



Universal Registration Document

Including the Annual Financial Report

1

Presentation of the Group and its activities

1.1	ELIS IN 2021	04
	Elis, a global leader in bespoke solutions that support the circular economy	05
	Message from the Chairmen	06
	An international presence	08
	History and 2021 highlights	10
	A look back at 2021, a year marked by business recovery	13
	Key figures in 2021	16
1.2	STRATEGY	19
	Business model	20
	Focus on CSR	22
	Focus on innovation	25
1.3	OUR CUSTOMERS	27
	Customer experience	28
	Hospitality	30
	Industry	32
	Healthcare and social welfare	34
	Trade and Services	36
1.4	GOVERNANCE	41
	Supervisory Board	42
	Executive Committee	43



1.1 ELIS IN 2021

In business for more than a century, the Group has unparalleled experience that has positioned it as a global multi-service leader in textile, hygiene and facility services solutions.

Elis by the numbers

€3,048.3 million in revenue

Approximately **400,000** customers

49,070 employees

Operating in **28** countries

425* plants and distribution centers

* Figure aligned with chapter 3 reporting scope.

Elis, a global leader

in bespoke solutions that support the circular economy

Our mission

We are our customers' partner, committed to working with them on a daily basis to design and deliver customized solutions in a wide range of industries so we can add value and ensure their success by allowing them to focus on their core business.

Elis's circular economy model enables it to steer its customers toward more responsible solutions.

Our values

- › Respect
- › Integrity
- › Responsibility
- › Exemplarity

The rental and maintenance process

Elis's customers know they can count on the Group's full attention and unwavering dedication day in and day out, which means they can focus on their core business with confidence and peace of mind.

The rental and maintenance model simplifies the lives of our 400,000 customers by adapting to their needs and creating long-term partnerships of trust together with personalized, local relationships.

1. Customer needs assessed by an expert
▼
2. Items purchased and stored by Elis
▼
3. Item maintenance
▼
4. Customized service
▼
5. Regular deliveries and pick-ups tailored to customer requirements

Our solutions



Flat linen
Table, kitchen and hotel linens



Workwear
Workwear and PPE



Washroom
Hand and toilet hygiene and scent solutions



Beverages
Water fountains and coffee machines



Floor protection
Mats, mops and wiping cloths



Industrial wiping
industrial wipes



Pest control
Vermin and insect control, disinfecting



Cleanroom
Cleanroom garments



Medical waste management
Collection and disposal of medical waste



Personal laundry services
for residential facilities, daycares and schools

Message from the chairmen



**Thierry
Morin**

Chairman
of the Supervisory
Board

Elis's strategy of geographic diversification and its presence in all its markets truly paid off during what was an extremely tumultuous year.

In 2021, Elis was once again able to adapt quickly to a wide range of events: most European countries were in lockdown in January, which prompted the Group to adapt its operational teams and structure; the Healthcare, Industry and Trade & Services sectors then returned to pre-crisis levels in the spring, which required us to respond quickly so we could support our customers; lastly, Hospitality volumes picked up sharply in the summer against a backdrop of a widespread labor shortage in Europe.

In the end, revenue grew by 8.6% in 2021, and our teams were able to retain our renowned service quality despite sudden volume increases.

The many lessons learned and considerable progress made during 2020 and 2021 have enabled us to make operational and structural gains at all levels – and here I would like to commend the work of the Executive Committee during this crisis – that have improved all our operating indicators: since the start of the crisis, our EBITDA margin has risen by 90 basis points and the Group's debt has fallen by almost €230 million. By focusing on generating cash, we were able to further improve free cash flow in 2021, with it reaching €228 million. Leverage is expected to be 2.6x at end-2022, taking into account balance sheet normalization and renewed maneuverability for the Group.

All this means that Elis is emerging from the crisis stronger and ready to grasp the organic and external growth opportunities before it. With this in mind, Elis will expand into its 29th country in 2022 with the purchase of a market leader in Mexico, and now has recurring organic growth in excess of 3.5%.

Such exceptional results are not down to luck. They reflect a clear and consistent strategy with four key components: consolidating Elis's positions through acquisitions and organic growth, opening up new markets on a regular basis, continuing to improve operational excellence, and cross-selling services with the aim of expanding our customer offering.

The Elis model not only guarantees considerable financial resilience; it is also responsible towards the environment. The product as a service business model encourages maintenance, reuse and recycling, and Elis's know-how and processes help to minimize water, energy and cleaning product consumption and to reduce their impact on the environment. In this regard, I would like to highlight that we have set up a CSR Committee alongside the Supervisory Board so that we can focus even more on our policies in this area.

With crisis after crisis, we are obviously acutely aware of the impact of what is happening in Ukraine. We are monitoring the situation closely but remain confident that the Elis Group can adapt as it always has.



Once again, the past year allowed Elis to demonstrate the resilience of its business model and the strength of its teams.



Are you happy with Elis's performance in 2021?

Our teams once again demonstrated the robustness of our business model in 2021. In a hugely uncertain and volatile environment, the Group improved its EBITDA margin and generated record free cash flow, thereby reducing net debt by nearly €230 million in the last two years. This remarkable performance is testament to the considerable expertise that has enabled us to overcome every crisis the Group has ever faced since it was founded over a century ago.

That is why I would today like to extend my heartfelt thanks to the Group's employees, who have continued to work with skill and dedication throughout this health crisis. Thanks to them, we were able to continue delivering flawless service to our customers in all 28 countries, despite business fluctuating wildly.



What operational challenges did you face in this unusual year?

Business was a rollercoaster: following widespread lockdown at the beginning of the year, normality returned in Healthcare, Industry and Trade & Services before Hospitality picked up again in the summer. Adapting to such fluctuations is hard enough in normal times, but when you throw in a widespread labor shortage, supply chain disruption and renewed inflation, you see the real feat achieved by our teams to maintain service quality and improve all our operating and financial indicators!

Can you tell us if the crisis has caused you to change your CSR approach?

The Group is especially proud to have kept its CSR policy as a core concern despite the crisis. We stepped things up in 2021 by creating a CSR Committee alongside the Supervisory Board and appointing a CSR Director who reports directly to me. In 2022, we will ask the general shareholders' meeting to adopt a Say on Climate resolution committing to a Science Based Targets approach, which is testament to our ambitions in this area.

And you are expanding into a new country in 2022, despite the crisis in Ukraine?

Elis is emerging from the crisis stronger, with its operational responsiveness and know-how confirmed, its balance sheet smaller and its financial indicators improved. This means we are ready for a new adventure in Latin America as we set about integrating a leader on the Mexican market. I would like to welcome the 2,600 new employees who are joining the Group. I have no doubt that they will replicate our Brazilian success story!

We also stand ready to meet the challenges presented by the situation in Eastern Europe, which we are monitoring closely.



Xavier Martiré

Chairman of the Management Board



That is why I would today like to extend my heartfelt thanks to the Group's employees, who have continued to work with passion and dedication throughout this health crisis.



An international presence

68%
of revenue generated outside France in 2021

UNITED KINGDOM AND IRELAND

12%

6,100
employees

€364.2 million
in revenue

Markets

Hospitality: 24%
Healthcare: 44%
Industry: 20%
Trade and Services: 12%

SOUTHERN EUROPE

8%

4,309
employees

€235.9 million
in revenue

Markets

Hospitality: 38%
Healthcare: 18%
Industry: 22%
Trade and Services: 22%

LATIN AMERICA

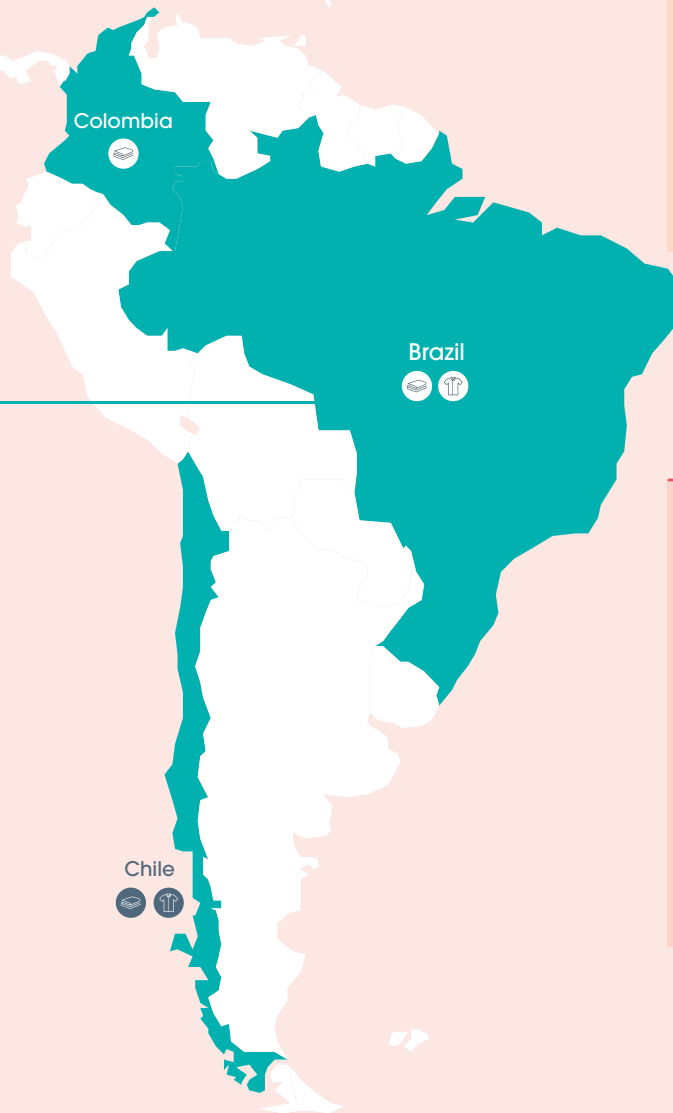
8%

12,429
employees

€234.1 million
in revenue

Markets

Hospitality: 5%
Healthcare: 71%
Industry: 23%
Trade and Services: 1%



Revenue: as a percentage of consolidated revenue, excluding other sectors and miscellaneous

Workforce: data as at 12/31/2021

Symbols: services listed when they generated at least 10% of the country's 2021 revenue.

Flat linen

Workwear (workwear and PPE, cleanroom, laundry services)

Hygiene and well-being (washrooms, beverages, floor protection, industrial wiping, Pest control, medical waste management).

SCANDINAVIA AND EASTERN EUROPE

16%

4,417
employees

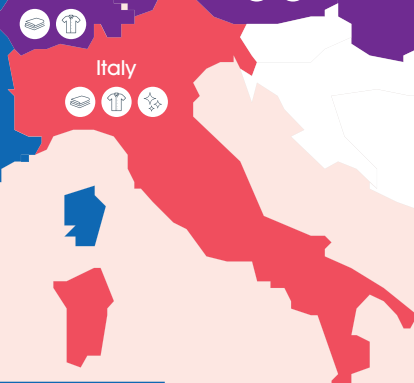
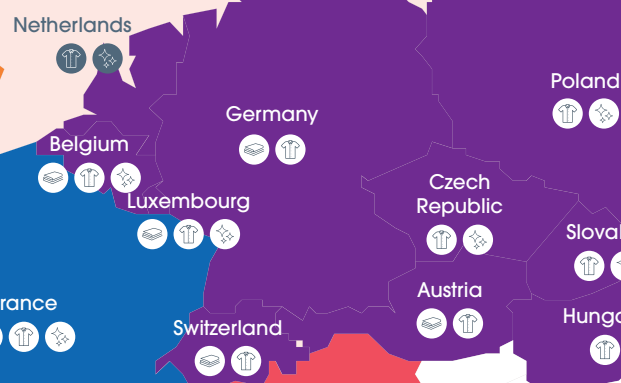
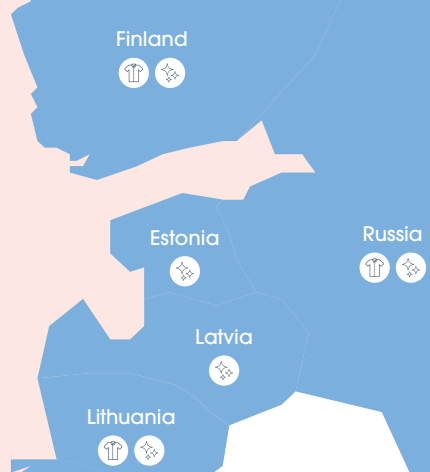
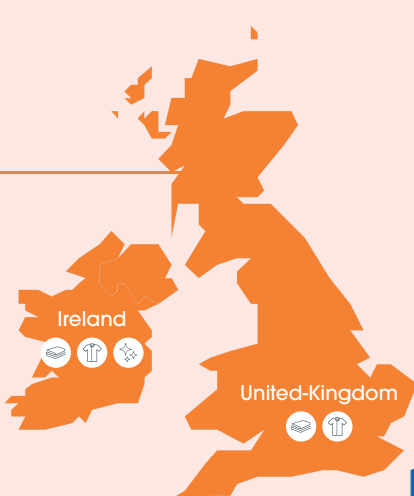
€498.9 million
in revenue

Markets

Hospitality: 12%
Healthcare: 14%
Industry: 59%
Trade and Services: 15%

Elis in 2021

1



CENTRAL EUROPE

24%

9,431
employees

€735.3 million
in revenue

Markets

Hospitality: 9%
Healthcare: 41%
Industry: 33%
Trade and Services: 17%

FRANCE

32%

12,384
employees

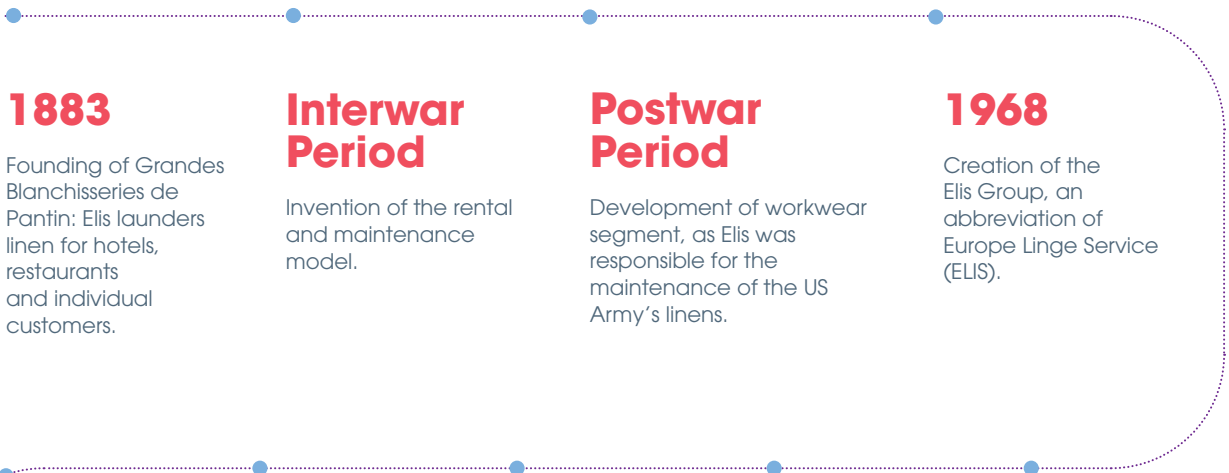
€953.8 million
in revenue

Markets

Hospitality: 24%
Healthcare: 19%
Industry: 21%
Trade and Services: 36%

History and 2021 highlights

Ever since its inception, Elis has continuously expanded and reinvented itself to adapt to changes in how customers consume and use products and services. It has continuously innovated to meet its customers' needs and consumers' new requirements.



1883

Founding of Grandes Blanchisseries de Pantin: Elis launders linen for hotels, restaurants and individual customers.

