



## **CNIM GROUP (CNIM)**

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Nanterre Trade & Companies Register no. 662 043 595

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(the “Company”)

# **Declaration of non-financial performance Or Corporate Social Responsibility Report**

# **2020**

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## Introduction

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Since 2012, the CNIM Group has published, in addition to its management reports, a corporate social responsibility (CSR) report or declaration of non-financial performance, which aims to set out information on the way in which deals with the social and environmental consequences of its activities.

A significant proportion of CNIM's activities and its future development are founded on its capacity for innovation in environmental matters: producing energy from waste or biomass, improving energy efficiency at its industrial facilities, cutting emissions of pollutants into the air and producing renewable energy. In these activities, the Group's current and future commercial success is therefore directly linked to the challenges of sustainable development and CSR.

With its strong commitment to health, safety and the environment, the Group is mobilizing all its staff and making them aware of their responsibilities in the face of these major challenges, using corporate social responsibility as a means of adding momentum to its progress. By implementing a pro-active CSR initiative, CNIM aims to pursue its economic development, ensuring that balanced and sustainable relationships are maintained with all its partners and stakeholders.

### **CNIM's CSR performance recognized by Gaïa-Index**

For the sixth year in succession, CNIM is among the top 70 companies monitored by Gaïa-Index, the Ethifinance subsidiary that specializes in analyzing and rating CSR performance for European SMEs and mid-sized companies. Based on the 2019 financial year, CNIM was given an overall score in 2020 of 85/100 compared with 81/100 in 2019, and improved its ranking in the midcap category to:

- 10th out of 230 in the general classification, compared with 20th in 2019,
- 8th out of 81 for companies with revenue in excess of €500m, compared with 17th in 2019,
- 2nd in the industrial sector.

The CNIM Group is committed to making continuous improvements, as shown by the Gaïa Rating results in 2020. This performance is proof of the commitment of our management and staff to the sustainable development of the Group's activities with all our stakeholders: customers, current and future employees, banks, investors, suppliers and administrative bodies.

Ethifinance's annual Gaïa Rating scores evaluate the ESG (Environmental, Social and Governance) performances of European SMEs and midcaps with such scores being used by financial operators as part of their investment decisions. Over 500 small-cap and mid-cap companies were assessed in 2020. The data collected is used to score the transparency and performance level of the companies concerned, with the top 70 performers making up the Gaïa Index.

## 1.1 Business Model

See Chapter 1.3 of this document for a presentation of the CNIM business model and a map of CNIM Group stakeholders.

### 1.1.1 Partners

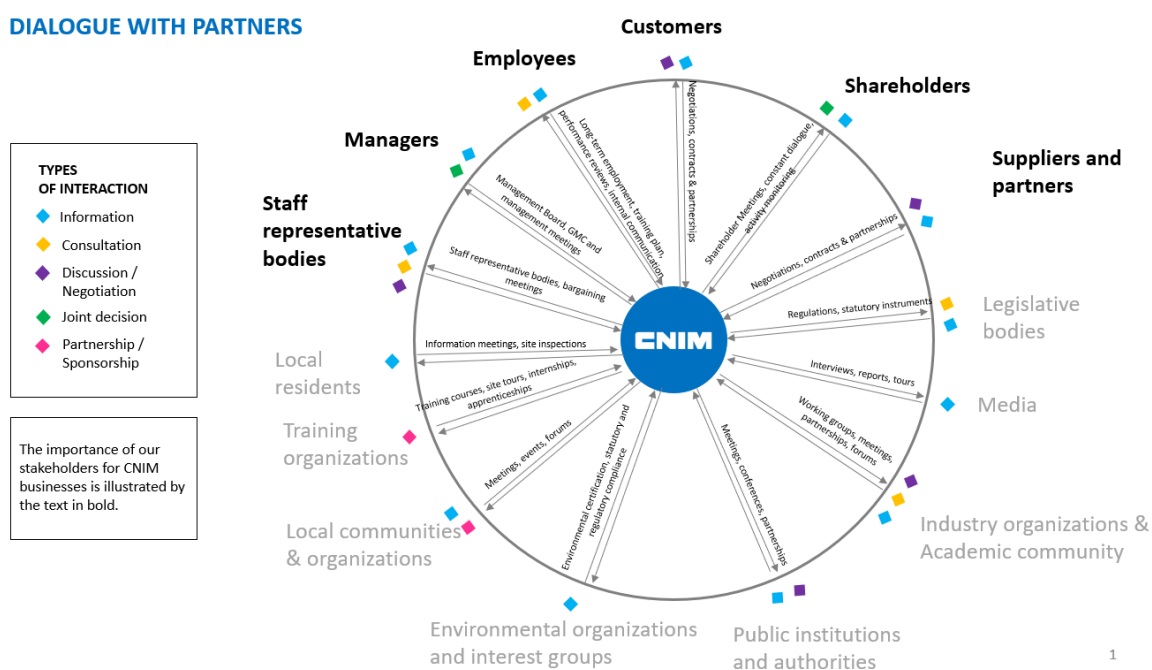
The CNIM Group first produced a map of its partners in 2013.

This map:

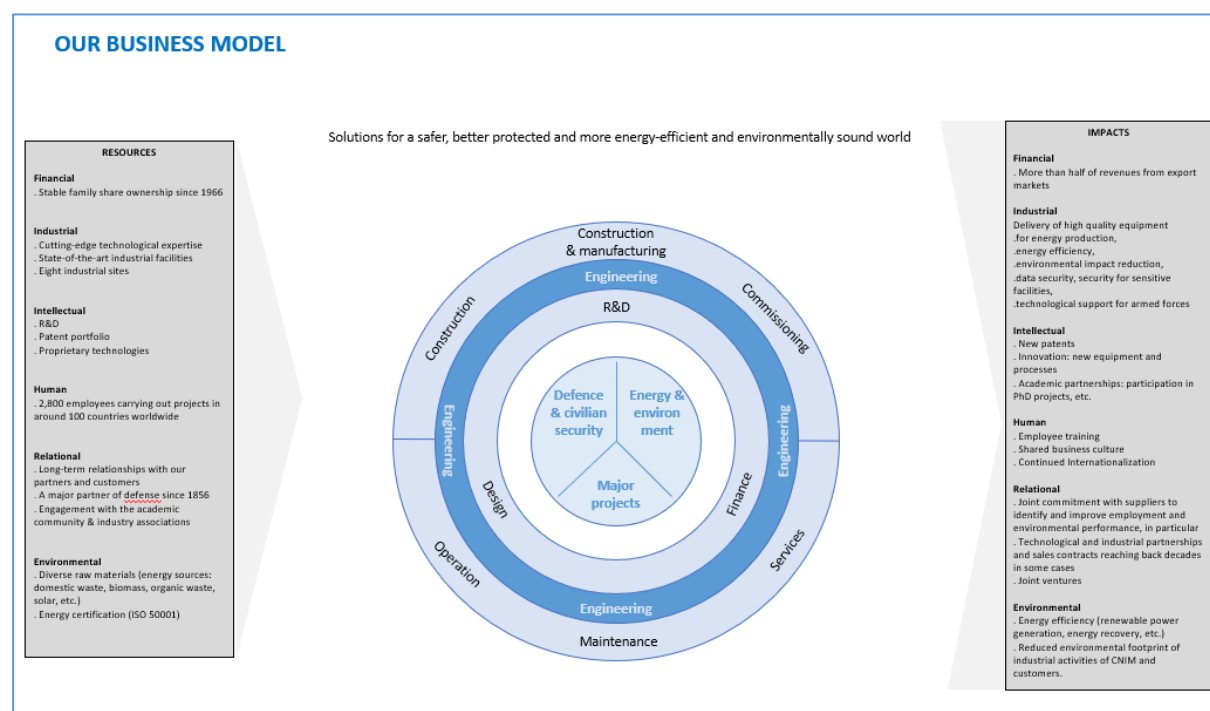
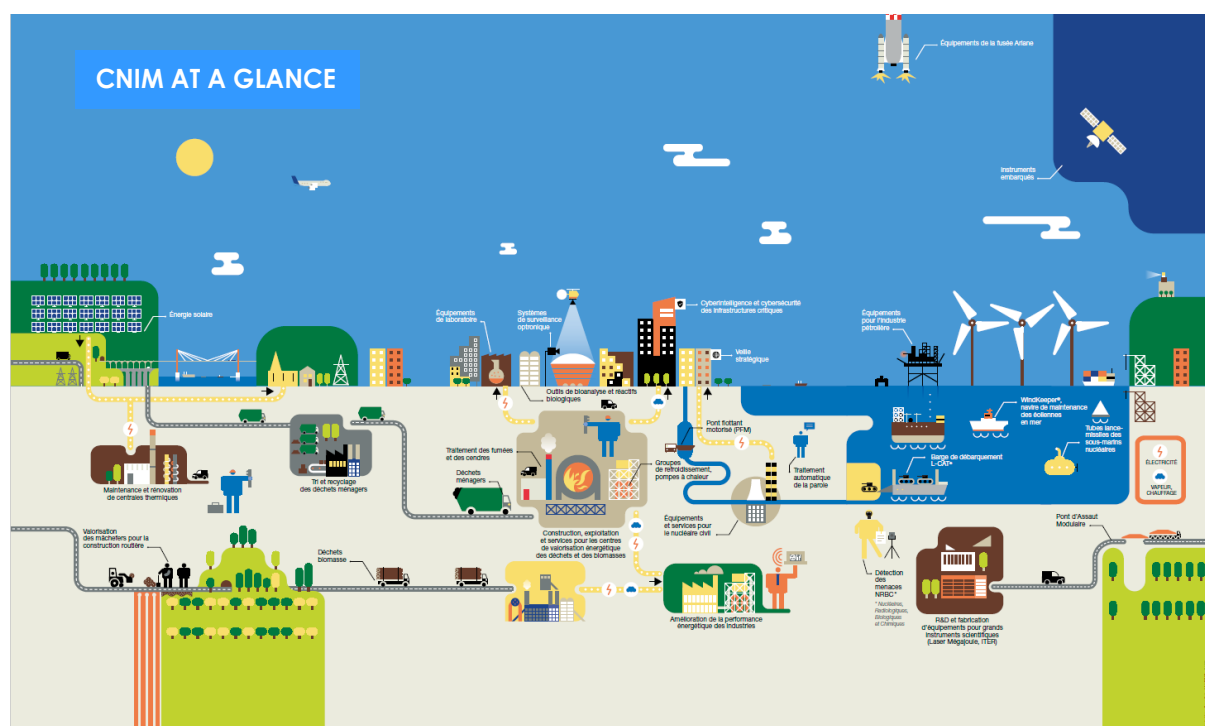
- shows all stakeholders with which CNIM interacts in the course of its activities,
- identifies the extent and forms of dialogue with each partner, as well as the related mutual expectations.

The CSR Manager is responsible for producing this map, which is then subject to internal approval via the CSR reporting framework.

#### DIALOGUE WITH PARTNERS



## 1.1.2 Our business model



Founded in 1856, CNIM is a French global industrial equipment manufacturer and supplier.

The Group supplies products and services to major public and private sector organizations, local authorities and national governments in the Environment, Energy, Defence, and high technology markets.

Technological innovation is at the heart of the equipment and services designed and produced by the Group. They contribute to the production of cleaner and more competitive energy, to limiting the environmental impacts of industrial activities, to making sensitive facilities and infrastructures safer and protecting individuals and nation states.

The Group is listed on the Euronext exchange in Paris. It relies on a stable family-based majority shareholding structure committed to its development.

## Trends and principal factors that may have an impact on developments to the Group's commercial environment.

Several major trends are crossing borders and having an impact on companies, including geopolitical changes, technological revolutions and changing mindsets.

CNIM has acted on several of these trends, which provide structure to its development strategy.

- **Heightened awareness of the need to limit the environmental impact of business activities:**

People the world over have become gripped by environmental issues and are now putting pressure on States and companies to accelerate environmental transition. The need to optimize the energy performance of facilities while, at the same time, reducing their environmental impact is no longer a matter of debate.

Through its innovations in the production of renewable energy, waste recovery, flue gas treatment, energy recovery and the control of industrial risks, CNIM is meeting these challenges, by helping to limit the environmental impact of human and industrial activities.

- **Growing energy needs:**

With 8.3 billion people worldwide in 2030 and growing energy needs, the construction of the tomorrow's energy industry is one of the great challenges of the future.

CNIM is meeting this challenge by offering a comprehensive service involving the design and manufacture of equipment and the provision of services for all types of energy - fossil fuel, nuclear or renewable. The expertise developed by the Group includes waste sorting and processing, the recovery of unavoidable energy, contributing to major energy-related scientific research programmes and developing equipment for decarbonizing the shipping industry, and it continually aims to improve energy efficiency and optimize resources.

- **An unstable world faced with growing threats:**

Globalization and digitization require States and companies to rethink their approach to security.

CNIM is providing a solution to the physical and digital security issues faced by States, local authorities, citizens and critically important stakeholders, companies and institutions. This involves ensuring people's security, as part of a stable society, by preserving infrastructure and protecting exchanges.

To meet these major challenges, CNIM has significant research and development expertise together with market-leading industrial capabilities. Innovation and the solidity of its industrial projects are at the heart of the solutions offered by CNIM to its clients. Its historic expertise (thermal and mechanical engineering, expertise as a lead contractor) and its mastery of new technologies make CNIM a preferred partner of international energy and environment, defence and security operators.

## 1.1.3 Our Values

CNIM's core values are excellence, creativity, commitment and trust. They are based on respect for individuals, the law and the internal rules in force within the Company.

<b>Excellence:</b>	<ul style="list-style-type: none"> <li>- of our professional skills and expertise;</li> <li>- of our industrial tools;</li> <li>- of our collective achievements and services.</li> </ul>
<b>Creativity:</b>	<ul style="list-style-type: none"> <li>- of our solutions to anticipate and meet the expectations of our customers;</li> <li>- of our teams to put forward powerful and competitive solutions.</li> </ul>
<b>Commitment:</b>	<ul style="list-style-type: none"> <li>- to Group shareholders over the long term;</li> <li>- to our customers, by offering them quality, flexibility and performance;</li> <li>- to our partners, by developing balanced and lasting relationships;</li> <li>- to our employees, by helping them to achieve their ambitions.</li> </ul>
<b>Confidence:</b>	<ul style="list-style-type: none"> <li>- to consolidate our relationships with our employees;</li> <li>- to underpin our customer relations;</li> <li>- at the heart of our activities to achieve greater success with responsibility and enthusiasm.</li> </ul>

## 1.2 Principal risks and opportunities

For a description of the main risks and opportunities associated with the business activities of all the companies included in CNIM SA's consolidated financial statements, please see Chapter 2.7 of this document.

### 1.2.1 Overall risk management strategy

The overall risk management strategy is based on a process for (1) identifying, (2) assessing and (3) ranking the group's major risks.

1. Risks are identified based on individual interviews with members of the Group's Executive Committee. A risk sheet is produced for each identified risk, describing:
  - the risk;
  - the root cause(s);
  - the existing management provisions;
  - the principal vulnerabilities/areas for improvement;
  - feedback;
  - a risk materialization scenario or scenarios.

2. Risk assessment:

The gross risk takes account of both the following factors:

- the financial and/or human and/or reputational impacts;
- the probability of occurrence within 5 years;

The net risk takes account of the gross risk plus the effectiveness of the existing risk control system.

Once the net risks have been identified, those for which significant areas for improvement have been identified result in actions coordinated by a member of the Executive Committee. Where the area for improvement is more limited, the risk remains under review, but the action plan is monitored not by the Executive Committee but by the operational or functional managers.

For each criterion, a risk scale appropriate to the Group was defined by the Executive Committee in order to identify which risks are liable to have a significant financial, human or reputational impact.

3. Ranking:

On completion of the assessment process, only high (significant or material) critical (in terms of seriousness and occurrence) risks and/or risks for which the risk control system is the subject of a material improvement plan are categorized as priority major risks.

Each of these risks is the subject of an action plan monitored by a member of the Group's Executive Committee, responsible for:

- define and supervise the action plan;
- define and monitor related risk and performance indicators;
- appoint (a) dedicated coordinator(s) to manage these actions.

These action plans aim to reduce risks to within acceptable limits by eliminating, mitigating, transferring or accepting them.


