

**WE DRIVE.
WE CHANGE.
WE TAKE RESPONSIBILITY.**



SULO® Group

Corporate Social Responsibility Report 2023



Imprint

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I.1 Editorial

Pioneering Sustainable Waste Management Solutions

Since our inception in 2019, SULO has implemented a substantial sustainability agenda, benefiting not only our customers but also our employees, suppliers, shareholders, and all stakeholders. Today, SULO stands as an international group with operations spanning most European countries and overseas, and manufacturing facilities in France, Germany, Spain, Sweden and Finland. Our continued success is built upon the unwavering dedication of our 2.300 employees, the support of our shareholders (Latour Capital and BPI-France), and a thriving culture rooted in our core values, like customer orientation, innovation, excellence, teamwork, care and trust.

The year 2023 witnessed a surge in demand for our innovative solutions as municipalities and companies strived to meet increasingly stringent recycling and sorting targets, with a particular emphasis on organic waste management. To address these evolving needs, we made strategic acquisitions with MOLOK and INOVIM that significantly enhanced our capabilities. We now offer comprehensive drop-off collection solutions accommodating various waste streams, cutting-edge digital solutions to optimize collection efficiency, and innovative pay-as-you-throw schemes designed to encourage waste reduction.

Building on our previous successes, we have intensified our focus on circularity. Our commitment to the Science-Based Targets initiative (SBTi) underscores our determination to set concrete and ambitious carbon reduction targets. Furthermore, we are actively pursuing EcoVadis assessment to ensure exemplary practices throughout our value chain, encompassing both customers and suppliers.

In line with our longstanding commitment to employee well-being, we have continued to improve our safety performance, achieving a strong year-on-year reduction in accidents. To further promote an inclusive working environment and safeguard employee rights, we have established a European Works Council.

As we move into 2024, SULO is taking significant strides towards an even more comprehensive vision that seamlessly integrates environmental, social, and governance (ESG) considerations. We have bolstered our internal teams to prepare for upcoming regulatory requirements, particularly the European CSRD Directive set to take effect in 2025.

Through these initiatives, we continue to be a driving force in the circular economy. Our commitments extend beyond improving our own impact; we actively support our partners and stakeholders in their own transitions towards sustainability. This remains at the core of our priorities.

SULO is more committed than ever to the mission of converting today's waste into tomorrow's resources. As we look to the future, we remain dedicated to pioneering sustainable waste management solutions that create value for our customers, our communities, and our planet.



“SULO is committed to innovation and responsibility, shaping sustainable waste management and actively driving the transition towards a circular economy.”

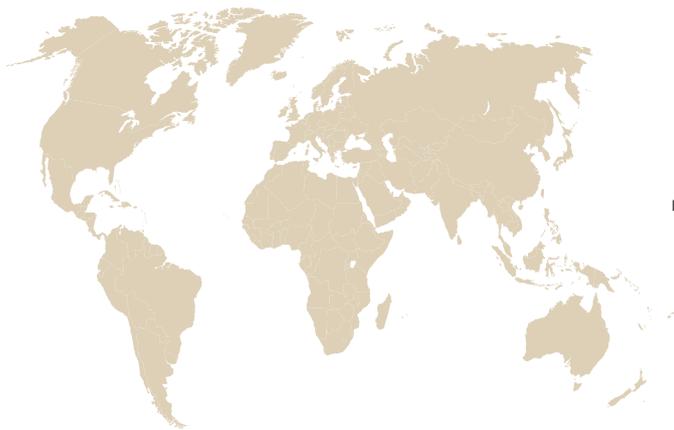
Jean-Marie Vaissaire

JEAN-MARIE VAISSAIRE
PRESIDENT OF THE SULO GROUP

I.2 Key Figures

Leader in comprehensive waste management solutions, SULO provides an extensive range of products including bins, voluntary deposit solutions, balers and compactors, all designed to enhance waste sorting and recycling for municipalities, businesses, and individuals.

Recognised as a significant contributor to the circular economy, we proficiently recover and upcycle plastic waste, produce high-quality solutions with recycled content, and assist our customers in achieving their sustainability objectives through innovative waste management technologies.



**REPRESENTED IN
18 COUNTRIES**

>3.5 MILLIONS

BINS SOLD

>35.000

**VOLUNTARY DEPOSIT
SOLUTIONS SOLD**

>20.000

**COMPACTING
EQUIPMENT SOLD**



+35% EBITDA VS. 2022



**€ 611M
TURNOVER**

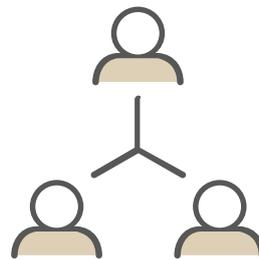
NUMBER 1 IN EUROPE IN WASTE PRE-COLLECTION SOLUTIONS



2.300
EMPLOYEES

90/100

GENDER EQUALITY INDEX IN FRANCE



**72% OF SULO EMPLOYEES TRAINED
IN 2023**

-23% SAFETY FREQUENCY RATE (FR2) VS 2022

**-6.3% SCOPE 1 & 2
EMISSIONS VS 2022**

**-8.5% SCOPE 3
EMISSIONS VS 2022**



**77% OF RECYCLED MATERIAL IN
OUR TOTAL PLASTIC CONSUMPTION**

I.3 Context and Main Challenges

The challenges of climate change and resource scarcity become increasingly urgent, and SULO recognises its key role in promoting a more sustainable future. With the UN predicting a 70% increase in global waste generation by 2050, we have adopted the circular economy as our guiding principle. Now, more than ever, we are committed to being part of the solution by transforming today's waste into tomorrow's resources, creating a sustainable, circular lifecycle for all our products and services.

In Europe, waste management is regulated by the EU Waste Framework Directive, which sets out the key concepts and definitions of waste management, including waste sorting, recycling and recovery. Countries such as France, Belgium, Germany and Spain have made significant progress in complying with the Directive, particularly in introducing separate collection schemes for organic waste.

The implementation of efficient, differentiated waste collection remains a significant challenge due to the complexity and high costs involved, with many countries still lacking the necessary infrastructure to effectively manage and process different waste streams. Our recent acquisition of MOLOK, the undisputed leader in semi-underground (semi-UG) waste management solutions in the Nordics, provides a valuable opportunity to accelerate the adoption of separate collection systems in these regions. This acquisition not only strengthens our portfolio with high-end semi-UG solutions, but also broadens the range of products we can offer to meet diverse waste management needs.

The revised directive also emphasises the 'polluter pays' principle and calls for improved data collection through technological innovation. Our recent acquisition of INOVIM, which specialises in digital solutions for waste management, will help us establish a leadership position in the Benelux market. The digital waste management systems we have already implemented in France show an average reduction of 30% in municipalities that have already adopted this approach, which is encouraging for the EU directive's target of a 40% reduction in household food waste by 2030.

I.4 Our CSR Strategy

To effectively contribute to a more sustainable world, we must first understand and mitigate our own environmental impact, while increasing our positive impact on people and the planet. We have advanced this goal by complementing the 2023 materiality assessment with a double materiality assessment in 2024. This approach allows us to better understand our impacts, risks and opportunities, and to build a stronger roadmap in line with international standards such as the UN SDGs and in preparation for the European CSRD.

I.4.1 CONTRIBUTING TO THE UN SUSTAINABLE DEVELOPMENT GOALS

Our corporate social responsibility (CSR) strategy is aligned with the United Nations' 17 Sustainable Development Goals (SDGs) for 2030. These interconnected goals provide a unified framework for advancing peace and prosperity for people and the planet, now and in the future.

SDG	Description	Strategy
	<ul style="list-style-type: none"> – Sustainable cities & communities 	<p>We support sustainable cities and communities by helping them manage waste effectively to minimize their environmental impact.</p>
 	<ul style="list-style-type: none"> – Good health & well-being – Decent work & economic growth 	<p>We prioritise safety and well-being through our zero-accident strategy, fostering a culture of health and safety while promoting decent work opportunities that drive sustainable economic growth and prosperity for all.</p>
	<ul style="list-style-type: none"> – Climate action 	<p>In order to mitigate climate change, we aim to reduce our carbon emissions. We have calculated our Group Carbon Footprint using the GHG Protocol methodology and are committed to submitting our emissions reduction roadmap to the Science Based Targets Initiative (SBTi) in 2024.</p>
 	<ul style="list-style-type: none"> – Industry, Innovation & Infrastructure – Responsible consumption & production 	<p>We lead the market with our recycled plastic bins and follow the 3Rs: reduce, reuse and recycle. We aim to minimise the use of resources, extend the life of our products and recycle materials effectively.</p>
   	<ul style="list-style-type: none"> – Clean water & sanitation – Responsible consumption & production – Life below water – Life on land 	<p>We exist to help communities, businesses and households sort their waste so that it can be recycled rather than sent to landfill. We are also committed to reducing our own waste by reusing, repairing and recycling our products. We are also reducing our water consumption, ensuring adequate wastewater treatment and working to prevent resin pellet loss.</p>
  	<ul style="list-style-type: none"> – Gender equality – Reduced inequalities – Partnerships for the goals 	<p>We are committed to increasing the number of women in leadership positions and closing the gender pay gap. Our region-specific initiatives focus on improving the inclusion of people with disabilities and strictly prohibit all forms of discrimination. We also actively engage with and support local organisations that employ people with disabilities and those excluded from the labour market.</p>

I.4.2 DOUBLE MATERIALITY ASSESSEMENT

The implementation of the EU's Corporate Sustainability Reporting Directive (CSRD) strengthens and extends the existing rules set out in the Non-Financial Reporting Directive (NFRD) and increases the number of companies required to report on ESG issues. The SULO Group will comply from 2026 when reporting on the 2025 financial year.

In order to prepare for compliance, we conducted a comprehensive materiality analysis, which was published in our 2022 ESG report. This analysis served as a foundational step in establishing our Corporate Social Responsibility (CSR) priorities. It was backed by a sector impact analysis and included regular consultation with key stakeholders. We scored the likelihood and severity of impacts on the Group's interests.

Building on our efforts, we conducted a double materiality assessment (DMA) mid of 2024 to gain a more nuanced understanding of the relevant issues. This in-depth analysis, which is presented below, allowed us to identify potential material impacts for our stakeholders and assess the financial implications for our business.

Methodology

With the help of ESG consultants, we identified and scored 135 Impacts, Risks and Opportunities (IROs), of which 15 were deemed material. They were then submitted to our majority shareholder, Latour Capital. This rigorous process has enabled us to identify critical areas that require strategic attention and resource allocation to ensure that our ESG efforts are both impactful and aligned with stakeholder expectations and financial sustainability.

This structured approach underlines our commitment to integrating ESG considerations into our business strategy, promoting transparency and driving long-term value creation for all stakeholders. The DMA will serve as the basis for defining our new strategic plan for 2025.



