clean River Project e.V.

Table of Contents

4

I. Introduction

6

I.1 Editorial

8

I.2 SULO in numbers

10

I.3 Synthesis of SULO's CSR strategy

17

II. Business culture

18

II.1 Our Company values

20

II.2 Our sustainable business model

23

II.3 Ethics

23

II.4 Data protection

25

III. Environmental performance

27

III.1 Circularity: Raw material & Eco-design

32

III.2 Improving citizen's waste sorting performance

34

III.3 Carbon emissions

37

III.4 Waste and Water Management

39

IV. Social performance

40

IV.1 Employee health and safety

42

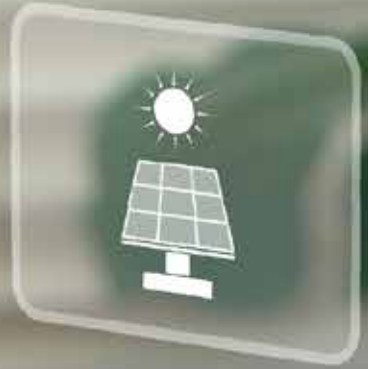
IV.2 Talent Management

44

IV.3. Diversity, equality, and inclusion

46

V. Methodology



Introduction



1.7 Editorial

A Message from Jean-Marie Vaissaire, President of the SULO Group

Since 2019, SULO has become an international Group, with strong roots in France, Germany and Sweden. It is a leading player in Europe and is present in South America (Mexico and Chile) as well as exporting to many other countries including the Middle East, United-States and Japan.

The company counts about 2.200 employees who are gathered around 4 core values: responsibility & care, innovation & customer orientation, excellence & commitment, team & trust.

Over the years, SULO has been well supported by its main shareholders, LATOUR Capital and BPI-France. The company continues to invest and further develop its industrial and commercial strengths. After the major acquisition of SAN SAC in 2019, SULO again enlarged its portfolio of solutions with the recent acquisitions of INOVIM, DELPHI and MOLOK.

Operating a business in the 2020s requires agility to navigate the many transformations occurring, notably climate change and demographic pressures, as well as evolutions in technology and data demography, and technology/data evolutions. Having faced adverse and unexpected crises, such as COVID, supply-chain, inflation and

energy disruptions, war and cyber threats..., SULO has demonstrated its resilience over the past years.

Growth and resilience at SULO result from its status and strategy as a sustainability-oriented business. Sulo's vision is to **be the leader in solutions for recycling and sorting waste**. Its product range covers a large panel such as bins, voluntary deposit and compacting, innovative solutions and services, which all intend to make its vision a reality. Our teams share the view that **we are creating solutions for today's waste to be tomorrow's resource**, both by our markets and by our operations; increasing recycling rate of materials in production; reducing consumption of energy and new materials, supporting our customers, cities, and businesses to meet their sustainability targets.

The first pillar of 4 in our strategic plan is **safety and sustainability**. It is a commitment from our Executive Committee, cascaded with dedicated steering, strategy, continuous improvement philosophy and local action plans. The 3 other pillars are related to **growth** (from new solutions and acquisitions), **excellence in sales and operations**, and **people development**.

We are pleased to report that in 2022 we continued to deliver strong improvements of our five primary CSR targets: **safety at work, carbon footprint, recycling of plastic materials, resource optimization** and **gender diversity** while delivering robust financial performance. The projects are detailed in the next pages. They demonstrate that sustainability considerations are in the DNA of the group and of every one of our 2.200 colleagues.

Our 2023 plan is now on the move, with further progress on track. At SULO, we are committed to improving our impact on Earth and continue to help our stakeholders, customers, employees, suppliers, investors, and communities do so as well.

Jean-Marie Vaissaire

Jean-Marie Vaissaire
President of the SULO Group



1.2 SULO in numbers

SULO is a global brand, used as a synonym for waste bin in several countries. It offers a wide range of products from bins, voluntary deposit and balers to compactors and services enabling municipalities, companies, and citizens to implement sustainable waste management in their area of responsibility. Today, SULO is a European leader in the circular economy, retrieving and upcycling plastic waste, producing waste management solutions with high recycled content, and supporting clients' sustainable pathways with our intelligent waste management solutions.





General

- # No. 1 European leader in waste pre-collection solutions
- # 550 million € turnover
- # 8 plants and Sales, Trading and Services companies in 18 countries
- # 5 million bins (2 and 4 wheels) entirely recyclable, 300.000 litter bins, 6.000 plastics and metal banks, 1.700 underground containers, 6.000 balers and compactors (in average per year)
- # Full range of services in local networks to maintain, clean and repair SULO Products

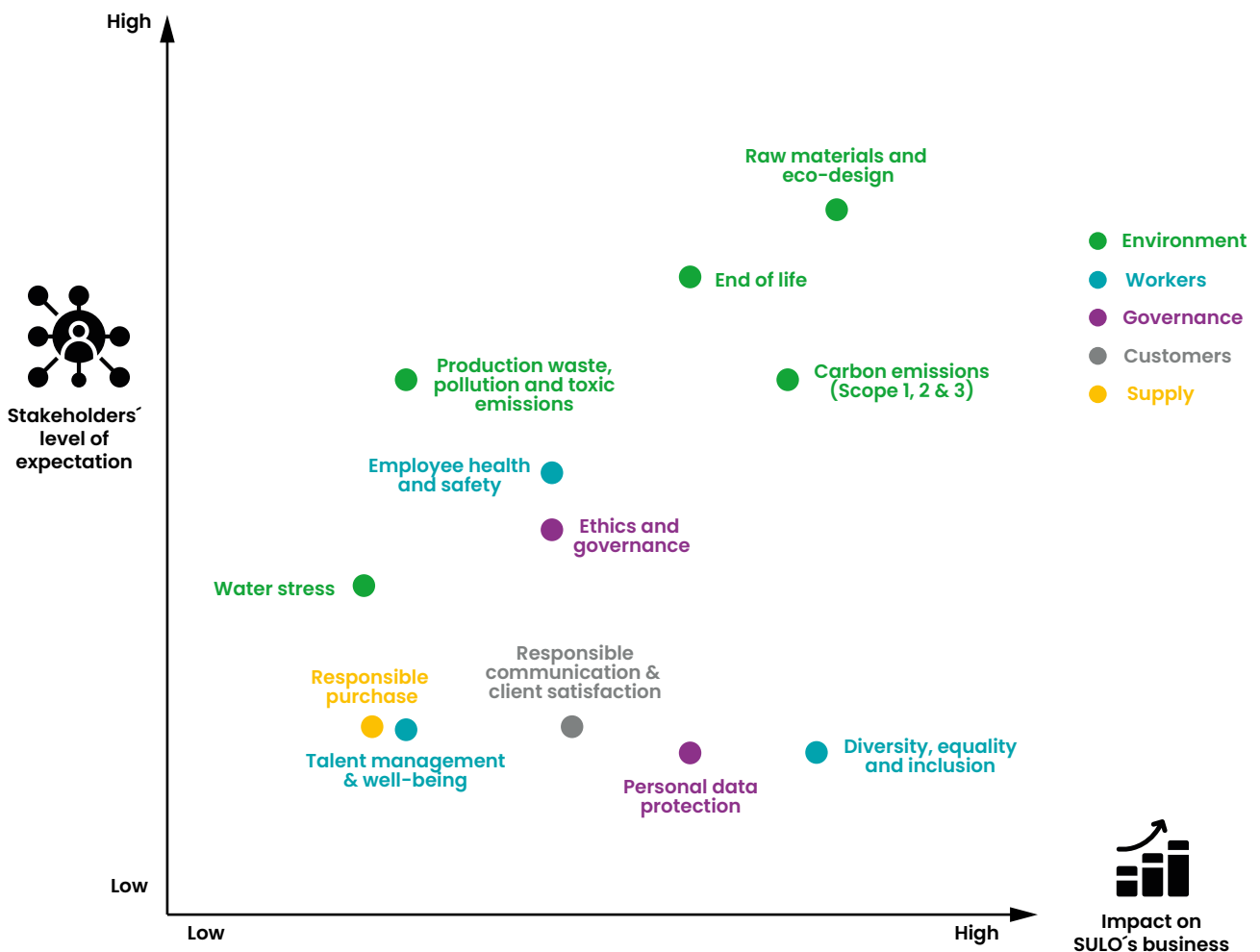
Human Resources

- # 2.200 employees
- # 72 % of employees trained in 2022
- # Safety Frequency Rate (FR2) at 10,7 (vs 13,9 in 2021) for Employees and Temporary Workers

1.3 Synthesis of SULO's CSR strategy

SULO's purpose is to transform today's waste into tomorrow's resource. As such, sustainability is at the core of our long-term strategy. One can only strive at helping the world become a more sustainable place if it first understands its own impact, mitigates it and increase its positive impact on people and the planet.

Developing a materiality analysis is one of the most effective technique to determine our CSR priorities. It outlines the issues that are most important to SULO and its stakeholders. While the materiality of a CSR issue for external stakeholders is usually assessed through a sectoral impact analysis and regular discussions with key representatives, the materiality of CSR issues for internal stakeholders can be based on the frequency and severity of impacts on the Group's interests.



12 material CSR topics have been identified and prioritized based on their materiality for SULO and our stakeholders.

Environment

1. Raw materials & eco-design: All products have by nature an environmental impact due to their composition. Companies have opportunities to reduce these impacts, notably through the choice of sustainable raw materials, a more innovative design enhancing product's life expectancy or allowing for lower impact during production processes.

2. End of life: Plastic waste is increasingly considered as a critical issue for external stakeholders, thus business continuity; it is key for SULO to reuse, recycle products and parts upon decommissioning.

3. Carbon emissions (Scope 1,2,3): Taking part in the global fight against climate change, SULO understands the importance of reducing carbon emissions generated during production processes, notably thanks to process/tools innovation and the use of renewable sources of energy.

4. Production waste, pollution and toxic emissions: Although there is little production waste (hazardous and non-hazardous), it is important to control the risks by identifying and managing any potential emissions into the air, water and soil.

