

# PAPREC GROUP BUSINESS ETHICS

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*For a Greener Planet and a More Fraternal Society*





**Paprec Group was founded in by 1994 Jean-Luc Petithuguenin.**

**French independent leader in the recycling industry and 3<sup>a</sup> player in waste management,** present throughout metropolitan France and in Switzerland, our activities cover three areas: the collection of waste, the sorting and manufacture of Raw Materials from Recycling near the deposits, and the sale of these RPMs to industrialists who recover them into finished products.

Today, Paprec Group has **a network of more than a dozen sites 250**, enabling it to offer a comprehensive waste recycling solution throughout France. The Group collects and **recycles 12 million tonnes of waste** divided into 14 different families; in its 2020, activities have issued 321 kT<sub>eq</sub> of CO<sub>2</sub> and contributed to avoiding the emission of 4.1 MT<sub>eq</sub> CO<sub>2</sub>.

The Group's asset structure has meant that it does not have to choose between growth and commitment to its human and sustainable development values. **70 of the Group's growth is**

We have created more 5000 local, permanent and non-displaceable jobs. Paprec Group has thus been able to grow and retain its identity.

**Paprec Group has developed around two pillars:**

- . **professional excellence** on the one hand, with the daily commitment of all the Group's employees, and more than 900 millions euros invested in our industrial facilities ;
- . **sustainable development and CSR** on the other hand, with a proactive policy on diversity, social and community responsibility, and a strong local base for our agencies, which contribute to the local economy.

Paprec Group is built around **5 strong values**, systematically displayed in all our agencies:

- . **respect for people**: because respect for individuals is central to us. We fight against all forms of discrimination and for equal opportunities;
- . **secularism and diversity**: we respect people in the diversity of their opinions, their cultures, their religions, their training, their origins and their ages. It is in this same spirit that we carry out our recycling activity with the constant concern to protect the planet;
- . **professionalism**: individual and collective performance is an essential condition to ensure our long-term growth and development. Each of us contributes to this through our commitment and professionalism;
- . **the desire for excellence**: we aim to be the best environmental professionals, at the forefront of techniques and quality;
- . **team spirit and solidarity**: values that are essential to our success.

Paprec Group **has been a member of the United Nations Global Compact since its inception 2005** and is committed to respecting its 10 fundamental principles.

This document aims to go further, by summarising our concrete daily commitments. It is neither fixed nor exhaustive. These commitments will be monitored and reported on annually in our Sustainable Development report.

**Jean-Luc Petithuguenin**  
Chairman and  
Founder

## I. PAPREC GROUP AND ITS EMPLOYEES: MUTUAL COMMITMENTS WITH OUR FIRST AMBASSADORS

### A. Paprec Group is committed to its employees

#### LISTEN

PAPREC listens to its employees. Its matrix organisation allows for rapid information feedback and constant exchanges at all levels; any employee can have direct access to the general management. In particular, every year in January, a member of Comex goes to each branch to present the Group's wishes and discuss directly with all employees.

#### INTEGRATION OF MANAGERS AND SUPERVISORS

All new recruits (supervisors or managers) undergo an integration programme during their first month of probation.

Going to meet the agencies and other employees allows you to understand the Group's activities: from sorting or a tour with the drivers, but also more widely the recycling of the various wastes we process, and the involvement of the support functions. It is also an opportunity for the new employee to become familiar with our values and philosophy. This integration process is obviously also carried out by newcomers to the Group when a company is acquired, but also by employees who are promoted. In addition, new arrivals are linked to a sponsor (without any hierarchical link). In addition, during an acquisition, a dedicated integration committee is set up to monitor the integration of the company and new employees, and to share mutual best practices.

#### VALUING EMPLOYEES

PAPREC has set up a programme to recognise talent and accomplished work: the Castors d'Or. In addition to valuing and recognising work accomplished, this programme demonstrates the Group's desire to put all employees on an equal footing and to truly distinguish commitment and work accomplished over the long term, without distinction by level of study or hierarchical level for example. Each level of the company is rewarded on the principle of exemplary performance and meritocracy.