Using this methodology, the Group determined the principal risk factors to which it was exposed, and implemented the associated action plans.

As part of the periodic update, the Group's risk mapping was updated in 2019 and 2020 using the approach described above. It will be updated again in 2021.

The priority major risks that were revealed by this process are set out in the following table:

Risk	Category	Description/ Example of scenario	Existing management measures	Areas for improvement	Measures implemented in 2020	Change in the risk assessment 2020/2017*
<b>Risk of inefficiency in the process for project implementation</b>	Operational	Defective process for monitoring project implementation that may lead to deviations that are detected late (delay, non-compliance, non-performance, breaches by subcontractors) in one or more projects, exposing CNIM to increased costs and penalties.	The project organization and the monitoring and auditing process put in place serve to identify and mitigate these risks at both monthly and quarterly reviews attended by the Project Lead/Manager and the relevant operational Departments.	CNIM proposes strengthening the resources allocated to the project management process, reinforcing schedules and contract management, with a surveillance plan to ensure that instructions are followed.	Action plans are being implemented in the following areas: - project management; - schedules (comprising periodic reviews of projects with progress indicators); - contract management (strengthening of human resources and day-to-day support for operational employees in managing contractual relationships); - quality (document management tool, standardization of documents)	■ ■ ■
<b>Risk of inefficiency in analyzing projects at the bid stage</b>	Operational	Defective process for selecting and managing projects at the bid stage, which may lead to significantly increased costs on one or more major projects, owing to the risk of: penalties, make good costs, contract termination or the impact on the Group's reputation or financial situation.	The bid review procedure in place reviews the commercial, technical, contractual and financial (costs and margin) risks.	CNIM proposes strengthening the bid management process (including increasing the selectivity and analysis of technical, completion, financial and legal risks).	Implementation of an extensive and revamped process on analyzing bids, based on a risk matrix. Decisions (go/no go, bid/no bid) made at Commitment Committee meetings at division and group level	■ ■ ■
<b>Risk of default of a key co-contractor or sub-contractor</b>	Operational	Risk of a key co-contractor or sub-contractor defaulting during execution of one of more major contracts, involving significant contractual commitments in terms of timeframe and/or performance.	CNIM performs a risk analysis during the process of selecting partners, sub-contractors and suppliers, the results of which may lead to: - a refusal to contract; - a request for the third party concerned to provide bank guarantees or parent-company guarantees; - an adjustment of the payment terms in line with the risks borne.	CNIM proposes strengthening its monitoring of the financial situation (due diligence then periodic monitoring), technical situation (monitoring of performance) and contractual situation (contract management). CNIM also proposes expanding its panel of key partners, factoring in their financial standing.	Action plans in the process of being implemented by the procurement departments (particularly in relation to selection, management, quality and monitoring of subcontractors and equipment suppliers and/or critical services) and the financial departments (requirements in relation to security, monitoring financial positions)	■ ■ ■
<b>Risk of industrial accidents</b>	Operational	Serious fire at La Seyne-sur-Mer causing the site to be unusable for an extended period.	On-site audits are carried out periodically at the La Seyne-sur-Mer sites with insurers and a specialist company to analyze and prevent the risk of fire. Their recommendations are taken into account by CNIM.	Based on the audits and complementary internal risk analysis, CNIM will draw up a crisis management plan and a business continuity plan for the industrial sites	Business Continuity Plan defined based on a key production plant for a product undergoing rapid development	➤



				in La Seyne-sur-Mer.		
Risk	Category	Description/ Example of scenario	Existing management measures	Areas for improvement	Measures implemented in 2020	Change in the risk assessment 2020/2017*
<b>Liquidity risk</b>	Finance	Risk of being unable to cope with a significant rise in WCR for E&E EPC	Four times a year, the Group, at the level of Group Executive Management, carries out a review of the consolidated profit/cash flow forecasts for the “year in progress and the following year”, based, for the E&E EPC division, on a detailed monthly contract-by-contract analysis of forecast inflows at each contractual billing milestone and forecast outflows and, for all Divisions, forecast cash flows including EBITDA analyses, working capital requirements and investments. Financing requirements are deducted from this Group cash flow forecast. The sizeable loss recognized in 2019 has led to the implementation of a financial restructuring plan described in paragraph 2.11 that seeks, in time, to rebuild the Group’s financial capacity.	Significant operational measures have been put in place to reduce the Group’s “Civil Engineering” risk under E&E EPC contracts, including strengthening dedicated structures and redefining the industrial structure. The assessment - particularly at the “bid” stage - of the cash curve under contracts is the subject of particular attention.		Categorized as a major risk in the 2020 risk mapping.
<b>Defective crisis management</b>	Strategic	Defective management of a crisis affecting business continuity potentially causing long-term damage to the Group’s reputation. Operational crisis (industrial accident, environmental damage, malfunction on a key project, cyber attack, etc.) Financial crisis (defective communication, etc.).	CNIM has put in place: - an internal network of communication and marketing officers, which has been in place for a number of years; - a multi-year contract with a major media relations agency; - a media and social network monitoring tool.	CNIM proposes to continue with the crisis management and communication system, including for financial communications.	Implementation of the crisis cell, in particular for COVID-19 health and safety issues.	

\*Change in the risk assessment 2020/2017: increase, decrease, or no change in the risk assessment in the 2020 risk mapping compared with the positioning of that risk in the 2017 risk mapping.

The risk mapping will be updated in 2021 to take account of the effects of COVID-19.

GIR 102-30.

**2020 highlight: Group HSE risk mapping**

Health, Safety and Environment (HSE) risk mapping was defined and drawn up in 2020 based on the major risks observed in all activities. All HSE managers of the CNIM Group's direct subsidiaries contributed to the risk mapping, with the support of the Group HSE coordinator and the Risk Management department.

It was produced using the group's approach to risk mapping described above and takes account of the various workstreams and actions carried out by HSE Managers, both individually and collectively. Analysis of accidents and near accidents, the implementation of preventive actions and HSE audits are all good practices that can be used in risk characterization.

All HSE Managers at the subsidiaries were involved in assessing risks based on information collected previously at regular HSE meetings, with the participation of the Group HSE Manager, then via individual interviews.

High-priority risks, in terms of their seriousness and the likelihood of human risks materializing, were identified based on the Group risk mapping criteria.

Detailed analysis was then carried out and the data was consolidated. At a review meeting attended by all the aforementioned persons, this data allowed the risks to be prioritized, taking into account the existing level of proficiency and the capacity for making improvements.

This HSE risk mapping, approved by the Executive Committee, resulted in the following HSE high-priority risks:

- Fire;
- Falls from height;
- Lockout;
- Driving and traffic;
- Trips;

One of the first actions will be to introduce a communication plan in the first quarter of 2021 entitled "CNIM CARES", that will cover the major areas of vigilance relating to Health, Safety and the Environment. The campaign will be rolled out using the various communication systems currently in use, through digital channels and posters. It will also contain measures that seek to raise the awareness of operational teams, through regular reminders of the good practices that they endorse.

**Impact of the COVID-19 pandemic**

A number of steps were taken at CNIM Group level in response to the COVID-19 pandemic with a view to promoting business continuity:

- Crisis management meetings at various levels (Executive Committee, Management Committee, HSE, HR, etc.) as often as necessary;
- The establishment, implementation and monitoring of specific Business Continuity Plans by HSE Managers and Operational Managers;
- The provision of information to and consultation of the employee representative bodies relating to the strategies implemented, the entry into specific company agreements on adapting working arrangements;
- Drafting and dissemination of internal guidelines on wearing individual protective equipment, the use of remote working, travel restrictions and moving around the Group's sites;
- Procurement by the group of individual protective equipment for employees required to work on site;
- Communication, signage and markings at the Group's sites on compliance with protective measures;
- Tracing positive cases and clusters, in order to identify contacts in the Group and recommend appropriate isolation measures, in line with the local guidelines and regulations of Regional Health Agencies.
- Strengthening and shared monitoring of regulatory changes in order to comply with government measures introduced in the different countries in which the Group operates;
- Analysis of contractual clauses and notification of legal consequences and contractual discussions with clients.

Before the outbreak of the pandemic, a number of Group companies had negotiated and put in place company agreements on remote working. The Information Systems Department had therefore put in place the necessary infrastructure in terms of secure equipment and software. When a number of countries introduced strict lockdown measures in order to slow down the spread of the pandemic, the Information Systems Department was able, in the space of a few days, to provide secure equipment and software to hundreds of Group employees so that the greatest possible number could continue their work from home.

The Group's long-standing culture of prevention in relation to health and safety issues, the mobilization of the network of HSE Managers and the Information Systems Department, and the management measures implemented by all managerial staff at the various Group levels, helped to mitigate this major gross risk.

The net risk associated with the COVID-19 pandemic essentially involved delays to a number of contracts, which were unavoidable due to employees who needed to be on site or who were unable to work remotely being absent as a result of contracting the illness or being forced to isolate. Certain delays were attributable to suppliers and subcontractors, whose operations were similarly affected.

## 1.2.2 The certification of risk management systems, a risk mitigation tool

The CNIM Group companies have implemented quality, health & safety, environmental and energy management systems, which play a valuable role in controlling financial and non-financial risks. The table below lists Group companies' certifications in these areas.

	COMPANIES	SUBSIDIARIES <i>Business Units</i>	SITES/ACTIVITIES	CERTIFICATES					
				QUALITY	HEALTH & SAFETY			ENVIRONMENT	
				ISO 9001	OHSAS 18001	ISO 45001	MASE	Other	ISO 14001 ISO 50001
CNIM GROUP E&E SECTOR	CNIM E&E EPC	CNIM E&E EPC	Paris, La Seyne sur mer	o		o			o
		CNIM PRIVATE CONSTRUCTION MNC	Dubai Sharjah (UAE)	o					
	CNIM E&E Services	CNIM E&E Services	La Plaine Saint Denis, Gardanne	o			o		
			La Plaine Saint Denis, Gardanne, Le Barp, Illzach, Wattrelos	o					
		CNIM Babcock Maroc	Mohammedia (Morocco)	o					
	LAB SA	LAB SA	Lyon	o		o	o		o
		LAB GmbH	Stuttgart, Coburg	o		o			o
	CNIM E&E O&M	CNIM THIVERVAL GRIGNON	Thival Grignon waste-to-energy centre			o			o
			Thival Grignon sorting centre			o			o
		CNIM OUEST ARMOR	Pluzunet waste-to-energy centre			o			o
			Lantic waste composting and green algae processing centre			o			o
		CNIM CENTRE FRANCE	Saint Pantaléon de Larche waste-to-energy centre		o				o
		CNIM TERRE ATLANTIQUE	Plouharnel household waste incineration plant		o				o
		CNIM Paris Batignolles	Paris Batignolles sorting centre			o			o
		SUNCNIM	La Seyne sur mer	o					
		MES ENVIRONMENTAL LTD	Dudley (UK) waste-to-energy centre	o	o				o
			Stoke-on-Trent (UK) waste-to-energy centre	o	o				o
			Wolverhampton (UK) waste-to-energy centre	o	o				o
		CNIM AZ	Baku (Azerbaijan) waste-to-energy centre		o				o
CNIM GROUP I&S SECTOR	CNIM Systèmes Industriels	CNIM Systèmes Industriels	La Seyne sur mer	o		o		CEFRI	
		CNIM China	Foshan (China)	o		o			o
		CNIM Singapore	Singapore	o	o				o
		CNIM Air Soace	Arguesvives	o					
	Bertin Technologies	BERTIN Technologies	Montigny le Bretonneux, Aix en Provence, Thiron Gardais	o	o				o
			Montigny le Bretonneux, Aix en Provence, Thiron Gardais, Montbonnot					CEFRI	
	Winlight	Winlight	Pertuis	o					

\*Note: the new certifications achieved in 2020 are highlighted in yellow

## 1.2.3 Materiality of non-financial considerations

In parallel with the high-priority major risks monitored by the Group Managers' Committee, the risks identified include the non-financial risks considered as major risks, within the meaning of Article L225-102-1 of the French Commercial Code. In order to identify its major non-financial risks, the Group has analyzed their materiality.

The purpose of this step was to:

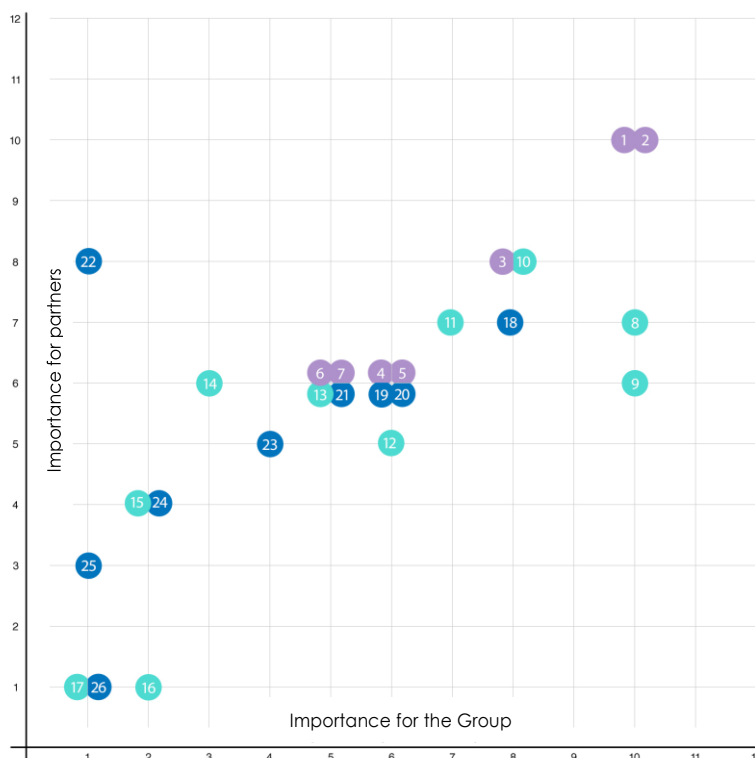
1. ensure that all non-financial information referred to in Decree no. 2012-557 of 24 April 2012 on transparency by companies in employment and environmental matters was properly analyzed;
2. prioritize this information, taking into consideration the Group's activities, economic and non-financial environment and partners.

The initiative is coordinated by the CSR manager and was subject to internal approval procedures. It is based on an in-depth understanding of the Group and its multiple interactions with stakeholders. It is reviewed and updated each year, where appropriate and does not give rise to consultations with stakeholders.

Note on methodology:

- Materiality is assessed based on the potential economic, human, environmental and reputational impacts;
- Only the principal issues are monitored at Group level:
- Depending on their significance, the other issues may be monitored at subsidiary or site level and, in such circumstances, the risk scale is adapted to the relevant structure.

**Materiality matrix of the CNIM Group's non-financial risks for 2020:**



#### SOCIAL

- 1 Hiring and compensation
- 2 Occupational health and safety
- 3 Training policies implemented
- 4 Industrial relations: organization and assessment of collective agreements
- 5 Health and safety - Certification procedures
- 6 Organization of working time
- 7 Equal treatment: anti-discrimination policy

#### ENVIRONMENTAL

- 8 Energy consumption and efficiency
- 9 Recycling and recovery of waste
- 10 GHGs and GHG reduction
- 11 Prevention, reduction of releases to air, water and land
- 12 Environmental risk prevention - Certification procedures
- 13 Water consumption
- 14 Adapting to the consequences of climate change
- 15 Protection of biodiversity
- 16 Consumption of raw materials
- 17 Land use

#### LABOUR RELATED

- 18 Actions taken to prevent corruption
- 19 Taking social and environmental issues into account in the purchasing policy
- 20 Impact on riparian populations
- 21 Involvement in civil society and local development
- 22 Consumer health and safety
- 23 Human rights
- 24 Respect for human rights in the supply chain
- 25 Partnership or sponsorship
- 26 Combating food waste

The materiality matrix is used to rank the CNIM Group's major non-financial challenges based on net risk i.e. factoring in the risk control and continuous improvement systems already put in place. Consequently, it should be stressed that certain strategic areas for the Group are unable to be included in this matrix.