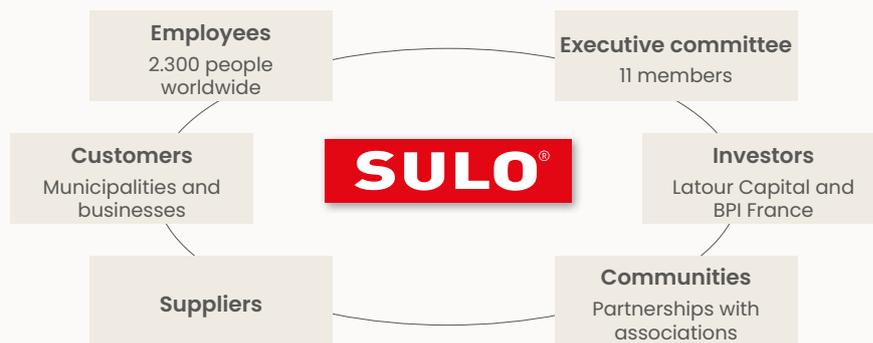
Double materiality Matrix

- environment
- social
- governance

	Material IRO	Description	ESRS	Topic
1	Climate change adaptation	Process of adjustment to actual and expected climate change and its impacts (Regulation (EU) 2020/852).	E1	Climate change
2	Climate change mitigation	Process to contribute to limit the increase in the global average temperature to well below 2 °C and to pursue efforts to limit it to 1.5 °C above pre-industrial levels, as set out in the Paris Agreement (Regulation (EU) 2020/852).	E1	Climate change
3	Energy	Action plans for energy efficiency, energy sobriety, and green energy use.	E1	Climate change
4	Microplastics	Avoiding the release of microplastics into the environment during the production process.	E2	Pollution
5	Water	Responsible water consumption.	E3	Water & marine resources
6	Resources inflow	Reduce the use of non-renewable resources that contribute to resource scarcity.	E5	Circular Economy
7	Resources outflow	Eco-conception and recyclability of products and products allowing client and end users to properly sort their waste.	E5	Circular Economy
8	Waste	Developing and promoting products made from renewable and recycled materials, thus increasing the industry standards and reducing demand for raw material extraction and associated waste.	E5	Circular Economy
9	Employee rights & wellbeing	Implementing HR policies to guarantee fair contracts & pay, decent working hours, preserving work/life balance and keeping an open social dialogue.	S1	Own workforce
10	Employee health & safety	Implementing strict health and safety standards to avoid accidents and deaths and investing in employee wellness programs can contribute to a safe and healthy working environment and thus improve working conditions.	S1	Own workforce
11	DE&I	Policies that promote gender equality and diversity, such as equal pay, maternity and paternity leave, to contribute to a more diverse and equal workforce and society.	S1/ S2	Own workforce/ workers in the value chain
12	Human rights in the value chain	Ensure human rights are respected along the value chain.	S2	Workers in the value chain
13	Privacy, health and safety of end users	Implement measures to protect customers and end users' personal information, integrity and health.	S4	Consumers & end users
14	Corporate values	Encourage the adoption of and respect for the company's corporate values to ensure a working environment in which employees can develop in a respectful and ethical manner.	G1	Business conduct
15	Corruption and bribery	Implementing a comprehensive compliance and anti-corruption program	G1	Business conduct

I.4.3 OUR STAKEHOLDERS

Through careful analysis of our ESG priorities, we ensure that the issues we address reflect the voices of our stakeholders, both inside and outside the organisation. By addressing the concerns of our partners, communities, investors and employees, we are creating a future of responsibility, innovation and shared growth.



Employees

Our employees are central to driving our ESG efforts. Through regular consultations and the establishment of a European Works Council, we ensure their voices are heard and integrated into decision-making. This platform strengthens communication across the organization and empowers employees to contribute to sustainability initiatives and workplace improvements.

Customers

Customer expectations for responsible practices are rising, and we continuously incorporate their feedback into our products and services. By aligning our ESG goals with customer values, we enhance trust and deliver solutions that promote sustainability and social responsibility.

Suppliers

We collaborate closely with our suppliers to encourage ethical sourcing, resource efficiency, and fair labor practices. By working together, we create a sustainable and resilient supply chain that upholds our shared commitment to reducing environmental impact.

Executive Committee

The Executive Committee plays a crucial role in steering our ESG strategy. By setting clear priorities and leading by example, they ensure that sustainability and responsible governance are embedded at the highest level of the organisation. The committee regularly reviews our ESG performance, ensures alignment with corporate objectives, and drives initiatives that foster long-term value creation for all stakeholders.

Investors

As ESG performance becomes increasingly important to investors, we provide transparent reporting and regular updates on our sustainability strategies. This open dialogue ensures that our long-term goals align with their expectations for responsible corporate governance and risk management.

Communities

We are committed to supporting local initiatives that promote social inclusion and environmental protection. By funding these projects, we contribute to the well-being of communities while supporting sustainable and responsible development.

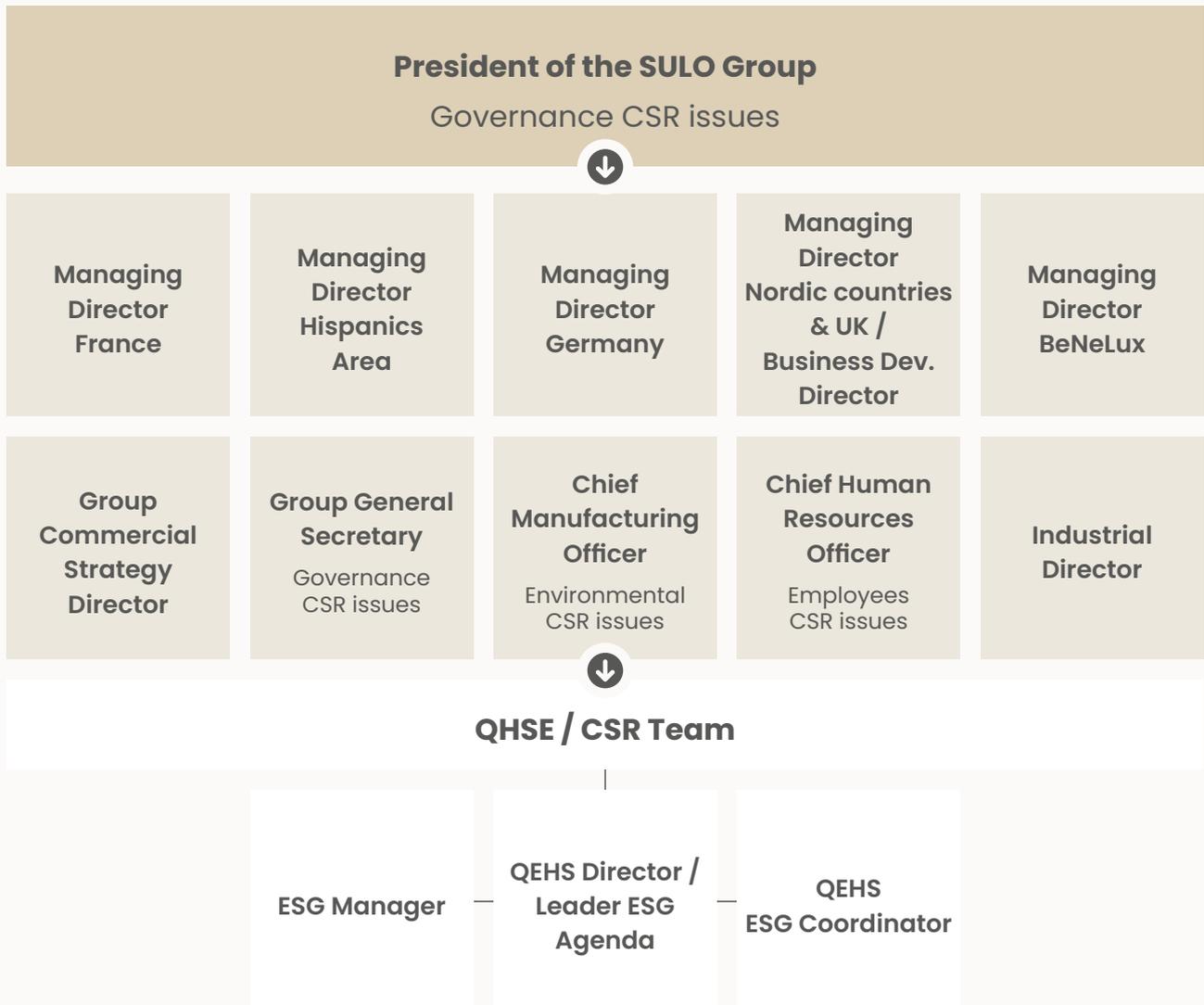
II. Governance

Addressing our collective CSR challenges is key to creating a more sustainable future for ourselves and for generations to come. As a leader in the waste management industry and the circular economy, our mission is to help transform today’s waste into tomorrow’s resources. Guided by our core values, we strive to set new industry standards and make a positive impact on the environment and society. By advancing our practices and embracing cutting-edge solutions, we aim to lead the way in sustainable waste management.

II.1 Corporate and CSR Governance

Organizational Chart

Executive committee members are involved in the CSR strategy definition, and the QHSE/ESG team was strengthened in early 2024 with the arrival of a Group ESG Manager.



To ensure effective governance of ESG matters, we have established three distinct committees, each responsible for overseeing specific aspects of our sustainability strategy.

	Mission	Frequency	Participants
Executive Committee	<ul style="list-style-type: none"> Define the safety and sustainability strategy 	<ul style="list-style-type: none"> Monthly 	<ul style="list-style-type: none"> Executive Committee members One-off participants invited according to the agenda
Environmental, Health and Safety Committee	<ul style="list-style-type: none"> Raise employees' awareness of CSR issues Ensure that Group policy is deployed locally 	<ul style="list-style-type: none"> Every three months 	<ul style="list-style-type: none"> Executive Committee members QEHS Director
Ethics Committee	<ul style="list-style-type: none"> Deal with non-ethical issues Review the training program 	<ul style="list-style-type: none"> Every four months 	<ul style="list-style-type: none"> 5 members: President, General Secretary, HRD, Group General Counsel and Group Compliance Manager

Remuneration dependent on ESG performance

Part of the variable compensation for executive Directors depends on the Group's performance, measured against specific numerical targets.

-  Safety at work
-  Reduction of carbon footprint
-  Recycling of plastic materials
-  Ressource optimization
-  Gender diversity

II.2 A Decentralised Organisation

Our decentralised organisation harnesses the intelligence, expertise and empowerment of our teams. This management model ensures that decisions are well suited to the local context and empowers each employee to make an active contribution to the Group. At the same time, we are organised to maximise synergies between different areas, ensuring that the Group operates more effectively as a cohesive unit. These synergies, managed centrally, enhance collaboration, innovation and market responsiveness.