This programme helps to strengthen team spirit. The awards are presented at our annual convention by the Group's Chairman personally and in front of all employees. The winners are all in a special edition of our internal communication magazine, and go on a trip to discover how their job is done on the other side of the world (Asia, South America, Australia, etc.); the best drivers are awarded the top-of-the-range truck in the category that concerns them.

#### RESPECT FOR THE CONDITIONS OF SOCIAL DIALOGUE

Respect for social dialogue is essential to the smooth running of our branches. Paprec Group holds elections for staff representatives and trade union representatives, as required by law.

#### PROACTIVE REMUNERATION POLICY

Because respect for our employees and the work they do is of course also reflected in

On remuneration, PAPREC has an ambitious management policy, which includes a salary policy that values skills and work by ensuring a minimum salary for employees equal to the SMIC +150 € + 13th month.

#### SYSTEM OF INCENTIVES AND VALORISATION OF EMPLOYEES' INITIATIVES

To encourage our employees in their initiatives and to promote them, our internal communication magazine ("Paprec News") reports each month on the highlights of the agencies and highlights our employees and their achievements. This magazine is sent by post to the home address of each of our employees. Our agencies also have an ideas box, which allows us to list the ideas and initiatives of our employees are highlighted - whether they are professional, or related to their extra-professional activities.

#### TRAINING AND CAREER MANAGEMENT

Career management is managed by the Human Resources Department in conjunction with the branch managers.

In terms of training, we give Group employees who so wish their Caces and HGV licences, upon approval of the branch manager. Based on the principle that everyone can and must achieve their full potential in their profession, the Paprec Group gives those who show the will to do so through their work and their commitment to the environment the opportunity to develop their skills.

We also offer them the possibility of training in order to develop within the group. We therefore also offer the possibility of following training courses in addition to the activity carried out, or without a direct link but enabling them to develop new skills.

skills. The skills tracking table allows us to monitor the skills of our teams.

#### TALENT SCOUTING

Paprec Group has set up an internal talent identification programme which aims to review each supervisor individually, in the presence of the Branch Manager and the General Manager or Regional Manager. The aim is to identify the qualities of the employee and his or her prospects for development, but also his or her abilities to sponsor other employees, or to become an expert in a working group, or to participate in the integration of new structures into the Group. Each year, the skills and qualities of staff are also reviewed at meetings on pay progression and promotion. Promotions are proposed by the Director and are part of an annual promotion programme.

#### SECURITY

Paprec Group's QSE department pilots monitoring and ensuring the proper implementation of our safety policy, and supports the branch managers who are responsible for deploying safety instructions and ensuring that they are followed on their site with the QSE correspondents deployed in the regions. A monthly committee dedicated to safety brings together the departments and branch managers concerned. Each branch has a single risk assessment document that is updated annually and includes an action plan. Each new employee, regardless of status, is given a booklet

A welcome card reminding us of all the safety instructions in particular.

The Paprec Group provides safety training for employees through regular talks and practical, on-the-job training. In addition, management regularly sends internal memos to all Group employees, which are posted in each branch on the notice board in the reception area and on the company premises.

Paprec Group also invests in research and innovation to improve safety conditions at work. A monthly safety committee and a working group dedicated to safety within the Group are also essential organisational bodies.

#### **WORKING CONDITIONS**

Paprec Group provides its employees with the best possible working conditions. Each site has a notice board reminding employees of safety instructions; wearing PPE is of course compulsory. In addition, the Group provides each employee with at least two complete sets of work clothes and the appropriate PPE each year, (NF EN 471 standard), in the company's colours. The uniforms and PPE are of course renewed immediately if necessary, with each branch having sufficient stock.

Our Operational Excellence Department carries out audits at our various sites and provides training for all branch employees, focusing on their job. All of our branch managers and employees are highly aware of the importance of the following regulations and safety, in particular respect for working hours and break times

and breaks on a regular basis.

Paprec Group also takes specific measures for lone workers, such as the use of lone worker protection equipment (ITP).