5. Water stress: A reasonable amount of water is needed during the production of machines and containers and their maintenance. As such, proper control and water use optimization are key to mitigate the impact.

Workers

6. Employee health & safety: Working in manufacturing and services requires specific guarantees of healthy and safe working conditions. This is notably done through risk assessment, trainings and communication, as well as controls and continuous improvement.

7. Diversity, equality and inclusion: Everywhere in the world, some individuals are in precarious situations, are far from the labor market, and/or

are victims of discrimination. At SULO, we take it as a priority to ensure a respectful and inclusive environment granting equal treatment for all, regardless of people's gender, disabilities, ethnic minority.

8. Talent management and well-being: SULO's product and service quality mainly relies on our employees. It is highly important for us to recruit and retain employees within the teams, manage and develop their skills, and ensure good working conditions.

Governance

9. Ethics and governance: Strong corporate ethics, compliant and responsible practices, anti-corruption and complaint mechanisms are instrumental to our longevity.

10. Personal data protection: It becomes more and more important to be fail-proof on personal data protection and privacy in the digital field for both employees and customers. We take preventive and corrective actions to ensure cyber security and prevent any failure.

Clients

11. Responsible communication & client satisfaction: We value the importance of understanding our clients' expectations and provide them with reliable products and services. This includes fair marketing and sales practices, as well as transparency on products and services.

Supply

12. Responsible purchase: As part of the global community, we have a role to play in the proactive identification and prevention of human rights risks in the supply chain (inc. discrimination, working hours, right to collective bargain, forced labour...).





SULO's business model is inherently contributing to the 11th objective, as we support sustainable cities and communities to properly manage their waste and minimize their impact.

SULO's CSR strategy is based on five targets, supported by action plans and rigorous monitoring at entity level with each issue progressing at the right pace. Each one lines up with one or more SDGs.



1. Safety: SULO is a responsible company that prioritizes safety. Our ambitious internal **zero-accident strategy** is fostering a culture of safety.



2. Reduce carbon footprint: In 2021, we set the ambitious goal of **reducing our carbon footprint for scope 1 & 2 by 15% by 2024** (direct and indirect emissions from energy consumption). Our complete approach includes measuring and tracking our emissions and implementing strategies to **reduce emissions**. In 2022, we achieved a 7,4% reduction in Scopes 1 & 2, going beyond our initial target of -5 %. Our 2023 objective is to further reduce these emissions by 5 % compared to 2022.



3. Recycled materials: We aim at reaching a record **80 % of recycled materials in our total plastic consumption in 2023** with the help of our customers. In 2022, this rate was **77 %**.



4. Optimization of resources: We commit to promote waste reduction, reuse, repair, and to prevent waste generation. We are also reducing our water consumption and ensuring adequate wastewater treatment. Our goal is to **reduce waste generation and water consumption by at least 3 % by 2023 compared to 2022**.



5. Diversity and inclusion: Our objective is to reach at least **30 % women in our business units' management teams**. Furthermore, we are establishing region-specific efforts to enhance the inclusion of people with disabilities, as well as actively engaging and supporting local foundations.

Performance Highlights



What we have already achieved:

The variable remuneration of top managers is partly dependent on the performance achieved on 4 specific ESG targets (reduction of carbon footprint, increase in the rate of recycled materials, resources optimization, development of gender diversity and disability inclusion), which are reviewed on a yearly basis.

Some countries such as France have also implemented some collective compulsory and voluntary profit sharing schemes for employees that include Performance and Safety Criteria.

Reduce our carbon footprint

-6,3 %

carbon emissions based on carbon footprint 2022 vs 2021

52 %

of the electricity consumption is renewable

Promote circular economy

77 %

Percentage of recycled materials in total plastic consumption

| Type of certification | ISO 9001 | ISO 14001 | ISO 45001 | ISO 50001 | AFAQ Circular Economy | Ocean Clean Sweep | MORE | Blue Angel |
|--------------------------------|----------|-----------|-----------|-----------|-----------------------|-------------------|------|------------|
| Number of facilities certified | 10 | 9 | 5 | 2 | 1 | 3 | 2 | 1 |





Optimization of resources

-79 %

landfilled wastes



Health & Safety commitment

-23 %

Frequency rate (FR2)
2022 vs 2021



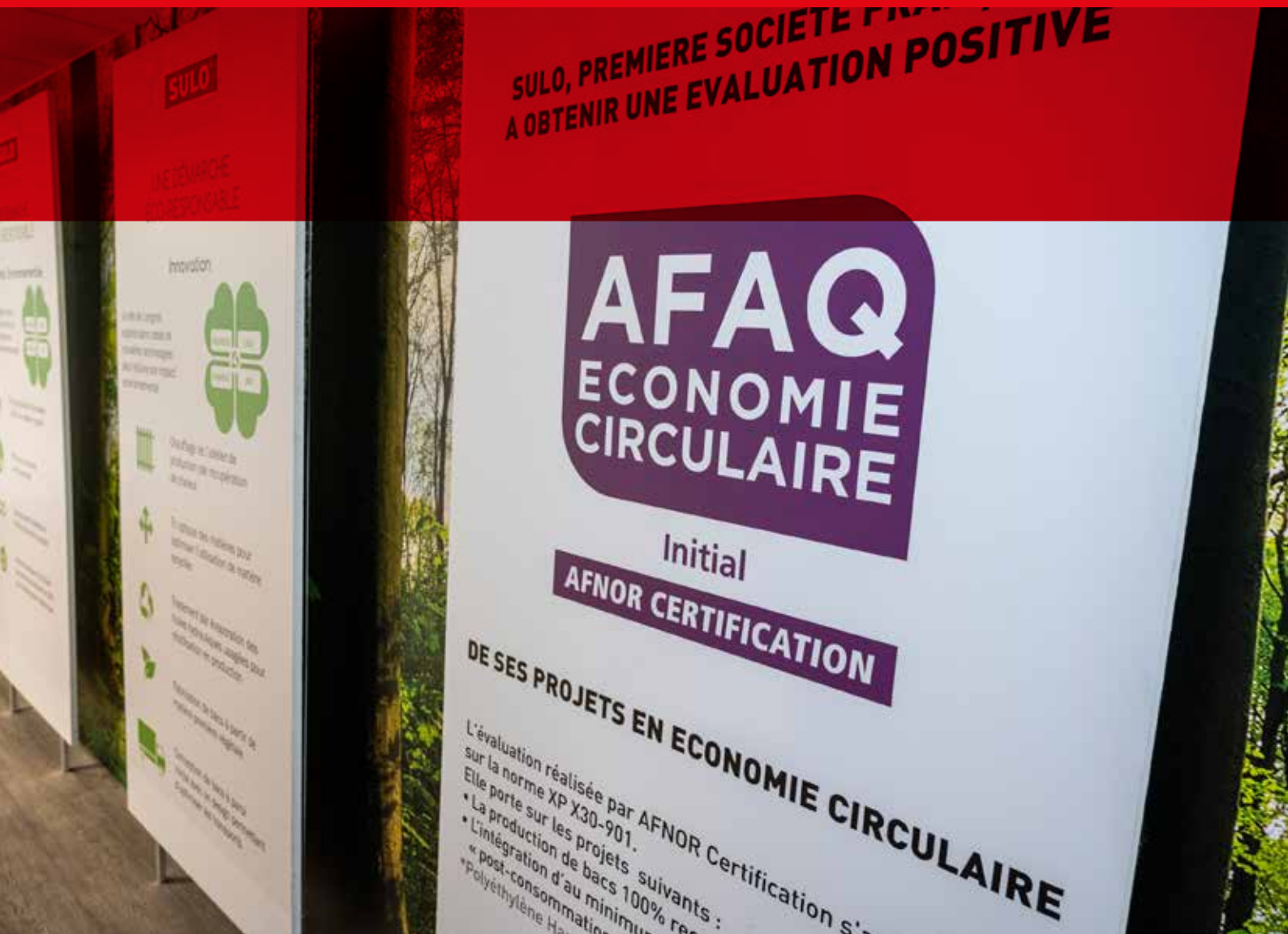
Promote Inclusion & diversity

26,5 %

of women in the Business Unit management teams

79 %

people answered the global employee survey



SULO, PREMIERE SOCIETE FRANCAISE
A OBTENIR UNE EVALUATION POSITIVE

AFAQ
ECONOMIE
CIRCULAIRE

Initial
AFNOR CERTIFICATION

DE SES PROJETS EN ECONOMIE CIRCULAIRE

L'évaluation réalisée par AFNOR Certification s'est basée sur la norme XP X30-901. Elle porte sur les projets suivants :

- La production de bacs 100% recyclés
- L'intégration d'au minimum 10% de matières post-consommation
- Polyéthylène Haute Densité





Business culture

Addressing our collective CSR challenges is key to create a more sustainable future for ourselves and the future generations. Our purpose being to support the waste management industry and the circular economy, we are by-design part of the solution. This is even more supported by the core values that shape SULO's business model: responsibility, innovation, excellence, and trust.



11.1 Our company values



Safety is our first priority

At SULO, we are convinced that flawless safety is fundamental, and it is our main priority. Our aim has always been to create a strong safety management culture respecting the **stop, think, act** method. There cannot be top results at SULO without a high level of safety performance

More than a goal, safety is our first priority. In our main sites, the occupational health and safety management system is aligned with the ISO 45001 standard and continuously sharpens awareness of workplace safety issues at all levels. By maintaining a constant dialogue and involving all employees in each location of SULO, we create conditions to identify major risks and prevent incidents.

To make safety a daily reality in all workplaces, we follow a pragmatic approach, giving clear guidance and setting it at the top of everyone's agenda.

Our human capital is our most precious asset, and our main concern is to align our strategy and behaviors to create the ideal conditions for the improvement of our performance. More precisely, it is a question not only of determining performance objectives, but also specifying how we want to reach these goals; in terms of behaviors and relationships.