Levers steered by Group management



ESG and Safety priorities



Developing future leaders



Product development/innovation



SULO brand



IT

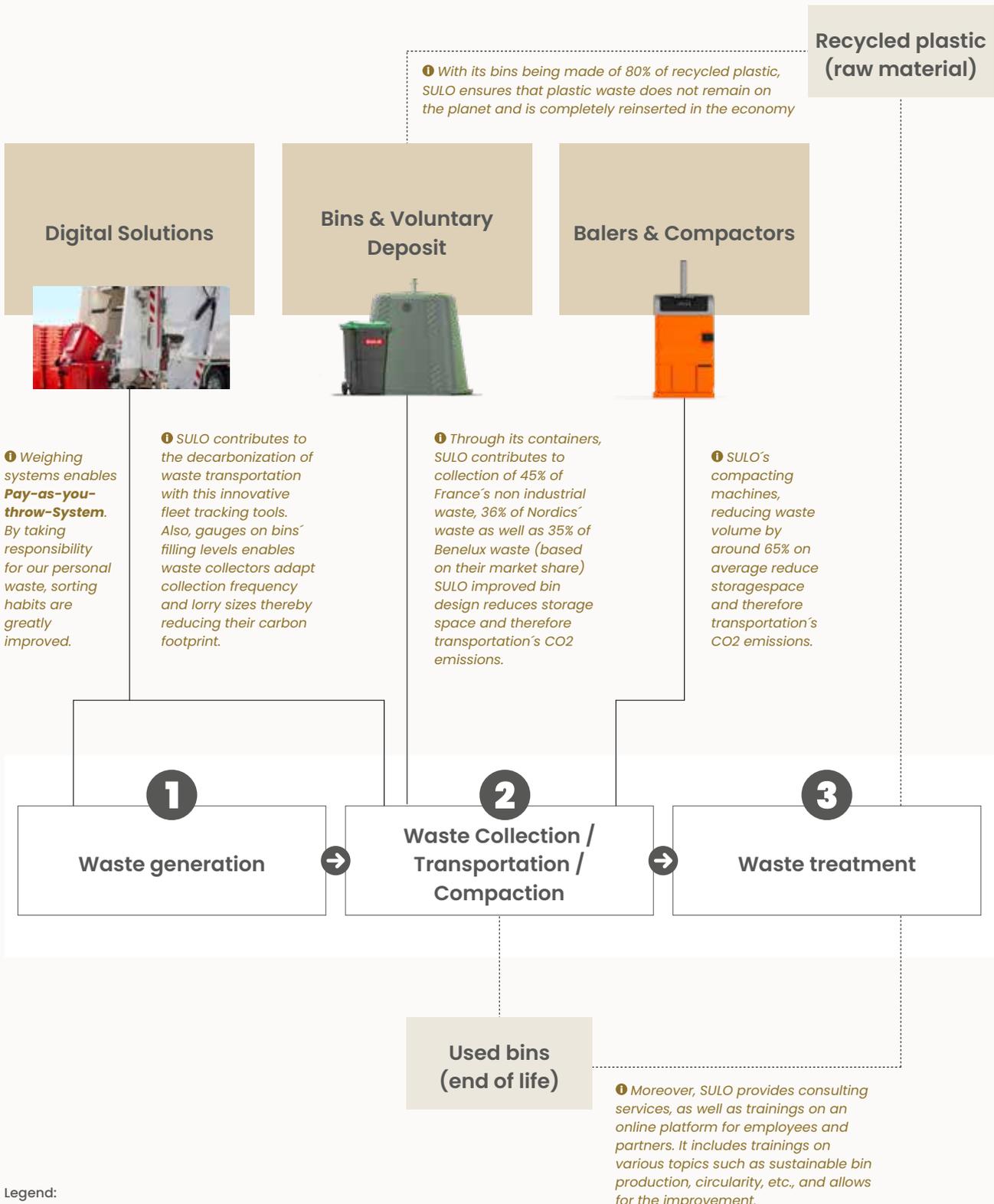


Purchasing



Reporting, strategy and acquisitions

II.3 Our Sustainable Business Model

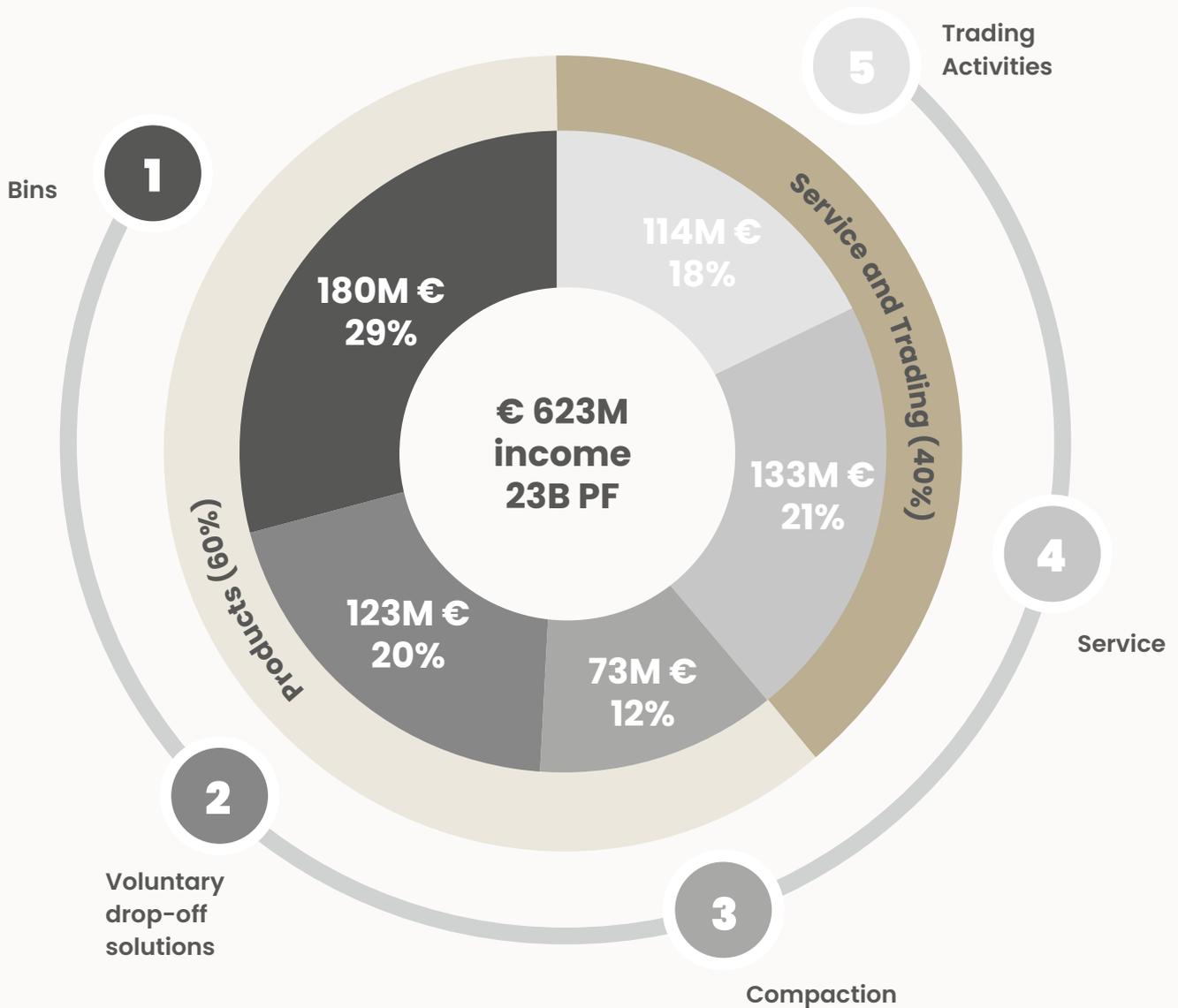


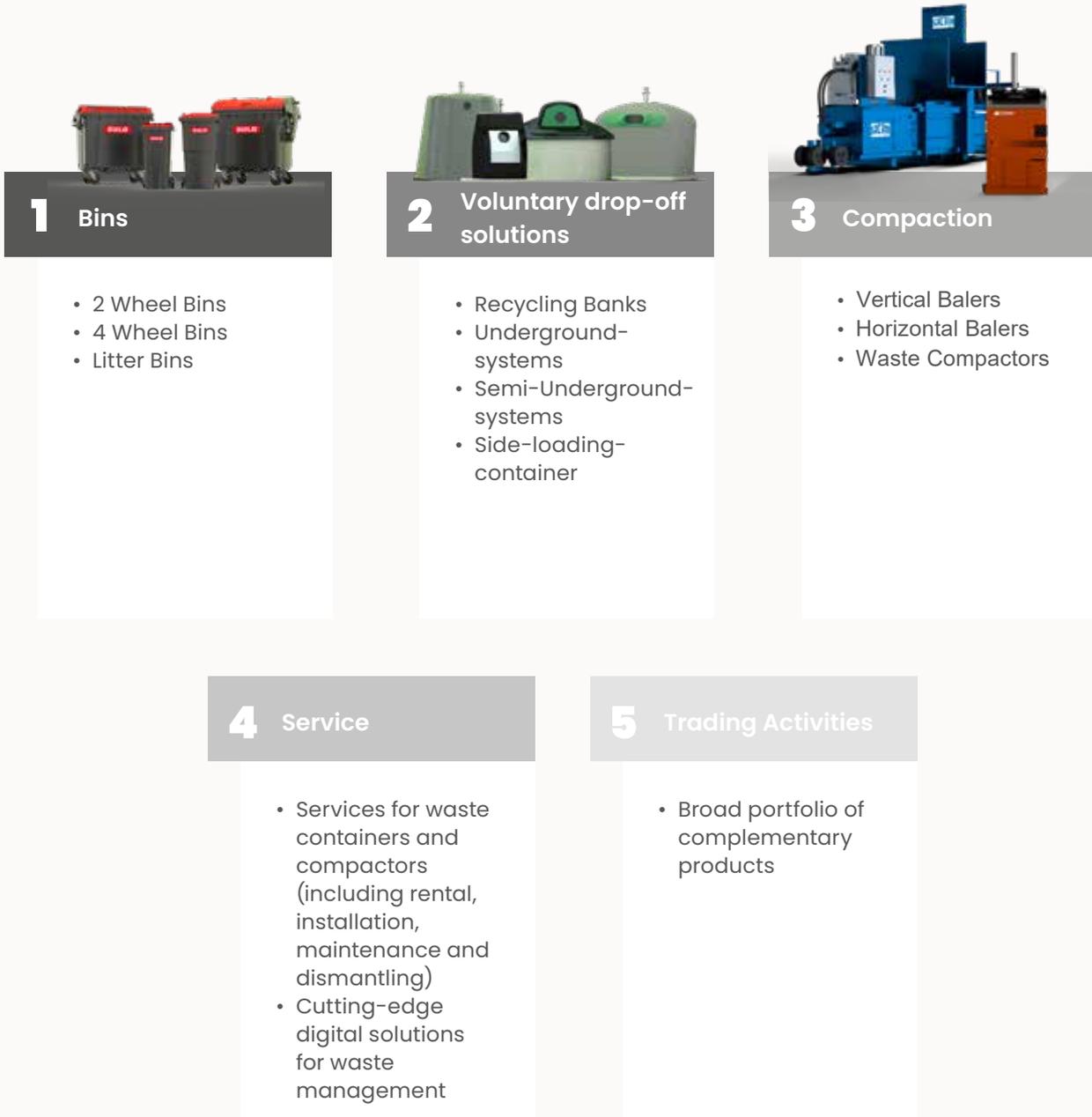
Legend:

- Products & Services offering
- Waste Value Chain
- Other

WIDEST RANGE OF PRODUCTS & SERVICES

Tailored Solutions to meet the specific needs of our Customers





II.3.1 OUR ACTIVITIES

As a diversified group, SULO features a wide range of brands that are leaders in their respective sectors, all committed to optimising the sorting, collection and management of waste for public and private customers.

Our core business, which generates two thirds of our sales, is focused on the manufacture and sale of products designed to improve waste management, including high quality bins, voluntary waste deposits and compactors. These products are designed with sustainability in mind, often using recycled materials to minimise their environmental impact.

Our products, combined with complementary services such as digital waste management technology, equipment maintenance and pay-as-you-throw solutions, aim to improve the efficiency of waste collection and sorting. We also extend our reach by trading products through retail brands (San Sac, Rubaek, EnviroPac and TWS) and online shops, providing tailor-made, sustainable solutions to meet the diverse needs of individuals, businesses and municipalities.

II.3.2 OUR EXTERNAL GROWTH STRATEGY

To consolidate our status as a leader in waste pre-collection, we are strategically acquiring small to medium size companies through 3 development priorities:

- Waste containers manufacturers and distributors to strengthen our leadership position across Europe.
- Service companies and digital solution providers to secure a stronger presence in these fast-growing markets.
- Waste compaction producers and distributors to strengthen our position and expand our influence in this sector.



In 2023, we acquired 4 companies

MOLOK®

MOLOK

Semi-underground waste sorting solutions

MOLOK adds differentiated waste collection solutions to our product range and supports our international expansion by strengthening our presence in the voluntary deposit sector in Northern and Central Eastern Europe. In addition, MOLOK will benefit from our expertise to increase the proportion of recycled plastic used in the manufacture of their products.



COLLVERT & CHALLENGEV

B2B waste sorting solutions and compacting

These two major French players are historical key partners of SULO. These acquisitions will strengthen our capacity to serve B2B customers, particularly manufacturers and waste collectors, and help them comply with evolving ESG regulations.

INOVIM

INOVIM

Service provider for waste management and disposal companies

INOVIM, based in Belgium, specialises in waste management services primarily for municipalities and waste collection companies in the Benelux. Services include the design and implementation of waste collection systems, container management and advanced software solutions for waste tracking. The company also provides full-service management, from citizen communication to logistical operations, and supports innovative pay-as-you-throw billing systems. Through its subsidiary TWS, INOVIM operates a product trading business offering complete solutions for effective waste management and reduction.

