

An aerial photograph of a dense, vibrant green forest. A dark blue river winds through the trees, creating a central channel that curves from the top right towards the bottom right. The sunlight filters through the canopy, creating a mix of bright green and darker green tones.

CREATING SOLUTIONS
FOR TODAY'S WASTE TO BE
TOMORROW'S RESOURCE

SULO[®]

04
THE COVID-19
CRISIS

06
WE TAKE
CARE

08
THE CONTEXT

10
OUR VALUE
PROPOSITION

12
ECONOMIC
RESPONSIBILITY

32
SOCIAL
RESPONSIBILITY

40
ENVIRONMENTAL
RESPONSIBILITY

CONTENTS

Michel Kempinski

Our sustainable development policy is clearly positioned at the heart of the Group's strategy.



Michel Kempinski
Chairman of the SULO Group

The circular economy and, more broadly, sustainable development have been part of the SULO Group's DNA for decades. As a specialist in "packaging" household waste and sorting it at the source, the Group did not wait for the big speeches to commit to a pro-environmental strategy integrating the reduction of CO2 emissions, energy savings and the use of recycled material in the manufacture of its products. In France, it participated directly in the meetings that structured the roadmap for the circular economy, which formed the basis for entire sections of the Energy Transition Act.

2019 was marked by the independence of the Environment Division at Plastic Omnium, which became the SULO Group, supported by a solid shareholder base comprising Latour Capital and BpiFrance. Their ambition is to support the transformation of a European leader into a world leader in waste pre-collection and a committed player in sustainable development.

The acquisition in December 2019 of the Scandinavian San Sac Group (€170 million in revenue, 500 employees, Northern Europe's leader in pre-

collection products and services and one of the world's leading manufacturers of waste compacting machines and balers) marked an important step in SULO's international growth strategy by enabling it to implement significant synergies in terms of products and geography, but also the resources available for innovation.

The new Group thus formed, achieved solid economic performance, reaching all its objectives, thanks to a number of commercial successes based on its value creation proposals, which are largely driven by sustainable development.

Since the beginning of 2019, SULO has embarked on a process of in-depth transformation, mobilizing all of its teams to define a vision, a mission and shared values such as responsibility, goodwill and commitment in economic, social and environmental terms.

Sustainable development is clearly positioned at the heart of the Group's strategy. Most of the new commercial contracts we signed in 2019 are in line with this new value proposition. The success of TRILIB in Paris, for example, illustrates the Group's ability make a paradigm shift by adapting to the constraints of cities of the future and providing an appropriate response to the issue of sorting in dense urban areas. Another example is the renewal of our contract with the City of Madrid,

which switched from orange to gray for individual and collective bins, enabling the supply of 100 % recycled bins incorporating 60 % household packaging. This gives meaning to public action and proves the efficiency of sorting and recycling.

The appr. 2,500 or so employees who take part in the life of the Group are of course the first actors in this change: through their expertise and motivation, the emergence of the pandemic has revealed everyone's ability to adapt new forms of solidarity and unfailing levels of involvement in an activity that's essential to the daily lives of citizens: waste collection.

The Group's industrial foothold, with its nine production sites in Europe and its service activities, is a major aspect of our social responsibility to protect local jobs in the regions closest to our local authority clients.

THE COVID 19 CRISIS, REVEALING AGILITY AND SOLIDARITY

Since the beginning of the Covid-19 health crisis, the SULO Group has mobilized in the countries affected by the pandemic to meet the needs of its public and private clients while giving absolute priority to its employees' health and safety.

Compliance with public hygiene and continued public waste collection and disposal services are fundamental needs in communities where the SULO Group represents a key component as a supplier of pre-collection products and services.



Our production site in Langres has therefore favoured the production of DASRI (Waste from Infectious Risk Care Activities) containers for hospitals at the height of the crisis. Our bin production site in Langres has thus focused on the production of bins for waste from health care activities with infectious risks to be used in hospitals at the height of the crisis. The maintenance of these bins, which must comply with specific regulations, was also carried out by our teams. As was the maintenance of private individuals' bins, thus limiting the risk of exposing collection personnel and users. Likewise, our teams maintained the voluntary disposal equipment to avoid any deterioration or interruption of service.

This crisis has also revealed our organizations' significant ability to adapt through the almost immediate implementation of new services such as the disinfection of street garbage cans in Spain with electrically-assisted tricycles and the development of a range of bins and garbage cans for the collection of used masks and gloves.



When solidarity goes with agility!

At last, new forms of solidarity have emerged in response to the needs expressed in the field. For example, the Langres and Bort les Orgues plants have re-machined a mold to produce protective visors on an industrial scale. This equipment was made with our DNA, using circular economy logic and recycled HDPE in our Bort-les-Orgues plant in Corrèze, which employs mainly disabled workers. Several thousand of these visors have been offered to local authorities and public services in many European countries.

Finally, from a business standpoint, this crisis has revealed the need to systematically containerize all waste streams since bulk waste exposes collection personnel to significant and unnecessary risks. Voluntary disposal and local collection in all their forms appear to be the means that consumes the least amount of human resources and presents the least exposure for personnel. The last lesson is that digital tools such as level gauges are powerful tools for optimizing collection, but also valuable indicators of whether or not health guidelines are being followed.

SULO®



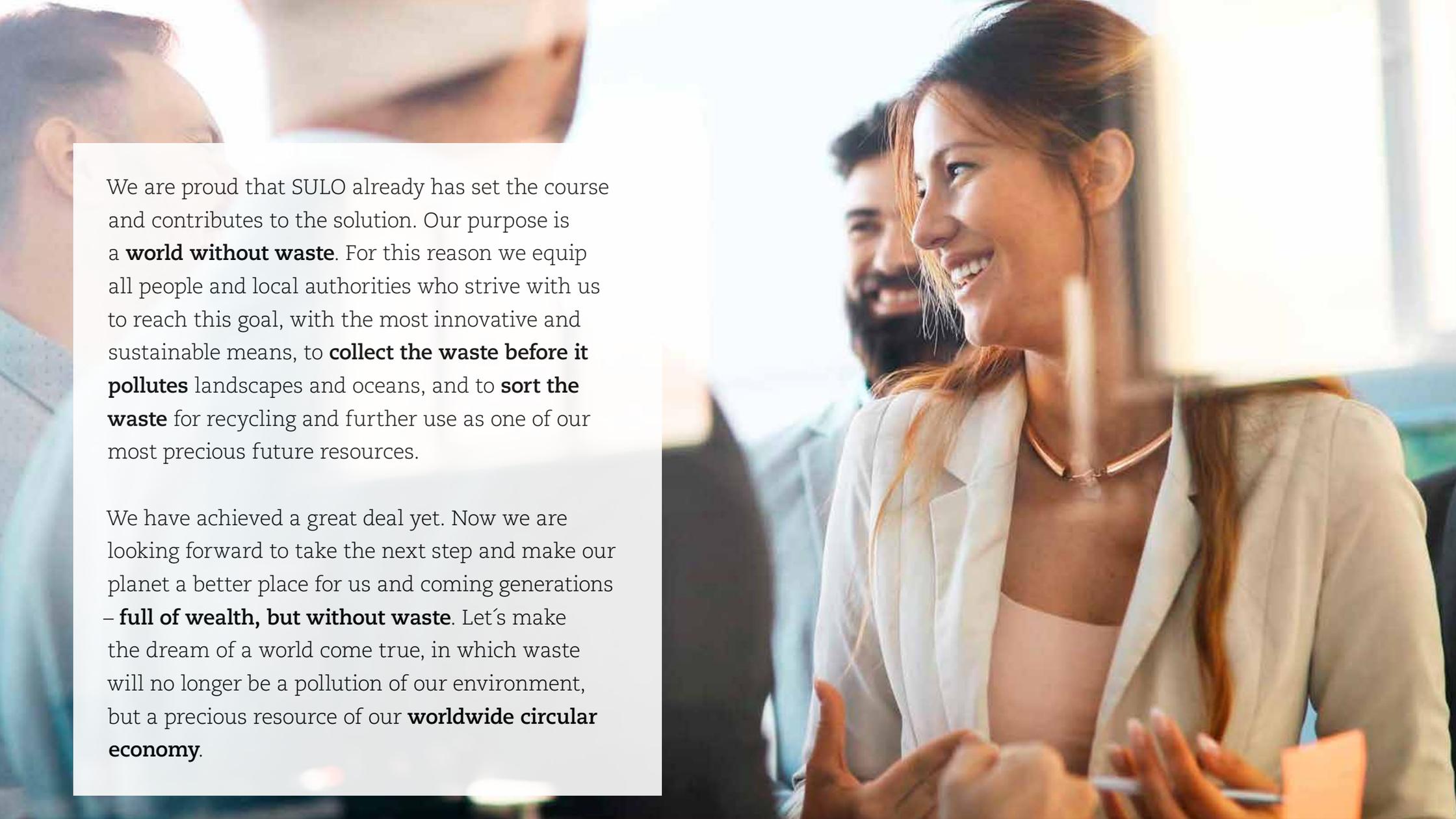

+
2,500
employees


9
plants


over
5000
municipalities equipped
in 50 countries


100
million containers
installed all over the world


€500
million
in revenue



We are proud that SULO already has set the course and contributes to the solution. Our purpose is a **world without waste**. For this reason we equip all people and local authorities who strive with us to reach this goal, with the most innovative and sustainable means, to **collect the waste before it pollutes** landscapes and oceans, and to **sort the waste** for recycling and further use as one of our most precious future resources.