Following this analysis, the CNIM Group's principal non-financial considerations, which are monitored as required by French law (Article L.225-102-1), were identified as follows:

1. Attracting and retaining talent (1);
2. Health and Safety (2);
3. Development and skills management (3);
4. Waste recovery (9);
5. Energy consumption and energy efficiency (8);
6. Prevention and reduction of atmospheric emissions (10 and 11);
7. Ethics and anti-corruption measures (18);

These principal non-financial considerations have been factored into the overall risk management strategy, as described in chapter 2.7.1.

GRI 102-47 / 103-1.

## 1.3 Policies, action plans, performance indicators and results

### 1.3.1 Attracting and retaining talent

#### 1.3.1.1 Human Resources policy

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##### **Employment policy:**

We aim to support our managers and employees in their everyday working lives, enabling every individual to fulfil his or her potential based on his/her expectations, planning for future projects and matching resources with the needs of the business. CNIM's ambition is to position itself as a Group that offers its current and future employees a working environment that is fulfilling, empowering and caring, in which they are able to express their inventiveness, potential and talent and in which the pride at overcoming challenges and the pleasure of working together give, for all employees, meaning to collective action.

##### **Recruitment initiatives and relationships with higher education**

The appeal of the CNIM Group derives from certain specific strengths, including our size, which makes for great agility, our independence, our creativity, innovation and our ability to take on large projects, and the highly technical nature of our businesses. The Group nurtures a huge diversity of talent, both in France and further afield.

Initiatives are undertaken in schools to explain and present our activities and businesses and attract young future talents. Apprenticeships and professional development contracts are particularly sought after and a growing area.

Employee recruitment and capacity building by transmission constitute a major challenge for the CNIM Group's future success.

##### **Mobility**

CNIM's history, the continuity of its businesses and the Group's extensive network of locations enable its employees to look to the future and build their careers. Our two-pronged approach as both designer and builder enables us to offer varied career opportunities and the chance to explore a vast range of possibilities that our Human Resources staff work hard to highlight and make accessible.

##### **Diversity in action**

Female members represent 45% of the Supervisory Board. This means that the CNIM Group's governance complies with French Act No. 2011-103 of 27 January 2011 concerning gender equality in the workplace.

In France, the gender balance report is presented each year to the Social and Economic Committee (CSE) and to the Trade Union Representatives at the Annual Mandatory Negotiations.

Four companies in the Group in France are also subject to the Index Egalité Femmes Hommes (Gender Equality Index or IEFH), a regulatory indicator for French companies with more than 50 employees. For 2020, the results were as follows:

- Bertin IT: 86 points;
- Bertin Technologies: 70 points;
- LAB SA: 81 points;
- CNIM ESU: 70 points.

Where the IEFH is lower than 75 points, a specific action plan will be implemented, as required by law.

#### **Policy on combating discrimination**

The CNIM Group's discrimination policy relating to age, disability and gender, in particular, is explained and discussed with managers during employment law training sessions that have been held since 2015. This training programme contains a specific module that raises managers' awareness of the various forms of discrimination that must be eradicated in the Group. Establishments' internal rules, which apply to all employees, contain a number of provisions on combating discrimination and prohibited behaviour.

#### **Measures to promote the employment and integration of disabled people**

Committed to non-discrimination and equal opportunities for disabled employees, the Group wishes to continuously strive to promote the appointment, retention, training and development of disabled people.

### **1.3.1.2 Action plans**

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#### **Mobility**

An internal mobility charter was issued in 2017, setting out a framework, principles and guidelines relating to mobility within the CNIM Group. Vacancies are initially advertised in-house, to encourage employee mobility and meetings of the Human Resources committee are held regularly to find intra-group mobility solutions that match employees' profiles.

#### **International development**

As a result of our growth, the CNIM Group is now able to offer international career opportunities, which it intends to promote more heavily in the future. Such opportunities include overseas missions, secondments, relocations and international volunteering positions.

The International Mobility guide is issued to employees who will be working abroad. International mobility terms are determined according to the type of placement, and may vary according to the country of destination. The Group has also implemented safety measures to protect employee health and safety.

#### **Policy on combating discrimination**

The Group is pursuing its policy against age discrimination through the following measures:

- developing block-release training with apprenticeship and professional development contracts;
- offering value-added work experience to students;
- the recruitment of employees aged over fifty;
- listening attentively to any specific request relating to health and the organization of working time.

#### **Measures to promote the employment and integration of disabled people**

In France, the Group offers disabled employees three days' leave during which to apply to authorities for recognition as a disabled worker.

Such employees may arrange for their workstations to be adapted and benefit from specific attention in respect of their working hours.

### 1.3.1.3 Performance indicators and policy results

#### Performance indicators and targets

- Employee turnover rate<sup>1</sup> target: ≤ 15% by 2023  
Reporting standard: internal company standard / GRI 401-1.

- Target internal mobility rate<sup>2</sup>: 30% by 2023  
Reporting standard: internal company standard / ODD 4.4.

Scope: Group.

#### Results achieved in 2020:

- Staff turnover rate: 8%.

This rate was once again an improvement on the 2020 rate and provides encouragement that the target rate for 2023 will be achieved.

- Internal mobility rate: 30%.

There were 193 internal movements in the Group in 2020. These involved employees who had either changed roles within the same company or changed roles and/or company within the Group. These results mean that the target that had been fixed for 2023 was achieved in 2020.

#### Other results

##### Pay gap between male and female employees – Analysis of medians

	Engineers and executives (Managers)		Employees, technicians and supervisors (White-collar staff)		Workers (Blue-collar staff)		Total	
	Men	Women	Men	Women	Men	Women	Men	Women
< 25 years	727	732	519	423	100*	0	423	554
25-29 years	785	810	522	507	112	NS	713	760
30-34 years	902	918	549	567	421	NS	743	832
35-39 years	1,038	997	533	584	277	436	751	831
40-44 years	1,126	1,094	552	639	352	NS	872	978
45-49 years	1,272	1,142	580	669	568	NS	924	854
50-54 years	1,356	1,146	704	589	603	0	956	846
55-59 years	1,423	1,328	710	644	570	475	953	707
> 60 years	1,683	1,513	673	573	725	469	1,251	633
TOTAL	1,112	996	572	597	497	461	790	815

\*The lowest median value by category and gender is the 100 index and all other median values were then correlated to that 100 index. Age groups containing fewer than three employees are considered to be not significant and marked "NS".

GRI 405-2

For all professional categories and age groups taken together, there is a 3% gap in the median salaries of men and women in favour of women. That can be explained by the fact that men represent a very large proportion of employees in the countries in which salaries paid by the Group are the lowest (Azerbaijan, Morocco and China). The median salary paid to women is higher than the median salary paid to men up until the age of 45.

For engineers and executives, the median salary paid to women is higher than the median salary paid to men up until the age of 35, the age at which the position changes to favour men. Over this group as a whole, all ages taken together, the median salary paid to men is higher by almost 12% than the median salary paid to women.

For employees, technicians and supervisors, the median salary is higher for women between the ages of 30 and 49, at which point the position changes to favour men.

The Group is attentive to all fairness issues, and staff remuneration in particular. Remuneration is the subject of a special action plan envisaged in the agreement on gender equality at work signed by management and labour in France.

<sup>1</sup> Voluntary departure rate, excluding employees who retire or leave upon contract expiry.

<sup>2</sup> Percentage of positions filled through internal mobility.

In order to prevent gender discrimination, the Group takes part in regular pay surveys. The surveys put the Group's pay levels in perspective compared to the rest of the market, to ensure fair pay for the same level of responsibility, without gender distinctions. A special action plan has also been included in the agreement on gender equality at work signed by management and labour in France.

#### Number of alerts dealt with

Five alerts were received and processed by the Group in 2020. These alerts had an internal source, with no alerts being received from external stakeholders. There were submitted to the company either through direct or indirect line managers or through Human Resources managers, and related to psychological harassment or health and safety issues. Action plans were put in place for each alert and four of them have been closed.

As no alerts were submitted using the internal online alert system on the Group's website, the decision was made to remind all Group employees in 2021 that this system was available to them, on top of the other communication channels.

GRI 102-17.

#### Creation of a Human Factor Integration Committee

A Human Factor Integration Committee (HFIC) was established in 2020 for the CNIM SEU (Social and Economic Unit). It meets at least once every quarter. Its main duties include the detection and monitoring of individual and group psychosocial issues, the monitoring of indicators, submitting proposals on preventive actions and on raising the awareness of employees and managers to psychosocial issues. It also deals with reports of harassment, stress and discrimination and puts forward action plans, such as the use of mediation, carrying out investigations, the provision of psychological support by professionals via an external organization, etc.

### 1.3.1.4 CNIM Group employees

#### Average total headcount and breakdown of employees by company, gender and geographical area:

		Men	Women	TOTAL	
BERTIN GmbH	Germany	81%	19%	28	1%
BERTIN IT	France	78%	22%	86	3%
BERTIN Technologies	France	71%	29%	362	14%
CNIM Activ'emploi	France	74%	26%	19	1%
CNIM AIRSPACE	France	45%	55%	55	2%
CNIM Azerbaijan	Azerbaijan	93%	7%	101	4%
CNIM Babcock Maroc	Morocco	91%	9%	88	3%
CNIM Centre France	France	100%	0%	23	1%
CNIM China	China	88%	12%	136	5%
CNIM E&E EPC*	France	75%	25%	47	2%
CNIM E&E O&M	France	95%	5%	82	3%
CNIM E&E Services	France	82%	18%	160	6%
CNIM Group	France	67%	33%	316	12%
CNIM INSERTION	France	58%	42%	32	1%
CNIM Martin Private Ltd	India	96%	4%	24	1%
CNIM MUTUAL SERVICES	France	51%	49%	53	2%
CNIM Ouest Armor	France	90%	10%	31	1%
CNIM Paris Batignolles	France	80%	20%	41	2%
CNIM Systèmes Industriels	France	85%	15%	493	19%
CNIM Singapore	Singapore	86%	14%	34	1%
CNIM Terre Atlantique	France	100%	0%	18	1%
CNIM Thiverval Grignon	France	89%	11%	18	1%
LAB	France	75%	25%	100	4%
LAB GmbH	Germany	62%	38%	19	1%
MES Environmental Ltd	United Kingdom	92%	8%	102	4%
SUNCNIM	France	93%	7%	29	1%
WINLIGHT	France	85%	15%	45	2%
<b>Combined total</b>		<b>79%</b>	<b>21%</b>	<b>2,540</b>	<b>100%</b>

GRI 102-8



Based on the same companies taken into account in the 2020 report, the number of employees was slightly lower (less than 1%):

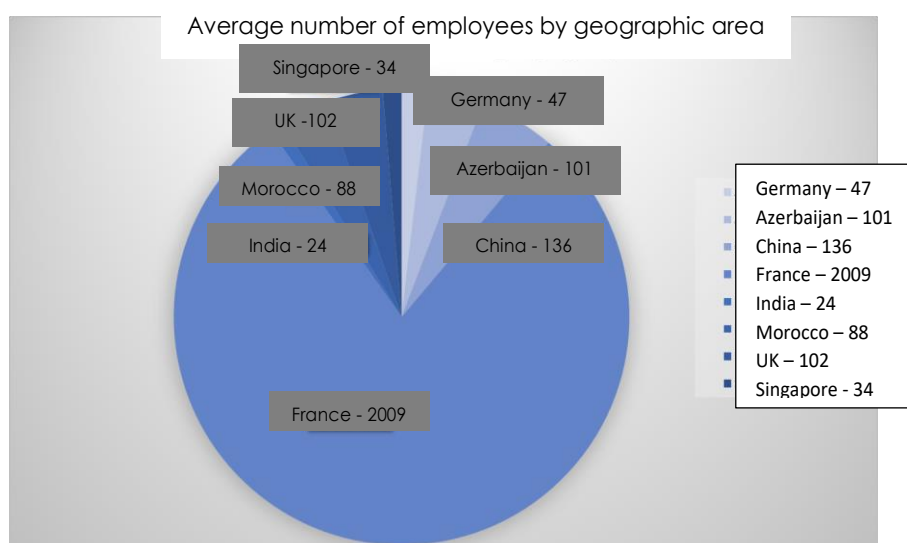
- More than 94% of the Group's total workforce is covered by the declaration of non-financial performance;
- 79% of the staff covered are based in France, with the rest distributed evenly between the UK, Germany, Morocco and Asia;
- 21% of the Group's employees are women, but it should be noted that this figure is skewed by the subsidiaries that operate waste recovery sites, which practically only employ men.

In order to understand the new distribution of staff between the various companies, the Group's legal restructuring that began in 2019 and that sought to make CNIM Group SA a holding company without any direct operational activity, needs to be taken into account. Consequently:

- For new companies resulted from this reorganization on 31 December 2019: CNIM Systèmes Industriels, CNIM Mutual Services, CNIM E&E Operations & Maintenance and CNIM E&E Services. From that date onwards, all business activities, contracts, resources, trademarks, patents and employees who work specifically for these businesses were transferred from CNIM Group SA to these new companies, pursuant to Articles L236-6-1 and L236-22 of the French Commercial Code.
- A fifth company, CNIM E&E EPC, was also established as part of this restructuring, on 1 November 2020, in accordance with the same procedures. As the employees were transferred on that date, this company's average annual headcount as stated in the table above is not therefore representative: CNIM E&E EPC's headcount was 284 on 31 December 2020, while CNIM Group's was 64.

In addition, the sale of Bertin Technologies' Energy and Environment Engineering and Consulting business to Naldeo Group on 30 September 2020 meant that 57 employees left the company.

At 31 December 2020, factoring in the hires and departures over the course of the year, the Group's total headcount was down by 5.6% compared with the figure at 31 December 2019.



GRI 102-8

**Proportion of executives, employees and blue-collar workers in the average total number of employees:**

	Engineers and executives (Managers)	Employees, technicians and supervisors (White-collar staff)	Workers (Blue-collar staff)
BERTIN GmbH	34%	37%	29%
BERTIN IT	92%	8%	0%
BERTIN Technologies	65%	35%	0%
CNIM Activ'emploi	0%	100%	0%
CNIM AIRSPACE	51%	22%	27%
CNIM Azerbaijan	21%	27%	53%
CNIM Babcock Maroc	18%	31%	52%
CNIM Centre France	18%	82%	0%
CNIM China	28%	13%	58%
CNIM E&E EPC	76%	24%	0%
CNIM E&E O&M	61%	13%	26%
CNIM E&E Services	64%	19%	17%
CNIM Group	78%	22%	0%
CNIM INSERTION	3%	97%	0%
CNIM Martin Private Ltd	38%	63%	0%
CNIM MUTUAL SERVICES	56%	44%	0%
CNIM Ouest Armor	22%	78%	0%
CNIM Paris Batignolles	7%	93%	0%
CNIM Systèmes Industriels	56%	25%	19%
CNIM Singapore	18%	11%	71%
CNIM Terre Atlantique	6%	94%	0%
CNIM Thiverval Grignon	6%	94%	0%
LAB	87%	13%	0%
LAB GmbH	85%	12%	3%
MES Environmental Ltd	11%	12%	77%
SUNCNIM	33%	63%	3%
WINLIGHT	49%	51%	0%
<b>Combined total</b>	<b>53%</b>	<b>29%</b>	<b>18%</b>

GRI 405-1

The CNIM Group is mainly made up of engineers and executives, but substantial variation exists depending on the business activity of the subsidiary in question.

- Certain subsidiaries, such as LAB and Bertin IT, are engineering companies and therefore have a proportion of engineers and executives above 80%.
- Most workers at subsidiaries that operate waste processing plants are white-collar workers or supervisors.
- Almost 70% of the workforce at manufacturing subsidiaries such as CNIM Babcock Maroc and CNIM China are blue-collar workers and supervisors.
- In addition, one Group employee in six is a manual worker, which demonstrates the importance of industrial activities to the Group.