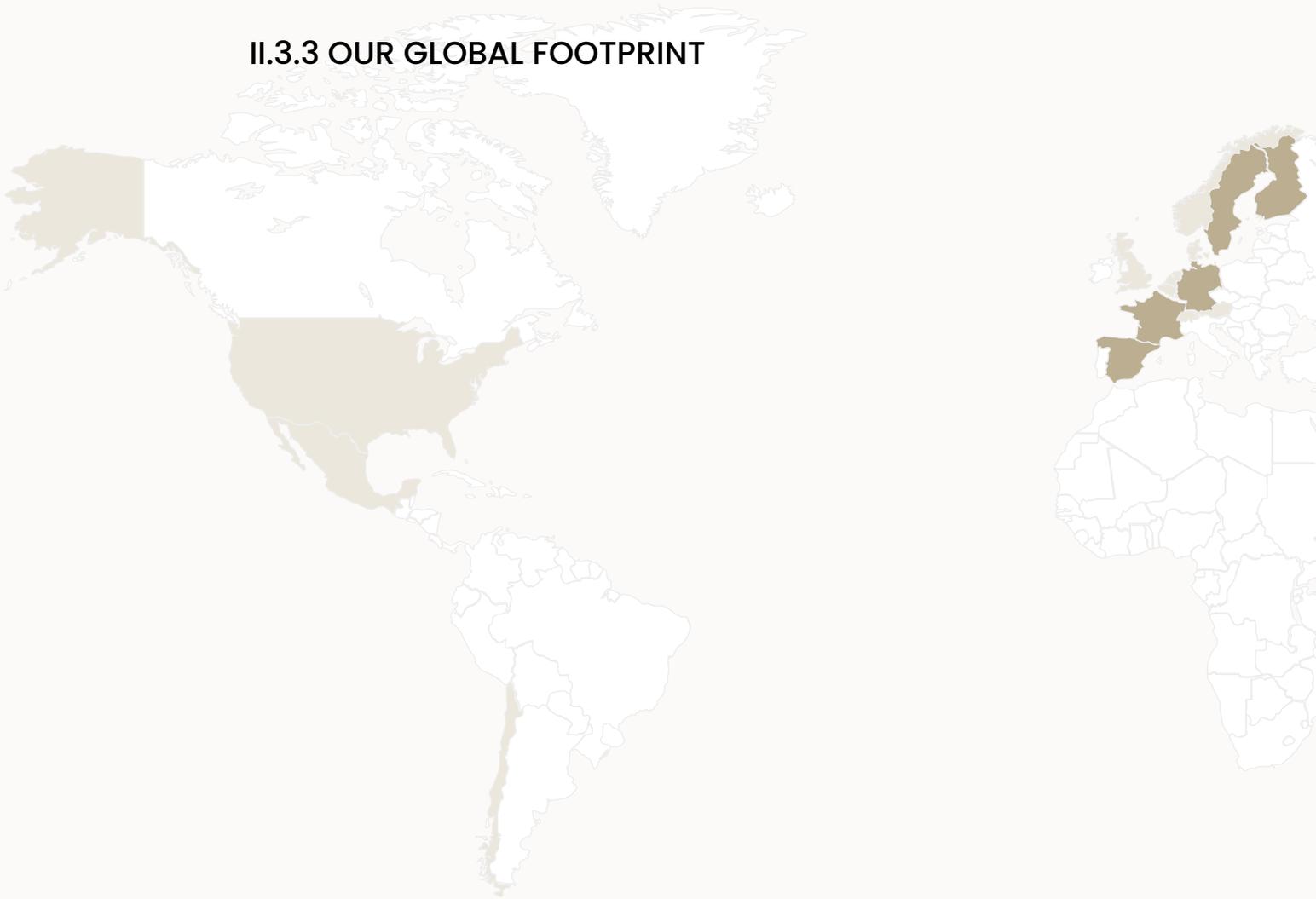
DELPHI ENVIRONNEMENT

DELPHI

Compactor Services

As a major player in France specializing in the maintenance of vertical and horizontal balers, DELPHI helps reduce waste volumes and optimize collection and transport. It will enable us to extend our range of services and offer our customers greater proximity and responsiveness.

II.3.3 OUR GLOBAL FOOTPRINT



II.3.4 OUR CERTIFICATIONS

Certifications provide a structured framework for systematically managing and continuously improving our ESG performance. To support our strategy, we undertook an ESG evaluation with EcoVadis, a leading evidence-based ESG assessment platform. This evaluation, together with the double materiality assessment conducted in 2024 will help us to refine our roadmap. This will make our approach more robust and streamline local action plans for our countries and manufacturing sites.

Ten of our main facilities are already ISO 14001 certified, some also have Blue Angel certification (Herford) and ISO 50001 certification (Herford and Langres). In addition, some sites are recognised for their commitment to recycling with the More label.

We are particularly proud that SULO was the first French company to obtain the AFAQ certification for circular economy. This achievement, which follows the XP X30-901 standard, is in line with SULO's Circular Eco approach.



Main markets:
35% France, 31% Nordics

> 15.000 customers: 50% public sector & 50% private sector

8 factories

4 acquisitions in 2023

Legend:

- Production Sites
- Sales and Service Branches

Type of certification	ISO 9001	ISO 14001	ISO 45001	ISO 50001	ISO 27001	AFAQ Circular Economy	Operation Clean Sweep	MORE	Blue Angel
Number of facilities certified	11	10	6	2	1	1	1	2	1



II.4 Company values

At SULO, our company culture is driven by core values that promote respect, continuous improvement and commitment at all levels to ensure a safe and thriving working environment.

II.4.1 SAFETY IS OUR FIRST PRIORITY

At SULO, we believe that safety is our number one priority, and we aim for a zero accident and zero work-related illness objective.

Our aim has always been to create a strong safety management culture using the 'stop, think, act' method, and high levels of safety performance are integral to achieving top results.

Safety is more than a goal; it is how we do business. Our main sites have an Occupational Health and Safety Management System compliant with the ISO 45001 standard. This system continuously raises awareness of workplace safety issues at all levels. Through ongoing dialogue and involvement of all employees at each SULO site, we create the conditions to identify key risks and prevent incidents.

To make safety a daily reality across the group, we take a pragmatic approach, provide clear guidance and ensure it remains at the top of everyone's agenda.

Joining the Safety League

The Safety League recognises Group entities (services, production or support) that have demonstrated a strong commitment to safety and have achieved the milestone of more than one year without an accident. In 2023, 21 Sulo subsidiaries were members of the Safety League representing around 45% of the Group Employees.

II.4.2 DEFINING OUR VALUES TOGETHER

Our most valuable asset is our people. In 2019, we asked our employees to define which are the best conditions for driving business performance and to set goals aligned with our core values. Through participative workshops in Germany, Spain and France, over a hundred SULO employees brainstormed to define twenty key behaviours that should be applied to ensure we strive and remain resilient in challenging times.

The result of this collaborative reflection was four core values, each paired with a key supporting attitude and backed by five behaviours that promote mutual respect, continuous improvement, and dedication to our mission.

Our four guiding value pairs

Responsibility & Care

We lead by example, demonstrating respect and a positive attitude, complying with laws and procedures, minimising environmental impact, prioritising safety and ensuring the wellbeing of our colleagues.

Excellence & Commitment

We strive to exceed objectives, improve processes, encourage teamwork, take responsibility for our decisions and continually seek personal and professional growth.

Excellence & Commitment

We are solution-oriented, collaborate across departments, are open to new ideas, respect customer specifications and treat both internal and external customers with professionalism to ensure the best results for the business.

Team & Trust

We work together openly and respectfully, trusting each other's skills, encouraging cross-departmental collaboration, valuing diverse opinions and supporting initiatives for optimal results.

II.5 Responsible Business Conduct

Our commitment to responsible business conduct is guided by our comprehensive Code of Conduct and related policies, which ensure ethical practices at all levels of our operations.

POLICIES

Code of Conduct

Our Code of Conduct, updated in 2021 to align with our core values, outlines the mandatory guidelines for all employees. It provides guidance on appropriate behaviour in all interactions with colleagues, customers and partners. All employees with ethical decision-making responsibilities (Sales, IT, HR, Finance, Purchasing, etc.) are required to sign it, and managers are responsible for ensuring their teams have the necessary information and resources to comply. They are also asked to complete regular training courses on CoBC related topics, including a training of key basic principles included in the induction program of all new SULO managers.

Supplier Code of Conduct

In 2023, we formalised a procurement process to increase the transparency of our suppliers' CSR performance. This process includes the mandatory signing of the Supplier Code of Conduct as well as a CSR risk analysis based on criticality, sector and location. It is followed by CSR assessments for at-risk suppliers and the implementation of corrective action plans to ensure continuous improvement and ethical alignment.

Human rights in the value chain

By signing our Supplier Code of Conduct, the supplier commits to uphold fundamental human rights in relation to working conditions, in particular by prohibiting all forms of forced or compulsory labour, child labour and discrimination in employment and working conditions. In addition, the supplier will ensure equal pay for equal work and guarantee freedom of association and protection of trade union rights throughout its value chain.

Anti-corruption

Our anti-corruption policy provides guidance to employees on accepting and offering gifts, entertainment and avoiding facilitation payments. We train managers and employees whose positions may expose them to bribery risks and enforce a zero-tolerance policy.

International Trade Sanctions

Sulo strictly complies with all international regulations. Following the invasion of Ukraine by the Russian army in February 2022, Sulo decided to cease all product deliveries to its Russian subsidiary, Proshop Ilc, and promptly engaged in the divestment of the entity to its current manager. The sale was completed in August 2023 and since then Sulo has had no trading activity in Russia or Belarus. In addition, Sulo ensures that it does not purchase from any Russian or Belarusian supplier or any supplier that sources its product from Russia or Belarus.

Fair Competition

SULO operates in various national and international markets, all of which fall under competition or antitrust laws. These laws prevent agreements between competitors that restrict market access or control prices. Antitrust laws apply to both sales and purchasing.

Whistleblowing System

Any behaviour that appears to be inappropriate or in breach of the Code of Conduct, must be reported to the line manager or through the internal whistleblowing system, which is accessible to all employees. They can report concerns without fear of sanction or discrimination, and their identity is confidential unless otherwise required by law. Reports should be sent to the Group Secretary General by e-mail at corporatesecretary.ethicsalert@sulo.com or by confidential mail. In 2024, a link allowing any supplier or customer to access the system will be available on the website.

2023 Achievements

- 100% of total workforce have committed to abiding the SULO Business Code of Conduct by signing it
- 89% of all relevant workforce have completed the SULO business ethics and anti-corruption training program

II.6 Data Protection

SULO is strongly committed to the responsible use of data, particularly given our access to sensitive municipal information. All personal data – any information that can identify an individual – must be collected, processed, used and stored lawfully and for clearly defined, legitimate purposes. This data should only be retained for as long as necessary and must be securely destroyed in compliance with GDPR regulations once it is no longer needed.

Employees are responsible for maintaining the confidentiality of personal data, promptly reporting any incidents of loss or misuse, and ensuring that data subjects are afforded their legal rights, including access to their data, the ability to correct inaccuracies, and the right to object to certain uses. In addition, any transfer of personal data abroad requires prior approval from the Group Legal Department to ensure compliance with all applicable regulations.