Interwar Period

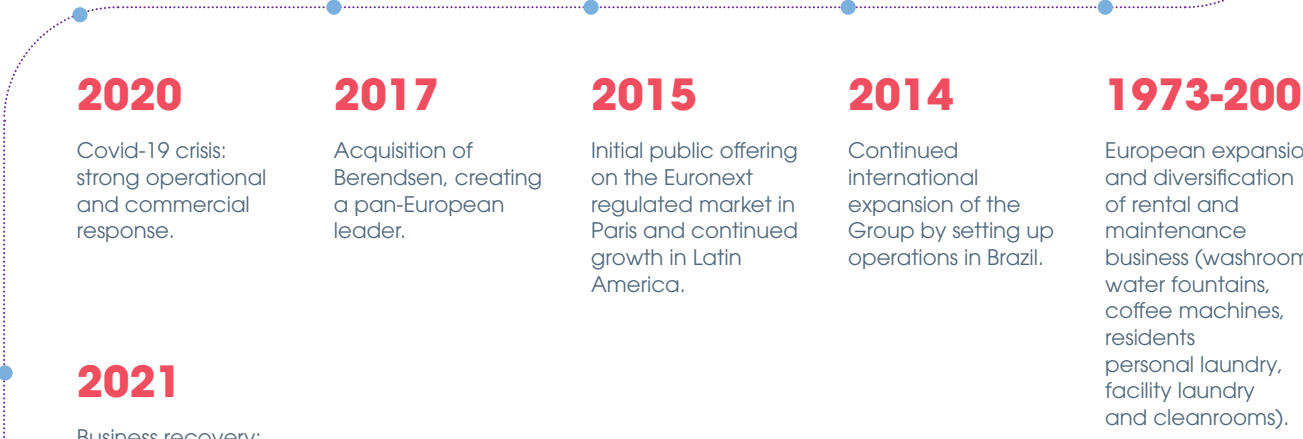
Invention of the rental and maintenance model.

Postwar Period

Development of workwear segment, as Elis was responsible for the maintenance of the US Army's linens.

1968

Creation of the Elis Group, an abbreviation of Europe Linge Service (ELIS).



2020

Covid-19 crisis: strong operational and commercial response.

2017

Acquisition of Berendsen, creating a pan-European leader.

2015

Initial public offering on the Euronext regulated market in Paris and continued growth in Latin America.

2014

Continued international expansion of the Group by setting up operations in Brazil.

1973-2001

European expansion and diversification of rental and maintenance business (washrooms, water fountains, coffee machines, residents personal laundry, facility laundry and cleanrooms).

2021

Business recovery: performance and mobilization of teams to achieve objectives.

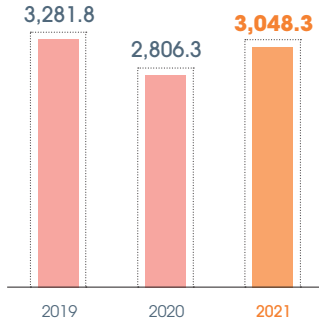


Key figures in 2021

1

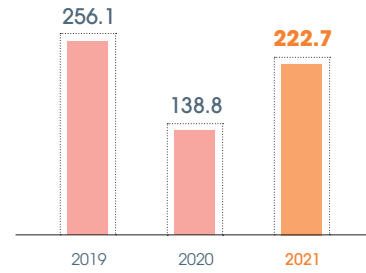
REVENUE

In millions of euros



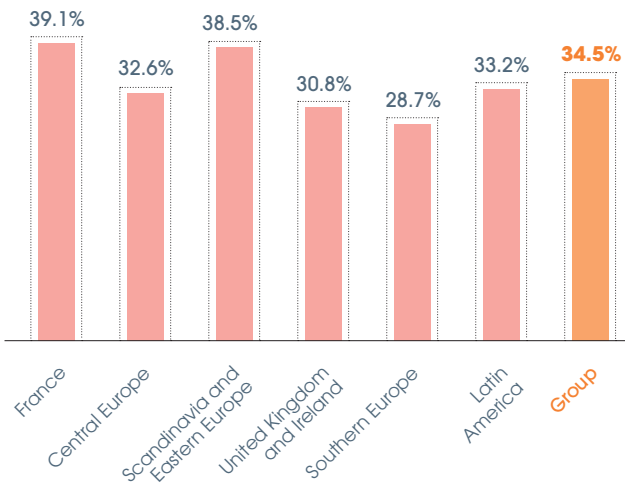
NET INCOME FROM ORDINARY OPERATIONS

In millions of euros



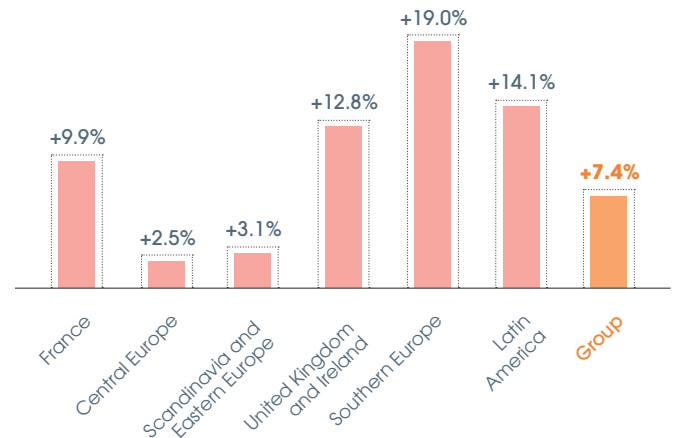
2021 EBITDA BY REGION

As a % of revenue



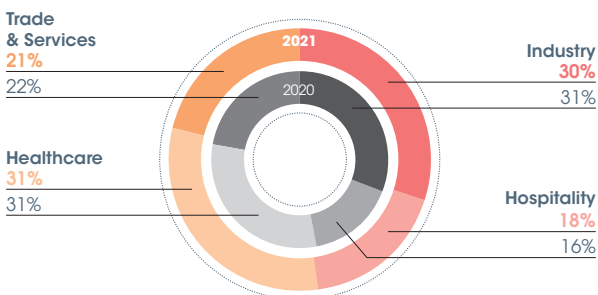
ORGANIC REVENUE GROWTH IN 2021

As a % of revenue

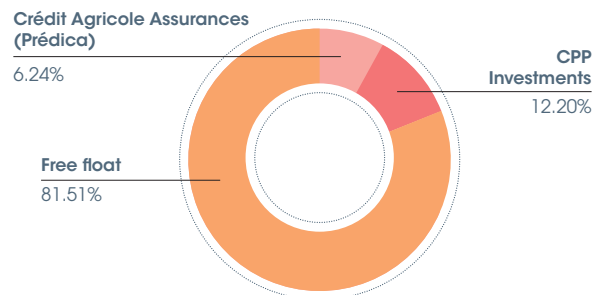


BREAKDOWN OF REVENUE BY MARKET SEGMENT

As a % of revenue



SHAREHOLDING STRUCTURE AT DEC. 31, 2021 *



* More information in chapter 7.

Social

HEADCOUNT

49,070 employees
at December 31, 2021

53% of which are women

28% of new managers are women

TALENT DEVELOPMENT

16% of new managers
are promoted internally

Reputation

85.8% of customers are satisfied
or very satisfied with Elis*

** Data from satisfaction surveys conducted for Elis in 2020 in France, French-speaking Belgium, Luxembourg, Spain, Portugal, Brazil, Italy and Switzerland.*

Environment

WATER CONSUMPTION

40% reduction
compared to 2010*

** Per kg of linen delivered – Europe.*

ENERGY CONSUMPTION

22% reduction
compared to 2010*

** Per kg of linen delivered – Europe.*

ISO 50001-CERTIFIED SITES

78

ISO 14001-CERTIFIED SITES

141

More information in chapter 3.

Revenue > **€3,048.3 million**

€1,052.4 million

EBITDA > **34.5%**
of revenue

Net income
from ordinary
operations > **€222.7 million**

Free
cash flow > **€228.1 million**

Net capex > **€569.5
million**



1.2 STRATEGY

Elis's rental and maintenance model is based on a product as a service business model, which favors the service over the product and rental over purchase. The Group is thereby promoting the circular economy and contributing to sustainable growth by encouraging maintenance, reuse and recycling. To simplify the lives of its 400,000 customers, it offers cutting-edge, high value-added solutions so that each of them, without exception, has time to focus on their business.

Business model

Resources

CUSTOMERS

- › **400,000** customers of all sizes across all sectors
- › **4** markets: Hospitality, Healthcare, Industry, Trade and Services
- › More than a century of know-how

HUMAN RESOURCES

- › **49,070** employees
- › Operations in **28** countries

ENVIRONMENTAL RESOURCES

- › Water consumption: **14.4** million m³
- › Energy consumption: **2,433** GWh
- › Total fuel consumption: **43.6** million liters

FINANCIALS

- › Company listed on Euronext (SBF 120)
- › Strong business model ensuring profitable growth

FACILITIES

- › **425*** production and distribution centers
- › Over **6,000** vehicles
- › **141** ISO 14001-certified sites
- › **78** ISO 50001-certified sites
- › A responsible industrial model
- › Product as a service business model

BRANDS

- › Recognized leadership
- › The slogan “We empower your day” to embody the brand’s DNA. Elis delivers solutions that allow its customers to perform at their best on a daily basis and thus improve their performance, day after day.

* Figure aligned with chapter 3 reporting scope.

Mission

To make its customers’ lives easier and contribute to their success through a sustainable, responsible process.



Customer experience at the core of Elis’s DNA

- › A Customer Experience department with almost **30** dedicated staff members
- › **45,000** satisfaction surveys carried out in 2021
- › An in-house Customer Satisfaction program

The four pillars of Elis's strategy

To deliver cutting-edge solutions that reduce its carbon footprint, Elis's strategy is based on four key pillars.

Consolidation of position

Elis is consolidating its market share and geographic coverage through both organic and external growth, which are key to the sustainability of its multi-service model.

Network expansion

To find growth opportunities, the Group is entering new markets in geographical regions where it is already established or, in some cases, in new countries if they are considered to offer good potential.

Operational excellence

By controlling costs and promoting best practices, Elis can improve the productivity of its plants and production centers and also take advantage of economies of scale made possible by the density of its network.

Innovation

At a time of digital transformation and a massive shift in how products and services are being used, Elis's strong spirit of innovation means it can meet its customers' new requirements and create new services or optimize existing ones.

Elis relies on technological innovations and pursues the most promising ones so it can quickly adapt them to its business. This approach has led to a dozen or so partnerships with start-ups and innovative small businesses with the potential to optimize its offering.

Value created

CUSTOMERS

- › Ability to focus on core business
- › **85.8%** satisfaction rate in France, Belgium, Luxembourg, Spain, Portugal, Brazil, Italy and Switzerland

EMPLOYEES

- › **53%** women
- › **28%** of new managers are women

INVESTORS

Since the IPO*:

- › Shareholder return: **6%**, based on a share price of €15 in 2021

**Initial public offering.*

THE PLANET

Reduction in consumption between 2010 and 2021, in line with 2025 targets*:

- › Water: **-40%**
- › Energy: **-22%**
- › Use of renewable energy: **23%**
- › CO₂: **19%** reduction in our emissions intensity*

**Per kg of linen delivered - Europe.*

**Per ton of linen delivered, Group scope all activities*

Focus on CSR

Elis's awards



The Group was once again awarded the **EcoVadis gold medal** for the **quality of its CSR performance**. This award confirms our commitment to our customers, partners and employees and positions us as **one of the best-rated companies in our business sector**. Elis's CSR strategy thus effectively fulfills EcoVadis's assessment criteria, which are based on international CSR standards and four key themes: environment, labor and human rights, ethics and sustainable procurement.



Recycling of textiles at the end-of-life

The challenge of workwear

Because Elis's model is based on the circular economy, innovation is key to go even further and give its products a second life. One of its challenges is **textile recycling**, and workwear recycling more specifically.

These garments, which are more difficult than flat linen to recycle due to their construction and accessories,

must undergo longer and more complex processes if they are to be reused. Elis is considering a number of options to extend the lifespan of the garments beyond their last wash. Initiatives have been implemented in many of Elis's countries, including in Sweden, where artificial cellulose is made from old textiles, and in Holland, where workwear is turned into insulation.

New recycling project in France

Elis is tireless in its pursuit of innovations that will move it forward and create an even more virtuous life

cycle for its products. It has thus formed a partnership in France with fiber industrials to test the idea of recycling used garments into new garments. Achieving this outcome will require a multi-actor chain. A lot of steps are needed to produce a new fabric that is of high enough quality to make new heavy-duty workwear.

After the garments have been sorted at the plant, all the accessories need to be removed (buttons, zippers, reflective bands). Next up is the defibration step, in which a fiber is created from the fabric. A thread is produced from this fiber and is then used to weave the fabric. The last step is to make the new garment.

Elis is currently conducting a number of tests to evaluate this innovative solution and determine whether it can be implemented on a large scale so as to have a significant impact on the environment by substantially reducing waste generation.

Elis is also seeking to minimize distances and transport in this process that is under way.

More responsible coffee packaging

In August 2021, Elis rolled out **new coffee pod packaging** with a **cardboard shell** to protect the different varieties of coffee available. These protective shells, which are made of **70% cardboard from sustainably managed forests**, help the Group save **46 tons** of plastic each year. The espresso pods are still made of **100% biodegradable** filter paper.

Elis's efforts to steer customers toward an increasingly ethical and responsible approach are truly unique.



Our climate commitment

In 2021, the Group continued its long-standing commitment to fighting climate change, in particular by attending COP26 (the 26th annual United Nations climate conference) alongside other big companies and by signing up to several initiatives, including Ambition 4 Climate and the French Business Climate Pledge.

The Group joined the Ambition 4 Climate initiative launched by the French private business association (*Association française des entreprises privées* - AFEP) through its **laundry process optimization program**. This low-carbon project **reduces the amount of heat needed to do the laundry** as well as **the amount of water** used in the plants. Elis is proud to be involved in the Ambition 4 Climate platform, which comprises a large number of projects implemented by companies in various sectors with the aim of reducing their and their customers' greenhouse gas emissions.



By signing up to the French Business Climate Pledge, Elis has confirmed its commitment to taking faster action on climate change. Launched by the French entrepreneurs' network (*Mouvement des entreprises de France* - MEDEF), the French Business Climate Pledge is a voluntary commitment made by companies located in France that are taking concrete steps to successfully transition to a **low-carbon economy**. This collective response helps highlight the wide variety of solutions companies have designed, regardless of their size or their business sector.

The Elis Group believes that the **circular economy** model, primarily through **reducing the consumption of natural resources and keeping products in use**, is a sustainable solution that addresses current environmental issues and the problem of the planet's finite resources.

In 2021, the Group's CO₂ emissions per kg of linen delivered were 19% lower than in 2010, which is testament to the efforts made over many years.

In light of current climate change issues, the Group now wants to commit to reducing its emissions in line with the Paris Accords, thereby helping to restrict global warming, versus pre-industrial levels, to less than 1.5°C. At the end of 2022, the Group will outline its climate-related objectives in line with the methodology espoused by the Science Based Targets (SBT) initiative.

Moreover, some Group subsidiaries are already committed to a **"net zero emissions"** strategy, namely **Elis UK by 2045** and **Elis Sweden by 2035**.

Elis rewarded with B score for its first CDP response

Elis achieved a score of B on the climate questionnaire conducted by Carbon Disclosure Project (CDP), a non-profit organization that carries out independent assessments (with ratings ranging from Leadership A to D-) based on information provided by companies on their strategy, management, performance or even their role in engaging with their stakeholders

about climate issues. The Elis Group is thus positioned higher than the average score for the sector in Europe (C) for this first reporting year. The Elis Group also received a B score for its engagement with suppliers on climate change. This underlines the Group's long-term commitment to climate-related issues.