We have achieved a great deal yet. Now we are looking forward to take the next step and make our planet a better place for us and coming generations – **full of wealth, but without waste**. Let's make the dream of a world come true, in which waste will no longer be a pollution of our environment, but a precious resource of our **worldwide circular economy**.

**CREATING SOLUTIONS FOR TODAY'S WASTE
TO BE TOMORROW'S RESOURCE**



Life expectancy at birth is expected to increase from 72.6 years in 2019 to 77.1 years in 2050 (United Nations).



9.7 billion people on Earth by 2050 (United Nations)



By 2050, the volume of waste will increase by 70 % worldwide (World Bank).



47 % of Europeans perceive climate change as the greatest challenge facing the citizens of their countries, ahead of access to healthcare and health services and unemployment (39 %) (BVA survey for the European Investment Bank in October 2019)

A FAVORABLE CONTEXT FOR RESILIENT AND SUSTAINABLE SOLUTIONS

2019 will see, at a high rate of frequency, many indicators of a changing world. The following context is assumed as part of the SULO Group's strategy.

High awareness of environmental issues and their consequences among the population, especially among young people, has increased significantly, reinforced by the COVID-19 crisis and the idea that these issues are probably linked. Plastic pollution of the marine environment, extreme climate phenomena and the increasing scarcity of biodiversity are all visible topics in the public sphere, but can also act as levers for adopting more responsible behavior: sorting waste, purchasing products that integrate aspects of the circular economy, such as economy of functionality, repair etc.

A political and regulatory response adapted to these new aspirations. The goal of recycling 90 % of plastic bottles in the EU by 2029, deposit systems and separate management of bio-waste in France by the end of 2023 are all challenges for society, but more particularly for local authorities, which are often responsible for their implementation. Private companies are also subject to more and more new regulatory constraints in this field.

Urbanization of the planet: by 2050, 70 % of the world's population will live in cities. 95 % of this urban expansion will occur in developing countries. It is precisely in these environments where environmental problems are most acute. Sorting performance is often much lower there than in other countries. Aging populations is also an important factor to be taken into account in the design of our services and equipment. The gentrification of cities is also imposing a new order in terms of urban integration.

Collection needs to be optimized, particularly from an economic point of view, to allow wider access to these services, but also because public finances are constrained and will continue to be in the long term. Implementing robotic collection and using digital tools to optimize and rationalize flows are all ways to offer better services at the best cost.

OUR VALUE PROPOSITION

In the context described above, the SULO Group aims to provide all its public and private customers with a wide range of sustainable solutions that provide added value and meaning. These propositions should help and support our customers in achieving their environmental transition roadmaps.

- Use all the levers of the circular economy to design and create more and more ethical and sustainable products and services, with a focus on 100 % recycled plastic to limit greenhouse gas emissions and, more globally, our impacts on the environment. Making no concessions with the quality and industrial excellence

that characterizes the Group, but rather strengthening it with Plant 4.0.

- Providing concrete and innovative solutions for waste management, particularly sorting, with equipment that is increasingly integrated and adapted to the needs of future cities. Developing innovative, robotic, traceable collection solutions for cities where urban space will be adapted to the new uses of its residents. Facilitating out-of-home sorting and cleanliness by designing more intuitive and efficient equipment in which digital technology will provide optimization and anticipation levers for better service. Offering new services for more complex

flows such as plastics, bio-waste and bulky waste. Facilitating repair or reuse wherever possible to limit resource waste and carbon impact.

The SULO Group is committed, at its level, to participating in achieving the United Nations Sustainable Development Goals for 2030. We will indicate in each chapter which SDGs we wish to focus our efforts on.

THE GLOBAL GOALS For Sustainable Development





ECONOMIC RESPONSIBILITY

Shared performance.





8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



2019 was marked by significant commercial successes in all of our markets, illustrating the pertinence of the strategic choices made in terms of developments in compliance with our CSR roadmap and taking into account the strong trends of our environment.

We are convinced that it is possible to combine economic, social and environmental performance. Sustainable development and the circular economy are fantastic opportunities to challenge our organizations in the direction of more efficient and sustainable production but also in the creation of economic opportunities.

SDG 8: Decent Work and Economic Growth, SDG 9: Industry, Innovation and Infrastructure and SDG 11: Sustainable Cities and Communities are specific targets with regards to this economic aspect.

A European foothold but a global presence.

Most of the Group's revenues are generated in our historical markets in Europe (France, Germany, Spain, Benelux and Scandinavia). However, these mature markets continue to offer growth opportunities, particularly in terms of social and legislative changes. The Group wishes to provide concrete solutions to its local authority clients for their necessary energy transition by offering increasingly efficient, integrated and connected collection and cleanliness solutions in accordance with our mission: making as many people as possible want to become eco-citizens. Increasing sorting performance in urban areas means more recycling and less **CO2 emissions**, but also greater cleanliness by enabling waste to be sorted outside of the home, adapting to the new nomadic uses of urban dwellers.

VISION

MARC
AUREL

ON THE
CONTRIBUTIONS

OF
DESIGN

IN
THE CSR

An architectural, social and political enigma, the ideal city has never actually existed. Many architects, whether enlightenment or rationalist, have tried to draw up a plan for this idyllic city that would ensure a harmonious political and social life.

The balance between landscape and density: the key to urban happiness

The quality of life in a city is largely determined by the quality of its public transportation, but also by its cleanliness, facilities and the quality of information available to citizens. We dream of limited car use, of the possibility of easily using alternative means of transport, from bicycles to streetcars, to rapid bus transit and subways. We would certainly like less noisy, less polluted cities. But above all, it is the presence of the landscape, as an alternative to urban density, that creates a vital balance. Stockholm, Copenhagen and Berlin are cities that have managed to preserve the harmony between urban density and nature. Berlin has many parks, lakes and rivers where its residents can recharge their batteries. Stockholm, built on several islands in the Baltic Sea, also offers this possibility. Copenhagen, in its urban development, has managed to preserve the quality of its natural spaces.

The city: a place to live together

Well organized cities make their residents love them and want to make them their own. This drastically



improves social life. The challenges of the cities of the future will therefore be in the services offered to residents and the quality of public spaces accessible to all and without charge. As we need spaces in which to live, meet and to exchange freely, we understand that's what cities are all about and that we cannot abandon them to shopping malls like in the United States. Cities need beautiful, quality public spaces that are accessible to all.

Innovating, between memory and modernity

The challenge faced by cities of the future is how residents can reappropriate public spaces. Cities must also have the capacity to evolve and constantly renew themselves in order to keep pace with changing needs in terms of transportation, comfort, cleanliness, information etc.

Constantly renewing themselves in ever shorter periods of time while preserving



A natural act

The Optri concept is the SULO Group's response to the problem of integrating sorting into the urban environment. To meet this challenge and develop a proposition that breaks completely with our conventional equipment, SULO has joined forces with Aurel design, a studio specializing in urban design, but also with companies with expertise in colorimetry and behavioral science.

This means that Optri is a tailor-made offer for a space dedicated to the circular economy, allowing for the integration of other urban services (walking, gardening permits, benches...). The collection banks have been designed to be compatible with bilateral robotic collection to optimize useable volumes, collection times and costs.

These collection banks benefit from a particularly well-polished aesthetic, as we are convinced that quality street fixtures reflect the consideration that public authorities have for their citizens.

The concept was developed as part of a call for tenders launched by the City of Paris after an experimental phase launched during COP 21. The tender was awarded to a consortium including the DERICHEBOURG Group for the collection part. 1,000 stations will eventually be deployed throughout Paris.

their identity will be the major challenge for European cities held back by their own history. They need to continue to enhance their heritage without turning into museums, and make their structures more fluid and modern in order to maintain healthy functioning societies.

The challenges of urban design

Street fixtures plays an essential role in the development of our cities, managing the scale of physical and visual proximity and providing comfort, safety and services to residents. It is the expression of a link between all citizens, and accompanies the evolution of the city. New trends are expressed above

all through new uses and practices in public spaces, such as exercising, connecting and working, eating lunch, relaxing, better waste management etc.