Our Group-wide cybersecurity policy, both preventative and curative, includes:

- Awareness campaigns, cybersecurity and GDPR training
- Description of appropriate behaviour in the internal Code of Conduct
- Compliance audit by an external data protection officer
- Implementation of systematic anomaly and breach detection tools
- Definition of a standard operating procedure in the event of a cyber-attack or data leakage

2023 Achievements

- no incident registered
- 85% of all relevant employees trained on Data Privacy / GDPR (training launched in November 2023)

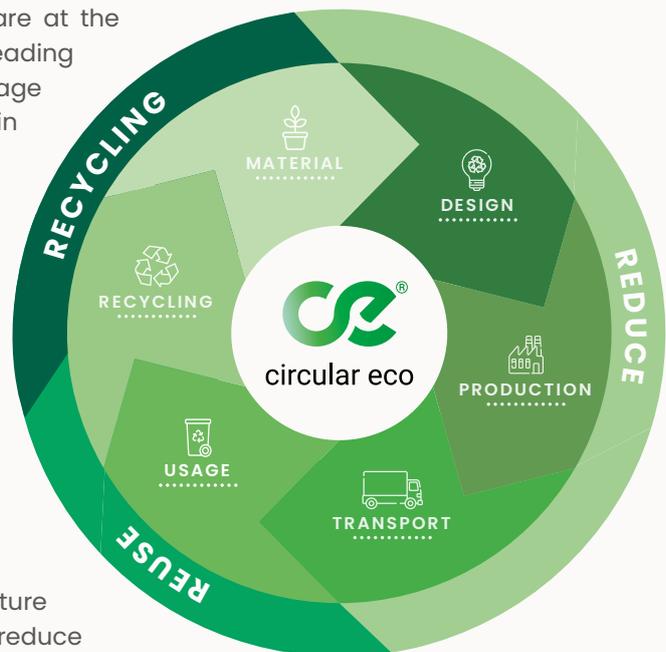
A dedicated Data Privacy / GPDR Group policy is being developed for implementation in 2024.

III. Environmental Performance

At SULO, we provide efficient solutions for communities to increase recycling rates, minimise waste sent to landfill and comply with new EU legislation. We are also committed to sustainability through innovative practices and responsible resource management. Our efforts focus on reducing dependence on fossil fuels, optimising production processes and incorporating recyclable materials into our products. To further streamline our approach and reinforce our commitment, we will submit our emissions reduction roadmap to the Science Based Targets Initiative (SBTi) in 2024.

III.1 Driving Sustainability with the 3Rs

Our commitment to sustainability is a fundamental part of our corporate culture. We are at the forefront of the circular economy, leading the market by incorporating an average of close to 80% of recycled plastic in our bins. Our approach is based on six key areas embedded in the overarching principles of the 3Rs (reduce, reuse, and recycle) through: design, production, transport, usage, recycling, and material. Our goal is to continually minimize the use of resources, extend the life of our products and effectively recycle materials.



We work towards a sustainable future through continuous improvement to reduce the environmental footprint of everything we do.

Design

Our products are designed to be durable, reusable, recyclable and use minimal resources for manufacturing, transportation, and maintenance.

Production

We optimise material flow, use modern injection moulding techniques and recycled material, and reduce both cycle time and energy consumption. For our Molok Domino semi-underground containers we have also developed low carbon concrete wells reducing CO₂ emissions by 50%.

Transport

Our bins are designed to minimize the amount of empty space when stacked, thus optimizing container loading. Underground and semi-underground containers are partly delivered in parts assembled locally. Our products can also be equipped with RFID tags to monitor and optimise collection routes.

Usage

Damaged bins are disassembled, and their parts can be reused or recycled, but first we offer maintenance services for all our product ranges to extend product life. In addition, thanks to digitalisation, products and services can be optimised and waste production reduced through pay-as-you-throw schemes.

Recycling

At the end of our products' life cycle, their components are recycled and returned to the manufacturing process as secondary raw materials.

Material

We recycle both our old products and household plastic waste to produce waste containers that are made from close to 80% recycled plastic.

III.1.1 REDUCE

The concept of reduction is not just an operational guideline for us; it is a fundamental principle embedded in every aspect of our Circular Eco Framework. This includes initiatives such as eco-designing our products, improving recycling efficiency and optimising transport strategies to minimise our environmental impact. In doing so, we aim to reduce the use of virgin plastic, the amount of waste sent to landfill and CO₂ emissions.

Eco design: less is more

Through practical eco-design initiatives, we integrate sustainability into our design and manufacturing processes.

2023 Highlights

- Our 120-litre, 240-litre and 360-litre bins are eco-designed, using around 30% less plastic while maintaining high quality standards. Their shape is also designed to optimise stacking for transportation. This minimises both our material consumption and our carbon footprint.
- Our Molok Domino semi-underground containers are fitted with low-carbon concrete wells. By combining slag from steel production and cement, mixed with a low carbon adhesive that generates less heat, carbon emissions can be reduced by up to 50% (2024 model compared to 2019 reference model).

We also help customers make responsible choices, with our CO₂ Savings Calculator, a product configuration simulator that calculates and compares emissions for each configuration.



Increasing recycling efficiency to reduce raw material consumption and waste sent to incineration

Through innovative processes and technologies we improve material recycling and reduce our environmental impact.

2023 Highlights

- At Langres, the depollution station – unique among plastic injection moulding companies – separates polypropylene from polyethylene. This process allows the production of higher quality recycled plastic, reducing the need for virgin plastic and avoiding the incineration of unusable batches of plastic waste.
- The demetalization line currently being installed in Herford will increase the production of recycled material on site. By becoming less sensitive to the quality of the materials we use, we are broadening our supply base and converting unwanted waste into quality material. In addition, this demetallization process extends the lifespan of our machines by preventing damages from metallic particles mixed with recycled plastic.
- Orwak uses advanced cyclone technology in the hydraulic tank of some presses, reducing the volume of the hydraulic oil tank by more than 80%. This also provides additional benefits in production, logistics and installation.

Transport: reducing the carbon footprint

Over 95% of the recycled plastic used in our European plants is sourced in Europe, drastically reducing transport distances. In addition, our bins are designed to optimise truck space and reduce load volume by up to 50% while our underground and semi-underground containers are delivered in parts to local assembly platforms prior to installation. In the Nordic countries, concrete wells are also produced locally to avoid transportation.

III.1.2 REUSE

At the heart of SULO's commitment to reuse is the durability of products and the reusability of components. Our aim is not only to make products, but also to maintain them by focusing on a lifecycle that adds value time and time again.

100% repairable and reusable products

Our waste containers are designed with removable parts that are interchangeable between models, such as the wheels or the lid. This modularity facilitates efficient maintenance service, a feature we extend to our entire product range, from compactors to different types of containers.

Focus – Second life Programme in France

We have successfully extended the life of our products with our Second Life programme in France. By incentivising maintenance staff to reuse components, we have achieved remarkable results: In 2023 alone, over 82.000 wheels, 29.000 lids, 27.000 wheel axes and 20.000 bodies were reused.

Focus – Cameleon service in France

CAMELEON offers a solution for the replacement of underground voluntary waste deposit containers by reusing existing concrete casings. Designed to meet 80% of the needs of the French market, it fits seamlessly into existing infrastructures, providing a tailor-made solution without major civil engineering works, making the process faster, cheaper and more environmentally friendly.

Focus – SAVN, maintenance services for balers and waste compactors

Our SAVN service specialises in regenerating hydraulic oil in compactors and balers, saving up to 1,000 litres per machine and reducing oil waste and consumption. SAVN operates two maintenance trucks equipped with hydraulic oil re-treatment stations to help our customers make their operations more sustainable and cost effective.

III.1.3 RECYCLE

We are committed to increasing the use of recycled materials in our manufacturing processes. The Langres plant already incorporates an industry-leading average of over 80% recycled material in its production. We are on our way to reaching the global target of 80% we have set ourselves and we have established a 2024 roadmap to encourage our customers choose recycled materials, which includes:

- **The launch of Eco Colours** introduces differentiating colours for waste bins now made from recycled plastic, replacing the traditional colours made from virgin plastic, encouraging customers to switch to recycled materials without compromising on functionality or aesthetics.
- **Training** our sales team to educate customers on the benefits of using recycled plastic bins rather than virgin plastic (light colours).
- **Investing** in even more efficient recycling lines.



In recent years, the Group has invested more than 4M€ to improve our products’ recycling rate and quality:

- **Metroplast:** Thanks to a new grinding, micronizing, and blending line launched at the end of 2023, the plant has achieved 75% recycled material in the manufacturing process for 2023.
- **Langres:** The new state-of-the-art depolluting line installed in 2022, has helped the factory achieve our objective of 80% recycled plastic content in our products.
- **Langres and Herford (2024)** now have metal extraction lines that decontaminate plastic waste to produce high quality recycled plastic, protect moulding machines from damage and prevent low quality plastic waste from going to incineration or landfill.
- **Ribarroja** commissioned a new mixer in the first quarter of 2024, allowing the plant to achieve more efficient recycling formulas. With 62% recycled content in 2023, the goal is to reach 70% and even 100% for certain product families and colours by the end of 2024.

By investing heavily in research and development, we have gained a competitive advantage in the depollution of plastic waste. We are now the most capable company in the industry of converting multi-sourced plastic waste into high quality containers.

Where does our recycled plastic come from?

We use around 38,000 tonnes of recycled plastic each year to make new waste bins which comes from... waste. This helps us source raw materials close to our factories, reducing plastic pollution and CO₂ emissions. The source of the ingredients used to produce our high-quality products can vary depending on their type, colour and where they are manufactured.

On average, a SULO bin will contain:



Disused bins: 20–60%



Household plastic waste: 40–65%



Bottle caps from community services:
0–5%



Industrial and commercial plastic waste:
0–15%

Focus - Citybac®

SULO's eco-designed Citybac® wheeled bin is made from a minimum of 80% recycled material. It is available in 14 different sizes from 80l to 1,100l to meet all needs and improve the collection of multiple waste streams. The lightweight body reduces material consumption while remaining as strong as if made from virgin plastic. It is designed to improve stacking, saving 20% of truck space and reducing the workload on collection staff. The lid and wheels can be removed and reused on another body. New for 2024, the lid can also be made from recycled material in a different colour than the body thanks to Eco-Colours (see below).

Citybac®, the 3Rs in practice

- **Reduce:** Plastic consumption, the need for virgin plastic and CO₂ emissions for transportation
- **Reuse:** Spare parts from damaged bins
- **Recycle:** Plastic waste and old bins



Focus - Eco-Colours

At the beginning of 2024, we launched new eco-colours made from recycled content. These darker colours allow us to use 100% recycled plastic where 100% virgin plastic was previously required. This initiative removes the previous dependency on specific recycled materials and instead allows us to recycle plastic from our own bins (blue, green and brown). In addition, sales

teams are being trained to shift their focus from promoting light colours to promoting grey, which is the most environmentally friendly option, and other dark colours where appropriate. The initiative also aims to eliminate coloured bins and use only coloured lids for differentiation.

Focus - The BAC TO BAC project, circularity in action

The BAC-TO-BAC project is a circular process that creates new bins from old ones. The project was launched in France and the Benelux in September 2022. In 2023, we collected more than **4,300 tonnes** of discarded bins.

The BAC-TO-BAC double loop:

1. Collection of disused HDPE waste bins
2. Dismantling at our service points. Reusable axles, lids and wheels are stored as spare parts for future use (manufacturing or repair).
3. Sanitising and Recycling of the bins (crushing, decontamination, sorting).
4. Manufacture of new bins

Focus - Bottle caps from community services

In an effort to improve plastic recycling while making a positive contribution to social challenges, SULO France has partnered with 18 associations – such as Les Bouchons d'Amour – with collection points in almost all French regions. Their mission is to collect plastic caps to raise funds for people with disabilities and underprivileged children. More than 1,200 tonnes of HDPE can be collected each year.

III.2 Empowering Communities to Improve Waste Sorting

III.2.1 BINS, VOLUNTARY DEPOSIT, AND COMPACTING SERVICES

Our mission is to help citizens and businesses sort and reduce waste volumes through our products and services, including bins, voluntary deposit systems, containers and compacting services, provided to both public and private sectors.

Our products and services:

- **Waste Furniture:** Large volume containers and underground voluntary deposits.
- **Compacting Services:** Our compactors reduce waste volume by an average of 65% and up to 90%, allowing for more waste to be stored, maximising truck loads and reducing transport emissions.
- **Maintenance and cleaning:** Comprehensive cleaning and maintenance services are provided to ensure product longevity and continuity of service.