For this reason, the company's values have been the subject of a series of participative workshops in several countries, so that employees at all levels and in all professions can precisely define the meaning of our internal values by determining the

concrete behaviors expected internally. Over a hundred employees in Germany, Spain and France took part to these workshops. Twenty behaviors emerged from this work and today form the core of the Group's culture. They are destined to remain relevant and unchanged, even and especially in difficult times such as Covid-19. The values and expected behaviors are known, shared and expected by every Group employee, whatever their function, hierarchical level or the country in which they work, so that the whole organization is deeply and durably imbued with them. These values are the point of union for all Group employees and constitute a promise to all new recruits that everyone is committed to respecting.

Our four pairs of values are the following:

- Responsibility & Care
- Innovation & Customer orientation
- Excellence & Commitment
- Team & Trust



Responsibility & Care

1. I lead by example by adopting a positive attitude, respecting my peers and systematically seeking constructive exchanges.
2. I respect the rules and internal processes and am careful to respect the law in all circumstances.
3. I continually seek to minimize my environmental impact by optimizing resources, reusing consumables, sorting waste and encouraging others to do the same.
4. I clearly escalate risky situations and behaviors and immediately mitigate the risk whenever I can do so safely.
5. I take care of my health and that of my colleagues, especially newcomers, taking full responsibility for safety.



Excellence & Commitment

1. I am motivated to complete every task, overcome difficulties, seek support from others if needed, and aim to exceed objectives.
2. I propose solutions and standards to improve and simplify processes.
3. I show empathy and encouragement and seek collective commitment to lead my team towards excellence.
4. I accept my responsibility, make my own decisions, and stand for them.
5. I take every opportunity to develop myself by participating at trainings or learning from exchanges with my colleagues.

Innovation & Customer Orientation

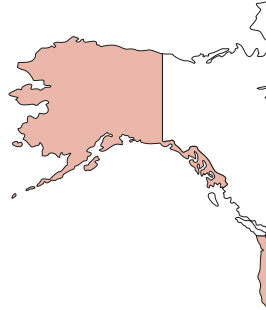
1. I look for realistic solutions and actively share them internally with my colleagues to meet the challenges of our customers.
2. I actively cooperate with other departments involved with the same client to ensure the best response from SULO.
3. I am receptive to all ideas and solutions, even those likely to change the way we work.
4. I respect client's specifications and am sensitive to any new one while being mindful that they are achievable and in the interest of SULO.
5. I recognize that I have internal and external customers and I treat them both professionally in the best interest of the company.



Team & Trust

1. I work with others in an open, respectful, and constructive way, whatever the department, the job, the hierarchy or the country.
2. I always fully trust the professional competencies and experiences of my colleagues.
3. I actively participate in mixed teams, promoting as much interaction as possible between departments or between countries, to promote an optimum solution.
4. I listen, accept, and respect other opinions and use feedback from others for my own development.
5. I support the sharing of initiatives whatever their source and acknowledge their contribution to the final result.

11.2 Our sustainable business model



11.2.1 Our Activities

As a diversified Group, we represent a broad spectrum of brands - all of them are major players in their sector - striving to implement the Group's goals. With our use of recycled and upcycled plastic waste in production of waste management solutions, sustainability and circular economy are at the heart of our DNA. Furthermore, our products, services and digital solutions are intrinsically sustainable as they help our public and private clients improve waste collection and management activities. We offer four solutions allowing today's waste to be tomorrow's resource.

With 8 state-of-the-art and certified production sites, SULO is a world class supplier of all kinds of sorting and recycling equipment for both public and private clients.

- **Waste Bins:** In 2022, we produced over 5 million bins in our plants in France, Germany and Spain for households, municipalities and corporates. This includes wheeled bins (2 or 4 wheels), litter bins, and special bins. We also produce spare parts in Spain and France.
- **Voluntary deposit:** We produced voluntary deposit systems in France and Germany including recycling banks, semi-underground and underground systems.
- **Compacting:** SULO is renowned for the manufacturing of excellent machines for baling and compaction of waste, catering to the needs of industrial players, large retailers/distribution centers, waste management



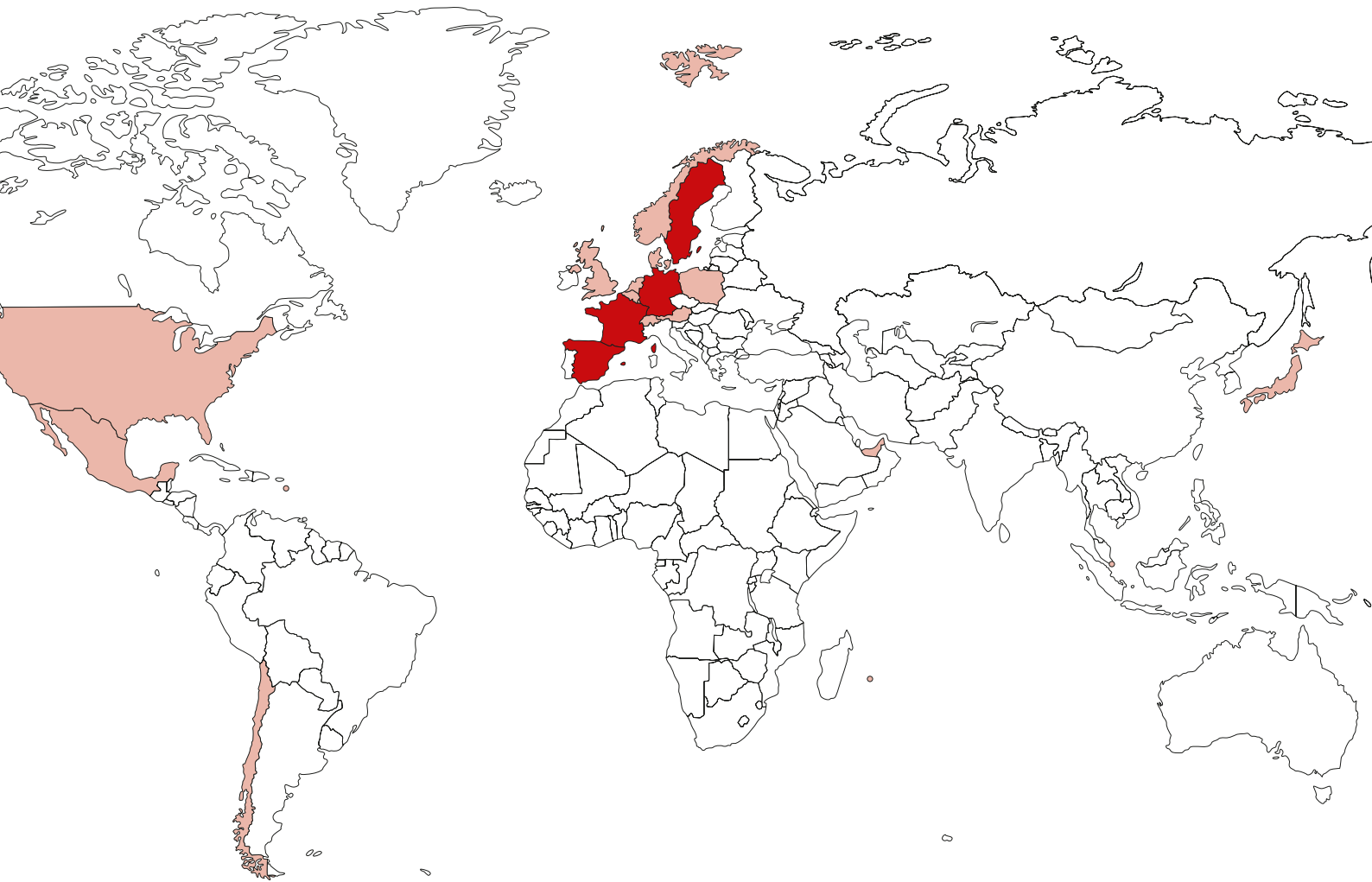
companies, etc. These machines are produced in Sweden and France.

- **Digital solutions:** Finally, we have developed a comprehensive range of digital waste management software and hardware, which are indispensable enablers for smarter, more transparent and more efficient processes. They empower waste management companies to streamline operations, reduce environmental and economic costs, and enhance customer satisfaction. Our R&D and programming centers are located in Colombes, Lyon (France) and Herford (Germany).

As SULO thrives to offer holistic waste management solutions, we are able to propose a broad variety of tailor-made services, which perfectly support the daily business of collectors, companies, and municipalities, such as:

- Bin management based on digital technology;
- Full service around city furniture like large volume containers and underground systems;
- Cleaning service for litter bins;
- Full tailor-made service associated with waste compactor equipment.

In recent years, we have become an agile trader of highly demanded waste management products for businesses and consumers thanks to our attractive retail brands (San Sac, Rubaek, EnviroPac) with online-shops and established trading companies.



Our Global Presence

| <i>SULO Group Production Sites</i> | <i>SULO Group Sales and Service branches</i> | | |
|---|---|-----------------|----------------|
| France | Austria | Japan | Spain |
| Germany | Belgium | Mexico | Sweden |
| Spain | Chile | The Netherlands | Switzerland |
| Sweden | Denmark | Norway | UAE - Dubai |
| | France | Poland | United Kingdom |
| | Germany | Singapore | United States |

II.2.2 Our organization

We structure our organization with the ambition of showing for a fully sustainable governance. SULO's Executive Committee defines the safety and sustainable development strategy at group level through quarterly meetings, and delegates its operational implementation to local teams through a cascading governance system. Our decentralized organization allows us to rely on the intelligence, expertise, and responsibility of our teams. This management model ensures that all decisions are perfectly adapted to the local context, and above all enables every employee to play an active part in the life of the Group, using their expertise and motivation to protect local communities, the environment and grant a healthy and positive working environment.