**Proportion of staff employed under fixed-term/permanent contracts**

	TYPE OF CONTRACT	
	Permanent	Fixed-term
BERTIN GmbH	95%	5%
BERTIN IT	95%	5%
BERTIN Technologies	96%	4%
CNIM Activ'emploi	5%	95%
CNIM AIRSPACE	89%	11%
CNIM Azerbaijan	98%	2%
CNIM Babcock Maroc	100%	0%
CNIM Centre France	100%	0%
CNIM China	32%	68%
CNIM E&E EPC	97%	3%
CNIM E&E O&M	96%	4%
CNIM E&E Services	99%	1%
CNIM Group	96%	4%
CNIM Insertion	3%	97%
CNIM Martin Private Ltd	96%	4%
CNIM Mutual Services	92%	8%
CNIM Ouest Armor	94%	6%
CNIM Paris Batignolles	28%	72%
CNIM Singapore	100%	0%
CNIM Systèmes Industriels	98%	2%
CNIM Terre Atlantique	89%	11%
CNIM Thiverval Grignon	95%	5%
LAB	100%	0%
LAB GmbH	97%	3%
MES Environmental Ltd	97%	3%
SUNCNIM	53%	47%
WINLIGHT	99%	1%
<b>Combined total</b>	<b>90%</b>	<b>10%</b>

GRI 102-8

10% of the Group's employees are employed on fixed-term contracts.

Most of these employees work for CNIM China and the French companies that manage employees under reintegration contracts, CNIM Insertion et CNIM ACTV'EMPLOI, whose purpose is to offer fixed-term reintegration contracts (CDDIs).

**Breakdown of contracts: full-time and part-time**

	Part-time contracts	Full-time contracts
BERTIN GmbH	7%	93%
BERTIN IT	12%	88%
BERTIN Technologies	6%	94%
CNIM Activ'emploi	0%	100%
CNIM Airspace	8%	92%
CNIM Azerbaijan	2%	98%
CNIM Babcock Maroc	0%	100%
CNIM Centre France	0%	100%
CNIM China	0%	100%
CNIM E&E O&M	1%	99%
CNIM E&E Services	2%	98%
CNIM E&E EPC	5%	95%

CNIM Group	9%	91%
CNIM INSERTION	0%	100%
CNIM Martin Private Ltd	0%	100%
CNIM Mutual Services	4%	96%
CNIM Ouest Armor	3%	97%
CNIM Paris Batignolles	0%	100%
CNIM Terre Atlantique	0%	100%
CNIM Thiverval Grignon	0%	100%
CNIM Singapore	0%	100%
CNIM Systèmes Industriels	3%	97%
LAB	6%	94%
LAB GmbH	18%	82%
MES Environmental Ltd	6%	94%
SUNCNIM	3%	97%
WINLIGHT	0%	100%
<b>Combined total</b>	<b>4%</b>	<b>96%</b>

GRI 102-8

Only 4% of the group's employees work part-time, a figure than is unchanged from previous years. A significant majority of such employees have chosen to be on part-time contracts.

Employees are generally hired on full-time contracts.

**Hiring:**

	Men	Women	Total	
< 25 years	83%	17%	87	19%
25-29 years	78%	22%	77	17%
30-34 years	80%	20%	66	14%
35-39 years	82%	18%	57	13%
40-44 years	74%	26%	47	10%
45-49 years	78%	22%	36	8%
50-54 years	65%	35%	20	4%
55-59 years	69%	31%	52	11%
> 60 years	93%	7%	14	3%
<b>TOTAL</b>	<b>78%</b>	<b>22%</b>	<b>456</b>	<b>100%</b>

Reporting standard: GRI 401-1

In 2020, 50% of new hires were employees aged under 35. At the other end of the age range, it should be noted that the Group is attentive to skills and expertise, and does not discriminate on the basis of age at the time of hire: almost 20% of employees recruited in 2020 were aged 50 or above.

In addition, almost one in every four people hired is a woman, thereby continuing to increase the proportion of women employed by the Group.

In overall terms, the number of hires was down 30% compared with 2019, linked to the Group's financial situation in 2020.

**Departures:**

	Men	Women	Total		Turnover rate
< 25 years	73%	27%	92	16%	4%
25-29 years	71%	29%	82	14%	3%
30-34 years	78%	22%	95	17%	4%
35-39 years	70%	30%	64	11%	3%
40-44 years	76%	24%	50	9%	2%
45-49 years	74%	26%	35	6%	1%
50-54 years	83%	17%	47	8%	2%
55-59 years	72%	28%	50	9%	2%
> 60 years	88%	12%	58	10%	2%
<b>Total</b>	<b>76%</b>	<b>24%</b>	<b>573</b>	<b>100%</b>	<b>23%</b>

**Reasons for departures:**

	Men	Women	Total		Turnover rate
Involuntary departures	75%	25%	155	27%	6%
Voluntary departures	73%	27%	192	34%	8%
Retirement	93%	7%	74	13%	3%
End of contract	71%	29%	152	27%	6%
Total	76%	24%	573	100%	23%

Overall, the departure rate increased by four points compared with 2019. This increase can be explained by a 2-point increase in the number of retirements and a 4-point increase in involuntary departures.

The rate of voluntary departures fell by 2 points compared with 2019, and the rate of departures on the expiry of contracts was stable.

**Remuneration and changes in remuneration**

The annual payroll for 2020, including wages and social security contributions, as recorded in the accounts of the 27 companies covered by the report, was €170.3 million. Based on the same companies taken into account in the 2019 report, it fell by 9.7% compared with 2019.

## 1.3.2 Development and skills management

### 1.3.2.1 Development and skills management policy

**Commitments:**

The CNIM Group's capacity building policy is directly in line with the business development strategy.

Our goal is to upskill CNIM Group employees, not only in terms of technical, occupational or personal development aspects, but also in areas such as safety and "corporate" issues:

- technical or occupational training courses aimed at developing and maintaining the technical skills of Group staff. Examples include training for a particular activity sector (such as the defence or nuclear industry) or training specific to a particular profession. "Operational support" training has also been put in place in areas such as procurement, legal, accounting and quality;
- safety training intended to enhance health and safety risk prevention. The Group attaches great importance to these courses, which can account for up to a quarter of the Group's investment in terms of training.
- "corporate" training courses set out to develop the skills of managers, project leaders and sales personnel.
  - A training session designed to improve the skills of new managers was given over two days.
  - A multi-modal training session was put in place for managers, involving three days of face-to-face training, one day of practical case studies interspersed with videos and three hours of personal coaching per person.
  - Two other programmes, addressing topics such as complex sales and project management, have also been organized for sales personnel, project leaders or staff interacting with customers.
- Varied teaching approaches are used, with an emphasis placed on webinars (live group online training sessions).

**Skills strategy**

The Group actively pursues a Skills strategy with the following objectives:

- anticipate future skills needs in connection with the Group's strategic management, to lay the ground for inter-generational skills transfer;
- adapt skills to evolve with changing job requirements, and optimize workforce management and the overall performance of our operating structures;
- help employees maintain their employability.

**Organization:**

Each Group company has its own Human Resources Department with responsibility for capacity building plans.

The Group's Human Resources Department is responsible for developing and managing employees' skills and places specific emphasis on the development of managers. It coordinates the network of Human Resources Managers to ensure that capacity building plans are consistent with the Group's growth strategy.

### 1.3.2.2 Action plans

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#### **Process for developing individual capacity building plans:**

In order to provide support for the challenges faced by the Group and with a view to continually improving the managerial function, the decision was taken in 2019 to alter the appraisal and capacity building process.

The developments were communicated to all employees at the end of 2019 before the annual review and professional development process, which began in early 2020. Individual capacity building is now included within the annual review meeting, rather than being discussed in advance.

The manager completes the employee's capacity building plan in the annual review meeting, taking account of the needs of the department/business, with a view to developing the organization's collective expertise and the employee's professional aspirations.

Scope: Group companies in France.

#### **Optimization of capacity building development plans across Group entities:**

To enhance budget allocation and management, the teams in charge of training are also tasked with optimizing travel and training costs for employees, in-house trainers and third-party providers alike. They also focus on pooling capacity building plans across Group entities and companies, organizing sessions at our various locations in-house.

By working both to improve the training requirement identification process and to pool training courses, the Group aims to provide more training hours and train more employees at equivalent cost.

#### **In-house trainers pass on their knowledge:**

The Group has introduced a system of in-house trainers who help to develop training modules appropriate to their skills. Our in-house trainers are employees with a mastery of a skill or area of know-how that they are willing to pass on to other Group employees. The CNIM Group takes pride in developing in-house training modules that reflect the specificities of our markets and businesses, while coordinating our in-house trainers and providing them with teaching support and digital tools.

To provide additional support to in-house trainers, we aim, in the future, to implement a computerized training platform known as the "Learning Management System". This platform - the "Learning Management System" - will form the nucleus of a community of in-house trainers, facilitating communication between them. The entertaining yet effective approach will also enable employees to consolidate their knowledge, whether in the workplace or via remote access.

#### **Skills strategy**

Skills catalogues were produced for all Group businesses and rolled out during annual reviews. This will provide the Group with an integrated tool from which it can manage the assessment, training and development of our employees' skills, as well as anticipating future changes in skills and staffing needs and aiding career mobility. The mapping of businesses, jobs and skills is reviewed each year in line with developments thereto.

Accompanying this approach, an annual review is conducted to detect, support and nurture potential high-flyers.

### 1.3.2.3 Performance indicators and policy results

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#### Performance indicators and targets

- Number of training hours per employee target: 28 hours.

Scope: Group.

Reporting standard: GRI 404-1/ODD 4.4.

- Target percentage of all employees taking part in one or more training initiatives over the course of the year: 80%.

Scope: Group.

Reporting standard: internal company standard / ODD 4.4.

- Target percentage of all employees receiving an annual performance review and career assessment over the course of the year: 98%.

Scope: Group.

Reporting standard: GRI 404-3/ODD 4.4.

#### Results achieved in 2020:

- 13 hours of training per employee.
- 51% of employees took part in one or more training initiatives over the course of the year.
- 79% of employees received an annual performance review and career assessment over the course of the year.

Although the percentage of employees who received an annual performance review and career assessment was stable at 79%, the training indicators showed a sharp decline compared with 2019.

These results can be largely explained by the COVID-19 pandemic:

- For health reasons, a large number of training sessions were cancelled by training organizations: 9,300 hours of training had to be cancelled and 2,000 hours were postponed until 2021.
- To limit delays in the performance of critical customer contracts and the resulting economic impacts of the pandemic, priority was given in certain cases to business continuity.

#### **Specific training on fire risks**

Each year, CNIM offers its employees training on fire risks. The aim is that the employees who undertake the training are able to report dangerous situations with an increased risk of fire, take effective action against an incipient fire and notify the appropriate emergency services. In total, 330 employees in the Group received training. For a number of years, employees who undertake the training are put in situations involving real fires in order to learn how to react effectively in all circumstances.

#### **Training on “increasing personal dynamism”**

Quality of Working Life (QWL) is essential to the well-being of a company’s employees and also contributes to collective performance. A study has shown that 73% of employees place considerable importance on QWL. 13% of those employees even state that well-being at work is more important than certain other factors. Based on such evidence, CNIM has decided to offer training on “personal dynamism”.

The aim of this training is to ease musculoskeletal disorders, prevent stress fractures, take account of employees' specific physical and emotional issues and help employees to look after their bodies and their health.

An initial training session was held in December 2020. Approximately 30 factory-based employees took part in this workplace well-being initiative. In order to provide training that is appropriate to employees’ working conditions, listening and simulation exercises have been introduced. In order to build on the success of this session, the training department is planning to roll out this course more broadly.

## 1.3.3 Health and safety

### 1.3.3.1 Health and safety policy

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The CNIM Group strives for excellence in relation to health and safety across all our products and businesses. This continuous improvement approach aims to deliver "zero-accident" and "zero work-related illness" performance.

#### **Commitments by Directors:**

- Adopt the Group's objectives and incorporate them into their own health, safety and environment (HSE) policy;
- Deploy appropriate technical, human, physical and financial resources to achieve those objectives;
- Apply the Group's HSE Best Practices and roll them out among all employees, suppliers, subcontractors and other stakeholders in Group businesses;
- Address the needs and expectations of all stakeholders in Group businesses;
- Uphold their statutory and regulatory requirements;
- Implement one or more management systems to support continuous improvement in terms of HSE performance;
- Involve all employees in efforts to identify and effectively address incidents, with particular focus on their major risks;

#### **Organization:**

The Chief Executive Officers of the Group companies have a mandate to manage health and safety and to implement Group policy. To this end, Directors are supported by one or more HSE managers per company. HSE managers are responsible, among other things, for risk analyses, monitoring action plans and objectives, management systems, implementation of necessary training and advisory services for employees.

A Group HSE Manager acts as the coordinator between the Group's Executive Committee and the network of Group HSE Managers, in order to ensure that the consolidated targets are met.

### 1.3.3.2 Action plans

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#### **Group HSE coordination**

The Group HSE coordinator's role is to:

- propose a Group HSE Policy to the Executive Committee;
- implement the policy and action plans approved by the Executive Committee at the various entities, with the support of the HSE Managers;
- report on the accident indicators to the Executive Committee;
- coordinate the network of Group HSE Managers;
- **make suggestions on actions to improve HSE matters.**

#### **Group HSE policy and implementation across Group entities and companies**

The Group's HSE policy forms the bedrock for the CNIM Group's commitments to excellence in the area of health, safety and the environment. It informs development of the HSE policies and objectives of Group entities and companies.

Each Group Department is supported by one or more HSE managers tasked with maintaining one or more HSE management systems, and defining and monitoring action plans designed to achieve Group and Entity-level objectives.

All Group employees at all levels of seniority are closely involved in this process, and the effectiveness of our management systems is reflected in multiple health, safety and environmental certifications.

#### **HSE training and best practices**

All employees enrol in a safety training programme consistent with their role and the regulations and risk assessments applicable to their activities, including, as a minimum, integration training.



HSE Managers in each Entity regularly discuss the adopted HSE best practices and share related feedback.

#### **2024 roadmap**

Procedures and action plans are currently being rolled out to address the Group's major risks, identified as relating to fire, overhead working, falls, handling and road hazards.

A communications campaign on major risks is scheduled to be rolled out at all Group companies.

The handling and analysis of all accidents contribute to achieving the stated target of zero accidents, as part of a continuous improvement approach.

### **1.3.3.3 Performance indicators and policy results**

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#### **Performance indicators and targets**

- Frequency rate of accidents at work: Target of < 10 by 2024.
- Severity rate of accidents at work: Target of < 0.20 by 2024.

Scope: Group.

Reporting standard: GRI 403-2/ODD 8.8.

#### **Results achieved in 2020:**

- Accident frequency rate: 12.06

The results were worse than in 2019. They can be explained by a greater number of accidents at work recorded in 2020, particular within the scope of CNIM E&E Services and CNIM E&E O&M. A specific action plan is being implemented at these companies and will continue to be applied in 2021.

- Accident severity rate: 0.41

The results were worse than in 2019. They reflect three serious accidents that led to long work stoppages, which alone accounted for a quarter of the number of days off work over the year.

The Group also recorded a fatality in 2020 resulting from an industrial maintenance operation. This dramatic event affected all Group employees, especially due to its exceptional nature: it is the only death recorded by the Group since it obtained certification for its Health and Safety management systems used by its operational companies.

Due to these poor results, the Executive Committee requested an enhanced action plan, monitored on a monthly basis, to bring the Group into line with its targets. Efforts will be particularly focused on raising awareness and training for employees, encouraging employees to provide feedback on events and acting thereon, and on a specific communication plan.

#### **Occupational illnesses**

Two occupational illnesses affected Group employees in 2020<sup>3</sup>, leading to 524 lost working days. One event related to former exposure, while the second was the result of the development of a musculoskeletal disorder.

#### **CNIM Environnement & Energie EPC wins a Sword of Honour from the British Safety Council for its management of health and safety risks at its Sharjah site**

The British Safety Council presented this prestigious award to CNIM Environnement & Energie EPC, appointed by Masdar Bee'ah in relation to the turnkey implementation of its waste-to-energy plant located in Sharjah in the United Arab Emirates. CNIM Environnement & Energie EPC is one of few organizations worldwide to have been awarded a Sword of Honour for its excellence in the management of health and safety risks at work. In order to compete for the Sword of Honour, an organization must, like CNIM, first have achieved the maximum five stars in the British Safety Council's health and safety management audit scheme in the period August 2019 – November 2020. It must also have demonstrated to an independent panel of experts that it has achieved excellence in its health and safety management at all levels of its organization.

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<sup>3</sup> Occupational illnesses recognized by the competent external body for employees who worked for the Group over the period.