Our operating model is based on simplicity, availability and efficiency. From product design to maintenance, everything is organised to provide continuous service. Our products make sorting easy and encourage and educate people to contribute. To maintain momentum, we make sure there are no interruptions. In France, for example, the SULO agency network intervenes on average every 4 minutes to ensure that the bins remain in operation.

In 2022, we launched the SULO Academy. This online platform provides guidance on the use of SULO products and general waste management knowledge. The platform offers 69 courses on topics ranging from sustainable bin production to the circular economy. It is accessible to all SULO employees, customers and exclusive partners. In 2023, these courses have been viewed 570 times.

Focus – Molok

In 2023, we strengthened our commitment to sustainable waste management by integrating Molok, a global leader in semi-underground solutions, into the SULO Group. This integration strengthens our voluntary deposit initiatives and expands our distribution networks to geographies where waste sorting is in its early stages. Facilitating waste sorting in communities through smart collection solutions is aligned with our mission to improve the entire waste management ecosystem for the benefit of people, the environment, and the planet.

III.2.2 Complying to the new regulations on organic waste

Organic waste, which includes organic waste from cooking and gardening, is the focus of the European legislation to reduce landfilled waste. This legislation, adopted in 2018, sets targets to reduce household residual waste and increase recycling through composting and biogas production. Member states had until 2023 to transpose the directive into national law.

In France, the AGEC law requires the widespread implementation of source separation for organic waste from 31 December 2023. It also aspires to cover almost a third of the French population with pay-as-you-throw schemes by 2025.

Achieving universal source separation is a major challenge for local authorities and we support them with a comprehensive range of services, including:

- **Home pre-sorting**
- **Door-to-door collection**
- **Voluntary drop-off points**
- **Digital solutions**

III.2.3 Digitalising waste management

SmartSULO is the intelligent digital service that helps turn today's waste into tomorrow's resources. It integrates both software and hardware solutions, enabling municipalities to monitor and optimise their waste collection processes, improve efficiency, reduce environmental impact, and support sustainable practices. Through real-time data insights. It also helps educate waste producers (companies, households) through monitoring of waste disposal practices and enables regulators to monitor waste generation.

The SmartSULO hardware solutions can be installed on bins, containers, and waste collection trucks for identification and data collection purposes to monitor waste collection activities. It is accessible via the SmartSULO application for real-time monitoring, adjustment of waste collection activities and pay-as-you-throw management (see below).

Main functionalities :

- Geolocation
- Bin Identification (RFID)
- Bin Weighing
- Filling level measurement for underground and semi-underground containers
- Navigation
- Access control for UGS and semiUGS and containers shelters
- Pay-as-you-throw

The main benefit is to enable municipalities to make data-driven decisions. For example, access controllers on underground and semi-underground containers record, communicate, and regulate usage, including access authorization, deposit recordings, and access hours, ensuring efficient resource use. The weighing system offers accurate tracking and reporting of waste collected which can be used for educational or pay-as-you-throw schemes, getting municipalities ready to comply with waste management and reduction directives from the EU.

Focus - Pay-as-you-throw

Incentive or pay-as-you-throw pricing is an interesting way to reduce waste at source. This involves linking the amount of tax charged for household waste collection to the amount (volume or weight) of residual waste produced by each household. The main benefits are to

- Raise user awareness of the need to reduce overall waste
- Improve sorting efficiency
- Improve waste recycling
- Reduce the amount of unsorted waste sent to landfill or incineration
- Control costs by improving and optimising waste collection.

Most local authorities that have implemented this approach in France have seen an average 30%¹⁾ reduction in the amount of residual household waste collected, as well as a reduction in the total amount of household waste handled.

Digitalisation key figures (France, Benelux and Germany):

- 1.5 million bins equipped with RFID identification annually in France, BNL, Germany, 12.6 million since 2014.
- Approx 2.000 waste collection vehicles equipped with RFID readers in countries France, BNL and Germany.
- Approx 6.000 voluntary drop-off facilities equipped with digital access control in France and BNL.

¹⁾ SULO France internal study published in June 2023

Focus – Inovim

INOVIM has joined the SULO Group in January 2023. This acquisition is in line with our circular strategy and leverages INOVIM's presence in the Benelux and its specialisation in pay-as-you-throw waste management. INOVIM brings valuable expertise through innovative solutions based on IoT (Internet of Things) technology and advanced data analytics, to improve the efficiency of waste collection management and treatment processes.

INOVIM's services include:

- RFID-enabled bins for identification and weighing
- Voluntary collection containers equipped with ID card readers and weighing systems
- Captors evaluating containers fill rate to optimise collection frequency
- Weighbridges at the entrance to waste collection centres (container parks)

The experience of pay-as-you-throw in both the Benelux and France has shown similar results. It provides educational benefits by showing users the quantity of waste they produce and comparing it with that of similar households.

A secondary benefit is that, in the long term, the frequency of collections can be adjusted to reduce transport emissions. Municipalities in the Benelux that have introduced pay-as-you-throw schemes (mandatory in Belgium) have seen an average 30% reduction in waste after 1-2 years.

III.3 Carbon Emissions

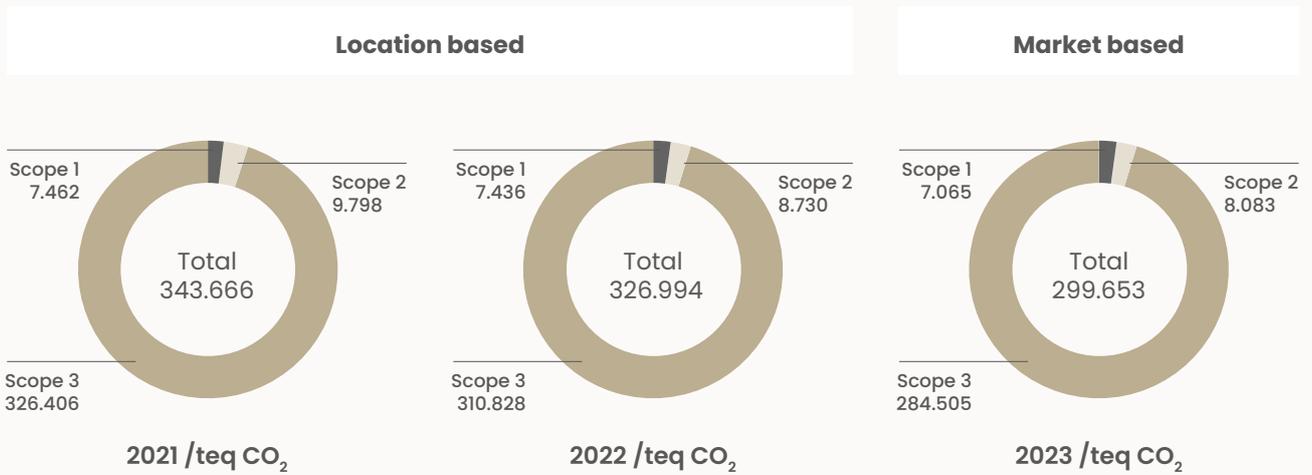
III.3.1 CARBON FOOTPRINT ASSESSMENT

We see reducing our carbon emissions as part of a collective effort to mitigate climate change. A key step in identifying the most effective strategies for reducing our carbon footprint was to calculate our Group Carbon Footprint with the help of a specialist third party consultancy, using the GHG Protocol methodology.

We have been assessing our carbon footprint since 2021 and at the end of 2023, we took an important step by formally committing to the Science Based Targets Initiative (SBTi). This commitment to align our climate targets with the SBTi framework will drive us to develop and submit a carbon reduction roadmap for official SBTi validation in 2024.

Our 2022 emissions have been reassessed as some emission factors were underestimated in previous calculations, mainly HDPE, rHDPE, metal & ocean freight. The emissions for 2023 are presented on an isoperimeter to 2022 basis. Molok and Inovim emissions have been assessed and will be used as the basis for the 2024 emissions assessments.

Our 2021 baseline is reported on a location-based basis (excluding the impact of purchased renewable electricity), whereas the 2023 data is reported on a market-based basis to account for our green electricity contract.



SULO Scope 1: Direct emissions

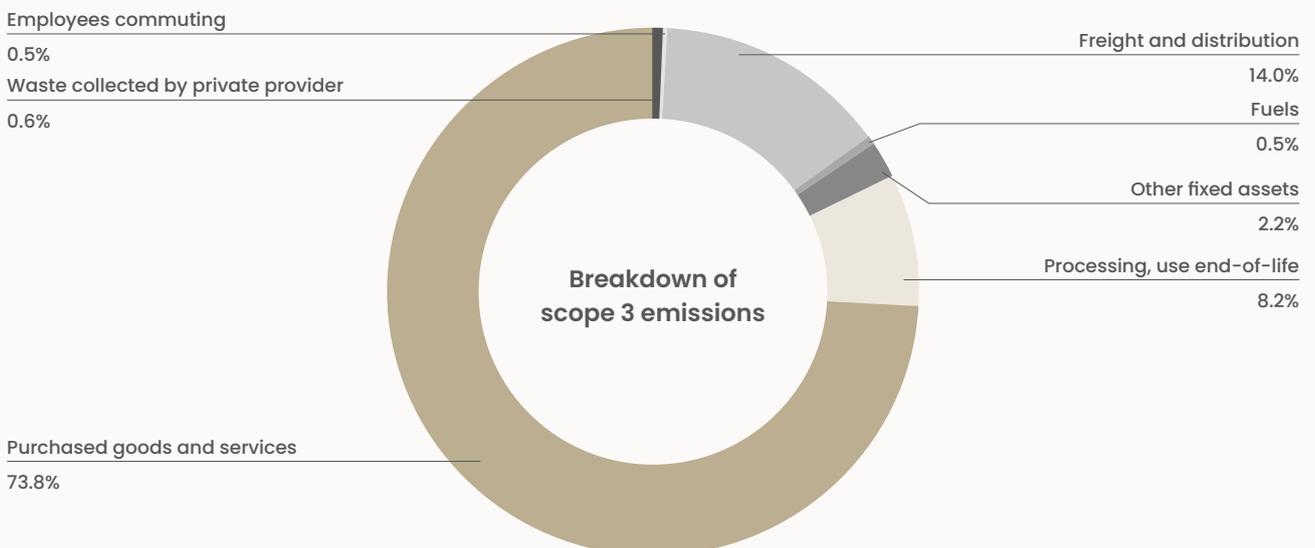
Emissions related to flows concerning activities directly controlled and operated by the company, mainly fuel consumption for maintenance and cleaning tours and transportation for the commercial team.

Scope 2: Indirect emissions related to energy

Emissions related to the purchase and use of electricity, steam, heating, and cooling.

Scope 3: Other indirect emissions

Purchases are our main source of carbon emissions, mainly metal containers, plastics, steel and transport. Between 2022 and 2023, emissions from purchases have been reduced by -8.8%.



2023 achievements

Scope 1 & 2: 15,149 tCO₂eq

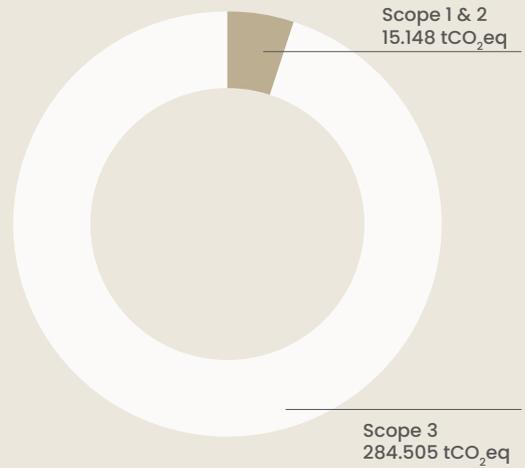
- Target: -5% (vs 2022)
- Achieved: -6.3% through the purchase of Renewable Energy Certificates (REC) as of July 2023

+ 2024 target: -5%

Scope 3: 285,148 tCO₂eq

- Achieved: -8.5% vs 2022

+ 2024 target: -3%



Since 2021, we have achieved a significant reduction in our global carbon footprint: 11.9% for Scope 1 & 2 emissions, bringing us even closer to our target of a 15% reduction by 2025 (on a like-for-like basis, base 2021). In 2024, we will take our understanding of our emissions a step further by establishing regular monitoring and tracking of emissions, as well as local and global targets. Our reduction roadmap will be submitted to the Science Based Targets Initiative (SBTi) in 2024.