SULO's success in the waste management sector is based on considering the expectations and needs of all stakeholders, whether internal or external, including:

- **Our employees:** Because our human capital is the cornerstone of our organization and our management model, we regularly conduct an engagement survey to better understand our teams across the globe. The survey conducted in 2021 showed that our employees' commitment is essentially driven by the Group's excellent reputation, pride in working here and the values we share internally, with scores of 7 or more out of 10 on each of these items. The most recent survey, conducted in 2023, confirms this trend, with themes such as safety, autonomy and initiative-taking receiving scores of around 8 out of 10, confirming the validity of our decentralized model based on team responsibility and autonomy.
- **Our customers:** SULO is Europe's market leader for a reason. Our customers are loyal to us through years thanks to the seriousness and the passion of our teams to carry out their missions and to support our customers in their sustainability efforts (for example: sorting process, decarbonization of products...).
- **Communities & ecosystems:** As our activities may have positive and negative externalities on communities and the ecosystems, it is our duty to fully understand them, minimize the negative impacts while optimizing the positive ones.

- **Our shareholders:** Since 2018, SULO has been majority-owned by a consortium of investment funds from Latour Capital and BPI. The ambition is to support its transformation to a clear European leader in waste pre-collection, as well as a committed player in sustainable development. Therefore, our strategy is aligned with the ESG requirements of our shareholders.
- **Our suppliers:** We have the power to influence in a positive way our suppliers' protection of their employees and of the environment. We can help our suppliers go in the right direction, through trainings, communication and CSR requirements.

Each stakeholder being decisive in the success of our business culture, we are committed to understanding and addressing their needs as well as acculturate them to CSR topics through dedicated channels. For instance, employees are regularly kept informed on CSR topics through the publication of internal newsletters, dedicated events and an internal training platform, the SULO Academy which is also available for distributors and suppliers, covering a wide range of topics. The platform was launched in December 2022 and immediately encountered success, cumulating 112 individual trainings within the month.

We also communicate and train internal and external stakeholders through our websites and our LinkedIn page. Our digital presence is growing fast, as we witness the number of LinkedIn followers double from year to year.

To finish, an internal social network has been deployed in the Langres plant to facilitate communication and interactivity between employees. As the tools prove beneficial in terms of personal growth on soft skills and hard skills, supports employee well-being, it will be deployed in other plants in the coming years.

On top of online communication efforts, SULO regularly attends international exhibitions - such as the IFAT in Munich during which we showcased our most recent products and innovations driving efficient and sustainable waste management all over the world.

II.3 Ethics

In accordance with the Sapin II law, we strive to enhance transparency in our operations, we fight against corruption, and aim for the highest levels of safety, non-discrimination, and competitive practice. Our Code of Conduct, which was updated in 2021 and is in line with our core values, sets out the lines of conduct that all employees must follow. It represents SULO's ethical standards, guaranteeing good conduct at work and with customers and partners. All managers, as well as all employees with ethical decision power (Sales, IT, HR, Finance, Purchasing...) are required to sign it. Management teams everywhere are responsible for ensuring that all employees in their teams receive the information and have the necessary means to comply with this Code.

As a committed company, we require our suppliers to comply with demanding CSR criteria such as business ethics, compliance, respect for human rights and working conditions or the protection of health, safety, and the environment. Each supplier is required to sign our CSR Charter and adopt our criteria prior to becoming our partner such as:

- Complying with laws on competition and taking precautionary measures to avoid any anti-competitive practices or conduct, and to fight against corruption and money laundering;
- Respecting fundamental rights related to working conditions (working time, minimum wages, etc.);
- Creating and maintaining a healthy and safe working environment to prevent any risk of accident or occupational disease for its employees, sub-contractors, surrounding populations, as well as users of its products;
- Limiting its environmental footprint by preventing externalities by controlling the pollution and nuisances related to its activities.

We have designed adequate procedures to ensure the application of ethical rules and reach our objective of zero cases of non-compliance with our Code of Conduct. To fight corruption, we have implemented a procedure for gifts and invitations setting out the golden rules to be followed by all our

employees. In addition, an alert system is accessible to all our employees as well as temporary workers, trainees, and service providers to report any irregularities falling within the scope of the system to act effectively against unethical practices.

The SULO Ethics Committee - composed of some Executive Committee members and other managers - meets three times a year to deal with non-ethical issues and review the training program.

In 2023, the objective is to conduct a new engagement survey and to train all employees to GDPR.

II.4 Data protection

SULO is highly cautious of the respect of employees and third parties' (customers, suppliers, etc.) privacy and protection of personal data.. Thus, a section of the Code of Conduct is dedicated to it and describes the behaviors to adopt within the company. In accordance with the GDPR, we have an external Data Protection Officer ensuring that we comply with the applicable data protection regulations.

In a process of continuous improvement, we have conducted a general review of all our websites as well as our contractual frameworks to ensure that they comply with the regulations in force. Additionally, we carry out awareness-raising campaign among our employees on the GDPR to train them to our data privacy policy.

To ensure the Group's cybersecurity, we follow a dual policy that is both preventive and curative.

Our preventive policy consists in equipping our networks with artificial intelligence tools aimed at detecting anomalies and suspicious behaviors. We also have a Standard Operating Procedure (SOP) allowing the smooth running of operations in the event of an external attack on our systems.

Our curative policy is based on a logic of periodic external backups (at least weekly) for all entities to be able to quickly restore our information systems in case of cyber-attacks.

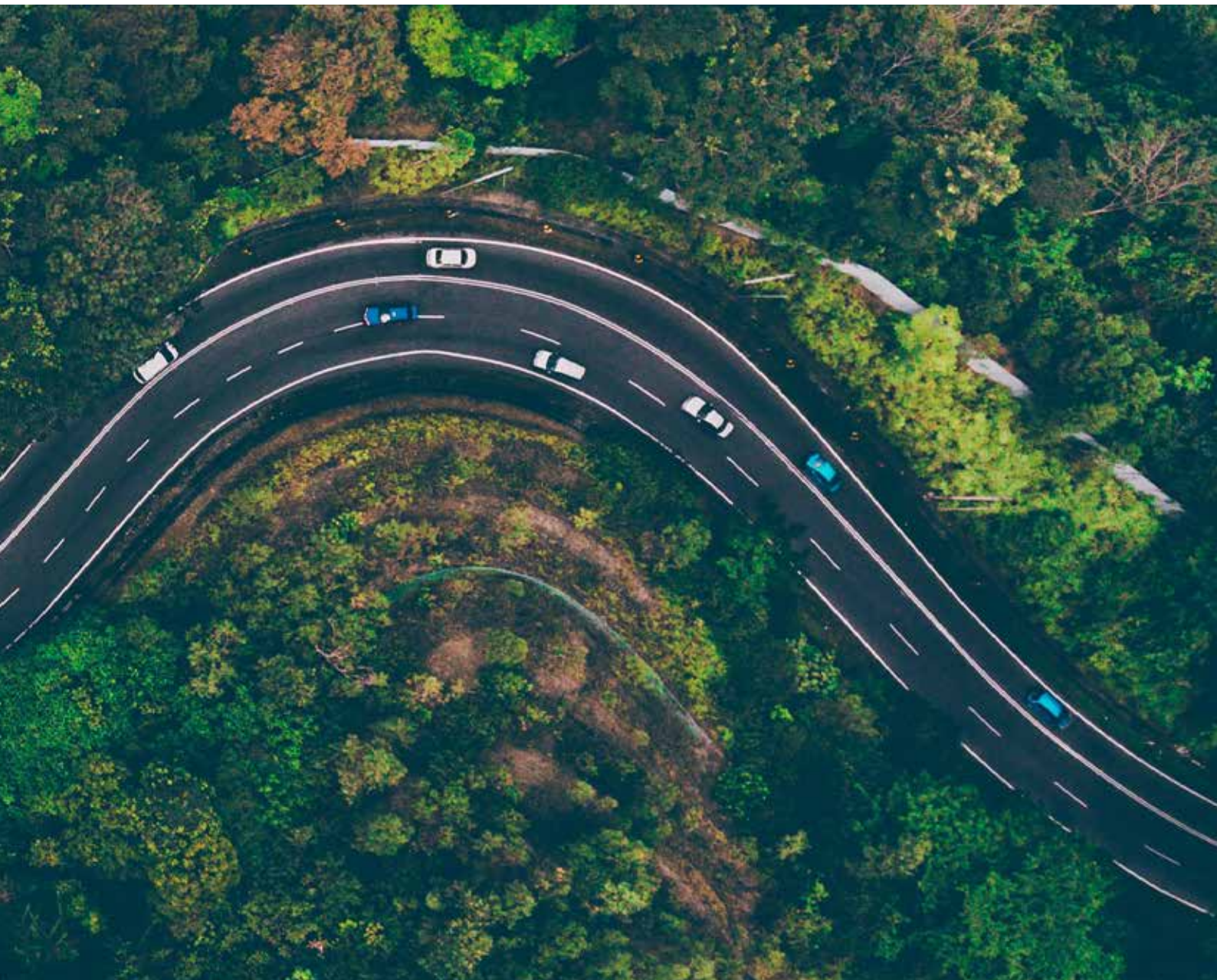
Environmental perform



mance

At SULO, we are convinced that closed-loop environmental solutions are vital when it comes to protecting our environment. Our vision is to reduce the use of fossil fuels to a minimum. To achieve this, we consistently work on production process innovation, product eco-design and the use of recyclable materials. The success of SULO's **Circular Eco** sustainability approach lies in our ability to reduce the footprint of our products, which are increasingly made of recycled material and whose

production processes are less and less energy intensive. To be less plastic-intensive, we also focus on modular designs that are easy to assemble and disassemble and have interchangeable parts. By doing so, we encourage the reuse and repair of goods rather than the constant production of new ones. We intend to optimize production and simplify maintenance by offering a more standardized selection of containers, either underground, semi underground, banks or on wheels.



The 3Rs in Circular Eco: A Responsible Framework

SULO's commitment to sustainability and responsibility is more than just an obligation; it's a fundamental component of our corporate values. Taking a pioneering role in the circular economy, we view this approach as the linchpin for our sustainable actions, honing in on six essential areas.

In the **design** process, we place great emphasis on creating products that use minimal resources. Our approach strikes a balance between material consumption, energy efficiency and long service life.