We are in a new era of urban quality, comfort and friendliness. We need less noise, smell and visual aggression for a better quality of life.

The Trilib project, carried out for the City of Paris, is the perfect illustration of the changing needs and practices related to selective sorting in public spaces.

We have transformed spaces perceived as dedicated to waste into "frequented" places, citizen spaces where everyone

assumes their responsibility towards environmental constraints.

The designer's contribution is that street fixtures are an expression of the city's civility.

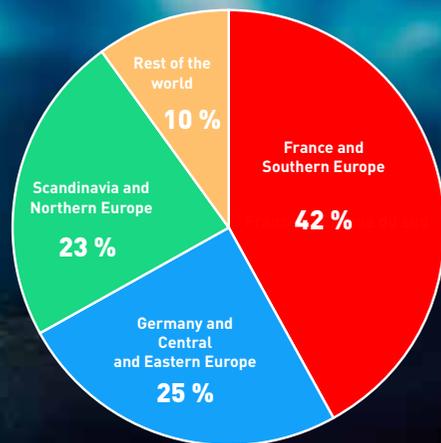
Marc Aurel



INTERNATIONAL PRESENCE

The theme of sustainable cities and communities is naturally at the heart of our concerns. Moreover, in the coming decades, 95 % of urban expansion will take place in developing countries. This is why the Group commercially supports other continents, with the exception of North America, through its subsidiaries and partners. It ensures a dynamic presence in 67 countries.

In 2019, the Group continued its development in Africa, the Middle East and Asia with sales in Vietnam and Myanmar. The SULO Group successfully supports the ambitious environmental transition policy of the Kingdom of Morocco, for example in Meknes and Mdiq. The Group is working to share its expertise in pre-collection to offer the most efficient and innovative solutions to facilitate sorting and optimize costs in Morocco. These markets make up a fair share of the voluntary disposal schemes: underground containers, hydraulic platforms, collection banks. A range of specific nudges has been designed to limit illegal dumping around these facilities. Implanted in Meknes, these devices have proven to be very effective, thus contributing to the acceptance and efficiency of the equipment.



BREAKDOWN OF GROUP REVENUE BY REGION



+

ACQUISITION OF THE SAN SAC GROUP

On December 19th, 2019, SULO acquired San Sac Group, a leading provider of waste sorting and pre-collection products and services in Scandinavia and one of the world's leading manufacturers of waste compacting and baling machines.

With this acquisition, SULO marked a new stage in its growth strategy, enabling it to broaden its offer to local authorities and industry players.

San Sac Group, a Swedish company specializing in waste containerization solutions, operates mainly in Scandinavia and France. San Sac has 3 plants in Sweden and France and employs a total of more than 500 people. The group has built up a portfolio of solid

and recognized brands over the years, such as Enviropac, Orwak, Rubaek, Pessor and Sacria.

The two companies will benefit from significant synergies in terms of products and geography but also from the resources available for innovation.

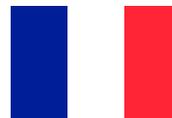
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Creation of
SULO



20
07

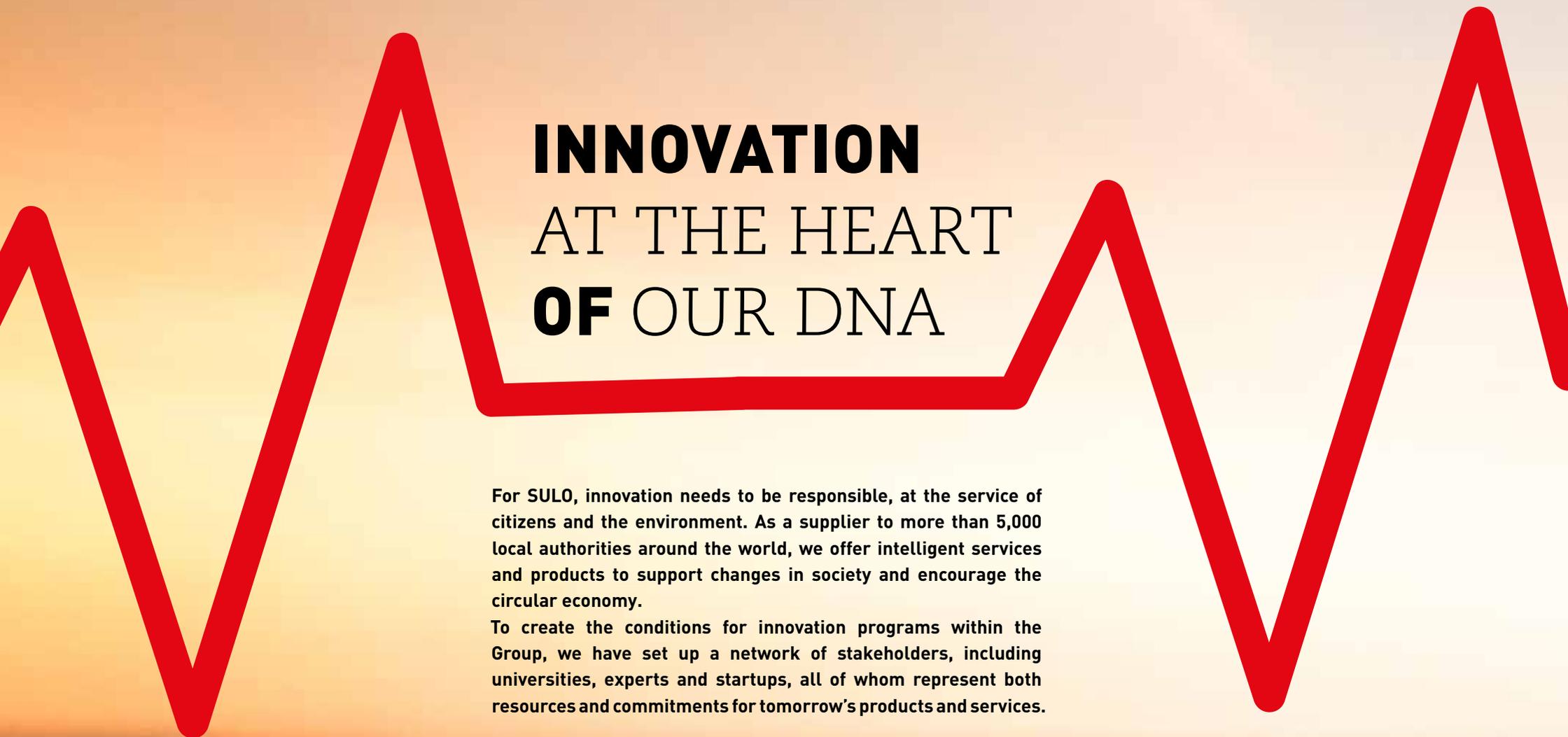
Plastic Omnium Environnement
acquires SULO



20
19

+ San Sac Group





INNOVATION AT THE HEART **OF** OUR DNA

For SULO, innovation needs to be responsible, at the service of citizens and the environment. As a supplier to more than 5,000 local authorities around the world, we offer intelligent services and products to support changes in society and encourage the circular economy.

To create the conditions for innovation programs within the Group, we have set up a network of stakeholders, including universities, experts and startups, all of whom represent both resources and commitments for tomorrow's products and services.