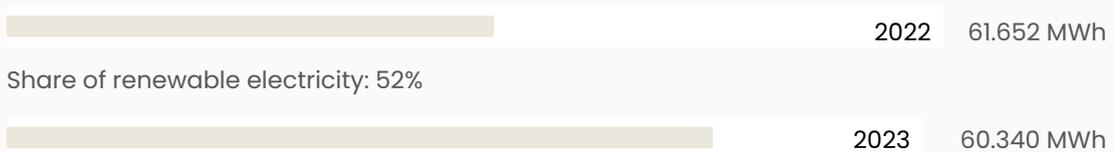
III.3.2 RENEWABLE ELECTRICITY SOURCING

We have purchased sustainable electricity for our service points and plants. As a result, in 2023, our facilities in Langres, Bort-les-Orgues, Herford (since July 2023), Metroplast, Valencia, Sävsjö and Molok, as well as several Service Points in France, Norway, Sweden, and Spain, are 100% powered by renewable electricity.

Renewable electricity



Total group consumption:



Share of renewable electricity: 52%

Share of renewable electricity: 77%

2023: 400K€ spent to increase the share of renewables in our energy mix at group level. Our Spanish Headquarters Offices have moved to Santa Catalina to new offices equipped with solar panels.

III.3.3 TRANSPORT AND DISTRIBUTION

This year was once again dedicated to implementing measures to reduce our carbon emissions from transport and distribution, which account for almost 15% of our total CO₂ emissions.

Optimised routes for compacting maintenance services in France

SAVN, our French compaction after-sales service uses a solution called IRIS live, which allows us to coordinate interventions at customer sites with the nearest available personnel using a geolocation system for workshop trucks.

Localised waste container maintenance programme

Our program focusing on voluntary waste deposit containers maintenance uses a network of more than 30 reliable suppliers, all located within a 500-kilometer radius of the factory. This short circuit strategy helps reduce transport CO₂ emissions.

3-year action plan

- Making plans to purchase more environmentally friendly vehicles
- Optimising truck loading and routes (an Eco-Transit CO₂ calculation tool will be implemented in 2025)
- Specific purchasing agreements with transport companies to minimise CO₂ emissions

Focus - Multilocal assembly for underground and semi-underground waste solutions

In 2023, Metroplast and Molok started to deliver disassembled solutions to service points to save space in delivery trucks and reduce the number of trips needed, thus reducing fuel consumption and CO₂ emissions. In addition, when delivering semi-underground containers to Norway, Metroplast uses a local supplier for the concrete well instead of shipping it from France.

A greener fleet: company cars

We are committed to making our fleet greener.

- In France, we have a fleet of 120 company cars, and 40% of future renewals will be fully electric and we started offering eco-driving training to all our employees.
- In Madrid, service vehicles are fully electric.
- Germany is transitioning to electric vehicles.
- Sweden's fleet is nearly all-electric.

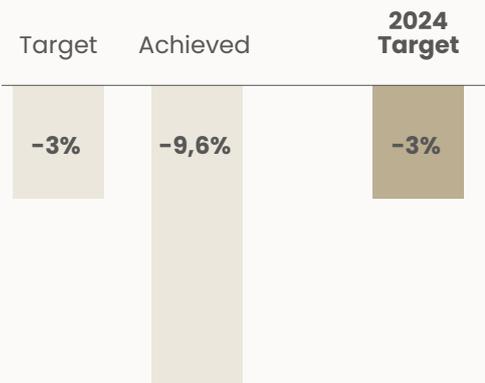
III.4 Waste and Water Management

III.4.1 WATER

We optimize water usage in our production processes and none of our plants are in water-scarce areas.

Our wastewater is treated in closed loops, reused for mold cooling, and for bin cleaning services. We publish quarterly reports and assess local actions to improve wastewater quality and reduce quantity.

Water consumption:



The values for 2023 are compared to 2022 and the target for 2024 is compared to 2023.

III.4.2 WASTE

We are improving the sorting and monitoring of the waste we produce at each site to ensure optimal disposal methods (recycling, reuse, incineration with energy recovery). The 2023 targets were not met due to the opening of the Langres depollution line, but in 2024, we started to recycle the remaining dust from the depollution process. Initial trials indicate a potential waste reduction of up to one third, although this remains to be confirmed.

Waste consumption:



Less than 1% waste sent to landfill in 2023. The values for 2023 are compared to 2022 and the target for 2024 is compared to 2023.

III.4.3 MICROPLASTIC POLLUTION

As part of our ISO 14001 certification, numerous analyses and audits have been carried out at all our factories. However, the prevention of microplastic pollution throughout our value chain remains a critical issue. Three of the six factories using plastic pellets in their production are currently undergoing OCS (Operation Clean Sweep) certification. These efforts need to be extended to all our facilities, with particular attention to our suppliers and recyclers.



Focus - Operation Clean Sweep

The Langres, Bort-les-Orgues and Ribarroja plants participate in Operation Clean Sweep (OCS). This is an international programme aimed at preventing the loss of plastic resin granulate and keeping it out of the marine environment. Although the French sites are not yet certified, they comply with an equivalent national regulation.

Ribarroja has been third-party audited in 2023 with success using the OCS methodology composed of seven steps:

1. Commitment to eliminate pellet losses
2. Identification of the main areas of leakage
3. Definition of the causes of leakage in each zone
4. Implementation of the simplest and most effective solution
5. Increase staff awareness and responsibility
6. Establish a bi-annual internal audit schedule
7. Third party audit

IV. Social performance

At SULO, people are at the heart of our business strategy. We protect their health and safety, nurture their careers and promote wellbeing through diversity, equality and inclusion. We extend these commitments throughout our supply chain, with a firm alignment to the principles of the United Nations Sustainable Development Goals (UN SDGs) and International Labour Organisation (ILO) standards.

2.300 employees

77% employees participated in the engagement survey

8.1/10 for safety

46,400 working hours of training

IV.1 Employee Health and Safety

Safety is strategic for SULO

Safety is managed at the Executive Committee level through the Corporate ESH Steering Committee which meets quarterly. Each meeting is usually followed by a general communication within the Group to share results and key decisions, with the aim of engaging all stakeholders in achieving excellence. A publication called FOCUS SAFETY is specifically dedicated to this communication.



ZERO accidents

ZERO work-related illnesses



Employee involvement is essential to achieving our safety objectives, so we regularly share updates and celebrate milestones. To encourage this involvement, we have implemented a pragmatic safety management system based on visual management to ensure effective communication (see below).

In 2023, our sites continued to define their local action plans, implement visual management and assess their performance through the SAFETY MY PRIORITY programme. Every two months, local safety meetings are organised with managers and employees to share updates on their programmes.

On April 28th, we celebrated World Safety Day across the Group. It was an opportunity to share best practices, raise safety awareness and organise activities related to SULO’s priorities of caring for people and protecting the planet.

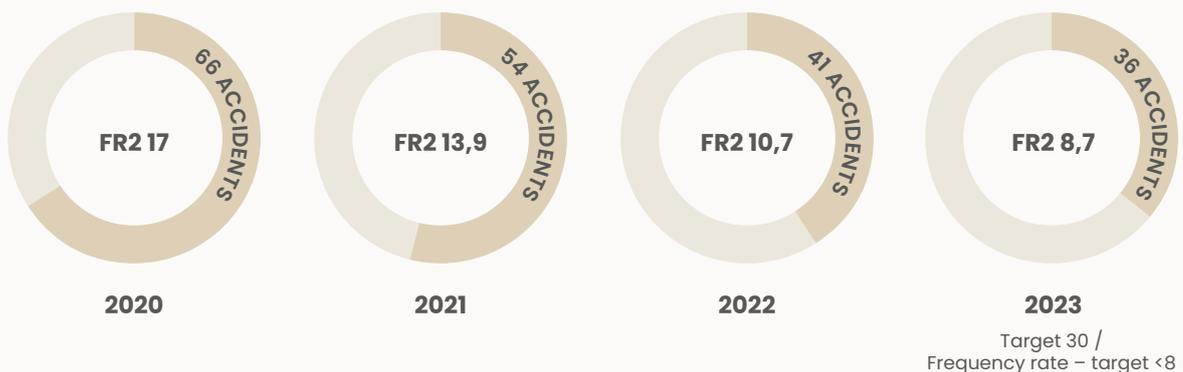


In addition to an ambitious internal safety strategy, SULO is also involved on a wider scale. In 2022, we became a member of the ICSI association, which works to improve corporate safety, promote open public debate and disseminate safety culture to a wide audience.

2023 ACHIEVEMENTS

In 2023, we achieved a 19% reduction in our frequency rate (FR2) compared to 2022. A total of 36 accidents were reported, thoroughly analysed and their causes successfully addressed. Looking ahead, we have set an ambitious target for 2024: a frequency rate of less than 7, which means reducing accidents to less than 30.

Group Frequency Rate 2 and Accidents for Employees and Temporary Workers



2024 OBJECTIVES

- <30 accidents with a FR2 <7
- 3-year action plan to address major risks
- Train all managers to 5 Safety Pillars
- Implement Visual Management System to involve people
- Participation of all employees and temporary workers to EHS actions

IV.2 Well-Being at Work

In May 2023, we conducted an employee satisfaction survey to assess the employee experience. The results show that employees feel positive about their working environment, secure in their roles, empowered to make independent decisions and encouraged to take initiative. They also feel that their contributions are valued, that their work has meaning and that they are well integrated into their teams, reflecting a supportive and motivating workplace.

We conduct this survey every 18 months to identify areas for improvement. We use the feedback to develop strategies to address employees' concerns and improve their wellbeing. What makes our company attractive is our corporate attitude, which prioritises open dialogue and transparent communication to support change in a spirit of mutual respect.

Since 2020, a quarterly internal newsletter, Inside, keeps all team members informed and engaged. It includes updates on key performance indicators, news from the Group and important information on acquisitions, strategy and survey results.

Engagement survey 2023



1.460 people participated



77% of the workforce (+11% vs similar companies, +38% vs LY)



+10% commented their answers



Overall satisfaction: 6.8/10 (stable)

LOCAL ACTIONS FOLLOWING THE ENGAGEMENT SURVEY

FRANCE – Open discussions to drive action

SULO France organised 8 round tables to discuss the areas for improvement identified by the engagement survey. More than 30% of the whole workforce attended, representing all sites, activities and job levels. More than 250 verbatims were collected to feed the action.

BENELUX – Employer branding

SULO Benelux is working on its employer brand and has implemented the SULO Academy on the Employee Self Service (ESS) system, where employees can find the talent review process, the onboarding process and upload their own e-learning modules.

GERMANY – Good health and good spirits

Recognising the importance of physical and mental wellbeing, SULO Germany offers employees sports activities at preferential rates with sportnavi.de (on-site and online sports classes) and access to an Employee Assistance Program (EAP) for short-term counselling or therapy support.

SPAIN – Shadowing for a better understanding

The Work Exchange program enables employees or teams to spend a few hours experiencing each other's daily work. This immersive exchange offers insights into different departments' operations, challenges, and priorities, enhancing cooperation and collaboration across the organization.

SWEDEN – An App to monitor employee wellbeing in Sweden

Orwak AB in Sweden monitors employee wellbeing through the Winningtemp App, which anonymously collects voluntary weekly or daily feedback on 30 different topics such as teamwork or the working environment with a 70% participation rate. Questions are dynamically generated based on previous responses and categorized by department for a comprehensive 'temperature check'.