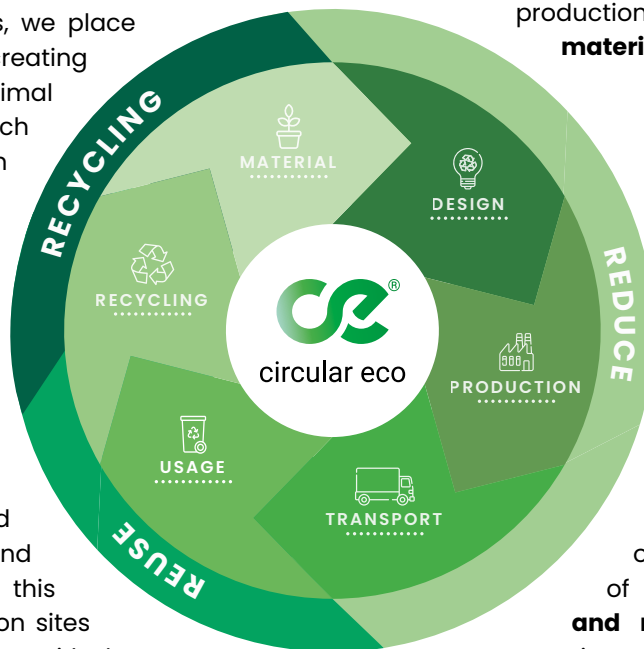
Production also follows strict sustainability criteria. By using modern injection molding techniques, we optimize material flow and reduce both cycle time and energy consumption. In this regard, 7 of our production sites are certified in accordance with the international ISO 14 001 standard.

When it comes to **transporting** our products, we have made space requirements more efficient through intelligent design adjustments, which significantly reduces CO₂ emissions per transported container.

The **use** of our products is equally in line with the principles of the circular economy. They are not only durable, but also 100 % recyclable. During their production, we ensure that main components can be reused to minimize environmental impact. At the end of each product's life, we ensure that the main parts are **recycled** and returned to the production process as secondary **raw materials**.

Unique to our approach is the double loop. While we maintain a closed loop internally, the end user also provides the raw material for the next generation of our products by sorting plastic waste.

These six core areas are embedded in the overarching principles of the **3Rs - reduce, reuse and recycle**. Our goal is to continuously minimize resource consumption, extended the life of our products and effectively recycle materials. With a sustainable future in mind, we are committed to the principle of continuous improvement. It is our constant endeavor to reduce the ecological footprint of all our activities.



III.1 Circularity: Raw material & Eco-design



At a time when the challenges of climate change and resource scarcity are becoming increasingly pressing, we recognize that we have a key role to play in shaping a more sustainable future. Taking into account the UN forecast of a 70 % increase in global waste generation by 2050, we have chosen the circular economy as our guiding principle. Our goal is to see today's waste as tomorrow's resource and to create a sustainable, circular lifecycle for all our products and services.

To realize this vision, we make use of the principles of the **3Rs**: reduce, reuse and recycle. Investments pointing in this direction have already shown concrete results. For example, seven of our main production sites are ISO 14001 certified, and some are also Blue Angel certified (Herford) and ISO 50001 certified (Herford and Langres).

We are particularly proud of SULO being the first French company to obtain AFAQ certification for the circular economy. This is a testament to our efforts to successfully manage projects within the framework of a sustainable circular economy. This certification follows the XP X30-901 standard and is in line with SULO's Circular Eco approach.



III.1.1 Reduce

As part of our commitment to a more sustainable future, the concept of **reduce** is more than just an

operational guideline - it is a fundamental principle that permeates every aspect of SULO's Circular Eco Framework.

Eco design: less is more

Our 240-liter and 360-liter bins use about 30 % less plastic while meeting quality standards. This minimizes both material consumption and environmental impact and underscores our commitment to sustainable design.

Lean production: environmental efficiency

By relying on green energy and recycled materials, we reduce the use of virgin plastic and energy. Our six new container shapes, representing 40 % of production at our Langres plant in 2022, exemplify this commitment.

Transport: reducing the carbon footprint

Our new container designs optimize truck space and reduce load volume by up to 50 %, reducing fuel consumption and CO₂ emissions.

By incorporating the principle of **reduction** into these key aspects of our operations, we are making tangible progress in minimizing our environmental footprint, fully meeting the objectives of our circular economy concept.

III.1.2 Reuse

The core of SULO's **Reuse** commitment lies in the longevity of products and the reusability of components. Our goal is not only to manufacture products, but also to preserve them by focusing on a life cycle that adds value over and over again.

A unified approach to spare parts

Our bins and containers are designed to contain components that are interchangeable across models. This modularity facilitates efficient maintenance service, a feature we extend to our entire product range, from compressors to different types of containers.

Focus – Second life

We have successfully extended the life of our products with our **Second Life** program in France. By incentivizing maintenance personnel to reuse components, we achieved remarkable numbers: In 2022 alone, over 75.000 wheels, 27.000 lids and 16.000 bodies were reused.

Focus – Cameleon

Our commitment to the circular economy is not limited to waste bins. With Cameleon, we offer municipalities voluntary deposit containers that comply with circular economy standards. These units can be easily integrated into existing infrastructure, eliminating unnecessary renovations and waste.

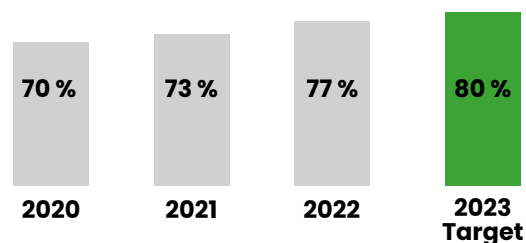
Focus – SAVN

Our SAVN service focuses on the regeneration of hydraulic oil in compactors. This not only saves up to 1.000 liters of oil per machine, but also supports our customers in their efforts to reduce waste and minimize fossil fuel consumption.

By incorporating the concept of **reuse** into our circular economy strategy, we create a sustainable virtuous cycle that maximizes resource efficiency and minimizes environmental impact. This holistic approach enables us to fulfill our commitment to the environment and our stakeholders.

III.1.3 Recycle

The Group’s goal is to increase the use of recycled materials in its manufacturing processes. The Langres plant already incorporates an average of over 80 % of recycled material in its production, well above the Group target of 77 % by 2022. For 2023, we aim to achieve a record of 80 % of recycled materials in our total plastic consumption with the support of our customers.



In recent years, the Group has made over 3.9M€ investments to improve our products’ recycling rate and quality, such as:

- Investment in a complete grinding, micronizing, and blending line dedicated to Plastic Raw Material in Métroplast: goal is to achieve 80 % of recycled material in our manufacturing process in H2 2023.
- To help maximize the introduction of recycled materials into our products, our Langres plant has invested in a state-of-the-art machine filtering out undesirable plastic and leaving only the HDPE required for the manufacture of our bins.
- Metal extraction activity aimed at removing metal contamination from plastic in Langres. This enables us to supply new sources of recycled materials no matter their quality. Indeed, depending on the supplier, the recycled material may be contaminated with pieces of metal that can cause damage to production tools.
- To increase our material recycling rate and guarantee a high quality of finished product, the Herford plant has invested in homogenization system for recycled materials.

SULO also invests significantly in research and development on products and processes throughout its global R&D team.

We gained a competitive advantage in depollution as a result of those innovations. We are now in the industry the most capable of converting low-quality materials and depolluting them into high-quality containers.

Thanks to our efforts, we acquired the MORE Label, which recognizes companies that are committed to recycling.



Furthermore, the totality of the recycled plastic content of our European factories comes from Europe, which drastically reduces transportation distances when compared to virgin plastics which usually come from outside Europe.

Focus - Citybac®

The optimized Citybac® from SULO is a next-generation 2-wheeled bin made by cutting-edge production processes and tools. Its unique design allows its body to be entirely built of recycled material, resulting in either grey, green or brown appearance, while its lid remains colored to aid in waste sorting. The lid, which is not linked to the body, can be readily removed, and slid into another body, thanks to their standardized size and color. This eco-design reduces your bin's environmental impact by maximizing recycled content.