If necessary, Paprec Group can adapt its equipment to the needs of employees (e.g. a truck with special driving devices for a physically disabled driver).

#### **MANAGEMENT OF ACCIDENTS AT WORK**

In the event of accidents, an investigation is systematically carried out to understand the causes and implement ad hoc solutions. In addition, we communicate internally on serious accidents to disseminate good practices and raise awareness among all our employees of the risks associated with our activities. In addition, every month, the branch manager reports to the QSE department the incidents and accidents at work that have occurred. The QSE department centralises and monitors safety indicators: frequency rate of accidents at work, severity rate, etc. These indicators are compared with the average for the sector and with the objectives set annually. The QSE department centralises and monitors safety indicators: accident frequency rate, severity rate, etc. These indicators are compared with the sector average and with the objectives set annually.

## **B. Employees who respect the company**

### **RESPECT**

Because our employees are our first ambassadors, we require them to respect the company and its environment, their colleagues and their customers. The respect due to customers is essential: it is a question of going beyond the simple commercial or contractual relationship to create a bond and develop a real human relationship. More broadly, this is in line with the company's approach to respecting the environment. Paprec Group is keen to be a major player in the local economy and we are keen to ensure a social mission locally. Respect for colleagues and management is a prerequisite for the smooth running of the company. We

We want our employees to greet and treat each other with respect and esteem.

In addition, Paprec Group employees are committed to respecting and caring for their work tools. This means that they must regularly and seriously maintain their work tools.

### **GENTILLESSE**

Kindness is a value to which the Paprec Group is very attached. Behind this value, we expect courtesy and mutual benevolence from our employees. It is important that everyone in the company knows that they are considered and treated with respect, and that they can count on their colleagues to solve a problem or deal with a work overload.

Kindness promotes social interaction and enables each employee to work well with his or her team and hierarchy.

### **LOYALTY**

Paprec Group asks its employees to make a reciprocal commitment to the company, not to adopt any attitude or behaviour that could put it at odds with its own commitments.

We do not allow employees to denigrate the Group or their colleagues.

### **HUMILITY**

Humility is an essential quality among our employees to ensure respect for each other, professionalism and good working relationships.

For the employees of the Group members should view themselves, their colleagues and the company realistically, without arrogance or pretension towards others. Teamwork and respect for each other require this quality.

**C. Beyond the contractual employment relationship, Paprec Group is committed to promoting diversity**

**EQUALITY AND NON-DISCRIMINATION**

Paprec Group has been working for years to promote equality for its employees

Equality in recruitment, equality between men and women, equal treatment regardless of education or training level, regardless of age, equality towards our disabled employees, etc.

The Group is committed to fighting all forms of discrimination: non-discrimination is a fundamental value of the Group, a militant value, applied and displayed at all levels within the Group and at all our sites.

These formal commitments to non-discrimination and respect for people on the one hand, and respect for the law and regulations on the other, formally lead us to ensure on an ongoing basis, both through our central services (HR in particular) and through our actions in the field, that no discrimination whatsoever is perpetrated within the Group, and in particular with regard to the criteria laid down in the law and prohibited by law: age, physical appearance, ethnicity, nationality, membership of a particular nation, or membership of a particular ethnic group, race, membership or non-membership of a particular religion, state of health, gender identity, sexual orientation, pregnancy, family status, disability, surname, sex, trade union activities, genetic characteristics, morals, political opinions, origin, place of residence.

**GENDER EQUALITY**

Paprec Group pays particular attention to gender equality within the Group.

In particular, we ensure equal pay with an annual review of all salaries and increases for our employees to ensure equal pay for equal positions and skills. We also ensure equality in terms of promotion within the Group, with dedicated indicators included in our annual Sustainable Development Report.

**NEUTRALITY AND SECULARISM**

As an extension of our daily action for equal opportunities and the promotion of diversity, Paprec Group has integrated a Charter of Secularism and Diversity into its internal regulations, after unanimous adoption by our employees. This Charter has two aims: to fight against discrimination by refusing any proselytism whatsoever (religious, political or other); to protect moderate people who want work to be a place where only human and professional values count, without any ethnic, religious or political distinction...