### **CNIM Environnement & Energie Services wins Engie's Health, Safety and Environment competition for its work at Montoir-de-Bretagne**

The CNIM E&E Services team won the Health, Safety and Environment competition organized by Engie for its work on redeveloping the combined cycle heat-recovery boiler at its Montoir-de-Bretagne site (44). The manager of the Engie site congratulated the team on its performance. Preparations of the work site were exemplary and the work was completed without any issues. The team had a clear plan for the work that needed to be carried out and demonstrated a perfect command of all the financial, security, safety, environmental and technical risks involved. Following this competition, Engie agreed to contact the finalists in relation to its next calls for tenders.

### **Mobilization of the teams at Bertin Medical Waste and CNIM China to combat the spread of coronavirus**

In 2020, the Chinese Ministry of Health purchased a number of Sterilwave treatment stations for the main hospitals in the Wuhan region. These systems can be used for the on-site treatment of biomedical waste that has potentially been contaminated by coronavirus, and to consequently eliminate all risk of contamination outside the hospital. Thanks to the Sterilwave solutions, dangerous waste generated by hospitals is no longer taken by truck from the hospital to distant treatment sites, thereby significantly limiting the risk of contagion.

### **Bertin Technologies and Enalees launch BEC-SARS-CoV-2, an ultra-rapid and sensitive Covid-19 test kit**

The BEC-SARS-CoV-2 detection test developed by Bertin Technologies and Enalees with the support of the Institut Pasteur is a rapid test capable of detecting the presence of the SARS-Cov-2 virus, including new variants, in less than 30 minutes. It has two applications: the first tests for the presence of the virus in the ambient environment, while the second tests samples of genetic material taken from humans. The BEC-SARS-CoV-2 detection test has been certified by the Centre National de Référence (National Reference Centre) for respiratory viruses and received European CE-IVD marking.

Four Group companies, operating across six different establishments, also obtain ISO 45001 certification in 2020, demonstrating the Group's commitment to involving all employees in risk prevention. The reporting and handling of dangerous situations notified by employees are cases in point.

## **1.3.4 Waste recovery**

### **1.3.4.1 Waste recovery policy**

The CNIM Group's major challenges relating to waste recovery and recycling largely concern the CNIM E&E EPC subsidiary, which designs, builds and commissions turnkey waste-to-energy plants.

#### **Commitments:**

CNIM E&E EPC aims to provide waste-to-energy facilities that fulfil customers' requirements while delivering optimized environmental performance.

When designing a waste processing plant, multiple factors and regulations must be taken into account. These inputs may be aligned or they may conflict with each other. The principal factors are:

- the existing regulatory framework;
- the customer's specifications;
- the customer and the host country.

Based on these factors, the industrial process is designed and optimized to comply with regulatory and environmental requirements and maximize cost-effectiveness without exceeding the customers' budget.

#### **Objectives:**

A facility's environmental performance is essentially determined by the technical choices made while developing the proposal. These choices must reflect:

- the facility's level of sensitivity;
- any special requirements in the request for proposals;
- the environmental impact reduction measures adopted;
- optimization of the heat cycle and flue gas treatment according to the customer's priority, i.e. power generation and/or district heating/steam production.

The following principles are applied, depending on the project, in order to optimize the plant's environmental performance:

- integrate flue gas treatment into the waste treatment process, to maximize the energy recovered from flue gases;
- use recovered energy to supply heat to a district heating network, an industrial site or enhance the plant's power generation performance;
- choose technologies that minimize the plant's on-site consumption;
- reinject waste water into the process, in order to approach zero liquid waste emissions;
- recover storm water for use instead of mains water;
- recover runoff water to avoid the risk of transferring pollution into the storm water system;
- limit noise-related nuisances by enclosing loud equipment;
- enclosing areas prone to odours or dust.

A project's economic parameters, as well as local or national waste-to-energy regulations, have a major influence on the choice of technical solutions and hence the performance achievable by the plant.

#### **Organization:**

The design is optimized by teams of heating engineers and specialists in flue gas treatment and industrial water management technologies. The QHSE Department assists these specialists for the purpose of the project's environmental impact assessment.

### **1.3.4.2 Action plans**

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To achieve the stated objectives, CNIM has developed methodological tools that enable plants to deliver and demonstrate optimized environmental performance going forward. These tools consider a plant's full life cycle, compiling exhaustive data relating to its potential environmental impacts and identifying technological solutions for each impact that would mitigate its negative effect or amplify its positive effect on the environment.

A multi-stage process is used:

- review the request for proposals in order to identify the future facility's sensitivity, any special requirements in the RFP, and the customer's wishes and requirements;
- optimize the heat cycle and flue gas treatment process with the aid of best practices and methodological tools.

#### **Recyclability and recovery of waste from facilities owned or operated by the CNIM Group:**

Alongside its waste-to-energy plant design, construction and commissioning activities, the CNIM Group identifies all waste produced by its own activities and takes all necessary steps to ensure that such waste is sorted, reused, recycled or otherwise recovered.

### **1.3.4.3 Performance indicators and policy results**

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#### **Performance indicators and targets**

In view of the Group's economic situation in 2020 and the strategic changes made by the Chief Executive Officer of CNIM E&E EPC, the decision was taken that the indicator monitored up until 2019 "CNIM's share of the European waste-to-energy market" was no longer relevant.

Three new indicators, which seek to measure CNIM E&E EPC's capacity to improve its customers' environmental impact, have been introduced:

- Gross electrical efficiency (see BREF on waste incineration): target  $\geq 25\%$  for new plants, and  $\geq 20\%$  for existing facilities.

Reporting standard: GRI 302-3/ODD 7.3.

- Unburned tonnage/tonnage of incinerated waste: target  $\leq 3\%$ .

Reporting standard: GRI 302-3/ODD 7.3.

- Tonnage of final waste/tonnage of incinerated waste: target  $\leq 30\text{kg/tonne}$ .

Reporting standard: GRI 306-2/ODD 12.5.

Scope: CNIM E&E EPC.

#### **Results achieved on the facilities commissioned in 2020:**

- Gross electrical efficiency: 31.7%, 25% above the target efficiency.
- Unburned tonnage/tonnage of incinerated waste: 0.13%, above target, with more than 99% of the calorific value of incinerated waste recycled.
- Tonnage of final waste/tonnage of incinerated waste: 25.8kg/tonne, above target.

#### **Acceptance of Wheelabrator's Kemsley cogeneration plant**

The Kemsley cogeneration plant in Kent (United Kingdom) built by CNIM was accepted by its customer, Wheelabrator, on 16 July 2020.

The plant, building work on which began in 2016, consists of two 35 tonnes per hour lines, capable of processing 550,000 tonnes of non-recyclable waste every year that would otherwise go to landfill or be exported to continental Europe. It produces 42MW (gross) i.e. 37MW (net) of electricity and supplies approximately 100,000 UK homes and businesses. VapoLAB™ flue gas treatment is provided by LAB (a CNIM subsidiary). The plant also generates 180GWh of heat, which will supply steam to the neighbouring DS Smith paper mill, which has been in Kemsley since 1924, with the objective of reducing its use of fossil fuels in its production of paper reels.

#### **Waste-to-energy centre in Avonmouth**

The centre, on which construction work began in 2017, avoids approximately 320,000 tonnes of non-recyclable waste being sent to landfill each year. It produces 307 GWh of electricity covering its own consumption and that of 84,000 homes.

Viridor's operators have been trained on CNIM's DOT (Digital Operator Training®) simulator by CNIM Academy's team. CNIM DOT accurately simulates the various physical reactions of a facility in real time. CNIM Academy's expert trainers use this teaching tool to significantly improve the training they provide to operators.

#### **Waste sorting, treatment and recovery performance at facilities owned or operated by the CNIM Group:**

- Waste sorting and recovery activities:
  - 1,308,836 tonnes of input waste processed, up by 3.1%,
  - resulting in 371,316 tonnes of output waste,
  - of which 87% was converted to energy, recycled or recovered as materials.
- Construction activities and the industrial and tertiary facilities generated:
  - 1,420 tonnes of non-dangerous waste, of which 14% was recycled, recovered as materials or converted to energy;
  - 419 tonnes of dangerous waste, of which 9% was recycled, recovered as materials or converted to energy.

A plan to improve the reuse, recycling and recovery of materials on construction sites will be rolled out in 2021.

Reporting standard: GRI 306-2/ODD 12.5.

## 1.3.5 Energy consumption and energy efficiency

### 1.3.5.1 Electricity consumption and energy efficiency policy

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The CNIM Group's major challenges relating to waste recovery and recycling largely concern the CNIM Operations & Maintenance Division, which operates waste-to-energy plants.

**Commitments:**

CNIM Group policy relating to waste-to-energy plants is based on a commitment to:

- continuously improve energy performance;
- put in place the necessary means - in terms of information availability and resource allocation - to achieve the stated energy-related objectives;
- uphold compliance with statutory requirements.

**Objectives:**

The CNIM Group's waste-to-energy plants have been assigned the following objectives:

- achieve optimal power generation/steam production performance;
- optimize plant availability rates;
- optimize on-site energy use, and therefore:
  - monitor, measure and analyze energy consumption;
  - implement the necessary procedures and instructions;
  - train employees and raise awareness of their role in managing energy in their working lives.

**Resources:**

To track progress toward these goals, the following monthly global operational performance indicators have been defined for these plants:

- tonnage burnt;
- quantity of steam produced;
- quantity of electricity produced;
- quantity of electricity consumed;
- quantity of electricity purchased;

### 1.3.5.2 Action plans

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The following actions are performed to enable each company to achieve its objectives:

- analyze energy uses and consumption;
- identify significant energy uses;
- identify and rank potential sources of energy performance improvements;
- define energy consumption benchmarks;
- set targets associated with the energy performance indicators;
- analyze the results achieved;
- identify improvement actions and quantify the potential gains.

### 1.3.5.3 Performance indicators and policy results

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**Performance indicators and targets**

- Waste processing and waste-to-energy plants currently operated by the CNIM Group in France holding ISO 50 001 certification: target of 100%.
- Waste processing and waste-to-energy plants currently operated by the CNIM Group outside France holding ISO 50 001 certification: target of 100% by 2025.
- Availability rate of waste-to-energy facilities: target of 90%.

Reporting standard: internal company standard / ODD 7.3.

Scope: CNIM E&E O&M.

**Results achieved in 2020:**

- All waste-to-energy plants in France are ISO 50 001-certified (see table of certifications in Chapter 2.7);
- ISO 50 001 certification for waste-to-energy plants outside France: none of these sites is currently certified. Work has started on introducing this management system by 2025, in line with the target.
- Plant availability rate: 89.5%. This rate, which is slightly lower than the target rate, can be explained by an accident at the Pluzunet waste-to-energy centre, which caused availability to fall to 65% at this site over the year. The other facilities have an average availability rate of 91.3%, above the target.

**Energy consumption in 2020 for all sites owned or operated by the CNIM Group:**

Data	Unit	Quantity
City gas for heating and processes	MWh	73,011
Ordinary domestic fuel	L	799,539
Mobile sources of petrol fuel (light and heavy vehicles)	L	321,854
Non-road diesel	L	338,370
Mobile sources of petrol fuel	L	113,343
Forklift gas (propane)	kg	4,151
Process gases (acetylene)	m <sup>3</sup>	3,729
Electricity	MWh	113,788
of which proportion of renewable electricity	MWh	94,770
Heating network	MWh	495

Reporting standard: GRI 302-1.

Highlight: the Group's usage of renewable electricity as a share of all electricity consumption was 83%. This very high percentage can be primarily explained by the self-supply of the Group's waste-to-energy and energy production sites and, to a lesser extent, by the increase in the proportion of renewable electricity provided by electricity suppliers.

**A world first for CNIM with the commissioning of an absorption heat pump for Brive's heating network**

The system provided and installed by CNIM at the waste-to-energy plant in Saint-Pantaléon de Larche (Nouvelle-Aquitaine) is based on a heat pump that supplies 13MW to Brive's heating network. It recovers and recycles the low pressure steam that leaves the plant's turbines and reinjects it directly into the city's heating network. This is a world first since the system, which was designed and delivered by CNIM in the space of a year, recycles "waste" heat, the temperature of which (40°C) is too low to be directly reused. CNIM's absorption heat pump captures the heat present in the low pressure steam and transfers it to the water in the heating network. The temperature of the water increases from 40°C to 80°C and can be reinjected into the network to supply residences in the city with green energy.

**Energy audits**

Since 2015, energy audits pursuant to European Directive 2012/27/EU and the EN 16 247 standard have been conducted in all Group companies subject to them. This measure is aimed at encouraging companies exceeding certain size or revenue thresholds to put an energy efficiency strategy in place for their businesses. Following this structured approach enables opportunities to improve energy efficiency to be identified, as well as the capital expenditure that would be required and the payback period for the investments. These audits confirmed that steps had already been under way for several years to control energy consumption at the main sites.

## 1.3.6 Prevention and reduction of atmospheric emissions

### 1.3.6.1 Atmospheric emissions prevention and reduction policy

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The major challenges facing CNIM in terms of atmospheric emissions prevention and reduction are tackled primarily by the companies in the Environment & Energy (E&E) sector:

- LAB designs, builds and commissions turnkey systems and facilities that process and reduce polluting emissions;
- CNIM E&E O&M (Operations & Maintenance) oversees the subsidiaries tasked with operating waste incineration and waste-to-energy plants.

#### **Policy, commitments and organization of LAB:**

LAB is a global player in engineering, construction and services, backed by around 150 highly qualified engineers. LAB provides its customers with integrated solutions to decrease their pollutant emissions, based on state-of-the-art technologies. In this business, particular emphasis is given to preventing and reducing atmospheric emissions.

To achieve its goals, the company has developed a portfolio of businesses including, among other things, the supply of:

- turnkey combustion gas treatment systems, designed specifically but not exclusively to reduce the atmospheric emissions of waste-to-energy and biomass-to-energy centres, thermal power plants and other industrial facilities;
- marine scrubbers and nitrous oxide (NOx) treatment for the shipping industry, and more generally, solutions to decrease nitrous oxide and sulphur dioxide emissions from ships;
- turnkey integrated facilities designed to improve energy efficiency and decrease pollutant emission levels.

Improving environmental impact performance is a core focus of LAB's activities and its quality, hygiene, health, safety and environment policy, and is central to the mindset of management and employees alike. Constantly striving for improvement, the Quality, Health, Hygiene, Safety and Environment Department plays an active organizational role and covers the full spectrum of these issues. LAB surpasses the requirements of its highly regulated, fiercely competitive market, proving its determination and ability to improve the environmental footprint of its customers' activities, and society more generally.

This focus on environmental impacts is the very essence of LAB's business. Accordingly, in order to achieve its quality targets, the company is ISO 9001, ISO 45001, ISO 14001 and MASE certified, enabling it to commit to the highest performance standards required by the market or required by the regulatory framework. Compliance with these quality, health & safety and environmental standards is also a key success factor for sustainable development of the company's businesses.

In view of the environmental impact of the construction, commissioning and service businesses, LAB endeavours to apply its expertise and best practices to satisfy the requirements of its customers and partners, and to implement a continuous improvement approach.

This mentality also leads us to develop cutting-edge technologies. In this respect, Research and Development are strategically important for LAB's activities and organization. LAB operates its own Research and Development Department, which drives the company's short- and long-term development and fosters an innovation culture. LAB's status as a technological leader in the field of environmental footprint reduction is underpinned by around 50 patents as well as a portfolio of projects benefiting its customers and the environment alike.

### 1.3.6.2 Action plans

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Achieving our goals requires us to continuously improve our technologies: LAB must retain its status as a technological leader. To ensure the growth and long-term success of the company, LAB must ensure that the supply, construction and commissioning of its polluting emissions reduction systems are carried out to the highest standards. All tasks contributing to these objectives are integrated into employees' work processes and its long-term business plan.

The key features of this action plan are as follows:

- carry out Research and Development activities with a view to remaining the leader in the current technologies, and develop new technologies that address customer expectations and environmental necessities.
- deliver cutting-edge operational excellence, constantly optimizing processes and providing the necessary support to customers to ensure that the systems perform at maximum efficiency.
- develop our talents and teams, in order to be an organization that is continually developing skills, and that is ready to meet new challenges and successfully achieve our shared goals.