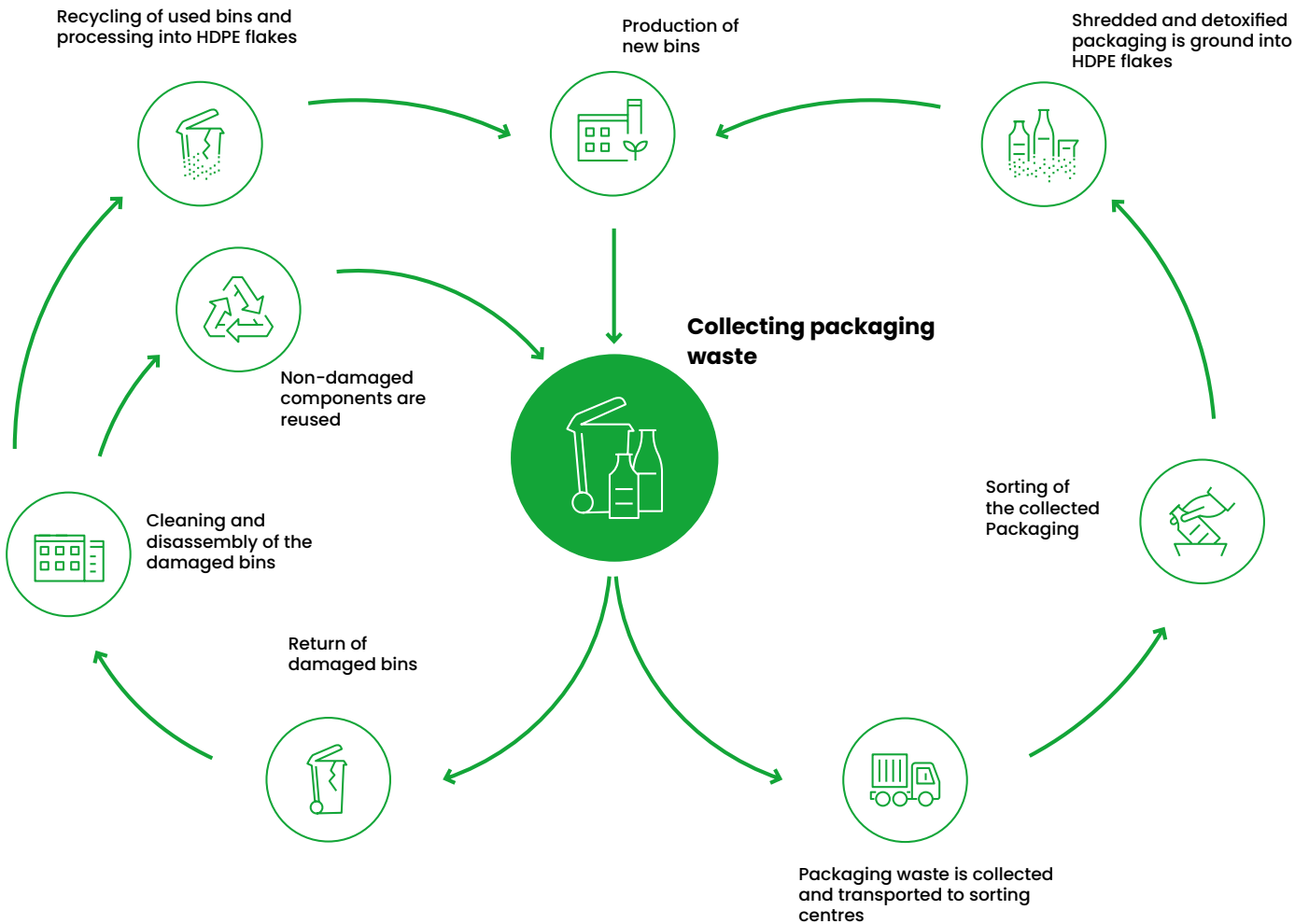


Focus - BAC TO BAC project

The BAC to BAC operation was launched in France and the Benelux region in September 2022, collecting more than 315 tons of bins to be recycled into new ones. These best practices will be expanded to our Swiss and German Businesses in the next years (2023 and 2024).

Loop’s presentation:

1. Out-of-service waste containers (all HDPE wheeled bins or modular bins) are collected.
2. At our Service Points, they are sanitized and dismantled.
Reusable axles, lids, and wheels are saved as spare parts for future usage (bin manufacturing or repair).
3. Out-of-service bins are treated (crushed, depolluted, sorted for color, etc.).
4. After recycling the bins, the crushed material is mixed with HDPE flakes from other crushed and depolluted plastic packaging from the sorting center.
5. This mixture is used to make new bins.



SULO's recycled colored bins are thus made up of



Bins from closed loop: 20-60 %



Waste from user's trash sorting (e.g. beverage bottle caps and shampoo bottle): 40-65 %



Beverage bottle caps from community service: 0-5 %



Industrial and commercial waste : 0-15 %

SULO can also produce recycled colored banks with urban furniture waste and banks from closed loop with a range of 60-100 %.

SULO uses around 38.000 t of recycled material per year and helps thus to reduce plastic pollution. The large majority of the recycled material is waste, it has fulfilled its original purpose and shall be recycled. SULO high quality bins enable upcycling of these end-of-life products.

Focus - Partenariats Bouchons

In its efforts to improve plastic recycling while contributing positively to societal challenges, SULO France has partnered with 18 associations - such as Les Bouchons d'Amour - having collection points in almost all French departments. Their mission is to collect plastic caps, raising funds for disabled people and underprivileged children. More than 2.000 tons of HDPE per year can be collected.

III.2 Improving citizen's waste sorting performance



III.2.1 Bins, Voluntary Deposit, and compacting services

SULO provides services to both the public and private sectors. We not only deliver waste furniture such as big volume containers and underground voluntary deposits, but we also offer cleaning service and maintenance for SULO products.

Our business model is based on ensuring that we are always available to our customers, meeting their needs from the design of our products to their maintenance. In France, our network of agencies intervenes every 4 minutes on average to ensure our bin maintenance service. At SULO, we wish to improve education on waste management. We want to make waste sorting as simple as possible for our employees, clients such as private companies or municipalities, as well as daily consumers and residents that utilize our goods.

For instance, we guide our clients with their compacting activities, enabling the reduction of waste volume by around 65 % on average and up to 90 % of the original volume and resulting in smarter and more efficient waste management. Our compacting activity allows to store more waste, reducing trucks loads which decreases waste collection and impact of transportation.

In 2022, we also built an online platform, the SULO Academy, to provide instructions on our goods and share general knowledge on waste management, how to use them, our procedures, etc. This platform is available to all SULO employees, costumers (external) and distributors (exclusive partners). There are presently 21 courses available on themes ranging from sustainable bin production to circular economy.



III.2.2 Digital service

SULO Group's digital division develops smart systems and solutions to track and optimize waste management and collection.

SmartSULO is our application and hardware solutions platform that allows collectivities to integrate digital intelligence into their tools to meet their improving waste collection needs.

- It allows the collectivities to pilot all the stages of waste management up to pay as you throw or rewards systems.
- It offers a 360° view of their equipment, activities, contracts, and performance indicators, with notably the monitoring of their vehicle fleet in real time (by tour, by vehicle, by period).

SmartSULO therefore enables collectivities to optimize their waste collection and management processes, improving the average truck loads, optimizing the routes etc., thus reducing their carbon footprint.

Part of SmartSULO is SmartSULO ID, our set of hardware solutions installed on the collection vehicles (identification system/weighing system/on-board computer/navigation system) allowing the collection of all information related to the waste collection activity. The vehicle information (speed, reverse, collection time, etc.) accessible via Smart SULO City allows for real-time optimization and monitoring of vehicle activity to be as close as possible to the field. Our offer is composed of 4 functionalities:

- Geolocation (secure and comply with international information system standards and the General Data Protection Regulation)
- Bin Identification
- Bin Weighing system, Navigation

With the Smart SULO Digital Services application suite, SULO offers a range of connected products, which gives the possibility for waste generators (companies, households) to monitor and improve their waste disposal practices. It also enables regulators to control waste generation, notably in countries where taxes are indexed on the weight of



waste. To finish, it of course helps waste collectors optimize truck size and routes based on identified waste volumes to collect:

- Identification via RFID chips
- Filling level measurement for underground and semi-underground containers.
- Manual RFID chip reader to record a collection or maintenance on an equipment.
- Access controller installed on the pillars of the underground and semi-underground containers to record, communicate, and filter their use (access authorization, recording of deposits, access hours...). The consultation of the data and the parameterization of the access controllers is possible via our SmartSULO City application.
- Simplified system of remote locking/unlocking of underground and semi-underground containers.
- Weighing

Key figures

- 25.000.000 bins equipped with RFID
- 250.000 Containers identified daily by our systems
- 3.000 vehicles equipped with SULO Hardware solutions
- 5.000 Access controls

III.3 Carbon emissions



III.3.1 Carbon footprint commitments

SULO is committed to reducing its carbon emissions as part as our collective effort to mitigate our influence on climate change. A critical step to determine where we should intervene to ensure most efficient CO₂ footprint reduction was to calculate our Group Carbon Footprint , with the support of a specialized third-party consulting company. Methodology used is GHG Protocol. Our total 2022 emissions have decreased by 6,3 % since 2021. We also thoroughly monitor the evolutions, scope by scope.

Emissions throughout the 3 scopes:

- Scope 1 emissions are those that an organization owns or directly controls. Between 2021 and 2022, our scope 1 emissions decreased by 2,7 % tqCO₂.
- We saved 10,9 % tqCO₂ in 2022 compared to 2021 for Scope 2. It accounts for indirect emissions caused by the purchase and use of electricity, steam, heating, and cooling.
- In 2022, we managed to save 6,3 % tqCO₂ compared to 2021 for scope 3. It includes all other indirect emissions that occur in the upstream and downstream activities of our organization.

Through this analysis, we have learnt this year that:

- the majority of SULO emissions result from purchases (62 %)
- transports is the second main category in SULO emissions (24 %)

Location based GHG protocol

| | 2021 | 2022 |
|------------------------------------|--------|--------|
| Scope 1 (tCO₂eq) | 7459 | 7257 |
| Scope 2 (tCO₂eq) | 9798 | 8730 |
| Scope 3 (tCO₂eq) | 231611 | 217118 |
| Total | 248868 | 233105 |

Our Carbon footprint

Since 2021, SULO already made a substantial cut in its global carbon footprint: a 7.4% decrease in scopes 1 & 2 emissions.

Our goal is to reduce Scopes 1 & 2 emssions by 15 % within the next three years (on a like-for-like basis, base 2021), with a 5 % decrease planned for 2023.

But that is not enough for our Group. We want to go even further in our understanding of our emissions so that we can hit the mark. To this end, we are setting up a monitoring indicator for each activity. At the same time, we are preparing our roadmap for SBTi* certification in 2024.

III.3.2 Energy Efficiency and Renewable Energy Sourcing

To improve our consumption, we invested in sustainable energy while simultaneously committing to consume less.

On the one hand, to improve our usage, we extensively invested in sustainable electricity for our service points and plants. Our plants in Langres, Bort-les-Orgues, Metroplast, Valencia, Sävsjö are 100% powered by renewable electricity in 2022 as well as several Services Facilities in France, Norway, Sweden and Spain.

In 2022, at group level, we consumed 31.857 MWh of green energy out of 62.652 MWh in total. It represents 52 % of global consumption. The main origins of our renewable electricity consumption are hydro (61 %) and wind (21 %). Our Spanish Service Agency at Santa Catalina will install in 2023 Solar Panels for our own consumption of Facility and new Head Office. Last but not least, from July 2023, our Herford plant in Germany will be fully powered by Renewable Electricity.

On the other hand, we choose to consume more responsibly. As part of our commitment to continuous improvement, we strive to minimize environmental impacts and effectively cut energy usage and greenhouse gas emissions. Our ISO 50001 energy management system is designed to continually improve energy efficiency by developing an energy Management System. Since 2016, and 2014, respectively, our Langres and Herford manufacturing facilities which together represent 95 % of the Group's electricity consumption, have been certified.