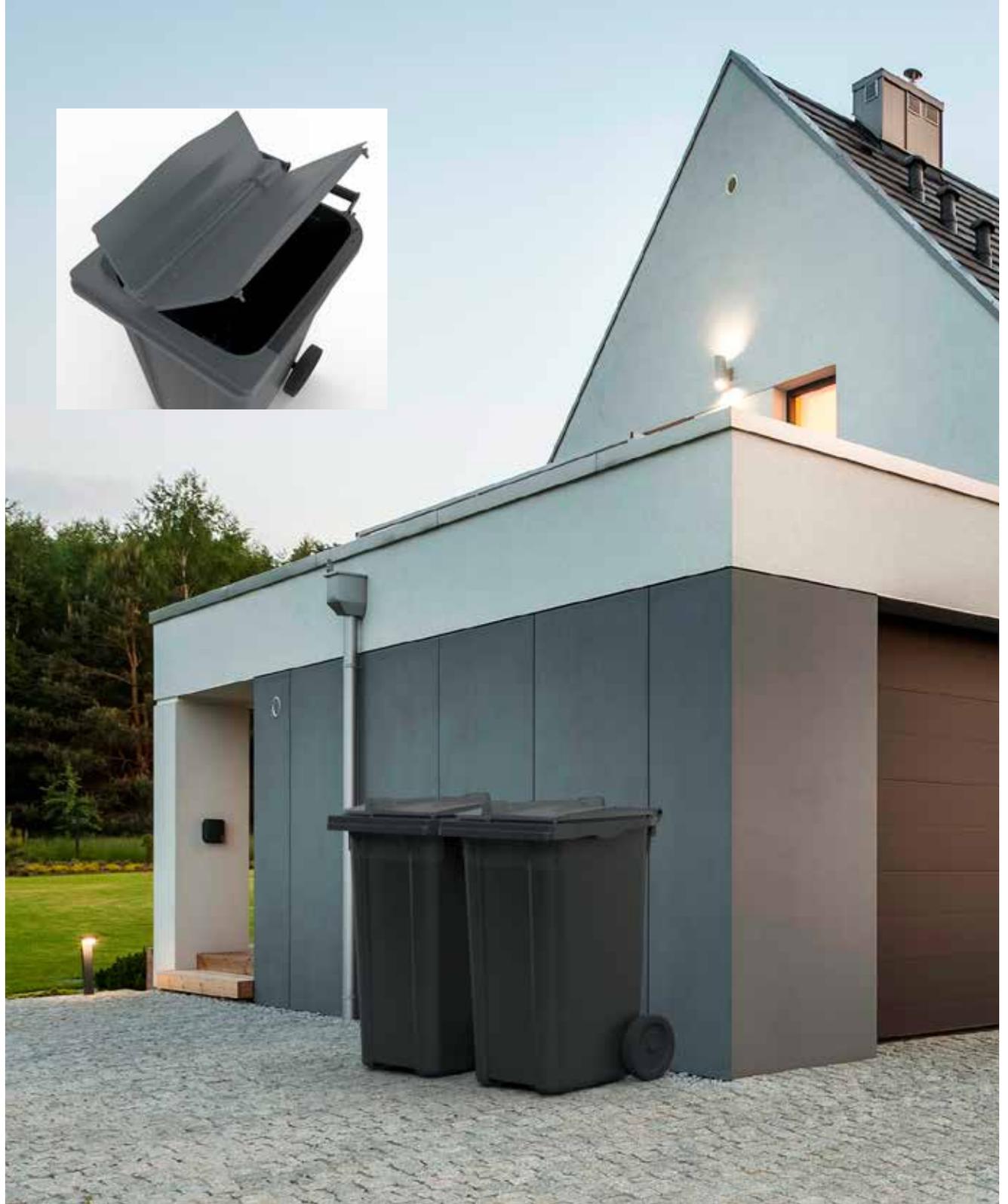
KEY FIGURES

- 120 active patents
- Member of the AFNOR (France) and DIN (Germany) standardization committees, representing France on the CEN (Europe) and ISO (world) committees.
- SULO is an active member of GGAWB (Europe's most demanding quality mark for wheeled bins).
- SULO is a member of IPC (formerly European Plastics Division).



Innovating to optimize collection costs: the DECEM bin

The Nordic approach to sorting is based on the idea that the more you separate, the better you sort. Danish users frequently sort more than ten different categories into several bins with different collection frequencies. DECEM®, Latin for “ten,” is the SULO Group’s answer to this technical problem with a touch of Scandinavian design. The DECEM® butterfly lid is fixed on a 240 L partitioned bin. It is an ergonomic solution for users because it is accessible no matter the position of the bin. It is also less arduous for collection personnel: the bin is presented with its handles at the front, and the opening/closing of the lids is automatic. The two waste partitions are automatically guided to emptying, guaranteeing the quality of the sorted materials. The bin can be collected in rear load or in automatic side load without garbage collectors.



Innovating to reduce waste at the source by measuring performance: the first augmented shared compost bin

For more than 10 years, SULO, a pioneer in urban composting, has supported thousands of sites by providing equipment and additional services such as the supply of shredded material or the assistance of a master composter. Shared or collective compost bins are an adapted and ethical response to urban problems, as they do not generate collection and treatment costs. The difficulty lies in actually measuring the efficiency of the system (diverted quantities) but also in the operating costs and in particular the human management of the site. In response to

this problem, the Group has developed a new range of shared compost bins with a neat design, combining wood and metal for better integration. Laser sensors developed by a startup from Rennes, equip each of the three compartments (dry matter, organic matter, finished compost). This source of information is therefore essential for the management of the equipment by the community and master composters. Indeed, everyone needs to measure the impact of the actions carried out in terms of waste treatment. Developing precise performance indicators makes

it possible to justify the human and financial resources allocated. SULO can provide the quantity of bio-waste diverted from conventional household waste collection. The community and the master composter can be informed in real time of the performance of each composting site and propose prevention and awareness actions such as “zero-waste” campaigns.



Innovating to facilitate reuse and repair: the REVALO container

The collection of bulky waste in collective housing is a recurring problem for local authorities, social housing landlords, janitors and residents, generating significant costs and accidents during collection. The SULO Group, supported by the CIRCULAB design office, has launched a project aimed at changing the way waste is perceived, facilitating sorting, increasing reuse and strengthening social ties between residents.

The proposal, selected by CITEO as part of a Call for Expression of General Interest, includes:

An incentive event system based on local reuse actors and ergonomic containers that can be identified for mainly cardboard collection, plus universal, positive and colorful communication, so that supply meets demand and users are guided from the building lobby to the containers.





INNOVATING TO OPTIMIZE COLLECTION: THE MARTI COLLECTION BANK

The MARTI collection bank is the Group's technical and aesthetic response to the new flows collected through voluntary disposal, such as cardboard linked to the development of e-commerce. The interior volume of this new collection bank is permanently free of any obstacles that could disrupt

it from being filled and emptied thanks to its "twin-chain" system. Unlike conventional collection banks, this one has no beams or internal mechanisms. This ensures easy, efficient and effective collection, especially for domestic waste and cardboard.

SUSTAINABLE INVESTMENTS

Major investments to Support the Transformation of the Manufacturing Base in Favor of the Circular Economy

In 2019, approximately 5 % of the Group's revenue was invested internally to make our production more ethical and more sustainable.

- LED lighting in workshops for lower energy consumption in our bin plants in Germany (Herford and Stadtlohn).
- Optical sorting station and decontamination of recycled material to increase its use, in particular by refining color sorting in Herford, Germany.
- New rotational molding process to integrate 50 % recycled material into our Polyethylene collection banks at our Chalon production site.
- Secure station for oil reception and disposal in Herford, Germany.
- New molds and presses that use less energy and resources in Germany and France.

Ethical and sustainable purchasing respect for human rights, right to competition and the fight against corruption and money laundering are also essential prerequisites for signing a supply contract with the SULO Group.

All of these commitments are set out in a CSR purchasing charter. Launched in 2016, it applies to all the Group's purchasing typologies.

More than a hundred audits were carried out by the Group's Purchasing Department in 2019, either directly or through independent organizations. Throughout the year, we ask our suppliers to conduct a self-assessment of the CSR charter.

95 %

The recycled HDPE is purchased in Europe.



SORT, SORT, SORT

Sorting by color:
essential investments
to move towards
100 % recycled
material

Quality

Quality without compromise

The Group's history as heir to a century-old Franco-German industrial culture gives pride of place to the quality of its products and services.

As for the environment and energy, our approach is based on a proven ISO 9001, version 2015 reference system. All our industrial sites are certified.





Y

AFAQ Circular Economy

- SULO is the first French company to receive the AFAQ Circular Economy award. This evaluation model is based on the XP X30-901 standard, which indicates that a company is capable of carrying out projects in the field of waste treatment. The evaluation performed by AFNOR Certification concerns two projects carried out by the SULO industrial site in Langres in connection with products of the Circular Eco® brand:
 - 100 % recyclable containers made exclusively of recycled materials,
 - integration of at least 60 % of materials from household consumption (bottles, caps etc.) into recycled high-density polyethylene (HDPE).
 - Circular Eco® proves the efficiency of sorting household waste and shows that plastic recycling is possible. The brand guarantees optimized management of energy consumption and natural resources thanks to a production method that consumes less CO2.

Blue Angel

This award, the biggest environmental award in the world, is an indication of how important sustainability is to all SULO's activities. In the future, environmental issues will become increasingly pressing for municipalities and companies. SULO is a pioneer in the field of waste disposal and offers resource-saving solutions. Our Blue Angel bins contain at least 80 % post-consumer recycled products, the origin and composition of which

are verified and controlled regularly. This reduces the consumption of raw materials and significantly minimizes the carbon footprint.





Markers to
designate the
circularity
of our

**CIRCULAR ECO®
DESIGN PRODUCTS**

Become a
pioneer of a new
environmental
model with
Circular Eco.