Implementing this action plan will ensure that LAB is ready to rise to future challenges, just as it has achieved its goals in past years.

### 1.3.6.3 Performance indicators and policy results

#### LAB activities:

Using state-of-the-art technologies, LAB strives to reduce the environmental impact of combustion systems by supplying the most efficient atmospheric emission reduction systems possible. To achieve this goal, LAB designs and builds combustion gas scrubbing systems using the best available techniques that are in line with customers' requirements.

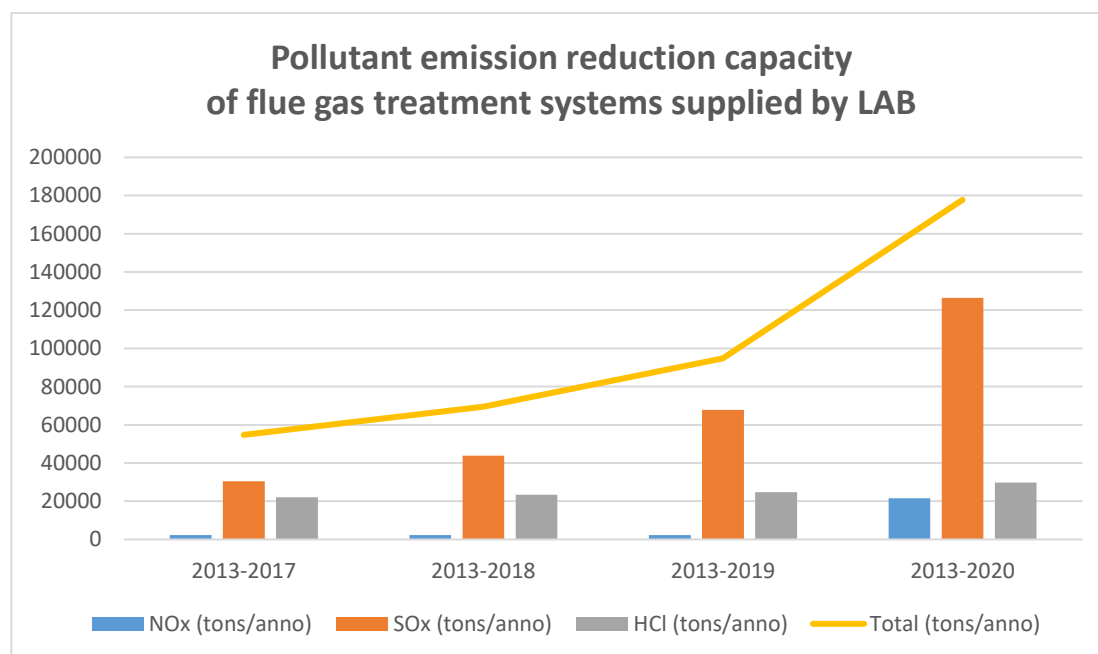
**Performance indicators:** pollutant emission reduction capacity of our completed projects.

The chart below shows the pollutant emission reduction capacity of the flue gas treatment systems handed over by LAB. It is clear from the chart that the efforts invested in Research and Development, winning new contracts and the efforts made in terms of quality and environmental impact have led to very significant reductions in atmospheric emissions. In this respect, LAB is a major contributor to improvements in our customers', partners' and stakeholders' environmental footprints and operating conditions.

Reporting standard: internal company standard / GRI 305-5 / ODD 12.4.

Scope: LAB.

#### Result achieved in 2020:



*\*The date includes the DeNox marine scrubber activity from 2020 onwards (business purchased by LAB GmbH from another industrial group in 2019).*

The chart above measures the cumulative annual reduction since 2013 of NOx, SOx and HCl emissions achieved by the flue gas treatment systems delivered by LAB to its clients.



It should be noted that LAB's ability to reduce polluting emissions partly depends on the choices made by its clients, who may opt for:

- a solution that complies with their legal obligations; or
- a solution that goes beyond their legal obligations, and choose a solution that uses the best available techniques.

An illustration of LAB's work is its marine scrubber for the shipping industry. These systems help to significantly reduce sulphur dioxide (SOx) emissions into the atmosphere. LAB installed and commissioned a number of systems in 2020 for well-known shipping companies. After these systems were commissioned, the level of emissions measured by independent inspection bodies were lower than those required by its clients and to which LAB had committed.

#### Delivery of flue gas treatment system for the new waste-to-energy plant in Kaunas (Lithuania)

In 2020, LAB delivered the flue gas treatment system, including heat recovery by flue gas condensation, for the new 85MW Waste-to-Energy plant in Kaunas, to its customer, UAB Kauno Kogeneracine Jegaime. The flue gas treatment process comprises a patented SecoLAB® dry system, supplemented by an efficient flue gas condensation system combined with combustion air humidification, resulting in 22MW being transferred to the local urban heating network.

#### Delivery of flue gas treatment system for the new Hofor Bio4 biomass-to-energy plant in Copenhagen (Denmark)

In 2020, LAB delivered lots M6 (flue gas treatment) and M7 (flue gas condensation) to the energy supplier, HOFOR, for the new woodchip biomass-to-energy plant in Copenhagen. This biomass plant completely replaces the use of coal in the Danish capital and has a capacity of approximately 150 MWel and 415 MWth (including 125 MWth for the flue gas condensation system delivered by LAB).

#### CNIM Group's greenhouse gas performance:

In 2020, aggregated greenhouse gas emissions for the CNIM Group were 532,983 tCO<sub>2</sub>e, with uncertainty of almost 42%:

- Direct emissions from non-energy processes (waste processing) represent more than 85% of emissions.
- The 42% uncertainty rating is largely attributable to the significant waste incineration business, as the incineration emission factor has an uncertainty of 50%.
- The quantity of CO<sub>2</sub> emissions was 3.5% greater than in 2019 as a result of the increase in the tonnage of waste processed (+3.3%).
- The site operated by CNIM Azerbaijan accounts for 42% of the Group's CO<sub>2</sub> emissions and 35% of avoided emissions.

Emissions categories	No.	Emission items	Greenhouse gas emissions							Avoided greenhouse gas emissions
			CO2 (t CO2e)	CH4 (t CO2e)	N2O (t CO2e)	Other gases (t CO2e)	Total (t CO2e)	CO2 b (t CO2e)	Uncertainty (t CO2e)	
Direct greenhouse gas emissions	1	Stationary combustion emissions	17,579	42	191	0	17,812	59	707	0
	2	Mobile emissions	842	1	8	0	850	214	21	0
	3	Emissions from non-energy processes	419,496	61	0	290	453,731	0	210,901	0
	4	Fugitive emissions	2	0	0	0	2	0	0	0
	5	Biomass emissions (soils and forests)	0	0	0	0	0	0	0	0
		<b>Sub-total</b>	<b>437,919</b>	<b>104</b>	<b>198</b>	<b>290</b>	<b>472,394</b>	<b>273</b>	<b>210,902</b>	<b>0</b>
Indirect emissions associated with energy	6	Indirect emissions associated with electricity consumption	5,854	0	0	0	5,854	0	310	159,463
	7	Indirect emissions associated with steam, heat or cold energy consumption	79	0	0	0	79	0	3	32,933
		<b>Sub-total</b>	<b>5,933</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,933</b>	<b>0</b>	<b>310</b>	<b>192,395</b>
Other indirect greenhouse gas emissions	8	Energy-related emissions not included in items 1-7	3,264	1,052	52	0	4,369	-273	137	86,627
	9	Purchased goods and services	0	0	0	0	0	0	0	0
	10	Capital property	0	0	0	0	0	0	2	0
	11	Final waste	48,480	248	1,559	0	50,287	13,814	12,259	111
	12	Upstream goods transport	0	0	0	0	0	0	0	0
	13	Business travel	0	0	0	0	0	0	0	0
	14	Upstream leasing	0	0	0	0	0	0	0	0
	15	Investments	0	0	0	0	0	0	0	0
	16	Visitor and customer transport	0	0	0	0	0	0	0	0
	17	Downstream goods transport	0	0	0	0	0	0	0	0
	18	Use of products sold	0	0	0	0	0	0	0	0
	19	End-of-life of products sold	0	0	0	0	0	0	0	0

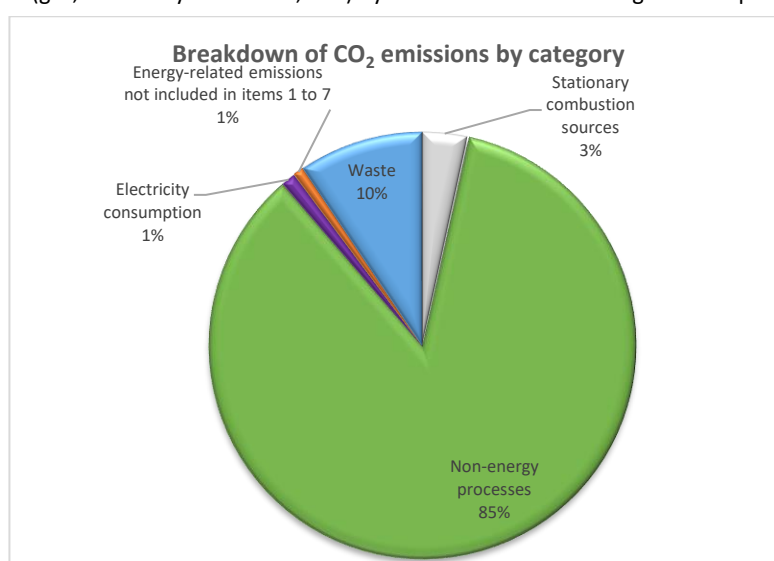
20	Downstream tax exemption	0	0	0	0	0	0	0	0
21	Downstream leasing	0	0	0	0	0	0	0	0
22	Commuting	0	0	0	0	0	0	0	0
23	Other indirect emissions	0	0	0	0	0	0	0	0
Sub-total		51,744	1,301	1,611	0	54,656	13,541	12,260	86,738
TOTAL		495,595	1,405	1,809	290	532,983	13,814	223,472	279,133

*Avoided emissions: emissions that would have been generated in order to produce the same quantity of energy or raw material according to existing production methods (based on the national energy mix).*

Reporting standard: GRI 305-1 / 305-2 / 305-3.

#### Breakdown of CO<sub>2</sub> emissions by category:

- The item 'Direct emissions from non-energy processes' represents 85% of the CNIM Group's CO<sub>2</sub> emissions. These emissions are related to waste-to-energy operations, which also make a very important contribution to avoided emissions.
- The item 'Waste', which accounts for 10% of the Group's CO<sub>2</sub> emissions, is also linked to the sorting and processing of waste.
- The other greenhouse gas emissions, amounting to approximately 4%, are the consequence of energy consumption (gas, electricity and diesel, etc.) by the vehicles and buildings of Group companies.



#### Emissions avoided by the CNIM Group:

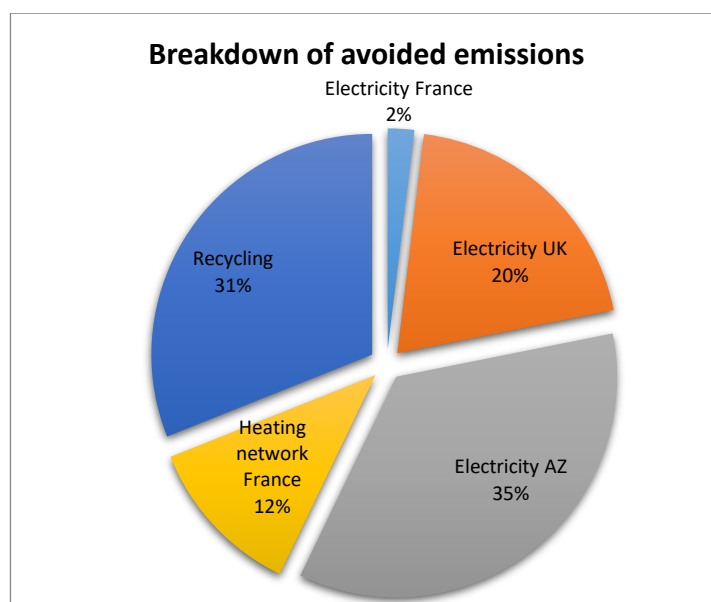
The Carbon Accounting method estimates the emissions avoided by a certain activity. In the case of the CNIM Group, this activity is waste-to-energy reprocessing and the recycling of materials.

In 2020, CNIM Group sites enabled 279,133 tCO<sub>2</sub>e of emissions to be avoided, representing 52% of total emissions:

- The sale of electricity in the United Kingdom and in Azerbaijan represents a significant proportion of avoided emissions, since the production of electricity in these two countries relies more heavily on carbon-based fuels than it does in France.
- Electricity sold in France has little impact on the Group's avoided emissions, due to the significant role of nuclear energy in France's energy mix, resulting in an electricity emissions factor in kWh that is very low compared with the United Kingdom and Azerbaijan (ten times lower).

	Emissions factor	Emissions avoided
	kgCO <sub>2</sub> e/MWh	tCO <sub>2</sub> e
Electricity in the United Kingdom	457	55,598
Electricity in Azerbaijan	584	98,474
Electricity in France	41*	5,391
Heat in France	279	32,933
Recycling of materials		86,627

\*The carbon database emissions factor is 60kg CO<sub>2</sub>e/MWh for France, but 40.7kg CO<sub>2</sub>e/MWh if the part related to the distribution and transportation of electricity (which is outside CNIM's scope) is excluded. This figure is very low in comparison with the United Kingdom or Azerbaijan, which is due to the very considerable role of nuclear power in France's energy mix.



#### Emissions avoided at waste-to-energy plants: change vs. 2019

- The quantity of waste recycled increased substantially, as CNIM Paris Batignolles's results were included on a full-year basis.
- In overall terms, the quantity of avoided emissions increased by 16%. A proportion of this increase can be explained by the change in the electricity emissions factor in Azerbaijan. At equivalent emissions factors, avoided emissions increased by 9%.
- In 2020, the CNIM Group's avoided emissions ratio was 168 kg Co2e/tonne<sub>2e</sub>/tonne of waste processed, an improvement of 5.3% from 2019.

GRI 305-4 / 305-5 / 305-6 / ODD 12.4

## 1.3.7 Ethics and anti-corruption measures

### 1.3.7.1 Ethics and anti-corruption policy

#### Commitments:

In carrying out its business, the CNIM Group promotes a culture of integrity and compliance, based on upholding and adapting to applicable incoming ethics standards and legislation, both in France and in other countries where our employees conduct our business.

Since 2013, the Group has been committed to raising staff awareness to the risk of fraud. Initially aimed at managers, it was then extended to purchasers and clients. Acknowledging incoming French legislation (i.e. the Sapin II law on transparency, anti-corruption measures and modernizing economic life), the Group updated and enhanced its corruption risk management system, applicable to CNIM and to all companies controlled by CNIM.

With reference to the eight measures highlighted by the *Agence Française Anti-corruption*, the principal documents on which this system is based are:

- an Ethical Charter;
- an Anti-Corruption Code of Conduct;
- a Purchasing Code of Conduct;
- a stock market and confidentiality charter;
- a sales agent selection and monitoring procedure;
- a corruption risk management procedure for partnerships;
- a gifts and invitations management procedure;
- a whistleblowing procedure covering recording and processing aspects.

### Structure of the Compliance function in the CNIM group

The Compliance function is run by the Group's General Counsel, the de facto Chief Compliance Officer, who reports to the Group's Chief Executive Officer.

Following on from the action taken to enhance the anti-corruption mechanism, in line with the recommendations of the *Agence Française Anti-corruption*, in 2019, the Group created a Compliance network, the operations of which are described below. This system is organized with the aim of enabling a combination of centralized management, ensuring controlled, uniform application, and operational management implemented locally by the various subsidiaries and entities.

In addition, the Compliance function and the internal control function operate separately for the purposes of the anti-corruption mechanism.

#### The Group Chief Compliance Officer (CCO):

- Reports to the Group's Chief Executive Officer on these issues;
- Sits on the steering committee;
- Defines and organizes the Compliance function and ensures that its work is implemented in the Group;
- Is the principal contact of the supervisory authorities, with the ability to intervene in compliance matters, in the broadest sense of the term;
- Is responsible for compliance issues before the various governance bodies (Executive Committee, Audit Committee, Board of Directors);
- Has full discretion to independently carry out any internal investigation he/she considers appropriate.