We also made progress by improving our energy usage practices through greater insulation, bettering our energy recovery from cold units to heat our workshop and component store, and switching to LED light bulbs. All plants implemented a 2022 Winter Sobriety Energy Saving plan and extend them in 2023. For instance, Langres reduced energy consumption by improving our manufacturing heating process (insulation on injection unit heaters), upgrading technical devices (speed mode), and installing more efficient lighting. In the previous ten years, we have also invested in smarter plastic transformation processes, such as the new injection molding machines, saving up to 30 % of the energy required per ton of plastic transformed.

In 2022, we designed a carbon footprint calculator that has been approved by a third-party consultant for our bins produced in Herford and Langres. It enables us to thoroughly understand the distribution of each product's CO₂ emissions throughout its lifecycle. As an illustration it allowed us to estimate that the new Citybac® 240 eco-designed bins save up to the equivalent of 60 % of kilograms of CO₂ per bin. This is due to the utilization of recycled raw materials and the new shape.



III.3.3 Transport and distribution

This year has been full of measures to reduce our carbon emissions from transportation and distribution.

In 2022, SULO France SAS performed an energy transport audit that was communicated to french authorities.

Our French compacting after-sales service employs a solution called IRIS live, which allows us to organize interventions at our clients' sites with the closest personnel using a workshop truck geolocation system.

New programs, which focus on voluntary deposit maintenance, rely on a network of over 30 reliable suppliers, all within a 500-kilometer radius of the factory. This **short circuit** strategy contributes to reducing CO₂ emissions associated with the transportation of raw materials and other components.

We also try to make our vehicle fleet greener, like in Santa Catalina in Spain, where it is mostly hybrid, and powered by solar energy.

In addition to that, in 2023, all our employees in France will be trained to eco-driving., Individual monitoring of vehicle consumption is planned as well.

To take things a step further, we created a three-year action plan:

- Make plans to buy more environmentally friendly vehicles
- Continue to evaluate and enhance truck bin filling
- A specific agreement with transportation companies to minimize CO₂ emissions

III.3.4 Products and services purchased/sold

In 2022, upstream and downstream activities (Scope 3) of our organization represented 93 % of our emissions. It is thus our biggest challenge. To be up to the task, we are implementing a decarbonation plan in 2023 focused on raw materials, and eco-design.

2023 Decarbonation Plan

Product and service sold:

- We have planned the ratio of recycled plastics in our production as well as color standardization as they are less carbon intensive. Aim is to get close to 80 % record in 2023.
- We intend to enhance the percentage of recycled metal materials in our products as well, with the assistance of qualified suppliers.

Product and services purchased:

- We will implement a CSR charter with our primary supplier and initiate an agreement update with our key suppliers to incorporate carbon reduction targets.



III.4 Waste and Water Management



We are committed to use our resources wisely by reducing the amount of waste we generate. We focus on reducing, reusing, repairing and preventing waste to make our operations more efficient.

We aim to reduce our global waste generation volume by 3 % in 2023 compared to 2022. On each site, actions have already been initiated, including the implementation of a quarterly report and identification of local action on waste and wastewater to achieve this objective. Thanks to the involvement of all, landfilled waste was already drastically reduced in 2022 (-79 %).

We are also improving our waste sorting and monitoring at each site to treat waste with the best available disposal route (recycling, reuse, incineration with energy recovery).

Furthermore, we have implemented actions to reduce water consumption by 3 % compared to 2022 and put in place appropriate wastewater treatment. We notably operate in closed loops, reusing our wastewater for mold cooling. We are also working on the improvement of water usage for bin cleaning services.

Sensibilization actions have been launched at site levels, such as the Clean River Project in Germany in 2022. Around 35 SULO employees volunteers from the Herford site cleaned the local river and collected 1000 L wastes.

Focus - Operation Clean Sweep

The Langres, Bort les Orgues and Ribarroja plants are committed to the Operation Clean Sweep (OCS). This is an international program designed to prevent



plastic resin loss and help keep this material out of the marine environment.

The Langres plant was the first of the three to be audited by a third party through the OCS methodology composed of seven steps:

1. Company's commitment to eliminating pellet losses
2. Identification of the main areas of leakage
3. Definition of the causes of leaks in each zone
4. Implementation of the simplest and most effective solution
5. Increasing staff awareness and responsibility
6. Setting up a bi-annual internal audit schedule
7. Audit by a third party





IV.

Social performance

At SULO, people are at the heart of our business strategy. We deploy the necessary means to protect employees' health and safety, nurture their career path, and ensure their well-being, notably through the promotion of diversity, equality and inclusion by implementing concrete and impactful actions.

IV.1 Employee health and safety



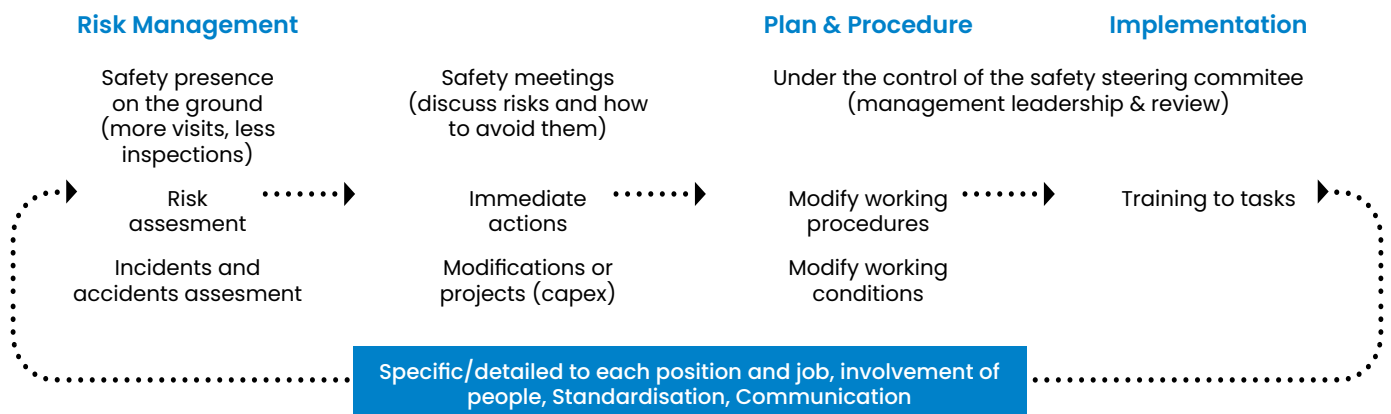
Safety is strategic for SULO

Safety is managed at the Executive Committee level through the quarterly Group steering committee dedicated to this subject. Our objective is to achieve an excellent performance involving all stakeholders: **ZERO accident, ZERO work-related disease, ZERO environmental incident, ZERO non-recycled waste.**

Achieving each of the policy objectives requires the deployment of related action plans. Because employees' involvement is essential to their achievement, we share regular updates, and celebrate all intermediate achievements with the team. We decided to go a step further by implementing a pragmatic safety management system based on visual management, which grants high efficiency in communicating the information. The information, presented in a visual way, is easy to grasp and to remember.

In 2022, we requested our sites to define their local action plan, implement visual management and assess their performance via the **SAFETY MY PRIORITY** program. At SULO, we are convinced that local teamwork is the key to identify the root causes of accidents and to take appropriate actions to prevent them. Each company member is personally involved, and local discussions and decisions are essential. This will involve increasing the presence on the ground. Also, we will organize safety meetings every two months - with managers and employees - to discuss risks and how to avoid them through immediate actions and investment plans. This new management system will bring us to review some of our procedures and working conditions and to improve our performance.

Group **HSE day** organised in September 2021 to share good experiences and raise awareness on security and safety issues: some local HSE days were organised in 2022 as well. These moments are



an opportunity to share good practices carrying out activities related to SULO's priorities: the care of safety and health of the people and the protection of the Planet.

Beyond its ambitious internal security strategy, SULO is committed to the global scale. In 2022, we became a member of the ICSI Association which works to improve safety in companies, promote an open citizen debate and disseminate safety culture to a wide audience.

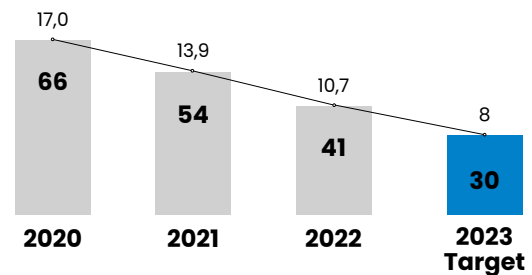
Target/KPIs

In 2022, our accident frequency rate (FR2) decreased by 23 % compared to 2021 and we honored our 2022 safety target. However, each accident remains a failure, and our 2023 target is to further reduce the frequency rate below 8, compared to 10,7 in 2022. To do so, we will continue our efforts to deploy our Safety Management System and involve our employees to update it in every facility.

As approved by Corporate EHS steering committee our goals for 2023 are the following:

- 100 % of managers trained to the 5 HSE pillars
- 100 % of major risks and serious accidents analyzed and treated
- Improve the quality of safety visits and positive feedbacks
- Organize the Group HSE Day with a presentation of the Visual Safety Management and an animation of a light Climate Fresk workshop in each business/site

Group Frequency Rate 2 and Accidents for Employees and Temporary Workers



Training Plan

All managers trained on five pillars by 2023



PILLAR 1 (30')
Present SULO HSE Management System



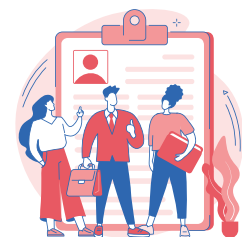
PILLAR 2 (≥60')
Present SULO HSE Management System



PILLAR 3 (≥30')
Identify and apply EHS legal requirements



PILLAR 4 (90')
Incidents investigation, analysis and risk detection



PILLAR 5 (90')
Safety Visits: prevent injuries by promoting safe acts & behaviours

IV.2 Talent Management



IV.2.1 Description of our workforce

At SULO, we are a responsible and committed team of 2.200 people making the difference all over the world. Our corporate unity - made possible thanks to our common core values - strengthens the power of our worldwide presence through our 8 state-of-the-art production facilities and our dense network of service and distribution subsidiaries. Since our environment does not know borders, our mission is to create a global structure, which enables municipalities, companies, and citizens all over the world to implement sustainable waste management in their area of responsibility. Thanks to the involvement of our teams to create a livable future without waste, SULO has become a world-class partner that offers local support all over the world.