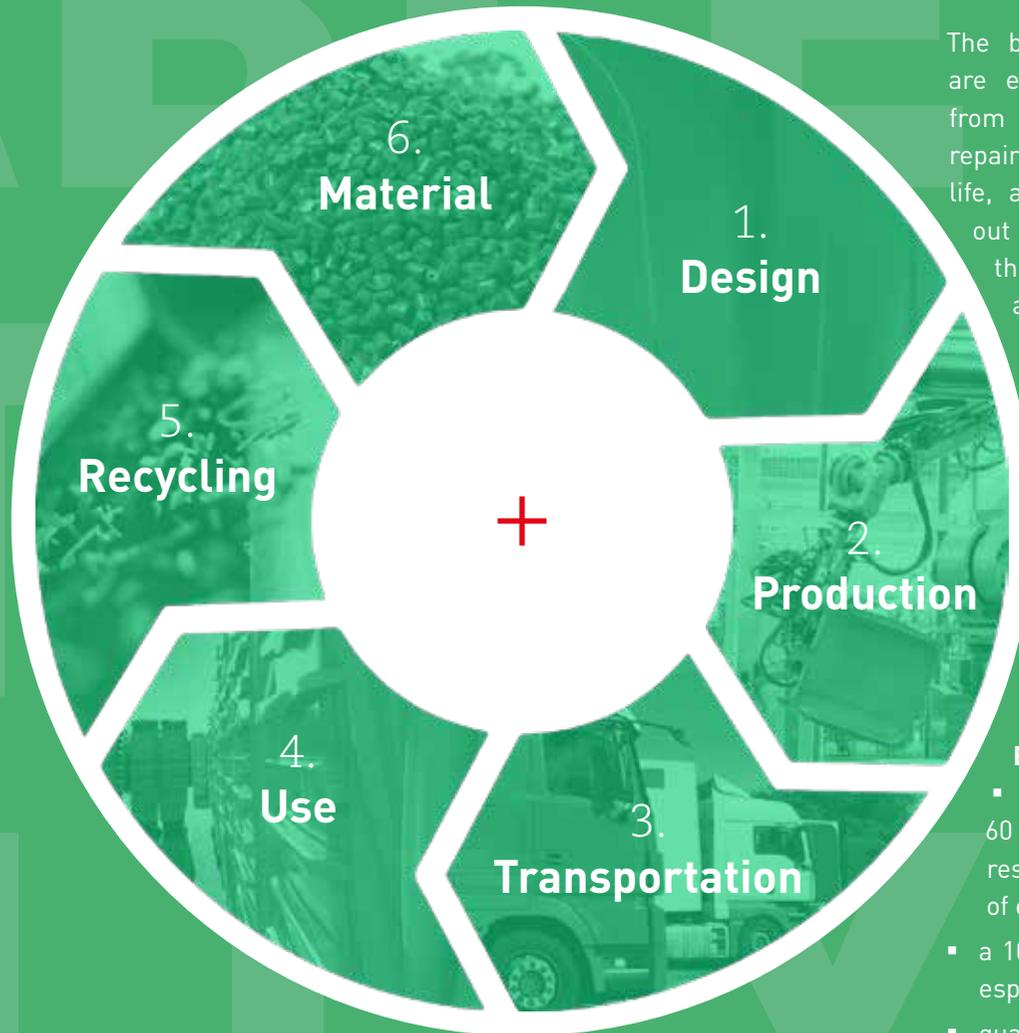


SUSTAINABILITY

INNOVATION

QUALITY





The bins in our Circular Eco range are eco-designed and made entirely from recycled plastics. They can be repaired easily to extend their use-life, and recycled once they're taken out of service. This is the result of the Group's many years of financial and technical commitments to the circular economy.

The Circular Eco brand was launched in 2019 for wheeled bins. Its purpose is to embody our action in the field of the circular economy by responding to its seven pillars and the three goals of sustainable development

Each 2- or 4-wheel CIRCULAR ECO bin is:

- a 100 % recycled bin, at least 60 % of which is made up of material resulting from the sorting behavior of each fellow citizen,
- a 100 % recyclable bin at end-of-life, especially for constructing new bins,
- guaranteed to use only one type of plastic, polyethylene, for the container

and the lid, only one type of steel for its rolling axle and only one type of rubber for its wheels,

- guaranteed to be produced with optimized management of energy and natural resource use,
- the result of commitment to production that consumes less CO2 than a production using virgin material (e.g. -80 % for the 140 L bin)
- ideally dark gray, because this is the color that allows for the highest percentage of post-consumer recycled materials,
- ideally equipped with an air cushion cover in the case of two-wheelers, because this is a single material which facilitates recycling. All lids are single-material, not only the air cushion

2500



**RESPONSIBILITY
& CARE**



**INNOVATION
& ORIENTATION**

The Group's human capital is our most precious asset. Each employee has a share of expertise, skill and energy that provide answers to our customers' demands and needs. The SULO Group is particularly committed to **SDG 8: Decent Work and Economic Growth**, **SDG 5: Gender Equality** and **SDG 3: Good Health and Well-Being**.

In 2019, the group had 2,500 permanent employees in more than 40 subsidiaries, including more than 700 at industrial production sites. The Group's resolutely European foothold therefore has a strong impact on the regions where its added value is redistributed. A year of change and reworking for the Group, 2019 was marked by international collaboration around the Group's value with our vision as a starting point: More than one hundred employees in Germany, Spain and France took part in

"First class Partner for Innovative Sorting Solutions"

workshops on the Group's values, the behaviors associated with them and the means necessary to share them with all Group employees. These values form the basis of the Group's culture, and they remain unchanged even when everything else wavers, such as during the crisis we have just gone through. These values are now known and shared by each of the group's employees, regardless of their job, their hierarchical level or the country in which they work, because the exemplary character of each one is necessary to animate these values.

COMMITTED AND RESPONSIBLE EMPLOYEES THROUGHOUT THE WORLD



Recognizing and developing everyone's skills.

The SULO Group wants to offer its employees opportunities to progress in their careers and develop their employability. The Group pursues an ambitious and dynamic training policy so that everyone can find their place and blossom. 54 % of the Group's employees received training in 2019.

At our production sites, virtual reality is making an appearance to train operators in ergonomic issues but also to transmit know-how and information on infrequent procedures.

Ethics, respect for human rights and the fight against discrimination are all part of the SULO Group's guidelines, both in its own activities and those carried out by its subcontractors. The company's ambition is to foster local economic development and establish partnerships with all local players. More than a

production chain, it is a value chain set up to serve local authorities.

The Group also intends to fight against all forms of discrimination. The inclusion of the most vulnerable groups is a natural and integral part of our roadmap.

The Group's ethics guide reflects the Group's values and sets out the code of conduct to which each of our employees is held in all areas of company life, such as the competition law and confidentiality.

Our Group Policy for Social Integration and Human Safety

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.



EXCELLENCE
& COMMITMENT



TEAM
& TRUST

ONE GOAL

At Our Plants

- The Langres plant works with an employment center, ESAT Le Bois l'Abbesse, to prepare and assemble casters for 4-wheel bins. 80 % of the casters installed on our 4-wheel bins are assembled in this way.
- 16,000 hours estimated for the recycling of wheeled bins per year. This includes the washing and dismantling of our customers' out-of-service bins by the TREMP LIN 52 integration association. The association was created in 1987 and belongs to the Fédération des entreprises d'insertion (Federation of Integration Companies).
- The Bort-les-Orgues plant that produces our axles and wheels employs disabled workers via the specialized Jacques Chirac Foundation.
- Integrated apprentice training center at the Herford plant in Germany.
- SULO France works in close collaboration with the prison employment services (SEP) for its entire range of wooden composters. SEP contributes to the integration of prisoners and the fight against recidivism by developing work and training programs in prisons. Every year, SULO contributes to the reintegration of nearly 30 inmates through the production of its 20,000 compost bins for individuals.

Our Operational Sites are Committed to Integration

- The vast majority of our regional green spaces are maintained by ESAT employment centers. The Île-de-France Regional Management also entrusts an ESAT with the assembly of more than 6,000 lids per year for the City of Paris.
- In the event of an increase in business or replacement of its service activities, SULO favors the use of temporary employment agencies working in the field of social integration. In 2019, also in the Île-de-France region, SULO entrusted 6,530 hours of temporary work, a human resources group with 25 years of experience in the area of socially engaged employment.
- France fulfilled its legal obligation in 2019 with 14 Full-Time Equivalents (seven internal and seven external). SULO Spain also fulfilled its obligation with 6 Full-Time Equivalents.

Bort les Orgues, the Group's pioneering CSR site

This production site, created in 1987, produces 11 million injected parts per year (lid axles, grips, drain plugs, wheels etc.)

Located in Corrèze, the site employs 19 people, including seven from the Center's workshops (a structure



INAUGURATION OF THE BORT LES ORGUES PLANT BY JACQUES CHIRAC WITH PIERRE BURELLE AND LAURENT BURELLE IN 1988

affiliated with the Jacques Chirac Foundation), which are recognized as handicapped workers. An exemplary factory with zero accidents for almost ten years, the site also defends the Group's values of innovation: it saw the birth of recycled wheels made from recycled tires and recycled PE. 100 % recycled and 100 % recyclable wheels with better acoustic performance than those made with virgin rubber tires.