**PROMOTING DIVERSITY**

The promotion of diversity is an asset that we value and develop: increasing the feminisation of our company (in a rather 'male' industry, recycling), real internal promotions on the basis of skills alone; proactive policy on gender equality, age, integration of disabled workers, social mix...

## II. EXTERNAL STAKEHOLDERS: CUSTOMERS AND SUPPLIERS

### A. Professional commitment and quality

#### RELEVANT SOLUTIONS AND AN IMPECCABLE QUALITY OF SERVICE

Paprec Group is committed to supporting its customers in managing their waste and in their prevention actions, both qualitative and quantitative (sorting).

More generally, Paprec Group strives to have the most efficient industrial tools to recycle its customers' waste as much as possible. For Paprec Group, landfill is only the ultimate solution, and is always carried out in strict compliance with regulations.

#### RESPONSIVENESS AND PROFESSIONALISM

Paprec Group is committed to providing a high quality service in waste collection and recycling on a daily basis.

Our teams are able to intervene on order for our customers, in less than 24 hours.

#### OPERATIONAL AND ENVIRONMENTAL EXCELLENCE

Paprec Group has always been committed to excellence, both operational and environmental. Operational excellence touches on our core business and pushes us to be reactive, efficient and a force for proposing solutions adapted to our clients. Environmental excellence requires us to be exemplary with regard to third parties and our stakeholders, particularly in human terms, but also in terms of the environment.

We are also committed to the protection of the environment. This is why we work every day to increase our recycling and material recovery rates: we want to be the most efficient in our industry and contribute as much as possible to avoiding GHG emissions through our activity.

#### INFORMATION SHARING AND SYNERGIES

Paprec Group holds monthly committees for each of the Group's functions and businesses. Each month, in the presence of the relevant management, general management and branch managers, strategic issues are discussed that have been raised by the agencies. These committees ensure rapid sharing information and decision making, by reducing the number of levels.

This organisation allows our agencies to work together in a continuous and intelligent manner, to offer our clients a global and tailor-made solution for the collection and recycling of their waste.

#### INVESTMENT AND INNOVATION

With a network of more than 100 industrial sites in France and Switzerland, Paprec Group is constantly investing in its plants and has one of the most efficient recycling facilities in Europe.

These heavy investments, in machinery and equipment as well as in R&D, allow us to guarantee our customers the best possible service.

In addition, we are committed to improving the efficiency of our operations, both in terms of recovery and recycling rates in our plants and in terms of environmental performance.

### B. Professional commitment and quality

#### THE CHOICE OF OUR SUPPLIERS

Our purchasing policy is uncompromising with regard to quality and safety. We buy the most reliable and ergonomic equipment for our employees.

The maintenance and upkeep of the equipment is carried out by specialised professionals, some of whom are from our internal division "Paprec Group Techniques".

#### REQUIREMENTS OF OUR SUPPLIERS

As a major player in the local economy, Paprec Group has always been careful to choose responsible suppliers, committed to sustainable development and respect for human rights, and allowing as much as possible for economic spin-off in the local economy. More than 50% of our suppliers are SMEs, and two thirds of our suppliers have been with us for more than a year<sup>15</sup>, a sign of trust and reliability. Paprec Group has also adopted a procedure for auditing our suppliers as part of a Responsible Purchasing approach.

More broadly, the choice of our suppliers is based on numerous extra-financial criteria, based on the principles of the United Nations Global Compact, to which Paprec Group has been a member since 2005 :

- I. Businesses should support and respect the protection of international human rights law within their sphere of influence; and
- II. Ensure that their own companies are not complicit in human rights abuses.
- III. Companies are called upon to respect freedom of association and to recognise the right to collective bargaining;
- IV. The elimination of all forms of forced or compulsory labour;
- V. The effective abolition of child labour; and
- VI. The elimination of discrimination in employment and occupation.
- VII. Companies are encouraged to apply the precautionary approach to environmental issues;
- VIII. To undertake initiatives to promote greater environmental responsibility;
- IX. To promote the development and diffusion of environmentally friendly technologies.
- X. Companies are urged to act against corruption in all its forms, including extortion and bribery.