We attach great importance to the work environment in which our employees evolve to ensure everyone's well-being and fulfillment at work. The engagement survey conducted in 2021 among all employees and to which 1057 people answered states that our employees are convinced that SULO cares about their well-being, that they are quite satisfied with the balance between their professional and personal life and that they are very proud to work at SULO.

In 2022, we observe a very low voluntary departure rate of 5 %, below industry standards. The attractiveness of our company is due to our corporate state of mind making sharing and exchanging with employees one of our priorities. This policy of open and transparent dialog makes

it possible to envision and support the company's transformation in a constructive spirit of mutual respect.

Focus - Langres plant and its AVEVA teamwork tool

Our Langres bin production plant is on the way to the fourth industrial revolution with the digitalization of its processes through the deployment of the AVEVA teamwork tool. Beyond being an internal social network, this tool allows:

- A transversal communication making rules and information available for each workstation;
- A real-time communication of problems and their resolution using dedicated risk detection forms;
- A transparent communication making audit results accessible to everyone.

In the coming months the plant wants to go further by developing a feature dedicated to skills development. Each employee will have a profile through which he can carry out training and fill in his skills matrix. This feature will allow each manager to have a dynamic follow-up of the skills of his teams to best support them in their professional trajectory. Our objective is to gradually deploy this digital infrastructure to all our plants.

IV.2.2 Training and personal development

At SULO, we want to give the opportunity to our employees to progress in their career and develop their employability. We pursue an ambitious and dynamic training policy so that everyone can find its place and blossom.



In 2022, training sessions represent almost 21 000 working hours.

Due to our decentralized organization, training programs are established at region or country-level, according to the local context and country-specific strategies. Local HR departments are responsible, with the close involvement of managers, of the identification of training needs, their budgeting and organization each year.

In order to ensure that our global framework is shared by all our employees and is based on our core values, we ensure that local training programs include the implementation of the Group HSE management system and any training required to ensure regulatory compliance of the business activities.

With the aim of making training accessible and dynamic, we are developing an online training platform. This tool is designed to comply with our decentralized organization. Thus, it supports trainings recommended by the headquarters on strategic themes such as safety, continuous improvement, ethics and compliance but also any locally developed online training.

Our subsidiaries' recruitment practices comply with the applicable laws and regulations in all countries in which we operate. At SULO, we apply an equitable human resources policy which complies with applicable laws and is respectful of people's rights and individual and collective freedoms.

The induction of new employees is organized at local level to guarantee their warmest welcome. We want new joiners to feel comfortable becoming SULO members. Thus, we pay particular attention to the transmission of key information about occupational health and safety rules, ethic and compliance rules, and a global knowledge of company's activities and Group's culture (especially corporate values).

Focus – World Safety Day

A World Safety Day was held on September 23, 2021. All of our employees participated in the event. It was for us the opportunity to share and exchange ideas on three of our most strategic topics: health, safety, and the environment. In various locations, dedicated activities were organized to raise awareness such as:



- A digital escape game by answering questions about safety and environment (Benelux area)
- A planting session of a Chilean tree - the Quillay - resilient to climate change (Chile)
- A presentation on the circular economy and a game on recycling (France, Langres plant)
- A quiz on health and safety (Germany, Herford plant)
- A presentation on road risks (Caribbean area)
- A presentation on the evolution of safety at SULO over time and one on sustainable development (Spain)

Focus – Climate Fresk

In November 2022, 17 SULO members from several countries were trained to become Climate Fresk internal facilitators throughout the Group. Our goal is to be able to train all employees on climate change and on the environmental footprint of human activities so that we are all involved in the environmental actions carried out within the Group. Our facilitators will progressively raise the awareness through dedicated small group training sessions organized at each site in 2023, starting with the HSE day in April.

IV.3 Diversity, equality and inclusion



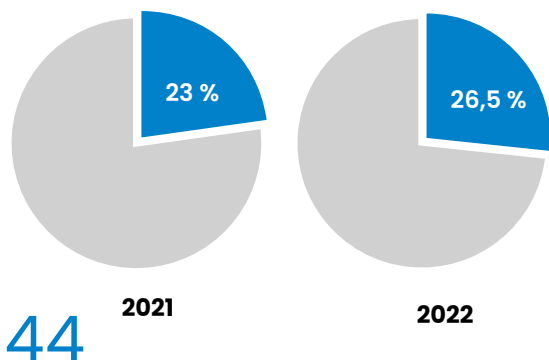
At SULO, we prohibit all discrimination based on illegitimate grounds such as gender, age, ways of life, actual or supposed membership of a specific ethnic group or nation, health status, disability, religion, political opinions, or trade union activities. Ethics, respect for human rights and the fight against all forms of discrimination part of the Group’s guidelines. These values are essential to our own activities and those carried out by our subcontractors.

The inclusion of the most vulnerable groups is a natural and integral part of our roadmap. Our ethics guide reflects our values and sets out the code of conduct to which every employee is committed in all areas of company life.

In line with our values of respect and responsibility, gender equality is one of our priorities. In accordance with the law of 5 September 2018, we aim at eliminating the gender pay gap as evidenced by the 2022 SULO France gender equality index which reaches 87/100.

Every day, we work to promote women to leadership positions. These actions are bearing fruit, as we already have at least 40% or more women on our management teams in France, Belgium and the UK, as well as at our Metroplast plant in France and our Orwak plant in Sweden.

SULO Group Share of Women Executives



Target for 2023 is to achieve 30 % of Women Executives.

SULO promotes initiatives in the areas of hiring disabled workers, job retention, subcontracting to ESAT employment centers and hiring on work-study contracts to give everyone a chance at employment.

In 2023, we aim to implement actions in each geographic region for inclusion of people with disabilities, including active participation/support to local Foundations.

We have several partnerships with associations supporting people with disabilities, through the collection of HDPE bottle caps to produce recycled bins in the Langres Plant. In total, we collaborate with 18 associations spread throughout France. Through this initiative we become the first customer of these associations, ensuring their economic stability.

At SULO, we are convinced of the societal benefits of the professional integration of people excluded from the labor market.

Furthermore, we employ disabled workers via the specialized Jacques Chirac Foundation in our Bortles-Orgues plant, created in 1987 and producing 11 million injected parts per year (lid axles, grips, drain plugs, wheels etc.).

Also, our wood containers were awarded the PePs label, by the French Agency for Community Work and Professional Integration (ATIGIP), as they enable the economic integration of inmates. This certification ensures that inmates are properly remunerated, trained, and that the regulations of the Labour Code (health and safety) are respected. We are proud to be part of the only eight companies with such label to date, keeping in line with our strategy

implemented regarding our social economy policy and our circular economy objective.

Focus - HR excellence in Spain

SULO Iberica has a committed HR policy in terms of diversity and inclusion. While local law requires a threshold of 2 % of disabled people in the payroll, they represent 4,2 % of the subsidiary's headcount.

The subsidiary recruits its employees through social inclusion companies (ACCEM, Thyme foundation) and foundations (Adecco foundation, La Once foundation). To promote the inclusion of people at risk of social exclusion, SULO Iberica is part of an internship agreements between Ecoembes and the Caixa foundation. It also works with social employment centers for the integration of disabled people in assembly work (Coregal, SIFU, Aralia) and purchase Christmas gifts from a special employment center (Montersol Friendship).

In 2021, SULO Iberica updated its equality plan aimed at developing tools - such as its anti-harassment protocol - to protect employees at risk.





Methodology

Reporting period: The analysis covers the 2022 financial year, i.e.,
January 1, 2022, to December 31, 2022.

Reporting perimeter

This report covers SULO's worldwide plants and offices located in the following countries: Austria, Belgium, Chile, Denmark, France, Germany, Japan, Mexico, The Netherlands, Norway, Poland, Singapore, Spain, Sweden, Switzerland, United Arab Emirates, United Kingdom and United States.

Most indicators are published at consolidated level, and some are published on a limited scope. In that case, this is explicitly mentioned in the report.

When we mention **SULO** in the report, it refers to the whole Group. When we refer to a specific geographical area or legal entity, we explicitly mention it in the report.

Materiality assessment and perimeter

SULO's CSR issues universe has been defined according to a rigorous methodology based on an exhaustive analysis of both external and internal elements:

- An internal documentation analysis (carbon footprint assessment, CSR reportings, code of conduct, supplier charter, Sustainability report 2020, etc.);
- A sectoral analysis was conducted on the basis of the internationally recognized MSCI and SASB standards;
- An in-depth analysis of the CSRD regulation;
- A competitive benchmark based on CSR reports, annual reports and websites of comparable companies.

SULO's main CSR risks have been evaluated by members of the Executive Committee through a quotation workshop based on a high-level financial materiality assessment approach.

Each of the following twelve CSR issues is detailed in this report:

Environnement

1. Raw materials and eco-design
2. End of life
3. Carbon emissions (Scopes 1, 2 & 3)
4. Production waste, pollution and toxic emissions
5. Water stress

Employees

6. Employee health and safety
7. Diversity, equality, and inclusion
8. Talent management and well-being

Governance

9. Ethics and governance
10. Personal data protection

Clients

11. Responsible communication & client satisfaction

Suppliers

12. Responsible purchase

Reporting organization

This CSR report is the result of the collection and analysis of internal documentation and qualitative interviews led with SULO representatives at both global and local levels. These interviews solicited experts from each topic within the Group to build a constructive and detailed report.