Gender equality index, the French model becomes the norm

With a score of 89/100, SULO France SAS published its 2019 gender equality index on March 1, 2020, in application

of the Act for the Freedom to Choose One's Professional Future of September 5, 2018.

This law integrated a gender equality index to move from a best-efforts obligation to an obligation to achieve specific results in terms of equal pay between women and men.

ONE TEAM

The index is based on 100 points with an acceptability threshold set at 75 points. It is calculated based on the following indicators:

- Diversity within the 10 highest paid positions (10 points);
 - Number of women given raises upon returning from maternity leave (15 points); and
 - Distribution of promotions (15 points);
 - Distribution of individual raises (20 points);
 - Pay gap between women and men (40 points).
- Below the 75-point threshold, there is a risk of financial penalties of up to 1 % of the total payroll. The company has a period of three years to comply.
- This particularly relevant methodology will be used as a reference tool in our main foreign subsidiaries.

Open and transparent social dialog

Sharing and exchange with employees is a priority for the Group. This policy of open and transparent dialog makes it possible to envision and support the company's transformations in a constructive spirit of mutual respect. The CSR is currently being rolled out and in France, for example, employee profit-sharing includes a CSR criterion for the recovery/reuse of used parts.



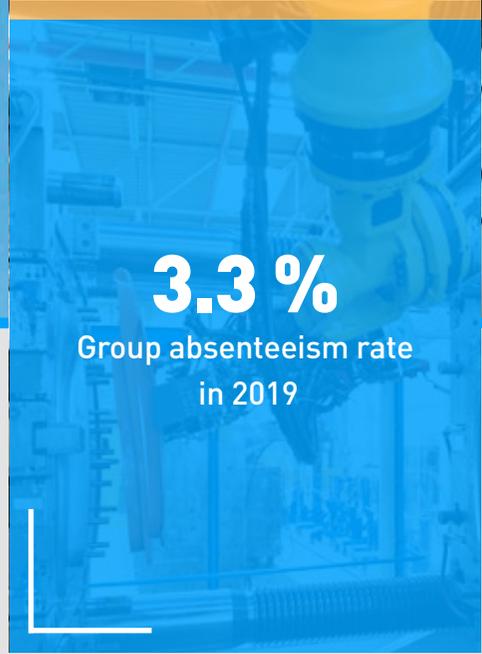
FAMILY DAY IN OUR GERMAN PRODUCTION SITE IN HERFORD, 2019 : SHARING THE PRIDE OF ACCOMPLISHING A MEANINGFUL MISSION.





HEALTH AND SAFETY

REINFORCING THE SAFETY OF EVERY EMPLOYEE AT THEIR WORKPLACE



Health and safety are at the heart of the SULO Group's concerns for its employees and all of its stakeholders. It is one of the company's key values. The Group's safety policy is based on a health and safety management system that is recognized worldwide, applied to all employees through training and awareness activities and integrated into our management policies.

The OHSAS 18001 / ISO 45001 standard
It allows us to:

- Increase the concept of workplace safety for employees at all levels
- Promote social dialog by making clear and transparent commitments
- Reduce risks and prevent accidents
- Reduce direct and indirect financial

TF1 of
12.2

[9.9 excluding SANSAC,
down 8 % from 2018]

Raise awareness and train:
repetition creates
the right reflexes

The Top Safety Program

Target
-30 %
accidents

costs, including costs related to accidents, sick leave and property damage.

- All production sites are certified

Launched in 2005, this program is based on a short format for assessing risks and each employee's knowledge of the Group's safety rules during an interview lasting just a few minutes. It is based on the Group's five pillars (Machines and Materials, People and Leadership, Sites and Monitoring, Environment and Energy, Working Conditions) and the Group's six

non-negotiables (Pedestrian Circulation, Personal Protective Equipment & Tools, Forklifts, Lifted Loads, Lockout-Tagout, Work at Height).

This approach helps to create a culture of safety on a daily basis.



MORE THAN
TWO **TOP**
SAFETY
VISITS PER
EMPLOYEE
WERE
CARRIED
OUT IN 2019

KPI (12 months)

December 2018	KPI	December 2019
10.7	TF1	9.9
11.1	TF2	10.8
65.7	TF3	72.7
92.3	TF4	95.0
299.8	TF5	506.9
0.3	TG	0.3

3,181
Top Safety visits
in 2019



ONE WORLD SAFETY DAY

A World Safety Day was held on June 6, 2019. All of our employees participated in the event. The idea? To make everyone aware, through entertainment, that adopting healthy movements and postures at the workplace, and in private life, is critical to preventing the risk of accidents or illness.

The security challenge

This competition is designed to involve all of the Group's employees in initiatives as close as possible to our field activities. In 2019, the theme was "All Together to be Safe." Thirty-seven projects were submitted by our subsidiaries around the world. The best projects were completed and distributed to the Group's employees. Finally, these awareness and prevention

measures are naturally complemented by systematic accident analysis throughout the Group. Social dialog on these issues is also one of the pillars of the Group's policy.

Finally, health and safety results (frequency rate) are included in the variable remuneration of all the Group's senior executives, because even though safety is everyone's business, it's management's responsibility.



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



Environmental **responsibility**

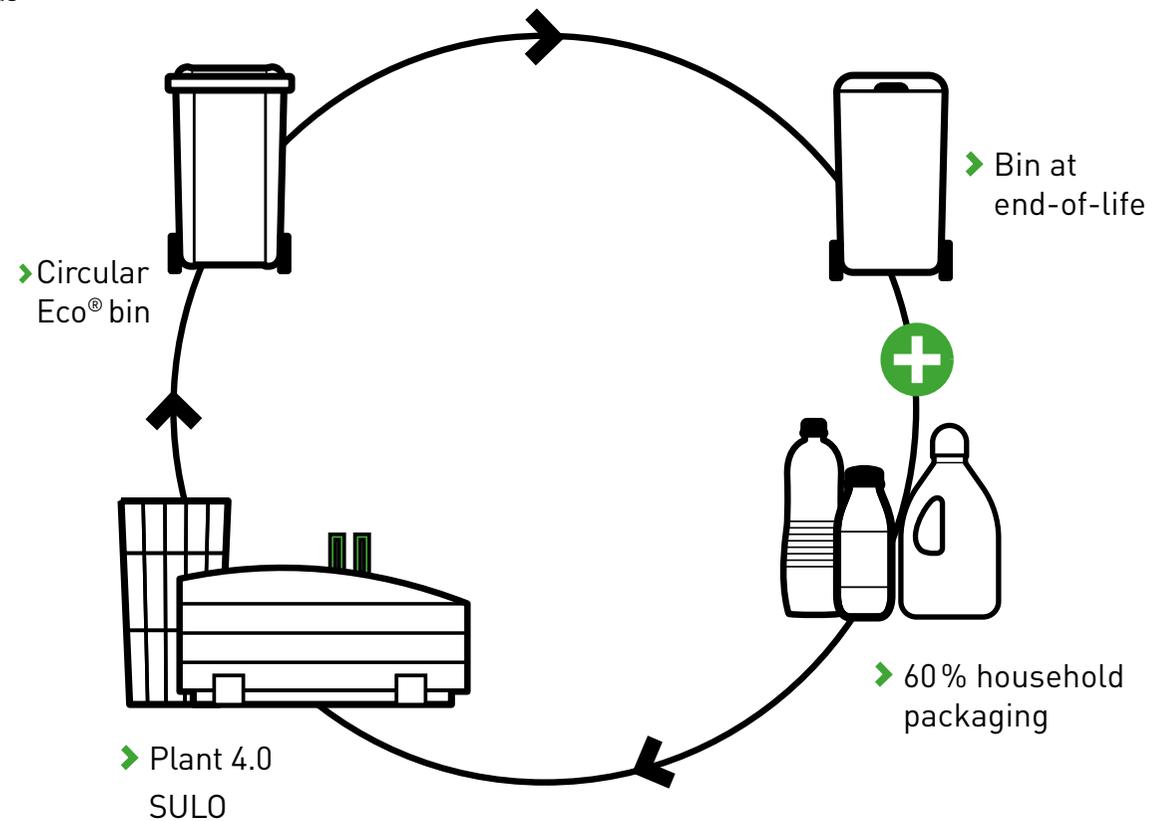
A REINFORCED COMMITMENT TO THE CIRCULAR ECONOMY AND THE FIGHT AGAINST CLIMATE CHANGE.