Elis UK targets “net zero emissions”

In line with the UK government’s goal of achieving **net zero emissions** by 2050, **Elis UK** is striving to meet this same target **by 2045**. This is a total commitment covering direct and indirect emissions linked to our energy consumption, as well as indirect emissions linked to our operations (commuting, purchasing goods and services, etc.). This major sustainable development initiative requires a fundamental change to our production methods to make sure that our customers receive services that leave an ever-smaller environmental footprint.

Main pillars of the low-carbon transition plan

- › continue to improve energy efficiency in its operations;
- › constantly improve the vehicle fleet and delivery routes;
- › optimize the product lifespan and choice of materials;

Intrinsically ethical services

Elis offers its customers products that are maintained, repaired, reused and redeployed in order to optimize their use and lifespan.

The services offered by Elis are also positioned as a sustainable alternative:

- › to the purchase or single use of products: by sharing them between several users or customers and continually seeking to improve the industrial processes involved in maintaining them. For example, the use of workwear maintained by Elis, rather than at home or using a traditional laundry, reduces CO₂ emissions by up to 37% and water consumption by 48% (Source: EY);
- › compared to single-use or disposable products: by offering reusable solutions, often maintained locally,



- › expand reuse and recycling to prevent end-of-life textiles from being thrown away; and
- › form new partnerships with customers, suppliers and the ecosystem to reduce emissions all along the value chain and identify innovative approaches.

This objective is a continuation of the group’s actions in the United Kingdom. In three years, Elis UK has already reduced its CO₂ emissions by 33% and its consumption of liters of water per kilo of linen delivered by 23%.

The Elis Group has also been one of the 12 companies, among 80,000 suppliers, to join the NHS Net Zero International Leadership Group, which aims to help NHS England & Improvement with its target of **net zero emissions by 2045**.

which also helps to create jobs and grow the economy in the area. For example, the use of reusable scrubs in healthcare facilities reduces CO₂ emissions by 31% to 62% compared with disposable scrubs (Source: Cleaner Environmental Systems).

Based on the circular economy, these services increasingly enable our customers to avoid CO₂ emissions and to help reduce their own emissions.

The Ellen MacArthur Foundation believes that the circular economy is needed to achieve net zero emissions and that moving our business models toward a circular economy could reduce CO₂ emissions by nearly 10 billion tons (or 20% of global emissions) (<https://climate.ellenmacarthurfoundation.org>).

The Elis Foundation is growing

Following two successful years, Elis is continuing to support deserving high-school graduates who do not have the means to attend university. The Group is enlisting new ambassadors – all of whom are company employees – to assist and guide the young recruits as they define and pursue their career paths. In 2021, we welcomed the third class of students to the Elis Foundation.





1.4 GOVERNANCE

An experienced management team

At Elis, governance is the responsibility of the Executive Committee and the Supervisory Board and ensures the company is properly managed, sustainable and operates smoothly. Governance also ensures that the Group remains stable through a profitable growth strategy.

The Supervisory Board makes sure it complies with the gender equality rules applied by the Elis Group. Of its eleven members, six are women. The Board's membership represents a wide range of complementary backgrounds and reflects the diversity policy adopted by the Group, especially in terms of nationality, international experience, and skills.

Governance is organized in such a way as to seize new opportunities, consolidate Elis's leadership position, and create strategic and financial value for shareholders.

Supervisory Board

The Supervisory Board oversees the Company's management by the Management Board, under the conditions provided by law, the Company's bylaws and the Board's rules of procedure. It also carries out the checks and controls it considers appropriate and may request any documents it deems useful for fulfilling its responsibilities.

11 members

THIERRY MORIN Chairman of the Supervisory Board, independent member

JOY VERLÉ
Vice-Chairperson

FABRICE BARTHÉLEMY
Independent member

PHILIPPE BEAUDOUX
Member representing employees

ANTOINE BUREL
Independent member

MAGALI CHESSE
Member

ANNE-LAURE COMMAULT
Independent member

PHILIPPE DELLEUR
Independent member

AMY FLIKERSKI
Member

VALÉRIE GANDRÉ
Member representing employees

FLORENCE NOBLOT
Independent member

6 women

5 men

5 meetings

53 years old on average

94% attendance rate

66% independent members

1 series of strategy days

Audit Committee

3 members

ANTOINE BUREL
Chair

THIERRY MORIN
Independent member

MAGALI CHESSE
Member

Main duties

- › Monitoring the process for preparing financial information
- › Monitoring the effectiveness of internal control, internal audit and risk management systems for financial and accounting information
- › Monitoring the statutory auditing of the parent company and consolidated financial statements by the Company's Statutory Auditors
- › Selection of Statutory Auditors and monitoring their independence

Appointments, Compensation and Governance Committee

4 members

FABRICE BARTHÉLEMY
Chair

THIERRY MORIN
Independent member

JOY VERLÉ
Member

VALÉRIE GANDRÉ
Member representing employees (since December 2021)

Main duties

- › Determining and assessing governance rules:
 - membership of the Group's leadership bodies
 - review of the Board's membership (diversity, complementarity of backgrounds, independence, gender balance, concurrent appointments, etc.)
 - succession planning
- › Determining and regularly assessing the corporate officer compensation policy
- › Annual assessment of the operating procedures of the Supervisory Board

Corporate Social Responsibility (CSR) Committee

3 members

FLORENCE NOBLOT
Chair

PHILIPPE DELLEUR
Independent member

AMY FLIKERSKI
Member

Main duties

- › Monitoring issues related to the Company's CSR strategy
- › Examining the Group's CSR commitments and guidelines
- › Anticipating the main CSR issues, risks, and opportunities
- › Issuing recommendations on the Group's CSR policy

100% attendance rate
5 meetings

100% attendance rate
6 meetings

100% attendance rate
2 meetings

Executive Committee

11 members



XAVIER MARTIRÉ

Chairman of the Management Board



LOUIS GUYOT

Member of the Management Board,
Chief Financial Officer



MATTHIEU LECHARNY

Member of the Management Board,
Deputy Chief Operating Officer
(France, Southern Europe, Latin America)



ALAIN BONIN

Deputy Chief
Operating Officer
(France, Switzerland)



MICHEL DELBECQ

Transformation
and IT Director



FRÉDÉRIC DELETOMBE

Engineering, Purchasing
and Supply Chain Director



DIDIER LACHAUD

Human Resources
and CSR Director



YANN MICHEL

Deputy Chief
Operating Officer
(France, United Kingdom, Ireland)



JOHANNA PERSSON

Deputy Chief
Operating Officer
(Northern Europe)



CAROLINE ROCHE

Marketing and
Innovation Director



ANDREAS SCHNEIDER

Deputy Chief
Operating Officer
(Central and Eastern Europe)

The Executive Committee helps define and implement the Group's strategy. It has 11 members and is chaired by the Chairman of the Management Board. The Group's organizational structure revolves around five support functions and five regional operating functions. The operating functions are headed by five regional Deputy Chief Operating Officers.

It meets at least once a month, which is considered sufficient given the pace of Elis's business.

More information in chapter 2.



3

Our environmental and corporate social responsibility **AFR**

3.1	WHO IS ELIS?	111
3.2	OUR CSR STRATEGY	115
3.2.1	Embedded CSR governance and management	115
3.2.2	Our strategy: commit to the planet, our people and society	116
3.2.3	Our CSR roadmap: clear and ambitious targets	118
3.3	PLANET AND PRODUCTS	119
3.3.1	Being a circular economy player	119
3.3.2	Eco-designing our products and services	123
3.3.3	Optimizing our use of resources and minimizing our impact on ecosystems	125
3.3.4	Reducing and managing our waste	129
3.3.5	Minimizing our energy consumption	131
3.3.6	Fighting and adapting to climate change	135
3.4	OUR PEOPLE	141
3.4.1	Listening to, valuing our employees, and ensuring their well-being at work	141
3.4.2	Protecting our employees	145
3.4.3	Attracting and developing our employees	148
3.4.4	Ensuring non-discrimination and equal opportunities	150
3.4.5	Respecting Human and Labor rights	152
3.5	SOCIETY	154
3.5.1	Providing products and services that contribute to hygiene and reduce resource consumption	154
3.5.2	Satisfying and engaging our customers	156
3.5.3	Working responsibly with third parties	157
3.5.4	Contributing to our local communities and supporting the causes that we value	160
3.5.5	Continuing to integrate ethics into our business practices	161
3.5.6	Keeping the IT system secure for us and our employees	164
3.6	APPENDICES	166
3.6.1	Disclosure of non-financial performance	166
3.6.2	Taxonomy	169
3.6.3	Non-financial ratings and prizes	171
3.6.4	Details of Group performance	172
3.6.5	Methodology note	175
3.6.6	Cross-reference tables: GRI, TCFD, Global Compact, SASB	175
3.7	REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE VERIFICATION OF THE CONSOLIDATED NON-FINANCIAL PERFORMANCE STATEMENT	181



Elis Toulouse



3.1 WHO IS ELIS?

Elis is a multi-service provider offering textile, hygiene and facility services solutions.

With our international scale and position as market leader comes a responsibility not only for our own people and customers, but also for the environment and society at large. Acting as a responsible company has long been fully integrated as part of Elis' business model and is fundamental to who we are, reflected in our values of respect, integrity, responsibility and exemplarity. We depend on resources that are under pressure from the effects of climate change, like fossil energies, water and textile materials. World population growth also poses new challenges for our hygiene and pest-control products.



Sustainability is increasingly becoming a key concern for our employees, talent, customers, investors and all our stakeholders in general.

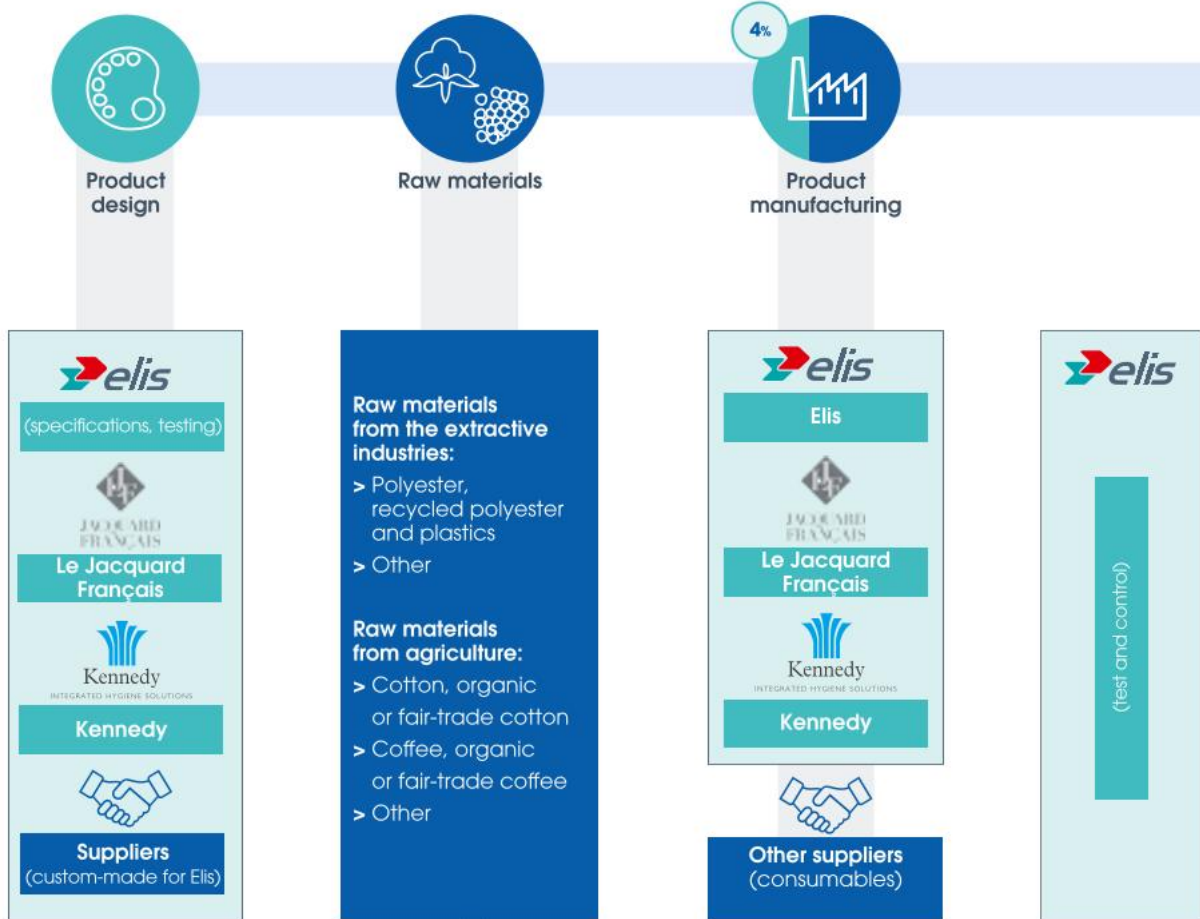
For Elis, CSR is not a distinct program that runs parallel to the rest of the company; CSR is inseparable from our daily operations and to Elis' development and strategy. This reflects the fact that our multiservice business exemplifies the notion of a "circular economy," in which the take-make-dispose model of production is replaced by a system that maximizes the value of resources and significantly minimizes waste. At the same time, we genuinely involve our employees, ensuring a positive workplace environment in which diversity is promoted and ethics and integrity instilled in all we do.

To demonstrate our commitment to doing our part to create a more sustainable world for the benefit of society, the environment and our employees, in 2020 we formalized an ambitious program of actions running until 2025.