#### The Group Compliance Officer:

- Reports to the Group CCO;
- Designs the compliance programme and, first and foremost, the anti-corruption system;
- Coordinates and oversees the deployment, implementation and updating of the system, and leads the Compliance network within the Group;
- Monitors regulatory changes and best practices;
- Organizes and leads training within the Group;
- Is the point of contact for operational functions;
- Organizes meetings of the Compliance steering committee and reports to the Group's executive bodies on the implementation and effectiveness of the programme;
- Contributes to any internal or external investigations into the programme, or any that may be launched in the event that the internal alert system is used.

#### Compliance Officers:

- Distributed across the Group's various companies, they assist in deploying the compliance programme and, in particular, ensure that anti-corruption procedures are properly applied;
- Work as separately and independently as possible from the Group's operational activities;
- Report on the deployment and implementation of the Group Compliance Officer's programme;
- Alert the Group Compliance Officer and their managers if they become suspicious or in the event of conduct or situations that breach applicable charters, codes and procedures;
- Participate in and contribute to the Compliance network;
- Functionally report to the Group Compliance Officer in respect of Compliance activities.

## 1.3.7.2 Action plans

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### Sales agent evaluations

The sales agent selection and monitoring procedures specifies the selection criteria and requirements relating to the evaluation, approval and monitoring of sales agents with whom a business relationship is under consideration or already exists.

This procedure concerns the following functions: Chief Executive Officer and the Compliance Officer of the relevant subsidiary, Sales managers, Group Compliance Officer, Group Chief Financial Officer and General Counsel.

Sales agent evaluations are systematically informed by:

- analyzing due-diligence questionnaires;
- processing data in specialist databases;
- examining the findings of any independent detailed due-diligence reviews.

#### **Partner evaluations**

The corruption risk management procedure applicable to partnerships specifies the selection criteria and requirements relating to the evaluation, approval and monitoring of third parties with which a partnership - in the form of a joint business or joint-venture - is under consideration or already exists.

This procedure principally involves:

- the employees responsible for identifying, selecting, approving and monitoring partners;
- the employees responsible for drafting, negotiating and approving partnership agreements;
- employees representing the interests of CNIM or one of its subsidiaries as members of a decision-making body in a partnership.

Partner evaluations are systematically informed by:

- the partnership terms and conditions;
- analyzing due-diligence questionnaires and processing data in specialist databases;
- In the event of negative signals, the findings of independent due-diligence reviews.

#### **Assessment of customers and suppliers**

The procedure for managing the risk of corruption in relationship with the Group's customers, suppliers and subcontractors is being overhauled, in order to reflect the most recent recommendations of the *Agence Française Anticorruption* (French Anti-corruption Agency or AFA) published in the Official Journal on 10 January 2021. It seeks to determine groups of third parties that present similar levels of risk and to adapt the assessment procedures by reference to those levels. Once drawn up, it will apply to all third parties with whom the Group is proposing to enter or has entered into an agreement, based on the priorities established jointly by the Group Compliance Officer, compliance officers at other Group companies and the relevant operational managers.

#### **Employee awareness and training for exposed individuals**

Communication and training are the basis of the internal and external awareness-raising strategy, and an area of priority in the anti-corruption initiative put in place by the Group.

Accordingly, following on from the training and awareness initiatives implemented since 2013, a new wide-ranging training and awareness plan was launched in 2019.

### **1.3.7.3 Performance indicators and policy results**

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#### **Performance indicators and targets**

In view of the most recent recommendations of the AFA and the ongoing overhaul of the third-party assessment procedure, the decision has been taken to retain the first indicator that seeks to measure the percentage of employees exposed to the risk of corruption who have received training on the Group's system, and to introduce a new indicator that seeks to measure the percentage of third parties assessed as being high-risk:

- CNIM Group employees most exposed to corruption and influence-peddling risks: target of 100% trained or made aware of the risks by 2021, with new hires receiving training within a year of starting work.

Reporting standard: GRI 205-2/ODD 16.5.

- Proportion of due diligence carried out on "high-risk" third parties: 100% of new third parties in 2021, 100% all third parties by 2023

Reporting standard: GRI 205-1 / 414-1 / ODD 16.5.

Scope: Group.

#### **Status in 2020:**

- Proportion of employees the most exposed to corruption risks:
  - 611 Group employees have been identified as being exposed to the risk of corruption and influence peddling.
  - 9 face-to-face training sessions were organized up until March, when the lockdown, remote working and social distancing measures imposed as a result of the COVID-19 pandemic meant that no further training sessions could be held in 2020.

- Out of these 611 people, 443 were invited to a face-to-face training session on the Group's anti-corruption mechanism, and 346 actually participated in the session, resulting in:
  - o 72% of exposed employees being invited to the sessions;
  - o 78% of exposed employees invited to the sessions attending the sessions.
- Proportion of due diligence carried out on "high-risk" third parties: as this new indicator has only just been introduced, the results will be available from 2021 onwards.

Based on the AFA's recommendations on training employees who are the most exposed to corruption risks, the Group has decided to hold face-to-face training sessions to ensure that employees fully understand the Group's anti-corruption system, the high-risk situations to which they may be exposed as a result of their position and the procedures that apply in such situations. In this respect, the training programme that began in early 2020 and that sought to cover all employees exposed to corruption risk had to be suspended in March as a result of the COVID-19 pandemic. It will resume as soon as possible in 2021.

The roll-out of the entire anti-corruption system was also the subject of a progress report made to the Audit Committee.

#### Performance in terms of confirmed cases of corruption:

During the 2020 financial year:

- no internal alerts concerning suspected or actual corruption were received;
- no confirmed cases of corruption were identified;
- no employees were dismissed or disciplined in relation to corruption;
- one agreement with an intermediary was not renewed on the basis that the risk of corruption was too high;
- no corruption-related conviction was imposed on the CNIM Group or any of its subsidiaries or employees.

Reporting standard: GRI 205-3/ODD 16.5.

#### **The CNIM Group reaffirms its strong commitment to ethical matters and the prevention of corruption**

In 2020, Louis-Roch Burgard, Chief Executive Officer of the CNIM Group, decided to reaffirm his absolute personal commitment, and that of the members of the Group's Executive Committee, to complying with and promoting compliance with all ethics charters and codes of conduct.

These commitments are documented in the Ethics Charter, the Anti-Corruption Code of Conduct, the Purchasing Code of Conduct and the Stock Market and Confidentiality Charter. They are available at [cnim.com](http://cnim.com).

Details of the whistleblowing system are available internally on the Group's intranet and externally at [cnim.com](http://cnim.com). This system allows conduct contrary to the commitments made by the Group to be reported in confidence. Training on the Group's corruption prevention programme was widely rolled out in 2020 and the same will happen in 2021. Lastly, the risk mapping associated with the prevention of corruption (Sapin II law) will be reviewed in the first quarter of 2021.

This is a dynamic, continually improving procedure that assists the company in its developments and with which all employees are required to make progress. Ethics and compliance procedures are both tools that seek to ensure the long-term nature of the Group's business activities and value creation levers.

## 1.3.8 Summary of performance indicators and results

	2018	2019	2020	Target	References	
HR: attracting and retaining talent						
Employee turnover rate: voluntary departure rate (excluding employees who retire or leave upon contract expiry)	23.70%	12%	8%	≤15% by 2023	GRI 401-1	
Internal mobility rate (percentage of positions filled through internal mobility)	Not available	25%	30%	≥30% by 2023	Company	ODD 4.4
HR: Training and skills management						
Number of training hours/employee	22	21	13	28	GRI 404-1	ODD 4.4
Proportion of employees who have received at least one training session	74%	81%	51%	80%	Company	
Proportion of employees who have received an annual appraisal	97%	78%	79%	98%	GRI 404-3	
Health and safety:						
Frequency rate of occupational accidents:	15.59	9.85	12.06	<10 by 2024	GRI 403-2	ODD 8.8

Severity rate of occupational accidents:	0.29	0.26	0.41	<0.20 by 2024		
Energy consumption and energy efficiency (O&M):						
ISO 50 001 certification for waste-to-energy plants in France	100%	100%	100%	100%	Company	ODD 7.3
ISO 50 001 certification for waste-to-energy plants outside France	0%	0%	0%	100% by 2025		
Plant availability rate	90%	87.5%	89.5%	90%		
Processing of waste of delivered projects (EPC):						
Gross electrical efficiency	Not available		31.70%	≥25%	GRI 302-3 GRI 306-2	ODD 7.3
Ratio of unburned tonnage/tonnage of incinerated waste			0.13%	≤3%		
Ration of tonnage of final waste/tonnage of incinerated waste			25.8 kg/tonne	≤30 kg/tonne		ODD 12.5
Prevention and reduction of atmospheric emissions (Lab):						
Pollutant emission reduction capacity of our completed projects	70,000 tonnes	94,800 tonnes	177,782 tonnes	Aggregate tonnage (depending on facilities)	GRI 305-5	ODD 12.4
Ethics and anti-corruption measures:						
Proportion of the most exposed employees that have been trained or made aware	0%	67%	78%	100% by 2021	GRI 205-2	ODD 16.5
Proportion of due diligence carried on “risky” third parties (Countries with a CPI score < 40 or Estimated Vulnerability to Slavery Index >50)	Not available			100% of new third parties in 2021 100% all third parties by 2023	GRI 205-1 GRI 414-1	ODD 8.7 ODD 16.5

## 1.4 Other areas referred to in Article L225-102-1 of the French Commercial Code

### 1.4.1 Social commitments to sustainable development and the circular economy

#### Waste sorting centres: contributing to waste recycling and social inclusion

##### CNIM Insertion and CNIM Activ'Emploi

Since 2009 and the creation of the Thiverval Grignon (Yvelines, France) sorting centre, whose operating contract was awarded to CNIM, CNIM Insertion has offered social support and employment to people in difficulty to facilitate their integration into the economy. The undertaking is a company for the integration of workers through economic activity whose status has been accredited by the State. The people in question are hired for a maximum of 24 months, trained as sorting team members and helped with their social difficulties, and especially with their search for employment, as this activity is only one stage in their journey and is a stepping stone on the path to long-term employment. CNIM Insertion's mission comprises numerous positive outcome objectives, as the reintegration process can be counted a success only when the person has been able to find a job or take a training course that matches their aspirations and skills.

Since obtaining State certification in 2009, CNIM Insertion received AFAQ EI/ETI approval in 2013: it is the first integration enterprise in Ile-de-France to obtain AFNOR certification, which aims to validate the social practices of sheltered employment companies.

A similar system has been put in place at the new Paris Batignolles sorting centre, built by CNIM and commissioned in mid-2019. For 2020:

- CNIM Insertion: 64 people were awarded a contract. Ten of these went on to obtain either a permanent position, with a six-month or longer fixed-term contract or a place on a training course leading to a qualification.
- CNIM Activ'Emploi: 42 people were awarded a contract. Three of these went on to obtain either a permanent position, with a six-month or longer fixed-term contract or a place on a training course leading to a qualification.

### Reuse of IT equipment

Since 2014, the CNIM Group has signed partnership agreements with organizations for the employment of the disabled, respectively concerning the recycling or reconditioning of used IT equipment and screens for all French subsidiaries and the sorting and recycling of third-party site waste.

In 2020, the partnership on the management of the Group's end-of-life IT equipment collected 5 tonnes of equipment, with a reuse rate exceeding 37.2%. Given the low levels of recycling for this type of equipment and their significant environmental impact, the results achieved by this partnership are very positive.

Under these agreements, the CNIM Group contributes on the one hand to reintegrating people into the job market who find it difficult to obtain work and on the other to the circular economy, by:

- reducing the Group's environmental impact by reducing waste and the associated CO<sub>2</sub> emissions;
- transforming waste into resources, thus limiting the consumption of raw materials;
- prioritizing reuse.

## 1.4.2 Collective labour agreements

**Collective labour agreements and their impact on the company's economic performance and on employees' working conditions**

Type of agreement	Company	Nature of the agreement
Agreements affecting remuneration	Bertin Technologies	Agreement on Annual Mandatory Negotiations
	CNIM Centre France	Agreement on Annual Mandatory Negotiations
	Bertin IT	Profit-sharing agreement for 2020, 2021 and 2022
Agreements affecting working conditions	UES CNIM	Agreement on remote working
		Agreement on carrying forward paid holiday
	LAB	Agreement on remote working
	Bertin Technologies	Agreement on the introduction of a COVID-19 structure
	Bertin IT	Agreement on the introduction of a COVID-19 structure

## 1.4.3 Respect for human rights

In view of:

- the international nature of the Group's activities,
- the Modern Slavery Act that came into force in the United Kingdom in 2015,
- the extent of the Group's activities in the United Kingdom for a number of years,

a specific action plan was implemented in the Procurement Departments of the Group's principal companies, in order to ensure compliance by suppliers and subcontractors with human rights.

This action plan underlines the Group's commitment to honour the principles and rights proclaimed under the 1998 Declaration of the International Labour Organization, which promotes dignity in labour and fundamental conventions worldwide, and ensure that its subsidiaries and business partners do the same. The action plan is made up as follows:

- Declaration of Commitment by the Board of Directors;
- Group Purchasing Policy describing the Group's CSR commitments and its expectations of its business partners;
- Inclusion of a clause on respect for human rights in the General Procurement Terms & Conditions;
- Annual declaration on slavery and human trafficking;
- Inclusion of an undertaking to respect human rights in our supplier and subcontractor approval questionnaire;
- Vigilance in relation to posted workers and payment of social security contributions by suppliers and subcontractors.

In addition, the CNIM Group's commitments to health and safety conditions at work, training, employment relations and combating discrimination are described in Chapters 4.3.1, 4.3.2 and 4.3.3 of this report.



### 1.4.4 Measures taken to reduce food waste and insecurity

In response to the Law of 11 February 2016 on combating food waste, the CNIM Group does not buy, process, distribute or sell foodstuffs in the course of its business. In addition, only two Group companies have their own company restaurant. Accordingly:

- reducing food waste,
- combating food insecurity,
- animal welfare,
- and sustainable, fair trade and responsibly produced food,

are not major issues for the Group, and no specific action plan has been established for these topics other than the vigilance and common-sense measures that the Group applies to all of its consumption and waste.

### 1.4.5 Effects of climate change

In response to the law of 17 August 2015 on energy transition for green growth, the materiality analysis set out in Chapter 2.7 shows that adapting to the consequences of climate change is not a major challenge for the CNIM Group.

In addition, the strategy put in place by the CNIM Group, that seeks to reduce its environmental impact and that of its customers, as well as the consequences of its business activity and the use of the goods and services that it produces on climate change are discussed in Chapters 4.3.4, 4.3.5 and 4.3.6.

### 1.4.6 Measures taken to combat tax evasion

#### Tax policy

The main aim of the CNIM Group tax policy is to secure the Group's positions with regard to the governments of the various countries in which it operates, by complying with the relevant obligations.

This is achieved by i) determining, drafting and regularly updating a transfer pricing policy, demonstrating to tax authorities that the international principles governing the allocation of profits between our entities are upheld; ii) systematically reviewing the accounts of each Group entity, ensuring that the positions adopted are consistent with local tax obligations and iii) providing frequent training for all individuals whose activities affect the tax results of Group entities.

Furthermore, the Tax Department provides supervisory and advisory services for tendering processes, to ensure that the flows between legal entities involved in a project comply with the Group's transfer pricing policy.

This mission appears to be a success, in view of the very limited tax adjustments paid by the Group across all countries in which it operates.

Lastly, the Tax Department maintains a systematic watch over all tax credits recorded by the various Group companies in order to liaise with the relevant tax authorities responsible for refunds.

#### Commitments by the Tax Department

The Group's Tax Department, cooperating with the various divisions:

- establishes general transfer pricing principles enabling compliance with all applicable tax obligations;
- drafts and regularly updates the Group's documentation relating to transfer pricing, enabling documents to be submitted to authorities promptly upon request;
- upholds compliance with filing deadlines across all Group entities;
- verifies the accuracy of tax statements filed by Group entities.

## Organization

As financial support functions to Group entities are centralized, the Finance Department offers assistance, advice and supervision during account closing procedures, to ensure that the information on which tax statements are based is as reliable as possible.