In view of its profile, the SULO Group intends to contribute in particular to SDG 12: Sustainable Consumption and Production, SDG 13: Climate Action and SDO 9: Industry, Innovation and Infrastructure.

The circular economy is at the center of the SULO Group's strategy to sustainably change the way we create added value and limit our impact in terms of greenhouse gas emissions.

The Group used an average of 63 % recycled plastic materials in 2019 in the manufacture of its wheeled bins, collection banks and garbage cans. This rate went up to 78 % for our Langres bin production plant, a pioneer of this approach. In 2019, the Group consumed more than 33,000 tons of recycled plastic, sourced exclusively in Europe and mostly as close as possible to our production sites. With emission factors ten times lower than with virgin plastic from fossil-fuel resources, 567,000 tons of CO2 equivalent were avoided compared to production from virgin material for our customers. All of our supplies of recycled materials are subject to independent audits, as is the case for our Spanish subsidiary, providing total transparency to its customers. In 2019, the Langres plant became the first company in France to be audited and evaluated under the experimental AFAQ Circular Economy standard for the production of bins made from 100 % recycled materials and bins containing at least 60 % material from selective household collection. This certification is based on the seven pillars of the circular economy and includes more than one hundred concrete actions to improve the circularity of these products: whether it's industrial symbiosis with the recovery of production scraps from POM

(polyoxymethylene) plants near our plant to manufacture wheel compensators, when waste becomes a resource or responsible consumption with closed-circuit presses. For nearly 15 years, SULO has made the use of plastics from selective household collection its trademark. The industrial investments made at our production sites coupled with our engineers' expertise allows us to manufacture 100% recycled, 100% recyclable bins integrating more than 60 % household packaging (detergent bottles, caps etc.), thus offering stable outlets for the recycling industry and enabling our customers to convey the reality of recycling while limiting their carbon impact. This expertise is unique. It allows us to manage the complexity and heterogeneity of waste intake. We can use up to ten different material sources in the manufacture of a bin that complies with the highest European quality standards (AFNOR, GGAWB).



In addition, the Group holds the Blue Angel quality mark for its production site in Herford, Germany, which attests to the use of at least 80 % post-consumer recycled plastic and is an important benchmark to guide our customers' purchases.

Our intake is complemented in particular by the use of bins, for which we ensure optimized short-loop return logistics. In Langres, for example, the bins are decontaminated by a local integration company and then crushed directly in the factory thanks to new investments. In concrete terms, this loop makes it possible to contribute to the development of the local economy and limit the carbon footprint. The SULO Group is committed to systematically taking back user bins from our customers to rebuild them and thus complete the circular economy loop. Similar systems have also been set up for our voluntary disposal products such as collection banks and underground containers.

Example of the 120 L model 7 bin



- 12 injection points
- Stacking by 15 instead of 13 with the previous model, i.e. 100 additional units in an 80 M3 trailer.
- light and silent single-material air cushion lid
- wheels made from used tire powder and 100 % recycled and 100 % recyclable plastic
- 100 % recyclable steel wheel axle containing 40 % recycled steel.



43,000
Defective bins
per year



25,000
Bins crushed per year



30,000
Delivered to waste
collectors in Madrid

Eco-design

Our products are designed to use the right amount of material and energy while extending their service life. For the manufacture of our containers, we use the latest injection molding techniques to optimize material flow into the molds, allowing for shorter cycle times and lower energy consumption. In the case of the bins, this controlled weight reduction helps to lower the strain on collection personnel and limit the load on washers in order to reduce maintenance costs.

The logistical aspects are also considered with particular care in order to reduce the products' carbon impact during transport, thanks in particular to better stacking.

Eco-design also means anticipating product end-of-life by facilitating their repair and/or recycling.

18,000
Bins repaired per year

25,000
Bins collected per year

125
Tons recovered per year



Nothing is lost, nothing is created, everything is transformed. (A. Lavoisier)

THE EXAMPLE OF MADRID

Repair, reuse

For more than 20 years, the SULO Group has implemented and developed actions to repair or reuse all or part of our products in a circular economy approach applied to our service contracts. Here too, carbon impact is very important, because these processes avoid production and logistics loops. On a Group scale, more than 500,000 spare parts (tanks, covers, axles, wheels and accessories) are recovered, decontaminated and reused within the framework of our service contracts. In France, our agencies in close proximity to their clients carried out

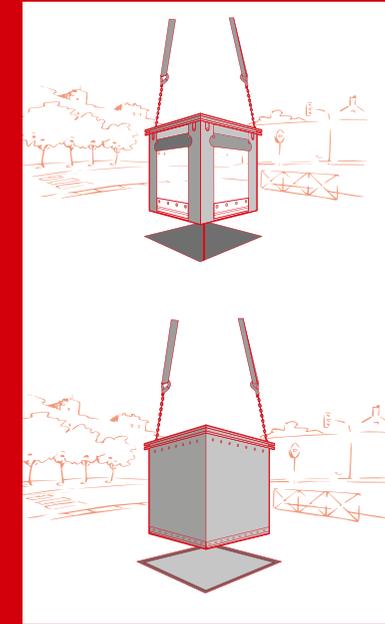
more than 140,000 repairs in 2019, i.e. one repair every four minutes.

Maintaining and repairing in advance also means extending the service life of the equipment by avoiding major breakdowns, ensuring the safety of users and collection staff, and facilitating the social acceptance of this equipment to increase sorting performance.

The Group's expertise in this area is recognized in all of the countries where our subsidiaries operate. In the area of voluntary disposal, and more particularly for underground containers, we have developed an offer that allows

us to install a new container for the entire metal part while keeping the concrete casing in the ground in order to limit disturbances and costs.

SULO Chameleon



"A tailor-made solution to limit nuisances and avoid wasting resources."

The concrete casings of underground containers have a much longer service life than metal components subject to high mechanical stress (container, security system). SULO has developed a true expertise that allows us to refurbish a container while maintaining the original concrete casing. This solution can be implemented on the ground in just a few hours thus avoiding disturbing local residents, costs and the production of waste. The recovered metal parts are fully recycled.



Producing in
a sustainable
manner
and aiming for
industrial
excellence

The SULO Group is distinguished by a strong historical culture of industrial excellence combined with the objective of significantly reducing its environmental footprint in all our production and service activities.

**Environmental management systems and certifications:
A structuring management system**

All of the Group's industrial sites are certified according to **the ISO 14001 standard**. This internationally recognized standard, all players mobilizes all players to take the environment and biodiversity into account in their activities. Moreover, its principle is based on a process of continuous improvement that enables environmental impact to be controlled over the long term.

Reducing energy consumption and greenhouse gas emissions

- The **ISO 50001 standard** concerns energy management and allows us to:
- Increase energy efficiency
- Reduce costs
- Commit to improving environmental performance
- Improve competitiveness

The Langres and Herford production sites have been certified since 2016 and 2014 respectively.

Moreover, at its other industrial sites, the Group encourages the use of highly detailed energy consumption measurement kits to identify areas for reduction. Performance is sought at all stages of production and services.

Minimizing waste and more generally impact in the production chain

Environmental responsibility also applies to manufacturing processes, which are regularly updated to save materials and limit waste production. Based on the circular economy model, recycling and waste recovery programs have been set up in all of the Group's plants.

100 % of material waste is reintroduced into production cycles. All other flows are subject to selective collection.

The Group ensures the monitoring of indoor and outdoor air at its production sites. In 2019, 100 % of these analyses were compliant. Water in our plants is used in a closed circuit. There is no effluent discharge.

Industrial excellence will be 4.0

Our Langres bin production plant is already on the way to the fourth industrial revolution. The site has been laying the foundations to become a plant of the future for the past 2 years:

- Smart data: a data acquisition and control system allows us to collect more than 5,000 pieces of data per second (temperatures, pressures, positions, concentrations etc.). The analysis of this data has enabled us to reduce our production falls by 8 % and anticipate breakdowns before they occur.
- Augmented reality: SULO Langres uses this technology both in its developments and in its training policy. Training in safety, workstation ergonomics and maintenance.
- 3D printing and scanning: testing and validation of new concepts or almost immediate product changes

Beyond these major innovations of our industrial process, Plant 4.0 affects our plant's DNA. The plant affirms its role as an innovation and talent incubator and its ability to reinvent itself every day to serve both the environment and our economic performance.

INDICATORS:

- 0 discharge of solvents and waste water
- 100 % compliant atmospheric emissions monitoring
- 90 % of the waste from our plants is recycled
- 2.75 % reduction in energy use in kWh/kg of processed material between 2018 and 2019
- 15 % reduction in water consumption between 2018 and 2019

CO2 EMISSIONS AT GROUP LEVEL, SCOPE 1 AND 2

- 2018: 16,489 tons CO2 equivalent
- 2019: 16,238.5 tons CO2 equivalent (including 2,753 tons CO2 equivalent for SanSac)
- A decrease of 1.5 % between 2018 and 2019

2019 once again demonstrated the urgency of climate change and its consequences.