Xavier Martiré,

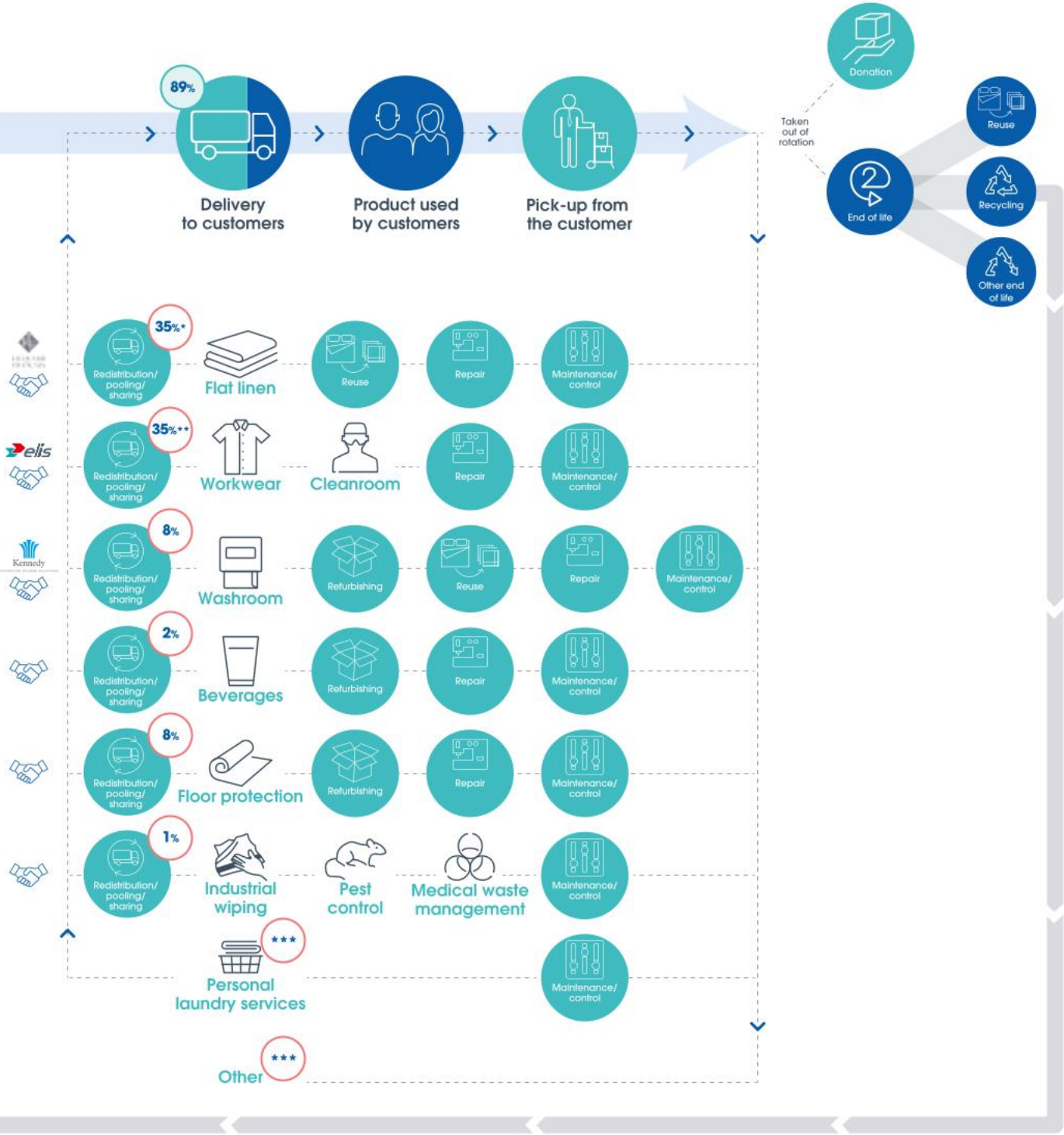
Chairman of the Management Board

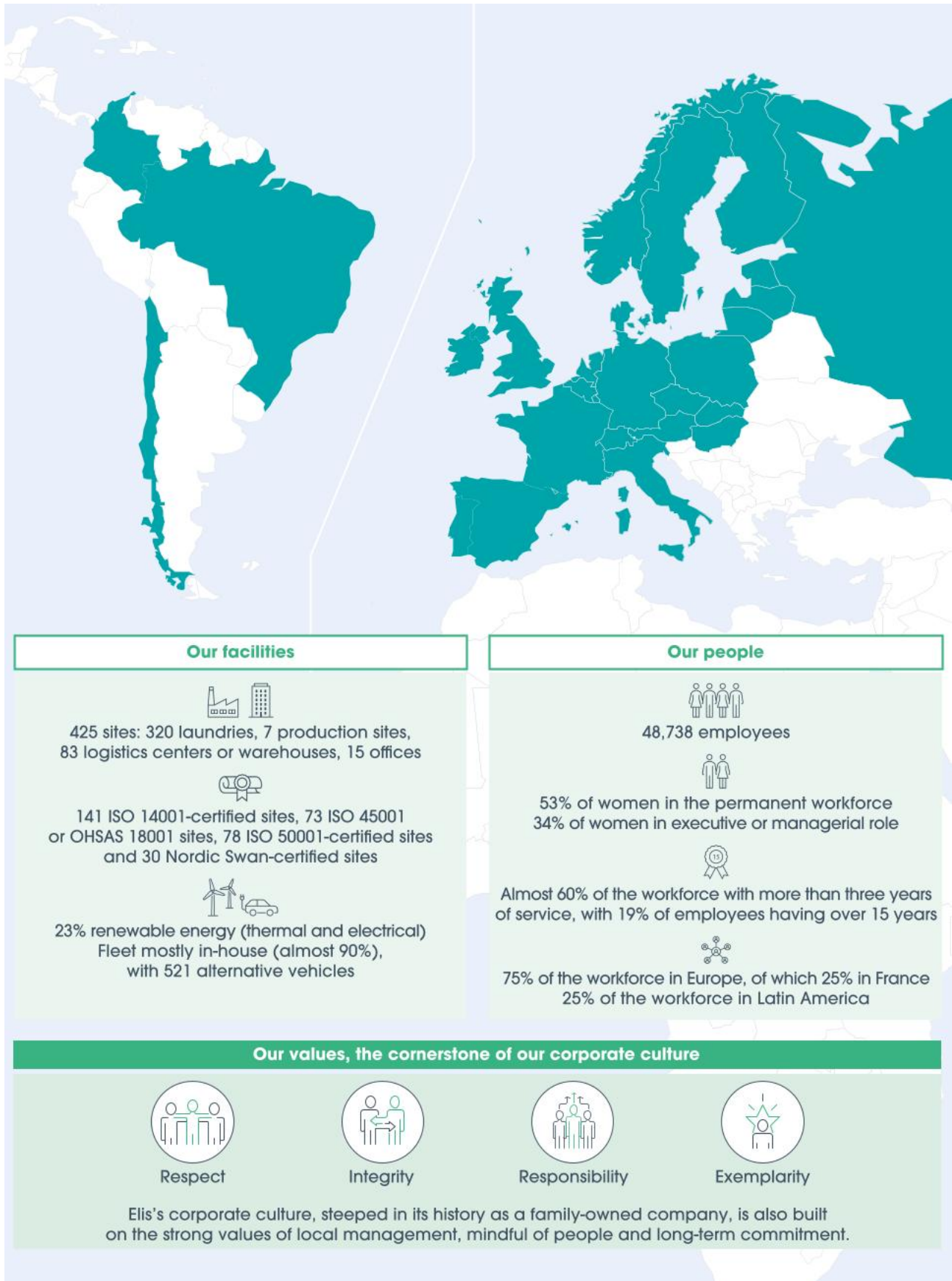
46% of product families with at least one collection composed of sustainable materials
93% of direct suppliers having undergone a CSR assessment within the previous three years



- Carried out or managed by Elis
 - Carried out by third parties
 - x Share of activities carried out by Elis
 - x Share of the Group's revenue from the product as a service business model
- Revenue excluding the product-service system: *: 4%, **: 3%, ***: 2%
- Group subsidiaries that do business directly with consumers or other customers

Share of revenue from the circular economy: 89%





The rules relating to the CSR reporting scope are described in section 3.6.5 "Methodology note".

3.2 OUR CSR STRATEGY

3.2.1 Embedded CSR governance and management

CSR governance structure in detail

Sustainability, or corporate social responsibility (CSR), can be a source of both risks and opportunities, and with that in mind the Elis Group has designed a governance structure overseen by the Chairman of the Management Board and led by the CSR Director, who reports directly to him.

The Executive Committee regularly takes up the issue of sustainability during its meetings, and particularly its main topics: climate strategy, energy performance and water consumption of the plants, diversity and inclusion, responsible product offer, development of the health and safety culture, and progress of the ethics action plans.

Since 2020 the Supervisory Board has had a special CSR Committee that helps it monitor and anticipate CSR issues as they relate to both setting its strategy and implementing it. The CSR Committee met twice in 2021, in July and December.

In addition, a report on the sustainable development program, its objectives and its performance is delivered at least once per year

to the Supervisory Board and to shareholders during the general shareholders' meeting. Reports are also made regularly on specific aspects of CSR to the Supervisory Board, notably as part of the presentation of the Group's industrial strategy and strategy planning days.

To effectively coordinate the Group's CSR projects — especially its ambitious program running to 2025 — and to keep them moving forward, the CSR Director works closely with the members of the Executive Committee and their teams, who are put in charge of certain objectives:

- > the Human Resources Director: objectives linked to human resources;
- > the Engineering, Purchasing and Supply Chain Director: objectives related to health and safety, the environment, transportation and purchasing strategies;
- > the Marketing and Innovation Director: objectives related to the product line or recycling of workwear.

PROGRESS AND PERFORMANCE MONITORING	CSR Committee	Executive Committee		
	<ul style="list-style-type: none"> > Assists the Supervisory Board with CSR topics > Reviews the Group's CSR directions and performance > Advises on the Group's CSR strategy in light of the main stakes, risks and opportunities <ul style="list-style-type: none"> > 2 meetings of the CSR Committee in 2021 (July/December) > CSR topics covered at 50% of the meetings of the Supervisory Board 	<ul style="list-style-type: none"> > Confirms the strategic directions for sustainable development > Monitors progress on strategic CSR projects > Reviews the performance and decides on action plans <ul style="list-style-type: none"> > CSR topics covered at 6 meetings of the Executive Committee (55%) 		
DEFINITION OF THE STRATEGY AND COORDINATION	Sustainable Development Department			
	<ul style="list-style-type: none"> > Defines and coordinates the Group's CSR strategy > Communicates and interacts with stakeholders > Engages employees > Analyzes and shares CSR trends > Leads cross-functional strategic projects > Supports the development of the Elis Foundation 			
IMPLEMENTATION	Sponsors and their teams	Human Resources Department	CSR & QHSE Coordinators	Elis sites
	<ul style="list-style-type: none"> > Oversee and implement certain strategic CSR projects > Monitor and report on the associated performance 	<ul style="list-style-type: none"> > Defines the HR strategy and its implementation in the regions and countries > Monitors and reports on the HR performance > Monitors emerging issues and stakeholder expectations 	<ul style="list-style-type: none"> > Roll out and coordinate the CSR and QHSE strategy in the regions and countries > Support the sites and report on their performance > Ensure alignment with regulations > Analyze emerging issues and communicate with local stakeholders 	<ul style="list-style-type: none"> > Apply the Group's standards > Implement projects > Communicate the Group's commitments to their customers > Relay the expectations expressed by stakeholders (mainly customers)

3.2.2 Our strategy: commit to the planet, our people and society

Our primary strategic focuses

With a business model grounded in the principles of the circular economy, the Elis Group has long been committed to sustainability.

Indeed, nearly 75 years ago, the Group began operating a product as a service business model, offering its customers the use of products, rather than selling the products themselves. Thus, at Elis, the circular economy and its foundations are a value that shapes the Group's relationships with customers and governs its day-to-day operations.

The Group's strategy is driven by the belief that Elis's long-standing experience in the circular economy and its related mindset, position it as a solution to address current environmental challenges and our planet finite boundaries.

This CSR strategy aligns with the Group's overall strategy, which is based on customer satisfaction and the ability to enter new territories and markets and to generate continuous, profitable and sustainable growth.

The Group's CSR strategy, which was updated in 2020 as part of its ambitious sustainable development program, endeavors to address the Group's main challenges and is built around the three pillars below.

The associated objectives have been designed to ensure long-term value creation and to meet stakeholder expectations while taking advantage of lessons from benchmarks and feedback. They are detailed in section 3.2.3: "Our CSR roadmap: clear and ambitious targets".

Finally, the Group's CSR policy reaffirms the foundations of the strategy and its commitment to providing a workplace environment that respects human rights and promotes diversity while limiting the Group's environmental footprint. The Group wants to lead by example, particularly through its integrity and honesty, and to share its values with its employees and partners.



Mechanisms to support the transition

Showcasing the integration of CSR into the Group's strategy and operations, a range of mechanisms to support the transition have been implemented in the last few years.

Executive compensation

Historically, the members of the Management Board have had CSR targets that are reviewed annually and affect the variable portion of their compensation. Executive compensation for 2021, including the indicators used, is discussed in Chapter 2, section 2.2.2, "Compensation allocated and paid to corporate officers", of the 2021 Universal Registration Document.

In addition, some members of the Executive Committee have specific CSR targets related to their duties or the implementation of strategic programs. This applies to the Engineering, Purchasing and Supply Chain Director, the HR Director, the Marketing and Innovation Director and the Deputy Chief Operating Officers.

Finally, under long-term profit-sharing plans, some managers and employees are receiving a share of the Company's long-term financial performance and results. In 2022, a criterion based on CSR performance will be introduced (see Chapter 2, section 2.2.1, "Compensation policy").

Revolving credit facility

To continue incorporating CSR into all of its components, in 2021 the Company signed its first revolving credit facility indexed to CSR indicators, for €900 million.

This credit facility includes a margin adjustment mechanism tied to the achievement of annual targets for two indicators that are central to the Group's CSR strategy, namely:

- > water consumption, which the Group is committed to reducing by 30% per kg of linen delivered over the period from 2018 to 2030 for its laundries in Europe;
- > gender balance, with a commitment to increase the proportion of women in executive or managerial role to 42% by 2030.

The Group's water target set as part of this mechanism extends the objective that was previously planned for 2025.

Employee engagement and CSR awareness

The Group uses a variety of communication methods to engage and educate employees about sustainability: the Group intranet, a monthly newsletter that regularly covers CSR (in 2021, 90% of the newsletters contained at least one CSR news item), a quarterly magazine distributed to all employees, and more.

In addition, the Group regularly promotes the benefits of the circular economy among all its employees.

A range of initiatives were executed in 2021:

- › education and information campaigns about climate issues during COP26, including, in Sweden, internal competitions, webinars, messages from the local management team and the provision of information and key resources;
- › social activities tied to sustainability in order to educate people about environmental impact and diversity: the creation of a Christmas tree out of reused or recycled materials, a potluck

lunch spotlighting culinary specialties from employees’ regions, the installation and upkeep of a beehive, internal competitions to promote exercise, beach cleaning, linen donations to charities, athletic and charity challenges, etc.;

- › introductory video about CSR topics, shared with the sales teams;
- › an information campaign on existing CSR tools.

Dialog with stakeholders

As a general rule, the Group engages in transparent dialog with its stakeholders, with a view to enhancing its CSR strategy and also to share news about its performance, progress and challenges. To this end, the Group uses various channels, both periodic (annual reports, newsletters, etc.) and ongoing (posting news on the website, social media, emails, meetings, etc.).

EXAMPLES OF DIALOG CHANNELS USED WITH STAKEHOLDERS

	Employees	Customers	Investors	Direct suppliers	Authorities and civil society
Documents and materials (annual reports, website or intranet, social media, press releases, etc.) and meetings and individual conversations (sales meetings, performance reviews, roadshows, events, conferences, visits, audits, consultations, etc.).	✓	✓	✓	✓	✓
Charters and policies (CSR, QHSE, ethics, sustainable purchasing, etc.)	✓	✓		✓	✓
Newsletters/emails/magazines	✓	✓			
Questionnaires (employee engagement survey, employee survey, Satisfelis, ESG questionnaire, etc.)	✓	✓	✓		✓
Collaborative initiatives	✓	✓		✓	✓

Mergers and acquisitions (M&A) process











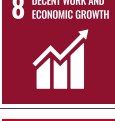

The Elis Group pursues an active acquisition strategy. Each new entity is integrated through processes that are tailored to the size of the company and its sector. CSR is increasingly becoming a part of the processes used when identifying acquisition targets and signing agreements with them, as well as the integration processes. For example:

- › whenever it acquires a new company, Elis performs environmental and social due diligence and systematically checks that the operator is compliant with local regulatory requirements and has the necessary permits; Environmental audits are conducted when laundry sites are acquired;
- › in keeping with its ethics rules, as a matter of principle the Group avoids acquisitions in places that are considered tax havens or non-cooperative countries and territories (“NCCT”) under French law or by the OECD.

In addition, Elis develops an integration program for each acquisition coordinated by the acquisitions team and under the responsibility of the local operational departments. This integration program provides the Group with an opportunity to impart and implement its business model and values. Additional information is available in section 4.1.1, “Strategic risks”, in Chapter 4 of this universal registration document.

For the purposes of this universal registration document and in accordance with the Group’s reporting protocol, the entities acquired during the year are not included in the annual reporting. They will be included within two years at the most in order to ensure that the reporting is implemented and reliable.