Focus – Promoting Group-wide social dialogue

A European Works Council (EWC) was established in December 2023, demonstrating the Group’s commitment to improving social dialogue and labour relations. This new level of social dialogue guarantees direct communication between employee representatives at Group level and management bodies, as well as the effective participation of employee representatives on key transnational issues such as strategy, safety, inclusion, and employee experience, and more generally on all ESG topics.

Composition: 15 representatives and 15 substitutes (at least one representative per country, appointed according to national regulations).

Objectives:

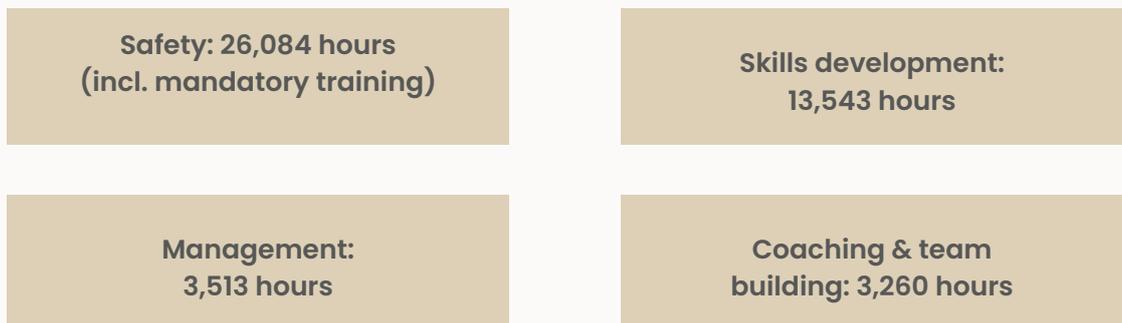
- Receive information on the company’s global strategy
- Be consulted on transnational issues with a significant impact
- Contribute to the Group’s strategy and ESG policy

The flexible framework of European law allows for the sustenance of social dialogue at the European level while respecting employee representation bodies at the local level, such as local and central works councils existing under local regulations in each country.

IV.3 Talent Management

We are committed to helping our people develop their careers and enhance their employability. Our training policy is designed to help everyone find their place and grow. This starts with the induction of new employees, which is organised at a local level and focuses on providing essential information on health and safety, ethics, and compliance, as well as an overview of the company’s activities and values. We also conduct annual reviews to identify training needs and define an employee development programme, primarily through our online training platform.

In 2023, 46,400 working hours of training sessions were provided and 72% of the workforce was trained.



In an effort to make training accessible and dynamic, each entity is currently implementing an online training platform to best meet the specific needs of its employees for soft and hard skills courses. This flexible approach, which reflects our decentralised organisation, is more responsive to employee needs and brings resources to areas where training is not otherwise available, or to structures without an HR function where training plans are difficult to implement.

In 2023, we digitalised the annual performance review for a large portion of employees to simplify the collection and monitoring of employee training requests and to improve training planning.

To ensure our global HSE framework and core values are shared and adhered to by all employees, local training programmes incorporate the Group's HSE management system and any necessary training for regulatory compliance.

Focus – Climate Fresk

In 2022, 17 SULO employees from several countries were trained to become Climate Fresk internal facilitators. In 2023, 1100 employees participated to workshops on climate change and the environmental footprint of human activities during the World Safety Day event.

IV.4 Diversity, Equality and Inclusion

At SULO we prohibit any discrimination based on gender, age, lifestyle, actual or perceived membership in a particular ethnic group or nation, health status, disability, religion, political opinion or trade union activity. Ethics, human rights, and the fight against all forms of discrimination are values that apply to our own activities and those of our subcontractors and are set out in our Code of Conduct, to which every employee is committed, and our Supplier Code of Conduct, to which our partners must commit.

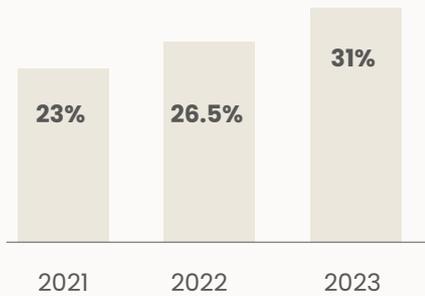
In 2024, we also plan to:

- Train all managers in France for DE&I (Diversity, Equality & Inclusion)
- Write a DE&I charter that every manager will have to sign

Gender equality

To comply with the French law of September 5th, 2018 on the elimination of the gender pay gap, SULO France has improved gender parity, achieving a score of 90/100 in the 2023 Gender Equality Index. In addition, women are considered for management positions, with more than 30% of management positions in France, Belgium, the UK, the Metroplast plant in France and the Orwak plant in Sweden.

Leadership positions filled with women



Target 2023: 30% women on Group management committees, achieved 31%.

Target 2024: At least 50% of replacements and new members of Management Committees are women

Employees with disabilities

SULO promotes initiatives to develop a welcoming and caring approach towards disability. This includes internal efforts, such as promoting the employment of individuals with disabilities, as well as external efforts in the local communities where we operate. We encourage the procurement of services from the protected sector to support the employment of people with disabilities.

Group Spending:

- 2022: 570K€
- 2023: 743K€
- Objective 2024: +20%

Total number of employees with reported disabilities



December 2023: 55 people



December 2024 objective: +10%

Focus – DE&I in France

SULO France works with associations that employ people with disabilities or people far from employment:

- The Jacques Chirac Foundation employs 10 people with disabilities that are detached to our Bort-Les-Orgues plant to pack wheels for our bins.
- Subcontracting to prison workshops

In addition, SULO France aims to create a disability-friendly culture that makes it easier to recruit people with disabilities and encourages employees to report a disability if they have one so that we can adapt their workplace.

Focus: Working with prison inmates



SULO France outsources the entire production of wooden composters to prison workshops, which produce over 30,000 composters a year. It benefits from the PePs label, the first and only programme that guarantees responsible and inclusive manufacturing conditions for products and services produced in prisons. This certification ensures that inmates are properly paid and trained and that labour laws are respected. SULO France is proud to be one of only 8 companies to hold this label.

Focus – DE&I in Spain

SULO Iberica has a committed HR policy to diversity and inclusion. While local legislation requires a threshold of 2% of the workforce with a disability, SULO Ibérica's target is 3.9% of the workforce. In addition, the "SULO with you" programme was launched in October 2023, which aims to purchase services from organisations employing people with disabilities, people far from employment and underprivileged youth.

SULO Iberica's targets for 2024:

- 3.9% employees with disabilities
- +8% budget for service providers employing people with disabilities
- Sign a Diversity Charter to promote the principles of equality, diversity and inclusion in St Catalina facilities.

IV.5 Sustainable Supply Chain

We promote social and environmental responsibility throughout our operations and actively engage our suppliers, service providers and subcontractors in these initiatives. Our commitment to the Science-Based Targets (SBTi) initiative drives us to set ambitious and measurable Scope 3 carbon emission reduction targets. At the same time, our pursuit of EcoVadis assessment guides our continuous improvement of ESG practices, ensuring that we maintain exemplary standards throughout our value chain. These commitments have led to the development of our new Sustainable Procurement Policy, which will ensure that our supply chain meets rigorous environmental and social responsibility standards.

Purchasing @ SULO

Purchasing meets the needs of the Group's industrial, service and distribution activities. They fall into five main categories:

- Production (raw materials, energy, components, etc.)
- Equipment (machinery, civil engineering, etc.)
- Logistics
- Trade
- Services (human resources, IT, environment, health and safety, marketing, communication, finance, audit, etc.).

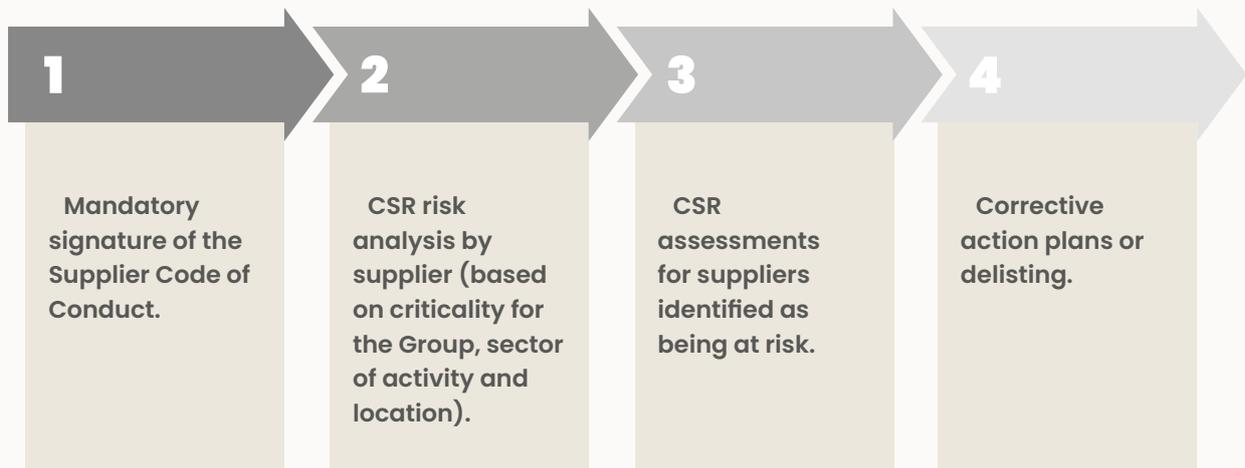
The supply chain for industrial sites is mostly local with less than 4% of production purchases made outside Europe. More than 7,000 companies supply the Group's sites, with 500 accounting for over 80% of the Group's purchases.

Purchasing policy

The SULO Group's purchasing policy favours the establishment of medium- and long-term contracts and partnerships with suppliers. In addition, at a time when supply chains are becoming more complex and risks are increasing, we saw the need to strengthen our sustainable purchasing process to include key CSR standards:

- Regulatory compliance
- Integrity and business ethics
- Human rights and working conditions
- Health and safety protection
- Environmental protection
- Key principles of the Global Compact

In 2023, a formalized purchasing process has been developed to increase transparency on the CSR performance of our suppliers in a dynamic of continuous improvement. It comprises four main stages:



2024 Objectives

- Initiate a CSR risk analysis for all suppliers with annual sales >€100,000
- Assess the CSR performance of more than 90% of suppliers identified as at risk
- Map our suppliers' ISO certifications

Based on the results of these assessments, the Purchasing department will define a corrective action plan with suppliers. In case of non-compliance with the action plan within a defined implementation period, a supplier delisting policy may be applied, under which the supplier will no longer have access to the Group's tenders.

We also train our purchasers to support the sustainable purchasing process. They follow a course certified by the CPD Certification Service, the world's leading certification body for continuing professional development, which includes a special focus on the environment and labour, social and ethical practices.

Methodology

Reporting period : The analysis covers the 2023 financial year, i.e., January 1, 2023, to December 31, 2023

Methodology

This CSR report has been prepared with care and honesty, adhering to principles of transparency and accountability. We employed a methodical approach to assess and report on our economic, environmental, and social performance. All data presented was collected from various departments and entities within the company, verified, and consolidated to ensure the accuracy of the information.

Our approach is based on internationally recognized standards, including the Sustainable Development Goals (SDGs) and the Global Reporting Initiative (GRI) guidelines, to ensure consistency and comparability of results. In addition, we have proactively considered the requirements of the upcoming Corporate Sustainability Reporting Directive (CSRD) to ensure future compliance.

We have also been transparent in presenting both the challenges and the progress made, avoiding any exaggeration or understatement of impacts. Therefore, this report provides an honest assessment of our actions, the risks we face, and the opportunities we are embracing to contribute to more sustainable development.

Perimeter

This report covers SULO's worldwide plants and offices located in the following countries: Austria, Belgium, Chile, Denmark, France, Finland, 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.