To go further, in 2019 the SULO Group committed itself to a “measure, reduce, offset” approach to the carbon footprint of its activities for all emissions factors (scope 1, 2 and 3). To be more pragmatic, we started this initiative within the framework of a service contract on the French market, thus making it possible to measure the impact of the actions taken in the last decade and build complementary action plans in order to evaluate residual emissions and possibly offset them.

This work will be continued and completed for the entire Group in 2020. The approach will enable the SULO Group to be in line with the Paris Agreement for its own emissions. In addition, the Group will continue its program to increase the amount of recycled material in order to enable its customers to limit their own emissions.

More generally, all future products and services will include this component.

FIRST SERVICE CONTRACT ZERO EMISSIONS!

This “measure, reduce, offset” approach to our carbon footprint has been applied to a major contract for the supply and maintenance of bins in France.

The actions taken in recent years to limit the carbon impact of our production and service activities have enabled us to have a relatively limited carbon footprint. These include, in particular:

ETHICAL BIN PRODUCTION

- Bins produced from 100 % recycled material, including over 60 % post-consumer household waste.
- The choice of a more environmentally friendly equivalent to PANTONE 432
- A state-of-the-art 4.0 plant which, through a fine analysis of the data collected on its machinery, makes its performance more reliable and reduces the risk of breakdowns and production rejects.

SHORT-LOOP SUPPLY

Procurement of recycled materials from closer to our production site

OPTIMIZED LOGISTICS

Trucks supplying the plant with new bins will be returned with out-of-service bins.

ZERO PAPER FOR MAINTENANCE

All management operations related to maintenance and its control, monitoring, steering and supervision will be digitized.

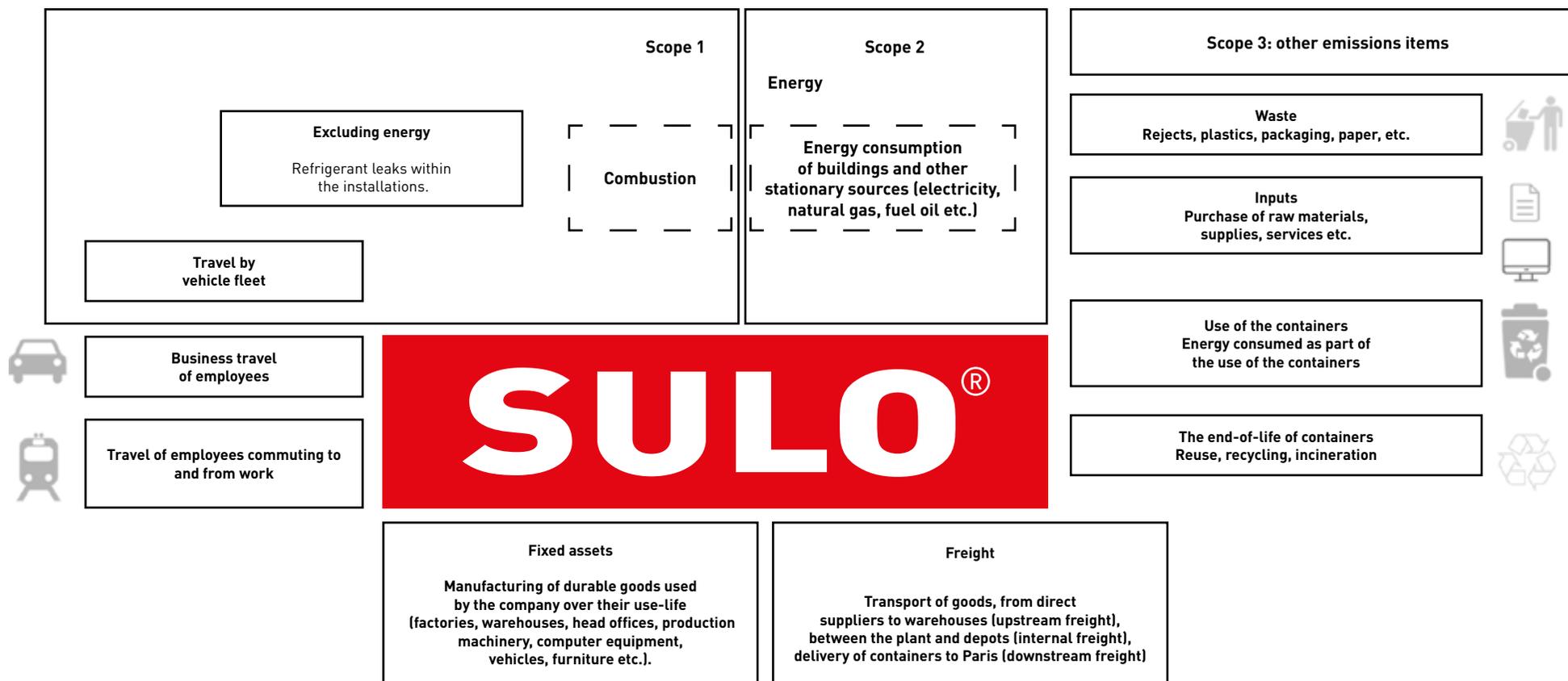
PRIORITY GIVEN TO PREVENTIVE MAINTENANCE

Preventive maintenance extends the lifespan of the containers in place, thus reducing the need to install new bins and therefore reducing production.



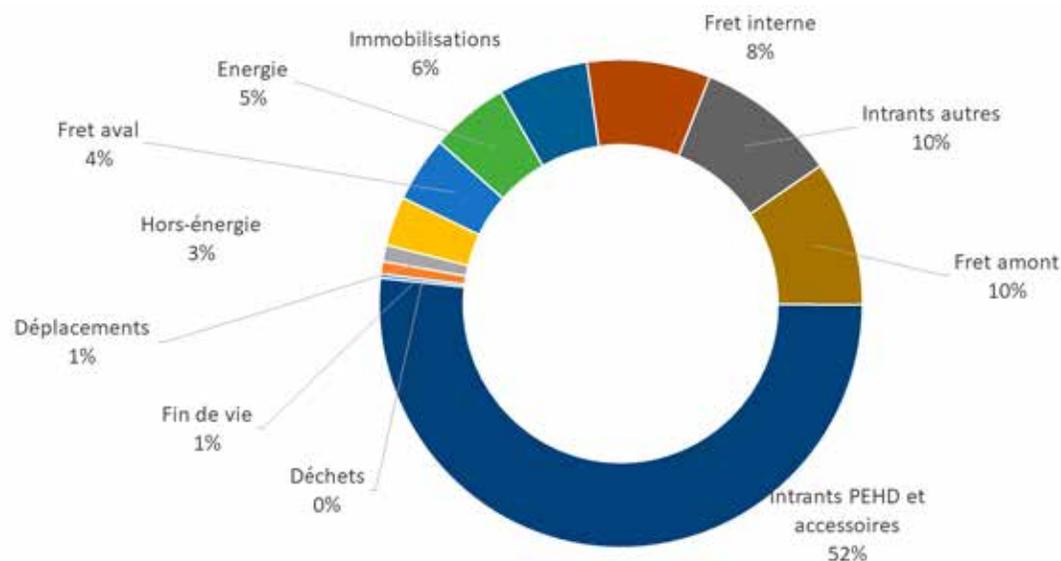


The carbon footprint measurement study, carried out by the firm ECO ACT using the Bilan Carbone® method by ADEME, covers all the activities of the Langres plant (bin production), the Gennevilliers depot (bin management) and the SULO head office for the year 2019. All emissions items have been taken into account (scope 1, 2 and 3), with the exception of the use of bins.



Sources of GHG emissions

A ratio based on specific data from the supply and maintenance contract makes it possible to estimate the proportion of emissions attributable to the service. The full breakdown of emissions by item is presented below.



Emissions are linked to the manufacture of HDPE and the accessories necessary for the production of the bins (first emissions item, 52 %) and the upstream freight for these inputs (second item, 10 %).

An improvement plan completes the existing system by reducing CO2 emissions by 5 % per year, optimizing the use of recovery spare parts and the logistics of used bins brought to the plant.

At the same time, discussions are being held on other actions that can help reduce emissions, such as identifying eco-responsible road suppliers (speed reduction, eco-driving training etc.).

Voluntary carbon offsetting

In addition to its action to drastically reduce emissions from its services, SULO undertakes to offset all residual emissions caused by the services provided under this contract.

In order to ensure that the good practices defined by ICROA and recommended by ADEME are respected (additionality,

permanence, measurability, verifiability, uniqueness etc.), SULO undertakes to choose exclusively labeled projects, in France (Low Carbon Label) or internationally (VERRA or Gold Standard).