3.2.3 Our CSR roadmap: clear and ambitious targets

The pillars of our strategy	Our stakes, sources of risk and opportunities	Our commitments and objectives	Progress as of 2021	Section	Contribution to the Sustainable Development Goals (SDGs)	
 <p>Circularity and exemplarity to reduce our impact on the planet</p>	Fighting and adapting to climate change	Reducing by 20% CO ₂ intensity in the operations between 2010 and 2025	-19%	3.3.6	 	
	Reducing our energy consumption	Improving the thermal efficiency of European laundries by 35% between 2010 and 2025	-22%	3.3.5	  	
	Reducing our energy consumption	Accelerating the transition of the logistics fleet toward alternative vehicles	A fleet of 257 alternative logistic vehicles (compared with 134 in 2020)		3.3.5	  
	Optimizing our use of resources and minimizing our impact on ecosystems	Reducing water consumption per kg of linen delivered by 50% between 2010 and 2025 in European laundries	-40%	3.3.3	 	
	Further developing circularity & Reducing and properly managing our waste	Reuse or recycle 80% of our end-of-life textiles by 2025	72%	3.3.1 and 3.3.4	 	
	Eco-designing our products and services	Offer at least one collection composed of sustainable materials for each product family	46%	3.3.2		
	 <p>Empower our employees and support their development</p>	Protecting our employees	Reducing the frequency of Group employees' accidents by 50% between 2019 and 2025	-6.3%	3.4.2	
Ensuring non-discrimination and equal opportunities		Achieving a rate of 40% of women in executive or managerial roles by 2025 (42% by 2030)	34%	3.4.4	 	
Listening to, valuing our employees and ensuring their well-being at work		Expand the Group's Chevrons program	300 Chevrons (+30% compared with 2018)	3.4.1		
 <p>Making a positive impact for the Society</p>	Contributing to our local communities and supporting the causes that we value	Tripling the impact of the Elis Foundation by 2025	3 rd class welcomed in September	3.5.4		
	Working responsibly with third parties	95% of direct suppliers to have undergone a CSR assessment within the previous three years	93%	3.5.3	 	



Beyond its engagement program, and given its circular economy model and operations model, the Group believes it has a major role to play in achieving UN Sustainable Development Goal (SDG) 12, "Ensure sustainable consumption and production patterns." »

In addition, in Sweden and Denmark the Group has earned a certification recognizing its incorporation of the SDGs into the Company's processes: setting the strategy, contributing to the SDGs, implementing programs and tracking performance. These certifications were renewed in 2021.

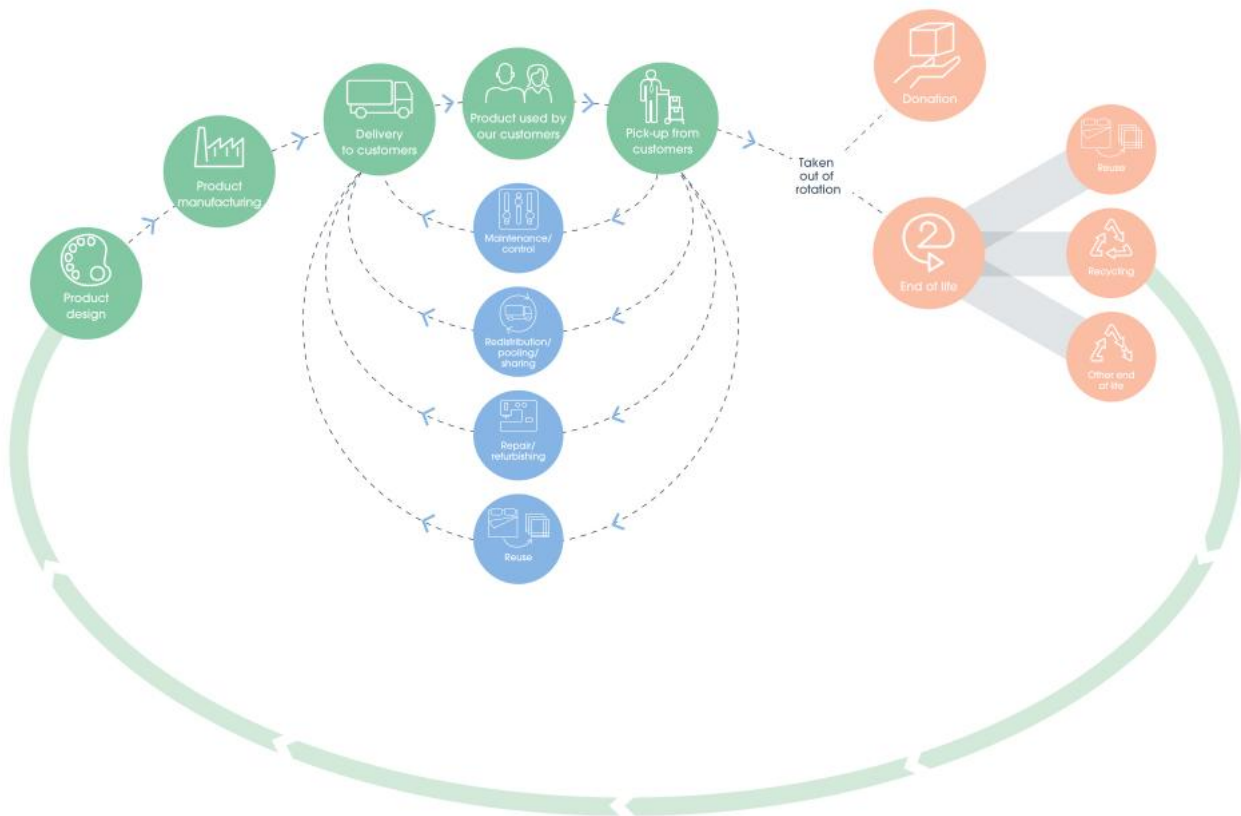
3.3 PLANET AND PRODUCTS

3.3.1 Being a circular economy player

Context

The Elis Group has been involved in the circular economy for more than 75 years, primarily through its business model, which is based on selling use of a product rather than selling the product itself (product as a service business model). In addition to this business

model, the Group works in other areas of the circular economy such as repairing, reusing, refurbishing or recycling products in order to extend their life and thus keep the materials in use as long as possible.



The Elis Group believes that the circular economy business model, primarily through reducing natural resources consumption and keeping products in use, is a sustainable solution to address current environmental challenges and our planet finite boundaries.



The Ellen MacArthur Foundation stresses that the circular economy is needed to achieve net zero emissions and that moving our business models toward a circular economy could reduce CO₂ emissions by nearly 10 billion tons (or 20% of global emissions).⁽¹⁾

The services offered by Elis are positioned as a sustainable alternative:

- › to the simple purchase or use of products: by maximizing their use through sharing resources and optimizing industrial maintenance processes. The change in size of people wearing the clothes, the arrival or departure of employees, and changes of collection are common events within companies for which the product as a service system offers a solution. For example, the use of workwear maintained by Elis allows a reduction in emissions of up to 37% compared to a purchase solution and up to 48% reduction in water consumption;

- › to single-use or disposable products: by offering reusable solutions, often maintained locally, hence supporting local employment and local economic development. For example, the use of reusable scrubs in healthcare facilities reduces emissions by 31% to 62% compared to disposable scrubs, depending on actual consumption.

These alternatives to linear consumption models also help to prevent emissions being generated and lower our customers' emissions.

- › The use of reusable scrubs in healthcare facilities **reduces CO₂ emissions by 31%** compared to disposable scrubs, **a figure that can go up to 62%** depending on actual consumption. 
- › The use of cloth roller towel dispensers **reduces CO₂ emissions by as much as 29%** compared to disposable paper towels. 

(1) <https://climate.ellenmacarthurfoundation.org/>

The Group continuously develops new projects and innovations to consistently promote the principles of a circular economy in its services and operations. For example:

- › by eco-designing its products: selecting materials and carrying out durability tests on them, analyzing the impacts of materials starting from the design phase, optimizing product designs to make products easier to repair;
- › by innovating in linen maintenance and logistics processes: to better reduce, reuse or recycle water; sharing flows among multiple customers and products;
- › by minimizing single-use consumables in plants, such as with the Kangaroo® (Cleanroom) product line that helps reduce plastic consumption by almost 4 kg per operator;
- › by working to keep products in use for as long as possible through optimized maintenance processes tailored to each product, through increased pooling of stock between different geographic areas, through product repair – or even refurbishing in certain cases – or through internal reuse (e.g. turning a hand towel into a rag);
- › by working on product end-of-life, especially for textiles, by forging partnerships to increase knowledge and help build long-lasting industrial solutions.

Governance

The circular economy is an inherent part of Elis’s business model and is firmly anchored in the Company’s DNA, as can be seen in its approach to creating economic value and in the way it operates on a daily basis.

As such, all the Group’s teams are involved in topics related to the circular economy:

- › the product development and procurement teams work together to identify materials that are as durable as possible and that have a lower environmental impact;
- › the operations teams are involved in the day-to-day linen management, maintenance and repair;
- › the teams in charge of the operational management of textiles track the textile reuse or retirement rate;
- › the CSR, environment and products and services teams identify new ways to reuse, recover or recycle products at the end of their life.

Policy: objectives and performance

Given that its business model is grounded in the product as a service system (rental-maintenance), it is in the Elis Group’s interest to extend the life of its products by selecting high-quality items that meet expectations in terms of use, comfort and esthetics, and to work continually to extend their useful life.

Aware of the benefits of this model in terms of both resource consumption and environmental impact, the Elis Group aims to:

1. be a product as a service company and promote its benefits among its customers and users of its products (patients, employees, visitors, etc.);
2. extend the useful life of its products;
3. work with the entire ecosystem to create solutions that respond to today’s challenges around recycling and reusing textiles;
4. develop even further the circular economy approach into its operations and strive to be exemplary.

In particular, as part of its ambitious program running until 2025, the Group has set a target to:

Reuse or recycle 80% of its end-of-life textiles

Key performance indicator		2019	2020	2021
Aligning over the long term with the product as a service business model and promoting its benefits among customers and product users (patients, employees, visitors, etc.)	Share of the Group’s revenue from the product as a service business model	89%	88%	89%
Keep our products in use	Share of refurbished water fountains put back on the market (in France)	39%	45%	51%
Reuse or recycle end-of-life materials	Share of end-of-life textiles reused or recycled (2025 target: 80%)		65%	72%

In 2021, the Group continued its initiatives related to the different pillars of the circular economy, supporting its KPI progress.

Being a product as a service company

Measures implemented

Rental

Grounded in the product as a service system, Elis’s model prioritizes services over products and rental over purchase for nearly all of its service offerings. More than 89% of the Group’s revenue relies on these principles of the product as a service business model through its product rental and maintenance services. In addition, as the Group is convinced of the benefits of this model, it provides support to its acquisitions in their transition from a simple maintenance model to the product as a service model. For example, since acquiring its subsidiary in Brazil, the Group has gradually transferred its maintenance solution client portfolio (about 50% of its revenue in 2014) to rental-maintenance solutions (almost 85% of its revenue).

Elis’s intrinsically sustainable model guarantees the durability of its products for the customer. Elis has every interest in prolonging their lifespan by selecting quality products that meet expectations in terms of use, comfort and aesthetics.

Elis mostly provides interchangeable rental products. In other words, a product is not allocated or specific to a particular customer. As a result, product use is maximized and the risk of obsolescence is lower than for products that are meant only for a given customer.

The use of flat linen products that are classified as group or country, which makes up Elis’s standard (pool linen), is monitored monthly in eight countries. The standard offering represents 68% of invoicing for these eight countries for flat linen.

For workwear, Elis tracks a “reuse” rate in 13 countries. This indicator tracks the number of workwear items that will be depersonalized and then repersonalized and allocated to another wearer (in accordance with the legislation in force). Elis seeks to continually enhance and maximize this expertise on reusing workwear. At end-2021, the reuse rate was almost 40%.

In addition, the Group has set up linen markets in three countries. Plants can use them to trade linens that have been through small numbers of rotations. For example, if a collection is not being used in one plant, it can be used in another. Each plant lists the items it has available in a collaborative document. New ads are featured every month. In 2021, Elis introduced a data visualization tool that shows each plant’s data and can be accessed by them all, thus helping plants to connect with one another. The linen market maximizes country-wide use of the linen resource by fostering exchanges, and it seeks to reduce new linen needs. Elis tracks the number of items made available and the number of items used.

More than 230,000 items were shared between plants through the linen market in 2021 in France, Spain and the United Kingdom, which helped to extend the use of this linen and reduce the need for new linen.

Elis promotes the product as a service business model among its customers by encouraging them in their transition. In 2021, the Group helped more than 3.8 million wearers in their daily tasks.

The Covid-19 crisis, an opportunity for more sustainable solutions

In the Healthcare sector, Elis has deployed textile solutions in several countries as an alternative to single-use solutions to respond to risks of shortages and to guide its customers toward a return to reusable textile solutions with a smaller impact:

- › patient gowns and scrub suits in France;
- › isolation gowns in the United Kingdom, Spain and Brazil.

The life cycle assessment conducted on reusable scrubs compared to disposable scrubs found that CO₂ emissions fell by 31% to 62%, depending on actual consumption.

Partnerships and co-innovation with customers

The Group regularly enters into partnerships with its customers to develop new products that meet their needs.

In 2013, Elis teamed up with its largest national Healthcare customer to respond to issues relating to the quality and life of duvets. In an environment where hygiene is the top priority, industrial maintenance greatly damages quilted duvets. Two years of research and tests conducted by laboratories such as the Institut Français du Textile et de l’Habillement (IFTH) and Institut Pasteur led to the creation of a general concept of disinfected duvets that are waterproof and resistant to cleaning products (NF EN 1040 and EN 20811 standards).

The concept is based on the replacement of quilted duvets initially treated between each patient by a specially coated duvet wrapped in a duvet cover that is treated industrially in an Elis laundry.

Over the last four years, the availability in Europe of nearly 17,000 disinfected duvets in healthcare institutions has made it possible to replace the production, transportation, maintenance and logistics for nearly 50,000 quilted duvets.

Similarly, the Group has developed new healthcare products to meet certain needs when it comes to caring for patients receiving outpatient treatment. A semi-fitted sheet, a blanket and a reusable

bag to hold patients’ personal items were developed in partnership with customers to provide comfortable, sustainable solutions for patients that are tailored to outpatient care.

Keeping our products in use: repair, reuse, refurbish

Measures implemented

Quality and life

Elis is meticulous when it comes to the materials that are used in its products. It is common for items to go through more than 50 wash cycles or rotations in the course of their lives (barring specific regulations). Therefore, the quality of the items and how they hold up to washing and maintenance are vital for ensuring that the products are sustainable and that exemplary service is provided throughout their life.

For example, polyester fiber helps extend the life of textiles, and consumes less water in the cleaning process than 100% cotton products. Polyester is more sturdy, dries faster and stands up better to repeated washing. It also holds its color and original properties better. Elis is therefore adjusting the composition of its textile items with the aim of finding the best balance between comfort and durability.

Elis’s quality lab also tests the resistance of products under industrial maintenance conditions before introducing them in order to make sure that they meet customers’ needs in terms of longevity and durability, in accordance with applicable standards. By selecting products with characteristics that enable them to last a long time, the Group is helping to limit the consumption of resources and reduce the environmental impact of its products and services and that of its customers.

For example, this product approach has extended the life of some products in our Cleanroom business in Denmark by almost two years.

In addition, the Group strives to extend the life of its products and keep them in use through repair, reuse or refurbishing.

Repair

Elis repairs its customers’ workwear on a daily basis in each of its plants that is dedicated to clothing. For example, if a pocket comes loose it is sewn back on. This daily work is a sustainable way to extend the life of clothing. Moreover, to guarantee a supply of accessories to repair items (in accordance with regulations), the Group has a catalog of accessories used for its workwear. Common repairs include replacing the elastic in waistbands on pants when it stretches out, replacing a defective snap fastener or replacing a logo that has started to come off.

The Group may also make ad hoc repairs to flat linen, textile reels or mats. The Group also offers this service for nursing home resident laundry.

Reuse

In some countries, and whenever possible, the Group strives to repurpose its products internally. For instance, when the cotton reels for hand towels show too many imperfections, they are dyed blue and offered to customers working in more messy areas (e.g., heavy industry, mechanics, etc.).

Similarly, some cotton towels or sheets are cut into pieces and offered to customers on a rental basis as rags.

Our environmental and corporate social responsibility

Planet and products

Refurbishing and reassembly

Elis also strives to refurbish some of its products. In France, Elis has a workshop that specializes in refurbishing its water fountains and hygiene appliances (dispensers, etc.), thus extending their lives.