The Finance Department also reviews all Group proposals i) exceeding a critical size threshold or ii) submitted in a region in which the Group is not present or has no previous contracting history.

# 1.5 Methodology applied for the CNIM Group's Declaration of Non-Financial Performance for 2020

The format of this report is a declaration of non-financial performance, required pursuant to Decree no. 2017-1265 of 9 August 2017, implementing order no. 2017-1180 of 19 July 2017 that transposed European directive 2014/95/EU. However, in the interests of continuity and information transparency, and with a view to meeting the expectations of certain stakeholders, certain employment, environmental and societal information has been retained.

The scope is fixed as at December 31 of the financial year.

## 1.5.1 Consolidation scope

The list of entities to be covered by the Declaration of Non-Financial Performance is proposed by the Group CSR Manager and approved by the Group's Executive Committee and the General Management of the subsidiaries concerned.

The Group CSR Manager is responsible for collecting and consolidating data and drafting this report. To that end, he relies on a network of officers in the Group's various companies and provides them with preformatted tables for collecting data. In order to make the information consistent and limit the risk of errors being made, these tables state the methodology to be followed and the nature of the information to be collected.

The data is archived from year to year, with a view to carrying out checks on consistency and ensuring the reliable collection of data. For the waste-to-energy and sorting sites operated by the Group, the environmental data provided by Operational Managers is checked by Site Managers, then audited by clients.

The process follows a defined schedule, sent each year to all contributors.

In producing this report, data from 28 companies was consolidated. The table below identifies the extent of the consolidation scope each year.

The 2020 scope is identical to the 2019 scope and includes the new companies created as a result of the CNIM Group's legal restructuring.

	2012	2013	2014	2015	2016	2017	2018	2019	2020
BERTIN IT					o	o	o	o	o
BERTIN GmbH						o	o	o	o
Bertin Technologies	o	o	o	o	o	o	o	o	o
CNIM Activ Emploi								o	o
CNIM Airspace								o	o
CNIM AZERBAIJAN				o	o	o	o	o	o
CNIM Babcock Maroc				o	o	o	o	o	o
CNIM Centre France		o	o	o	o	o	o	o	o
CNIM China			o	o	o	o	o	o	o
CNIM E&E EPC									o
CNIM E&E O&M									o
CNIM E&E Services									o
CNIM Group	o	o	o	o	o	o	o	o	o

CNIM Insertion			o	o	o	o	o	o	o
CNIM Martin Pvt. Ltd.							o	o	o
CNIM Mutual Services									o
CNIM Ouest Armor	o	o	o	o	o	o	o	o	o
CNIM Paris Batignolles								o	o
CNIM Singapore			o	o	o	o	o	o	o
CNIM Systèmes Industriels									o
CNIM Terre Atlantique				o	o	o	o	o	o
CNIM Thiverval Grignon	o	o	o	o	o	o	o	o	o
Lab GmbH								o	o
LAB	o	o	o	o	o	o	o	o	o
Lab WASHINGTON*					o	o	o	o	o
MES Environmental Ltd		o	o	o	o	o	o	o	o
SUNCNIM					o	o	o	o	o
Winlight								o	o

*\*The indicators presented in this report cover all companies other than Lab Washington, for which only the environmental scope is taken into account, since the other data is insignificant.*

Entities selected for reporting consolidate the performance and impact of the industrial facilities where they are responsible for operational technical control, including facilities operated on behalf of third parties. These companies account for 96 % of the Group's consolidated revenues and cover more than 94 % of its headcount over 38 sites.

Certain Group companies are not consolidated, for the following reasons:

- They have fewer than 20 employees;
- A strategic review is ongoing concerning the potential disposal of certain subsidiaries;
- The non-financial considerations are not material.

In environmental terms, the scope covers all waste sorting, treatment and recovery centre operating business throughout the world.

## 1.5.2 Note on methodology

This report contains information based on the Global Reporting Index (GRI) sustainability reporting guidelines. This information is identified using references to the GRI standards (GRI xxx).

With regard to the employment data published in this report, the following facts should be noted:

- Headcount: headcount includes employees with an employment contract with the Group during the year to which the report relates, irrespective of the type of contract (permanent, fixed-term or training). Interns, apprentices and temporary employees are not taken into account.
- Health and safety: the frequency and severity of accidents that required an employee to take time off work are taken into account.
- Training: all categories of training are taken into account; this may include training on regulations or on adapting workstations or training that seeks to develop employees' skills.

With regard to the environmental data published in this report, the following facts should be noted:

- The CNIM Group is concerned about what happens to the waste material produced by its activities and can provide indicators about the recovery of its waste. To this end, it relies on the definitions of 'waste' and 'recovery' established by the local regulations.
- CO2 emissions were calculated based on the V8.1 spreadsheet program of the Association Bilan Carbone (French Carbon Accounting Association), with emission factors from the Carbon Database. In the light of the work of the "Electricity" working group over the period 2017-2018, a major update was implemented, to more accurately reflect the impact of import/export flows and to update the European average CO2 content. The method now uses net hourly import and export data, and the European CO2 content defined by the International Energy Agency (IEA).

- Given that the Group subcontracts all inbound and outbound transportation and that hauliers and freight forwards do not publish figures for the CO<sub>2</sub> emissions generated by these services, the CNIM Group does not possess sufficient data to disclose “Other indirect greenhouse gas emissions” (scope 3). The only items described in detail in scope 4 are final waste from waste-to-energy and waste treatment plants and energy emissions that are not included in items 1 to 7 (emissions from the entire final energy production chain, recorded for any use of fuel, electricity or steam).
- The emission factor applied for waste sorting and waste processing centres is 326 kg. eq. CO<sub>2</sub> eq./tonne for the incineration of household waste (excluding transport, which is outside the scope) and 128 kg CO<sub>2</sub>/tonne for landfill disposal of final waste.
- Acetylene gas is used by many Group companies and subsidiaries. It was not referenced in the Carbon Database, and was added to the carbon account as follows: density 1.1 kg/m<sup>3</sup>, emission factor 3.38 kg.CO<sub>2</sub>/kg (based on stoichiometric ratios).
- Calculation of uncertainty: as most emissions are due to the incineration of household waste, all these emissions depend directly on the household waste incineration emission factor. These values are not independent, as in previous years the uncertainties were added together.
- The activities of the waste treatment plants operated by CNIM enable energy to be produced (electricity and heat) and materials to be recycled (sorting centres). These activities lead to the avoidance of emissions.
- When calculating its direct greenhouse gas emissions, the CNIM Group includes the CO<sub>2</sub> from the vehicles owned, leased or hired by the Group and used within the context of its industrial and business activities.

### 1.5.3 Cross-reference tables

		Chapters	Pages
Declaration of non-financial performance			
	Business Model	1.1	4
	Principal risks and opportunities	1.2	7
	Policies, action plans, performance indicators and results	1.3	13
Other matters covered by Article L.225-102-1			
	Action taken to combat discrimination, to promote diversity and measures taken in favour of disabled people	1.3.1	13
	Anti-corruption measures	1.3.7	35
	Consequences of the business activity and the use of goods and services on climate change	1.4.5	41
	Social commitments to sustainable development and the circular economy	1.4.1	39
	Social commitments to combat food waste and insecurity	1.4.4	41
	Social commitments to promote sustainable, fair trade and responsibly produced food, and animal welfare	1.4.4	41
	Collective bargaining agreements and their impact on economic performance and on employees' working conditions	1.4.2	40
	Respect for human rights	1.4.3	40
	Measures taken to combat tax evasion	1.4.6	41

## 1.6 Opinion of the independent third party

To ensure that submitted information is transparent and reliable, RSE France, a subsidiary of the Apave group, was appointed to verify the Group's labour-related, environmental and social information, as required under French law (by Decree 2017-1265 of 9 August 2017 implementing order 2017-1180 relating to the publication of non-financial information).



Accréditation n°3-1051  
Portée disponible sur [www.cofrac.fr](http://www.cofrac.fr)

### Avis motivé de conformité et de sincérité de la déclaration de performance extra-financière

Réf : 21001

#### Aux actionnaires

À la suite de la demande qui nous a été faite par la société CNIM, nous vous présentons notre rapport sur la déclaration consolidée de performance extra-financière relative à l'exercice clos le 31 décembre 2020 (ci-après la « Déclaration »), présentée dans le rapport de gestion du groupe en application des dispositions légales et réglementaires des articles L. 225-102-1, R. 225-105 et R. 225-105-1 du code de commerce. RSE France a la qualité d'Organisme Tiers Indépendant (OTI) accrédité par le Cofrac sous le n°3-1051 (portée disponible sur [www.cofrac.fr](http://www.cofrac.fr)).

#### Responsabilité de la Société

Il appartient au Conseil d'administration d'établir une Déclaration conforme aux dispositions légales et réglementaires, incluant une présentation du modèle d'affaires, une description des principaux risques extra-financiers, une présentation des politiques appliquées au regard de ces risques ainsi que les résultats de ces politiques, incluant des indicateurs clés de performance.

#### Indépendance et système de management de la qualité

Notre indépendance est définie par les textes réglementaires, notre code de déontologie ainsi que les dispositions prévues dans la norme ISO 17020. Par ailleurs, nous avons mis en place un système de management de la qualité qui comprend des politiques et des procédures documentées visant à assurer la conformité avec les règles déontologiques, les textes légaux et réglementaires applicables et la norme ISO 17020.

#### Responsabilité de l'Organisme Tiers Indépendant

Il nous appartient, sur la base de nos travaux, de formuler un avis motivé exprimant une conclusion d'assurance modérée sur :

- la conformité de la Déclaration aux dispositions prévues à l'article R. 225-105 du code de commerce ;
- la sincérité des informations fournies en application du 3° du I et du II de l'article R. 225-105 du code de commerce, à savoir les plans actions, les résultats des politiques incluant les indicateurs clés de performance relatifs aux principaux risques, ci-après les « Informations ».

Il ne nous appartient pas en revanche de nous prononcer sur :

- le respect par la société des autres dispositions légales applicables le cas échéant, [en particulier celles prévues par la loi n° 2016-1691 du 9 décembre 2016 dite Sapin 2 (lutte contre la corruption)] ;
- la conformité des produits et services aux réglementations applicables

#### Nature et étendue des travaux

Nos travaux décrits ci-après ont été effectués conformément à l'arrêté du 14 septembre 2018 déterminant les modalités dans lesquelles l'organisme tiers indépendant conduit sa mission.

Nous avons mené des travaux nous permettant d'apprécier la conformité de la Déclaration aux dispositions légales et réglementaires et la sincérité des Informations :



### Avis motivé de conformité et de sincérité de la déclaration de performance extra-financière

- Nous avons pris connaissance de l'activité de l'ensemble des entités incluses dans le périmètre de consolidation, de l'exposé des principaux risques sociaux et environnementaux liés à cette activité, et de ses effets quant au respect des droits de l'homme et à la lutte contre la corruption ainsi que des politiques qui en découlent et de leurs résultats ;
- Nous avons apprécié le caractère approprié du Référentiel au regard de sa pertinence, son exhaustivité, sa fiabilité, sa neutralité et son caractère compréhensible ;
- Nous avons vérifié que la Déclaration couvre chaque catégorie d'information prévue au III de l'article L. 225-102-1 en matière sociale et environnementale ainsi que de respect des droits de l'homme et de lutte contre la corruption ;
- Nous avons vérifié que la Déclaration présente, le modèle d'affaires et les principaux risques liés à l'activité de l'ensemble des entités, y compris, lorsque cela s'avère pertinent et proportionné, les risques créés par ses relations d'affaires, ses produits ou ses services, au regard des informations prévues au I de l'article R. 225-105, ainsi que les politiques, les actions et les résultats, incluant les indicateurs clés de performance ;
- Nous avons vérifié, lorsqu'elles sont pertinentes au regard des principaux risques ou des politiques présentés, que la Déclaration présente les informations prévues au II de l'article R. 225-105 ;
- Nous avons apprécié le processus d'identification, de hiérarchisation et de validation des principaux risques ;
- Nous avons vérifié que la Déclaration couvre le périmètre consolidé, à savoir l'ensemble des entités incluses dans le périmètre de consolidation conformément à l'article L. 233-16. Le périmètre comprend les installations industrielles dont CNIM détient le contrôle technique opérationnel, y compris les installations opérées pour compte de tiers. Certaines sociétés n'ont pas été intégrées du fait d'un effectif inférieur à 20 personnes ou d'un impact environnemental faible. Le périmètre pris en compte représente 96% du chiffre d'affaires du Groupe et 94% des effectifs.
- Nous avons apprécié le processus de collecte mis en place par l'entité visant à l'exhaustivité et à la sincérité des résultats des politiques et des indicateurs clés de performance devant être mentionnés dans la Déclaration ;
- Nous avons mis en œuvre sur les indicateurs clés de performance liés aux risques principaux (attirer et conserver les talents, santé et sécurité, consommation d'énergie et efficacité énergétique, valorisation de déchets, formation et compétences, prévention et réduction des rejets atmosphériques, éthique et lutte contre la corruption), et sur une sélection d'autres résultats que nous avons considérés les plus importants (effectifs, émissions de gaz à effet de serre) :
  - des procédures analytiques consistant à vérifier la correcte consolidation des données collectées ainsi que la cohérence de leurs évolutions ;
  - des tests de détail sur la base d'échantillonnages, consistant à vérifier la correcte application des définitions et procédures et à rapprocher les données des pièces justificatives. Ces travaux ont été menés auprès d'une sélection d'entités contributrices (Seyne-sur-Mer, LAB) et couvrent entre 94% et 100% des données consolidées des indicateurs et résultats sélectionnés pour ces tests ;
- Nous avons consulté les sources documentaires et mené des entretiens pour corroborer les informations qualitatives (organisation, politiques, actions, résultats) liées aux principaux risques ;
- Nous avons apprécié la cohérence d'ensemble de la Déclaration par rapport à notre connaissance de la société.

Nous estimons que les méthodes d'échantillonnage que nous avons retenues en exerçant notre jugement professionnel nous permettent de formuler une conclusion d'assurance modérée ; une assurance de niveau supérieur aurait nécessité des travaux de vérification plus étendus.

Du fait du recours à l'utilisation de techniques d'échantillonnage ainsi que des autres limites inhérentes au fonctionnement de tout système d'information et de contrôle interne, le risque de non-détection d'une anomalie significative dans la Déclaration ne peut être totalement éliminé.





### Avis motivé de conformité et de sincérité de la déclaration de performance extra-financière

#### Moyens et ressources

Nous avons mené onze entretiens avec les personnes responsables de la préparation de la Déclaration, représentant notamment les directions générales, administration et finances, gestion des risques, conformité, ressources humaines, santé et sécurité, formation, environnement, exploitation, RSE et achats. La mission a été effectuée entre janvier et mars 2021 et a mobilisé sept jours/hommes. Nous estimons que nos travaux fournissent une base suffisante à la conclusion exprimée ci-après.

#### Conclusion

Sur la base de nos travaux, nous n'avons pas relevé d'anomalie significative de nature à remettre en cause le fait que la Déclaration est conforme aux dispositions réglementaires applicables et que les Informations, prises dans leur ensemble, sont présentées de manière sincère.

#### Commentaires

Au regard des Lignes directrices sur l'information non financière (méthodologie pour la communication d'informations non financières) de la Commission européenne et des préconisations du guide Afnor FD X30-024, nous formulons les commentaires suivants :

- **Modèle d'affaires** : La section 1 du Document d'Enregistrement Universel est quasiment toute entière consacrée à la présentation du modèle d'affaires et présente un ensemble d'informations et d'infographies utiles à sa compréhension.
- **Principaux risques extra-financiers** : Une cartographie détaillée des parties prenantes a été établie mais le processus d'identification des risques principaux ne prévoit pas, à ce stade, une interrogation formelle de ces parties prenantes. Les principaux risques extra-financiers sont intégrés dans une approche de maîtrise globale des risques financiers et extra-financiers.
- **Résultat des politiques, incluant des indicateurs de performance** : Les objectifs fixés et les indicateurs de performance retenus traduisent une dynamique d'amélioration. Un rappel des Objectifs de Développement Durable potentiellement impactés est indiqué.

Paris, le 4 mars 2021

Gérard SCHOUN