**THE FIGHT AGAINST CORRUPTION AND THE  
FIGHT AGAINST ILLEGAL EMPLOYMENT**

All of our branch managers have signed a charter of commitment to the fight against corruption. In addition, our sales staff and employees are regularly made aware of the importance of this issue.

alerted to issues related to corruption and conflicts of interest.

In this regard, our employees explicitly undertake not to pay, offer or accept bribes, payments or anything of value in order to improperly obtain or retain contracts, transactions, approvals government, tax or customs favours or to secure any other improper business advantage with any entity or individual. Bribes, kickbacks and other illegal or unethical payments or benefits are prohibited. In addition, Paprec Group is very committed to the fight against illegal employment. Paprec Group only works with temporary employment agencies that are committed to combating illegal and undeclared work.

### III. PAPREC GROUP IS COMMITTED TO ITS ENVIRONMENT

#### A. Vis-à-vis the territories

##### LOCAL EMPLOYMENT

The Paprec Group is strongly committed to job stability, local employment, and the fight against illegal and concealed work. The Group has always had an ambitious employment policy: recruitment is carried out locally by the agencies, in accordance with a principle of proximity, according to their needs and preferably on a permanent basis.

##### INTEGRATION AND PROFESSIONAL EQUALITY

In terms of professional equality, Paprec Group ensures that its actions are consistent with its local roots and in line with the economy of the regions where its branches are located. Some of our actions are implemented at national level; others are local initiatives taken by the branches. We actively collaborate with local authorities and public services, but also with associations working in various fields (integration, child protection, support for women, etc.).

In terms of disability, our agencies work directly with ESATs (establishments and services for assistance through work) and adapted companies of their choice, and according to their needs. Our subsidiary La Corbeille Bleue also has a division that is active in adapted work, La Corbeille Solidaire. In addition, we have an ambitious policy of recruiting employees regardless of their age or level of qualification. We have also set up a generation contract for seniors at Group level.

##### LOCAL SPONSORSHIP AND PATRONAGE TO BRING THE TERRITORIES TO LIFE

Paprec Group also has a policy of sponsorship / patronage as close as possible to the areas where we operate. This policy was initiated by our CEO and is supported by all of the Group's employees, who are heavily involved on a voluntary basis with associations such as Nos Quartiers ont des Talents, the Sauvegarde and 93, the IMC-Alternance apprentice training centre.

The Group also carries out sponsorship activities on a national scale.

#### B. With regard to the regulations

##### CERTIFICATIONS OF OUR SITES

Paprec Group has more than one industrial site<sup>100</sup>; our sites are classified facilities and strict compliance with environmental regulations is essential. Our QSE department manages our policy: monitoring environmental regulations, analyses, etc. declarations and authorisations, regulatory audits, etc.

##### CERTIFICATION OF OUR RAW MATERIALS PRODUCED

All of the raw materials produced by the Group from recycling are ISO certified to ensure<sup>9001</sup>, quality.

#### C. With regard to the preservation of natural resources and the fight against global warming

##### LIMITING OUR GHG EMISSIONS

Paprec Group strives to work in a way that minimises the GHG emissions associated with its activity. This involves rigorous monitoring of our fuel and energy consumption, but also the use of renewable energy. also through prevention actions and training of our drivers in eco-driving, for example.

##### TO AVOID MORE GREENHOUSE GAS EMISSIONS

The challenge for Paprec Group is clear: to increase both the amount of waste we recycle and the recycling rates of our plants in order to increase the emissions avoided through our business. This strategy requires constant and heavy investment in the industrial tool, but also in innovation.

Paprec Group aims to increase the amount of waste recycled to generate environmental benefits in terms of energy savings and avoided greenhouse gas emissions.