This workshop collects end-of-life water fountains placed on the French market and certain hygiene appliances, for the French, Belgian, German and Luxembourg markets. A total of more than 30,000 end-of-life appliances are collected every year to be taken apart and refurbished whenever possible. In 2021, more than 5,000 water fountains were refurbished, and as a result Elis lowered the number of water fountains purchased on the French market by around 30%.

The Group pursues other refurbishing initiatives, such as in the mat business, with a workshop in Lettonie.

Outlook

The Group is exploring the possibility of replicating these models for other products and services.

Reuse or recycle end-of-life materials

Recycling and reusing end-of-life products is a priority for the Group. It has set a target to recycle or reuse 80% of its end-of-life textiles by 2025. Current initiatives are described in section 3.3.4 "Optimizing our use of resources and minimizing our impact on ecosystems."

Incorporating the circular economy into our operations and striving to be exemplary

Measures implemented

Beyond its business model, the Group incorporates the circular economy into its operations. For example, to deliver its textile items, Elis uses little packaging, and the packaging it does use is mainly reusable: clean items are distributed and then sent back to laundries in cloth bags, cloth cage covers and metal cages or hangers, which are taken back, maintained, repaired and reused by Elis many times. When these items reach the end of their lives, the Group works on ways to recycle them. For example, Le Jacquard Français makes small bags from cloth bags.

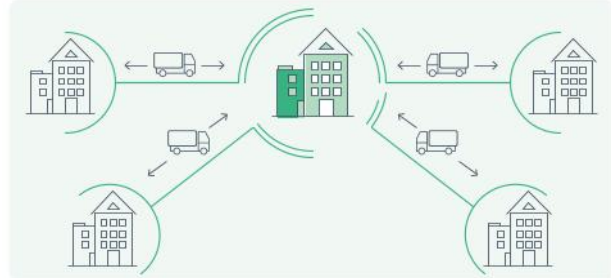
The Group uses limited quantities of consumables, and is continually looking to reduce them or find reusable alternatives. In this vein, Elis is taking steps aimed at reducing the quantity of plastic used to package certain workwear items - it is substituting plastic with cloth packaging and reducing the thickness of the plastic wrap purchased.

Water fountain bottles are also picked up during delivery trips and then returned to water suppliers, who clean them and then reuse them for subsequent deliveries.

In 2021, the Group also launched a new Cleanroom product line, Kangaroo®, which helps reduce plastic consumption in this business. A cloth pocket sewn into the inside of a decontaminated garment allows the garment to be folded and delivered to customers without any additional packaging, reducing plastic consumption by nearly 4 kg per operator. To meet the requirements in this sector (unparalleled hygiene, etc.), products are packaged after a special decontamination process with or without additional sterilization.

An innovative service for sharing equipment to maintain the personal linen of care home residents

The Group is also identifying pooling and sharing opportunities across all its operations. For instance, its subsidiary AD3 in France (nursing home resident laundry business) offers a solution where one customer's laundry room can be shared with other nearby facilities. This solution reduces the amount of equipment needed to wash residents' laundry and maximizes use.



Helping to promote the circular economy among our stakeholders

Measures implemented

As a strong supporter of the circular economy, the Group is increasingly positioning itself to promote circularity among its stakeholders:

- › directly, by participating in forums and events on these topics in the different regions where it operates, and more specifically in France and Sweden. In Sweden, the CSR Coordinator is leading the "From Linear to Circular" working group on behalf of the *Delegationen för Cirkulär Ekonomi* (Circular Economy Delegation), which was created by the Swedish government;
- › indirectly:
 - through its customers and users of its services, who are educated as part of their operations and jobs about sharing and reuse, which are fundamental values of the circular economy. This approach contributing to remove certain psychological barriers that are found today in the FMCG sector,
 - through its networks and professional associations, by helping them promote the circular economy and its benefits. In particular, the Group shares its commitment and positions within the professional associations it belongs to, such as the Association Française des Entreprises Privées (AFEP), Groupement des Entreprises Industrielles de Services Textiles (GEIST), Association Française de l'Industrie des Fontaines à Eau (AFIFAE), Organisation pour le Respect de l'Environnement dans l'Entreprise (OREE) in France, and the European Textile Services Association (ETSA).

Within its associations and networks, the Group also engages in discussion on other CSR topics, such as climate change. The Group helps to shape the positions of these associations, which may be consulted on future regulations, and to support the dissemination of best practices (e.g. ETSA was appointed Climate Pact Ambassador).

3.3.2 Eco-designing our products and services

Context

In selling the use of a good rather than the good itself, the Group is helping to alleviate pressure on natural resources and to shrink the environmental footprint of its business and that of its customers. However, in addition to implementing the virtuous model of the product as a service, the Elis Group strives to reduce the social and environmental impacts of its products through its eco-design strategy and its sustainable purchasing policy (see section 3.5.3 "Working responsibly with third parties").

Governance

The Marketing and Innovation Department is responsible for the eco-design of the Group's products and services. Once or twice a year, the eco-design strategy for products and services is shared with all countries.

Major launches may be subject to approval by the Executive Committee, or by the Operations Committee, which comprises representatives from all countries, during a presentation.

To ensure that the specific regulatory expectations or requirements of the Group's different markets are taken into account, Elis has set up a Country Product Board in 11 countries. This local decision-making body, which meets several times per year, brings together the different stakeholders (marketing, sales, operations, purchasing, supply chain and the industrial department) to make sure that all requirements are taken into account, such as those related to industrial maintenance or the provision of services at customers' sites.

Policy: objectives and performance

Given that its business model is grounded in the product as a service model (rental-maintenance), it is in the Elis Group's interest to extend the life of its products by selecting high-quality items that meet expectations in terms of use, comfort and esthetics, and to work continually to extend their useful life.

The Group is always trying to reduce the impact of its products and services, in particular by:

1. developing products with lower environmental impact thanks to eco-design practices;
2. using certified materials and products.

As part of its ambitious program running until 2025, the Group has set a target to:

Offer at least one collection composed of sustainable materials for each product family

Key performance indicator	2019	2020	2021
Developing products with lower environmental impact thanks to eco-design	Share of product families with at least one collection composed of sustainable materials (2025 target: 100%)	33%	46%

In 2021, the number of product families with at least one collection composed of sustainable materials increased following the introduction of new offerings (coffee beans, Kangaroo®, and so on) and the integration of the pest control business into the scope.

Developing products with lower environmental impact thanks to eco-design

Measures implemented

Ensuring the quality and sustainability of our products

The Group's business model is based on the concept of the product as a service and offering a range of high-quality, sustainable products and services, unlike traditional consumption models that may encourage disposable products or planned obsolescence. See section "Being a circular economy player" of this universal registration document.

Eco-design approach

To continually do its part to ease pressure on natural resources and shrink the environmental footprint of its business, the Group conducts life cycle assessments (LCAs) on its products and services. These LCAs help to underscore the benefits of Elis's model compared to other solutions (purchase or single use), and contribute to discussions on eco-design (design, choice of materials, origin and production method, recyclability, etc.).

Workwear: the sustainability of Elis's hospital scrub rental-maintenance solution

In 2020, Elis finalized an LCA in partnership with strategic customers to compare the environmental impact of the Elis hospital scrub suits offering with competing single-use polypropylene products for France. This LCA was critically reviewed by a panel of experts and published in the scientific journal *Cleaner Environmental Systems* in late 2021.

The use of reusable hospital scrub suits results in a 31% reduction in climate change impact compared to disposable hospital scrub suits. This impact reduction can be as much as 62% depending on the level of over-consumption of disposable hospital scrub suits in a healthcare facility.

In the context of a shortage of disposable products during the Covid-19 crisis, Elis was able to guarantee continuity of service to its customers while offering them a more sustainable and local service solution. The relevance of this offering has enabled the Group to gain significant market share in this segment in France.

Cotton roll: the cotton solution that respects the environment

Wiping your hands with cotton is a responsible gesture. Indeed, a cotton reel can be washed up to 80 times before being recycled into rags. The production and use of cotton reels therefore have a limited impact on the environment compared to paper towels⁽¹⁾

- › up to 29% fewer greenhouse gas emissions;
- › up to 48% less energy;
- › up to 95% less waste generated.

(1) Source: ETSA, from a sample of 10,000 hand dryings.

Thanks to its LCAs, the Group has identified the following main levers:

- › choice of materials and their durability. The Group is especially committed to offering at least one collection made from sustainable materials in each product family by 2025. For example, the Group currently offers the Bio's Fair collection made of organic, fair-trade cotton for bath linen. Regarding the sustainability of materials, see section 3.3.1 "Being a circular economy player" of this universal registration document;
- › the origin and production methods of materials (see section 3.5.3 "Working responsibly with third parties" of this universal registration document);
- › consideration of the repair and recycling phases when designing new collections. For garments, for example, this involves avoiding when possible components that cannot be recycled easily (e.g. zippers, metal snap buttons, etc.).

Offering products to foster more sustainable consumption

The Group strives to offer services that help reduce environmental impact during use, and particularly to support sustainable consumption by users. In this vein, the Group offers emulsion soap dispensers to reduce the amount of product used and make the rinsing stage easier, thereby also slashing water consumption.

The Group's smart solutions based on the IOT (Internet of Things) also help to improve customers' consumption. For instance, Elis Connect IOT, in the washroom segment, means that customers only change their consumables (such as soap and toilet paper) when necessary. Using sensors built into the distributors and connected to the Elis Connect platform, the predictive alert system prevents shortages and thus optimizes the use of the various consumables.

In addition, in late 2021 the Group developed a coffee bean product without individual packaging and with less industrial processing, and an organic, fair-trade coffee product.

The Group also encourages its customers to use reusable cup or bottle solutions. Cardboard cups that are Home Compost are otherwise provided.

Our Pest Control business

Within the Pest Control business, the Elis Group seeks to take environmental issues into account upstream. To this end, the Group prioritizes a prevention-based approach that aims to protect customers' facilities and reduce the risk of infestations. In the event of an infestation, pest management experts develop and promote alternative extermination methods and the use of biodegradable products in order to minimize the impact on the environment.

During the preliminary assessment, the Group's experts work to maximize protection of the customer's site and rely on exclusion systems (door thresholds, steel wool, etc.) to better seal structures. Group experts also suggest more sustainable alternatives to customers, such as a line of plant-based insecticides (Origin Captiv, Origin Mosquillok, Terre de Diatomée, etc.), or natural systems such as chickadee birdhouses for protection against processionary caterpillars.

Moreover, ever dedicated to its circular economy model, the Group provides maintenance, upkeep and end-of-life services for its equipment and applies eco-design principles when developing its product lines around three key pillars:

- › reduction of waste at the source;
- › maintenance of products;
- › recyclability of materials used.

Outlook

Elis plans to continue its actions in line with its product strategy and its goal of being able to steer its customers toward increasingly sustainable choices.

Elis is also working on the implementation of eco-design tools, especially for napkins, for which an LCA has identified the key levers for improving environmental performance. This tool will make it possible to test different configurations (size, weight, material, composition) and offer optimized products to its customers.

Purchasing certified materials and products

Measures implemented

Concerned about its environmental and social impact and keen to help its customers become more sustainable, the Group is striving to add more and more certified materials and items to its catalog of products and services.

As part of this effort, Elis is teaming up with suppliers to identify the best certifications for each product type. Based on international standards, these certifications ensure the credibility of the initiative and help reduce the environmental and social impact.

Some examples below:

Raw materials: textile

Elis encourages OEKO-TEX certification for the textiles delivered, in accordance with its Supplier Code of Conduct. This standard is a worldwide testing and certification system involving tests for harmful substances, including prohibited and regulated substances, chemicals that are known to pose health risks, and precautionary parameters relating to healthcare.

Raw materials: paper and wood

Washroom

- › **GOOD: high-quality recycled paper:** Elis offers its customers in Northern Europe a specific range of recycled paper towels and toilet papers. This GOOD range of paper is made from recycled cellulose fibers found in food packaging cartons. These fibers are of equivalent quality to pure cellulose lining. Over 36,000 rolls of GOOD paper towels were ordered by Elis sites in 2021;
- › **FSC-labeled paper for Southern Europe:** the Forest Stewardship Council is an environmental label whose purpose is to ensure that the production of wood or a wood-based product complies with procedures that ensure sustainable management of forests. Over 450,000 FSC-labeled paper towels were ordered by Elis sites in 2021.

Workwear

- › **Lyocell fiber:** the TENCEL™ brand Lyocell fiber made its appearance in 2020 in two collections of workwear: TRENDY and REGENCIA (50% Lyocell/50% polyester blend). Made from wood grown in sustainably managed and FSC-certified forests, this fiber is recognized for its environmental performance. It also provides a very good level of comfort and softness for wearers.

Drawing on this experience, in 2021 Elis guided one of its healthcare customers in Sweden in developing a bespoke workwear collection with fabric that was a 50% Lyocell/50% polyester blend.

Raw materials: fair-trade or organic coffee and cotton

For 11 years, Elis has been a partner of the Fairtrade/Max Havelaar label and supports fair trade. The collaboration between Elis and the Fairtrade/Max Havelaar label started in 2009 through a partnership with the coffee supplier Malongo. Malongo's 100% arabica fair trade Ethiopian Moka coffee is now part of the Group's offering. Currently, in addition to coffee, Elis uses fair-trade organic cotton in 23 of its products (Bio's Fair collection: bath linens and workwear), and is committed via the Fairtrade/Max Havelaar label to pay development premiums to small cotton and coffee producers (an aggregate total of over €200,000 in development premiums paid to small producers between 2009 and 2020).

As of 2019, 97,000 Fairtrade/Max Havelaar-labeled garments were in circulation in the Elis network, and 560 hospitality customers had chosen organic and fair-trade cotton for their bath linen.

Products: European Ecolabel, a label chosen for various product families**Flat linen**

Elis makes EU Ecolabel-certified textile products available to some of its domestic customers. This European label was created in 1992 by the European Commission to enable consumers to identify the most responsible products regarding the environment and health

throughout their life cycle. It meets stringent requirements in terms of limiting impacts (such as limitation of hazardous substances, reduction of air and water pollution during fiber production, etc.).

Washroom

- › **Paper:** Elis provides its customers with Ecolabel-certified paper products for hand towel dispensers, as well as toilet paper dispensers for the Aqualine and Fusion collections. In 2021, the Elis Group ordered 2.5 million Ecolabel-certified products (1.6 million for paper towels and 0.9 million for toilet paper).
- › Elis also provides its customers with Ecolabel liquid and foam hand soaps. In 2021, 73,000 consumables were delivered.

Products: Cradle to Cradle certification, Fusion Collection

Fusion is a line of Cradle to Cradle-certified hygiene appliances. The Cradle to Cradle certificate promotes the design of products with a positive impact. It certifies the maintenance of raw materials throughout the multiple life cycles of the product and its components. Since 2019, Elis has installed more than 18,000 Cradle to Cradle-certified appliances from the Fusion line.

3.3.3 Optimizing our use of resources and minimizing our impact on ecosystems

Context

The Elis Group consumes a number of resources, principally water and cleaning products, in the course of its operations. In addition to the positive impact of its circular economy model, for a long time, the Group has worked from day-to-day to limit its impact on ecosystems. In order to manage and minimize this impact, the Group provides its services directly. In 2021, subcontracting to third parties accounted for less than 0.5% of the services provided by the Group.

Governance

The Group's Quality, Safety and Environment (QSE) Director reports to the Group Engineering, Purchasing and Supply Chain Director who is a member of the Executive Committee. The QSE Director is responsible for defining the Group's environmental policy and environmental risk prevention policy.

In the countries where Elis operates, the QSE teams, in support of the operations departments, set the Group's standards and assist sites in managing environmental matters or carrying out specific actions (energy efficiency, textile recycling, etc.). These teams are also responsible for helping sites monitor environmental performance and share best practices. A network of environmental officers ensures the operational deployment of measures at production centers.

For this purpose, quarterly coordination meetings are held with the QSE coordinators to share best practices among the Group's different regions.

In addition, the Group has a team of 10 Water, Energy and Chemical (WECO) engineers dedicated to analyzing each Group site's performance on these matters, managing industrial projects for reducing consumption, sharing best practices and rolling out Group programs. This team also monitors new available technologies and cross-sector approaches. In addition, it works increasingly closely with partners who have approximately 20 technicians specializing in the integration and optimization of washing processes. An industrial projects team of around 15 engineers also supports the rollout of site investment projects.

Water, energy and chemical performance is reviewed and analyzed for each site on a monthly basis. These analyses are shared with the different levels of the organization, from the members of the Executive Committee to plant Directors.

Policy: objectives and performance

In accordance with its Quality, Health, Safety and Environment (QHSE) Policy, Elis's environmental commitments aim in particular to:

- › promote its circular economy model and adapt it for its operations;
- › optimize its use of resources, in particular its consumption of water and cleaning products;
- › limit its impact on ecosystems, in particular by properly managing its centers, treating potential pollutions and carrying out actions that promote biodiversity.

These commitments are reflected in the Group's CSR policy.

As part of its ambitious program running until 2025, the Group has set a target to:

Reduce water consumption per kg of linen delivered by 50% between 2010 and 2025 (European laundries)

This ambition has been retained and incorporated into the Group’s financing policy. Under its new revolving credit facility signed in November 2021, the Group is committed to reducing its water consumption per kg of linen delivered (European laundries) by 30% between 2018 and 2030.

Key performance indicator	2019	2020	2021
Reducing the pressure on water resources			
% reduction in water consumption per kg of linen delivered between 2010 and 2025 (European laundries) (2025 target: -50%)	-41%	-36%	-40%
% reduction in water consumption per kg of linen delivered between 2018 and 2030 (European laundries) (2030 vs. 2018 target: -30%)	-15%	-9%	-14%
Ensuring the quality of wastewater discharge			
% of wastewater treated before being discharged into the natural environment	100%	100%	100%

In 2021, the Group revived its long-standing performance in terms of water consumption per kilogram of linen delivered thanks to the programs that were implemented during the year, which are described in detail below. However, the Group is still suffering from the effects of limited operation at some plants due to the pandemic.

Reducing the pressure on water resources

Measures implemented

Water is a strategic global resource and a real sustainability challenge for communities, companies, and in particular for Elis in relation to its activity. The water is drawn either from the natural environment (groundwater or surface water) or via connections to municipal water networks. The Group has been committed for many years to reducing its consumption of water per kg of linen delivered. As such, consumption of water per kg of linen delivered decreased by 49% in laundries in France (the Group’s birthplace) between 2007 and 2021 and fell by 40% in Europe between 2010 and 2021. Moreover, the Group has set itself a target: to reduce its water consumption per kg of linen delivered by 50% between 2010 and 2025. In addition, the Group only consumes small amounts, as the amount of water returned is close to that withdrawn (with evaporation losses limited to around 15%).

This approach is based on the 3Rs: Reduce, Reuse and Recycle. This helps to reduce water use and pressure on the natural environment.

Finally, through process optimization and its circular economy model, the Group is able to reduce water consumption by nearly 73% compared to a solution based on purchasing and in-house laundering.

Reducing water consumption

In order to reduce the water required in its washing processes, the Group identifies and implements:

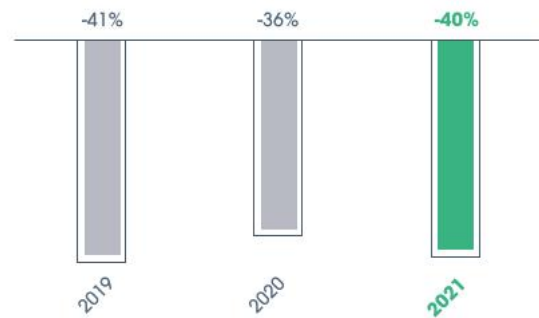
- › best practices (for example, optimizing the amount of cleaning product used according to the actual weight of the textiles);
- › new technologies (for example, types of cleaning product and active formulas, replacing machines with higher-performance ones);
- › changes to its washing processes (for example, lower temperatures where possible, mixing of reagents under new conditions to increase their efficiency).

The Group also prefers to use tunnel washers where possible. Equipped with separate compartments, these washers allow laundry to progress through the different stages of the process by moving from one compartment to another, and to optimize water consumption.

In 2021, Elis continued the rollout of programs to optimize its washing processes by changing products or dosages, especially with emulsion cleaning product technology that ensures optimum dosages are used. Elis also continued to deploy its program to replace powdered detergents with liquid detergents, which are easier to rinse and therefore consume less new water.

Finally, the Group’s teams of water, energy and chemical engineers are training the sites’ production and maintenance teams in the optimum washing methods (the “essentials” of washing, how to best use washing equipment, etc.).

PERCENTAGE REDUCTION IN WATER CONSUMPTION PER KG OF LINEN DELIVERED IN EUROPEAN LAUNDRIES COMPARED TO 2010



WATER CONSUMPTION BY SOURCE (AS A %)



Water reuse and recycling

In parallel with its actions to reduce its water requirements, the Group is undertaking initiatives to maximize the reuse of water (between its different processes) and to recycle it (at the end of the process).

To this end, as an example, the Group is working toward ensuring that at all its sites and for all its products (flat linen, workwear, mats, etc.) water used during the rinsing phase is reused for the laundry wetting stages and that water is reused by the different pieces of washing equipment for the pre-washing and washing phases.

With regard to the recycling of water at the end of the process, the Group is continuing its research and carrying out pilot projects. As a result, some of the Group's plants are now operating in a closed loop circuit. This is the case in particular with one site in the Netherlands, where all water is recycled and reused. In addition, in Brazil, the Group has two plants recycling 70% to 90% of wastewater (workwear laundry). A water recycling project is planned for one site in Sweden in 2022.

In addition, the Group has a continuous monitoring program to identify new technologies, their maturity and whether they can be adapted for industrial laundry processes.

Climate change and water scarcity analysis

In 2021, the Group conducted an analysis to identify sites that are currently experiencing the effects of water scarcity or that could face it in the medium to long term, given the effects of climate change. This study identified about 30 sites (out of a total of 320 laundries) that are located in areas expected to be at risk of water stress in the long term. It should be noted that because these sites are in different geographical areas, a drought event disrupting the supply of water to all of these 30 sites is very unlikely to occur. The Group believes that in the event of drought, primarily in the summer, around a dozen sites spanning several different countries and regions could be affected by water usage restrictions. To date, the Group has only very occasionally been subject to water consumption restrictions.

In addition, the Group is taking action to reduce its water consumption in order to limit the pressure on this natural resource and thereby reduce its risk of exposure.

Finally, in the context of setting up new production units, Elis is undertaking a hydrogeological study to determine whether the water supply can come from groundwater, based on local availability, or if it should be coming from other supply sources (recycled water, the municipal water supply, etc.).

Outlook

The Group will continue to take action to optimize its water consumption through its 3R approach (Reduce, Reuse and Recycle) and by rolling out existing best practices, identifying new technologies or better processes, making dedicated investments and training its teams.

The Group is continuing its water recycling trials. A plant dedicated to healthcare linen is currently starting up in Brazil.

Ensuring the quality of wastewater discharge

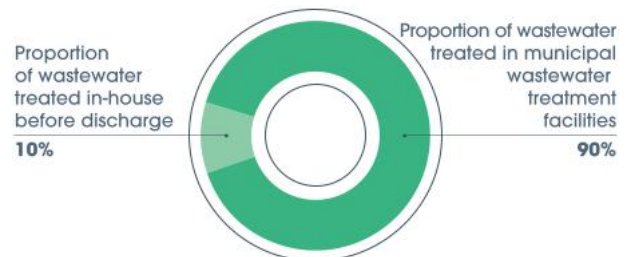
Measures implemented

Since the nature of wastewater from laundries is the same as household wastewater, the vast majority of Elis's laundry facilities are connected to the municipal wastewater networks. The Group monitors its wastewater itself in line with applicable regulations through regular analysis programs. Industrial discharge, pre-treated where necessary, is then treated by either a municipal water treatment plant or an on-site water treatment plant.

Based on these wastewater analysis programs, the Elis Group has acquired in-depth knowledge of the quality of its water and is continually working to improve it.

As such, in Brazil as at the end of 2021, Elis had 15 plants carrying out biological treatments and 5 physically and chemically treating wastewater before it is discharged into the natural environment, improving wastewater quality by 80% to 90%.

BREAKDOWN OF GROUP WASTEWATER BY DESTINATION (MILLIONS OF M³)



Linen maintenance and use of cleaning products

The Group almost exclusively launders using water-based processes. In 2021, only 0.06% of the textiles delivered by Elis to its customers were laundered using a dry-cleaning process.

For linen washing, the Group mainly uses detergents for removing dirt, bleaching agents, neutralizers and finishing products, which vary depending on the type of textile (fabric softeners, starch, bacteriostats and waterproofing products). These products are stored in a dedicated room either in tanks or in their original packaging within adapted containment basins of sufficient volume. The amounts stored are limited, ensuring a balance between having sufficient stock and ensuring a reduced delivery frequency, all while minimizing risk. The storage of these products is regulated. The Elis Group uses only phosphate-free detergents.

Limiting our impact on biodiversity

Measures implemented

Eco-design, organic ranges and certification

With its experience in the circular economy, the Group uses eco-design principles adapted to its products. This approach is described in more detail in section 3.3.2 "Eco-designing our products and services". Consequently, certain labels or certifications that have a smaller impact on biodiversity may be preferred. For example:

- › Elis encourages Oeko-Tex certification for all textiles. This label is a control and certification system that is the same throughout the world and that helps to limit the use of materials and substances that are harmful or of concern with regard to health;
- › Elis provides its customers with a range of textile products made from organic cotton whose manufacture has a reduced impact on ecosystems;
- › Elis has joined forces with Max Havelaar and Malongo on an environmental initiative that protects biodiversity by offering a range of organic, fair trade coffee.
- › Elis supplies EU Ecolabel-certified textile products to some of its customers. This European label enables consumers to identify the most responsible products regarding environmental and health aspects throughout their life cycle. It meets stringent requirements in terms of limiting impacts (such as limitation of hazardous substances, reduction of air and water pollution during fiber production, etc.).

Our environmental and corporate social responsibility

Planet and products

Similarly, for its operations in Brazil, where biomass is the Group's main energy source, the wood used is certified by the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA).

In addition, some of the Group's plants have ISO 14001 or Nordic Swan certification. These certifications take into account the issue of limiting impacts on the environment and biodiversity. There is more detail on this certification in section 3.3.5 "Minimizing our energy consumption".

Site engagement

Some Group sites also carry out initiatives to promote biodiversity or to raise employee awareness on the subject, for example by keeping beehives, maintaining green spaces for eco-grazing, or reintroducing and cultivating local plant species.

In Portugal, Elis participated in the reforestation of the Leiria pine forest in 2019, coordinated by the Portuguese Institute for Nature and Forest Conservation, with 700 employees replanting 35,660 trees on a plot of 30 hectares.

In addition, during site construction or extension projects, flora and fauna studies are carried out to check for any possible environmental impact and identify any need for protection measures.

Controlling our other emissions and local pollution

Measures implemented

Compliance with regulations and other environmental impacts

In France, production site operations are governed by a prefectural order that sets, among other things, limits for water withdrawal, wastewater discharge, air emissions and waste management. In the other countries where the Group operates, operating permits or licenses are required, depending on local regulations.

Changes in regulations are considered by local technical teams and monitored by centralized specialist teams. Annual investment takes into account potential changes in sites' technical requirements.

For example, boilers are subject to regulatory checks to verify that combustion is taking place within the specified parameters. Emission levels, in particular levels of nitrogen oxides (NO_x), are reduced through the use of efficient burners and the correct combustion settings. Sites that use biomass as their main energy source are equipped with filters to limit dust and particle emissions.

Soil pollution

When acquiring new sites, Elis conducts due diligence audits to determine the regulatory compliance of site operations and any impacts they have had on the environment in the past. Depending on the assessed level of risk and the terms of the acquisition, provisions for cleaning up the pollution may be established so that Elis can carry out investigations and treatment actions that may be necessary.

Most of the Group environmental provisions relate to operations acquired by Elis. In addition, these accounting provisions most often relate to dry-cleaning activities prior to their acquisition by the Group. Across the Group as a whole, 99.94% of the laundry by weight is washed with water, and only 0.06% is dry cleaned. The Group is working to identify and implement, where possible, alternatives based on washing with water for acquisitions or existing operations of this type.

In 2021, the costs of making these operations compliant totaled around €8.1 million, and environmental provisions and guarantees were €71.2 million. No fines were paid for environmental litigation in 2021.

Limiting our industrial risks

Measures implemented

Preventing and protecting against industrial risks

Fire risk is one of the main risks linked to the Group's activities. The main causes of fires are related to the presence of cotton lint and processes that use heat (ironing, drying, etc.).

The Group has long taken an active approach to prevention and protection when it comes to this risk, and it is continually improving its strategy, in particular by:

- › setting up fire protection sprinkler systems at new sites;
- › setting out an annual investment plan for sprinkler protection systems and/or automatic fire detection systems at existing sites that do not have them;
- › carrying out fire prevention visits with its insurance company on a representative sample of its sites. As such, from July 2021, 70 sites will be visited per year;
- › introducing and implementing organizational standards specific to laundry risks.

Checks and monitoring to prevent pollution risks

In order to prevent pollution risks, the Group implements control measures to monitor and/or prevent contamination of groundwater and soil. The main measures implemented are:

- › installing network shattering systems;
- › creating dedicated areas for the offloading and storage of cleaning products;
- › implementing containment measures for the storage of cleaning products;
- › protecting groundwater withdrawal structures at sites that are fed by groundwater;
- › training operators with regard to chemical hazards;
- › requiring specific authorizations for certain types of operation;
- › training maintenance managers in risks and pollution (conducted by the QSE Department);
- › displaying and implementing safety procedures (fire hazards, chemical hazards, etc.);
- › conducting regular checks on plants covered by the regulations.

3.3.4 Reducing and managing our waste

Context

The operations of industrial laundries generate little waste compared to other industries, thanks to their circular economy model. In 2021, the waste produced by the Group's sites, for all waste types combined, represented 2.4% of the textiles delivered to its customers (by weight) and amounted to 37,928 tons.

The Group's waste can be divided into two main categories: waste related to the Group's products and services and waste from its operations. Most of the waste from products and services sorted at source is related to textiles (more than 70% of products and services by weight) which end-of-life is a key issue in today's world.

The Group's waste is thus mainly non-hazardous (more than 80% of the waste produced).

Governance

The QSE teams play a major role in managing waste. The structure of these teams is described in more detail in section 3.3.3 "Optimizing our use of resources and minimizing our impact on ecosystems."

In addition, in some countries, teams dedicated to end-of-life product management have been formed.

Policy: objectives and performance

In accordance with its QHSE Policy, Elis's environmental commitments are primarily aimed at furthering the circular economy aspect of its business model and adapting it to its operations. Reducing and recovering waste are therefore a core part of the Group's policy on this matter.

With regard to textiles, the Group is aiming in particular to:

- › recycle or reuse 80% of its textiles by 2025;
- › identify the best recycling or recovery routes according to each geographical area and the technologies available, preferring textile-to-textile recycling and reuse;
- › develop innovative partnerships to set up recycling channels for its textiles in each country.

The Group also intends to continue sorting other waste categories at source to optimize recovery.

As part of its ambitious program running until 2025, the Group has set a target to:

Reuse or recycle 80% of its end-of-life textiles

Key performance indicator	2019	2020	2021
Recovering textiles at the end-of-life	Share of end-of-life textiles reused or recycled (2025 target: 80%)	65%	72%
	Share of end-of-life textiles recovered		81%
	Amount of textile waste sorted at source (tons)		6,370
Managing our waste	Total amount of waste generated (tons)	34,794	35,733
	Share of waste that is not hazardous	82%	81%
	Share of waste that is hazardous (excluding medical waste management from this dedicated business line)	12%	11%
	Share of waste recovered	65%	61%
	Proportion of non-hazardous waste recovered	65%	63%
	Proportion of hazardous waste recovered	67%	56%

In 2021, the share of waste that is not hazardous remained stable and accounted for more than 80% of the Group's total waste. Hazardous waste (excluding medical waste management) remained low, at about 10%.

The share of the Group's waste that is recovered also remained relatively stable compared to 2020, amounting to 60%. In 2021, Elis recovered 64% of its non-hazardous waste and 42% of its hazardous waste. This slight decrease from 2020 is due in particular to the

reduction in the hazardous waste produced by certain sites on account of process improvements.

In 2021, the Group improved its performance in terms of recycling or reuse of textiles sorted at source to 72%, mainly by reusing them as industrial wipes. This increase is mainly due to a favorable textile product mix (more flat linen) and the identification of new recycling markets in certain geographical areas (such as the Netherlands).

Recovering textiles at the end-of-life

Measures implemented

Recovery of textiles at the end-of-life

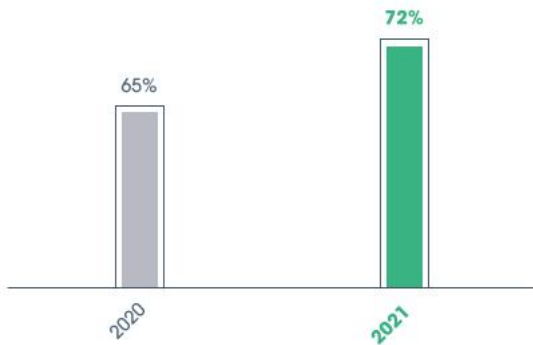
The recovery of textiles, particularly clothing after consumer use, is a challenge, with few existing, mature recycling channels and technologies. As a result, the Group is working in its different countries to identify the best recovery channels, to break new ground and to innovate and develop satisfactory solutions. The Group is therefore developing partnerships with textile players in several of its markets in order to carry out pilot projects and explore different approaches, recycling technologies (including mechanical and chemical technologies) and opportunities (insulating materials, textile-to-textile recycling, new innovative fibers, etc.). These pilots enable better understanding of technical and economic feasibility and the difficulties to be overcome, and inform the design phases of products so that they can be recycled more easily.

The reuse of textiles, where relevant, can help to extend the life of the materials and keep them in use with minimum processing.

In the absence of local recycling or reuse channels, the Group is striving to identify the best alternatives, primarily in the form of solid recovered fuels (SRFs) or incineration with energy recovery.

At the same time, the Group is working to improve the collection and consolidation of its end-of-life textile volumes so that they can be directed toward the channels offering the best recovery solutions. As a result, in France (1,855 tons of textile waste), the Group reorganized the collection of waste from textiles sorted at source from all its laundry facilities at the end of 2021 (flat linen, workwear, personal protective equipment, mats), simplifying the collection process, centralizing flows, and increasing the proportion of textile articles sorted at source and the amount recovered (recycling, reuse and recovery in the form of solid recovered fuel). As such, flat linen is reused as rags, and the other products sorted at source will mainly be recovered as fuel, until the Group's recycling projects can accommodate the required volumes.

SHARE OF TEXTILES REUSED OR RECYCLED (%)



END-OF-LIFE TEXTILES SORTED AT THE SOURCE



Examples of recycling initiatives

In terms of workwear in France (1,851 tons of textile waste), the Group is running trials aimed at developing textile-to-textile recycling channels. In France, the first items designed and woven from recycled Elis workwear yarns have been made. The durability of these garments in particular will be assessed in the coming months.

In Sweden and Denmark (which represent 6% of the Group's textile waste by weight), for several years, Elis has been working with an industrial group on the chemical recycling of cotton fibers blended with wood fibers for the manufacture of new synthetic cellulose fabrics. Some items, mostly cotton, white flat linen (towels, sheets and other plain white textiles) have therefore already been recycled. Furthermore, in Denmark, the Group is part of the European Union-funded RESuit program, together with other players in clothing and textiles, raw materials production, consumer behavior analysis and new recycling technologies (Aarhus University, Fraunhofer and the Danish Technological Institute). This program primarily aims to identify areas for improvement for the Textile sector in terms of eco-design and technologies for recycling textile waste. Other initiatives are also under way to recycle Cleanroom garments as acoustic panels or to turn them into new garments specifically designed for this market.

In the Netherlands (which represents 3% of the Group's textile waste by weight), since March 2021, all end-of-life workwear has been mechanically recycled into insulation material for the automotive sector. Chemical recycling projects are also under way. As such, all garments managed by the Group are recycled in this market.

Examples of reuse initiatives

Flat linen is mainly recovered in the form of rags, although other initiatives are under way to develop other (currently small-scale) opportunities. In Sweden and the Netherlands, for example, sheets, textile bobbins, hand towels and duvet covers are reused as reusable cloth bags or makeup remover pads. In Colombia, cotton items are also transformed into face cloths.

Haute couture collections and shows have also been organized in Sweden and Denmark using end-of-life workwear, which is helping to promote the circular economy and the reuse of materials. One show also notably took place at Paris Fashion Week.

In France, Le Jacquard Français is taking part in a project that creates works of art from waste and in which yarn waste from the sizing stage features prominently. In addition, a sale of third quality standard products by weight is held every year to maximize the value of the products, reduce waste and allow more people to enjoy Le Jacquard Français products.

Outlook

The various projects under way with regard to textile recycling will continue in the coming years. Optimization activities (logistics, sorting, etc.) will also be studied in order to increase the flow of products for recycling.

Moreover, in some regions, the Group is starting studies aimed at improving recovery of other types of end-of-life products.

Managing our waste

Measures implemented

Elis sites sort waste at source and store it by category in restricted areas before shipping it to dedicated recycling or recovery channels. A growing number of initiatives are aimed in particular at recovering waste generated from the Group's products.

For example, in France, waste is stored as follows:

- › non-hazardous waste in containers or in dedicated areas, such as for example:
 - cardboard boxes,
 - scrap,
 - plastic films,
 - consignment pallets,
 - domestic waste,
 - textiles;

- › hazardous waste in dedicated containers, such as for example:
 - dirty used packaging in containers and cans,
 - used oils in dedicated containment areas or in aboveground double-skin tanks protected from the rain,
 - batteries in washroom stores or in metal drums with lids.

The vast majority of the Group's waste is non-hazardous. This consists, in particular, of packaging and textile waste, and waste from operations (metal, wood, cardboard, etc.) and employee activities. Hazardous waste is mainly composed of electrical and electronic waste (especially used in certain hygiene and well-being products), medical waste (notably relating to our medical waste management business unit) and waste from operations (contaminated packaging, used oils, etc.). In 2021, 60% of the Group's waste was recovered.

3.3.5 Minimizing our energy consumption

Context

The Group mainly uses thermal energy and electricity at its industrial sites, and fuel to power its vehicle fleet. The energy consumption of depots and other non-industrial sites represents less than 0.5% of the total energy consumption, excluding fuel.

BREAKDOWN OF THE GROUP'S ENERGY CONSUMPTION (GWH)



Laundries mainly use thermal energy and electricity to heat the water used for washing and to dry and iron laundry. Although Elis's sites do not consume huge amounts of energy compared to traditional industrial activities, the number of sites (320 laundries in 2021) does make the Group's energy consumption significant.

Regarding its vehicle fleet, the Group has nearly 9,000 vehicles (67% for deliveries and 33% for commercial use). The strategy of bringing logistics in-house continues to generate efficiency and productivity gains. The actions carried out in 2021 have thus ensured that the vast majority of distribution routes are now served in-house (89% of logistics vehicles). In addition to the obvious impact on logistics, this strategy has made it easier to define vehicle fleet replacement criteria while significantly improving customer relationships and the associated service quality.

Conscious of its energy consumption, the Group is committed to implementing an ambitious energy consumption reduction plan and transitioning toward energies that generate fewer greenhouse gas emissions in order to contribute to the fight against climate change.

Governance

The QSE and Water, Energy and Chemical teams play a major role with regard to energy consumption in the centers. The structure of these teams is described in more detail in section 3.3.3 "Optimizing our use of resources and minimizing our impact on ecosystems."

The Group's Logistics Director reports directly to the Group Engineering, Purchasing and Supply Chain Director who is a member of the Executive Committee. This Logistics Director provides operational support to centers with an approach that optimizes logistics performance by reducing energy consumption and distances traveled. They also ensure that the development and deployment of steering tools (guidance for service agents, monitoring of routes in real time, logistics KPIs, etc.) are rolled out at Group level as part of an approach that standardizes the tools used and defines logistics essentials. They also define and support the energy transition by bringing into service alternative vehicles. The logistics teams are based in the different countries of the Group and are supported by teams in each center.

Finally, some of these projects are managed at the highest level by governance committees that include several members of the Executive Committee. In 2021, this governance method enabled different logistics KPIs to be rolled out to each Group center and the Global Logistics Assistant for Deliveries (GLAD) tool for logistics teams to be rolled out, facilitating distribution route optimization and guidance.

Policy: objectives and performance

In accordance with its QHSE Policy, Elis's environmental commitments primarily aimed at reducing the Group's energy consumption in all its operations. Based on its long-term commitment, the Group has also set itself the target of improving thermal efficiency in its European laundries by 35% by 2025 and accelerating the transition of its logistics fleet to alternative vehicles.

The Group favors an approach based on reducing its energy consumption and optimizing its processes before transitioning to alternative energy solutions in order to maximize the benefits of such a transition.

As part of its ambitious program running until 2025, the Group has set a target to:

Improving the thermal efficiency of European plants by 35% between 2010 and 2025
Accelerating the transition of the logistics fleet toward alternative vehicles

Key performance indicator	2019	2020	2021	
Reducing energy consumption and achieving the energy transition of our operations	% reduction in thermal energy per kg of linen delivered since 2010 (European laundries) (2025 target: -35%)	-22%	-18%	-22%
	Share of renewable thermal energy (biomass, biogas, etc.)	19%	23%	23%
	Share of renewable electricity		9%	8%
Reduce energy consumption and achieve the energy transition of our vehicles	Share of alternative vehicles – logistics fleet (2025 target: Accelerate the transition of the logistics fleet toward alternative vehicles)		2.3%	4.3%
	Number of alternative vehicles ^(a) – whole fleet	87	258	521
	› of which logistics	47	134	257
	› of which commercial	40	124	264
	Kg of products delivered per liter of fuel ^(b)		37.1	42.7

(a) Alternative vehicles includes electric, biogas, biofuel and hybrid vehicles. In 2019 and 2020, LPG and NGV vehicles were also included.

(b) Kg delivered, all items: textiles, hygiene and well-being and all types of vehicles.

In 2021, the thermal energy consumption per kg of linen delivered at the Group’s European laundries returned to levels seen previously, following a 2020 that was particularly impacted by the sanitary crisis. The shares of thermal energy and renewable electricity remained relatively stable in 2021, at 23% and 8% respectively.

In addition, the share of alternative vehicles in the logistics fleet continues to increase thanks to the programs implemented in 2021. Overall, the number of alternative vehicles (commercial and logistics fleets) doubled between 2020 and 2021 to 521. Deliveries efficiency has also markedly improved, reaching 42.7kg of products delivered per liter of fuel in 2021.

Reducing consumption and achieving the energy transition of our operations

Measures implemented

Energy efficiency

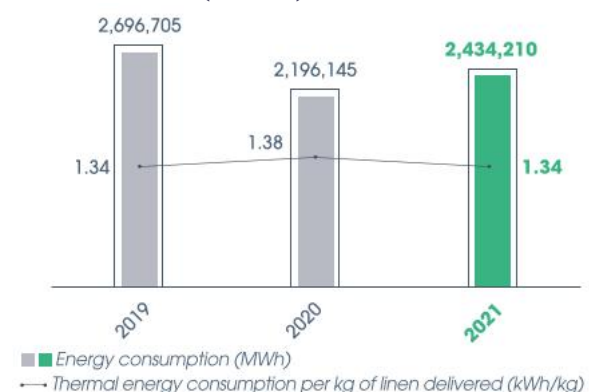
The Elis Group continuously works to improve its energy performance by involving all stakeholders, from the design and purchase of equipment to the daily operation of its plants. This approach is fully in line with the Elis Group’s drive for operational excellence. It also helps to ensure that the Group is resilient to fluctuations in the prices of the thermal energy and electricity needed for the operation of the Group’s laundry facilities and production centers. In addition, the Group has a centralized Purchasing Department supplemented by local buyers in the key countries where it operates. It has also implemented appropriate processes to ensure that purchases in Europe are coordinated by the central department. The Purchasing Department therefore actively monitors changes in energy costs and contracts with preferred suppliers.

The Group’s strategy for reducing energy consumption is based in particular on the actions below:

- › optimizing the energy consumption of laundries: in-depth studies of possible angles for improvement, optimization of equipment settings (calenders, finishing tunnels, dryers, boilers), sharing of best practices, process adaptations (low-temperature washing), implementation of new technologies, integration of energy efficiency criteria into the design of facilities, etc.;
- › installing new equipment that meets energy performance conditions as part of the investment plan (replacement of spin-drying presses, drying/ironing equipment, new boiler burners, installation of LEDs, etc.);

- › monitoring improvements in energy performance through appropriate indicators and communicating them to all relevant levels of the organization to help achieve the objectives and targets set. In particular, the “thermal energy per kg of linen delivered” indicator is reviewed monthly for each site. Possible variances are analyzed and shared with the different levels of the organization;
- › trialing new steam-free laundries with hot water tanks for washing (three new plants since 2019);
- › monitoring new technologies and processes.

ENERGY CONSUMPTION AND ENERGY EFFICIENCY IN OPERATIONS (GROUP)



**ENERGY CONSUMPTION BY TYPE OF ENERGY⁽¹⁾
(MWH)**



In addition, some Group sites obtain certification to better communicate their commitment and raise awareness of these matters. To this end, in 2021, the Group had ISO 14001 environmental management certification for 141 sites (39% of its industrial sites), ISO 50001 energy management systems certification for 80 European sites and Nordic Swan certification for 30 sites.

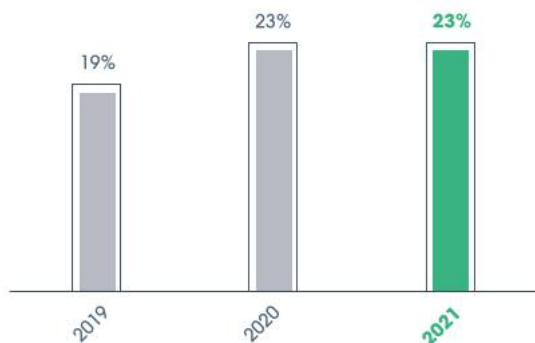
Energy transition

At the same time, the Group is working to transition its operations toward energies that generate fewer emissions. Consequently, the Group continues to study and roll out the use of alternative energies:

- › use of electricity from renewable sources: 8% of the Group's electricity consumption in 2021: 100% of the electricity in the Netherlands (wind power) and Sweden (hydropower);
- › use of lower-carbon thermal energy: 23% of the Group's thermal energy consumption:
 - in Sweden, six sites were switched to biopropane in 2021. As a result, a total of 13 Swedish sites already use low-carbon energy: biogas, biofuels (88% of tonnage delivered in Sweden, 62% of Swedish sites),
 - in Brazil, a total of 30 sites use biomass energy (98% of tonnage delivered in Brazil, 81% of the sites in Brazil).

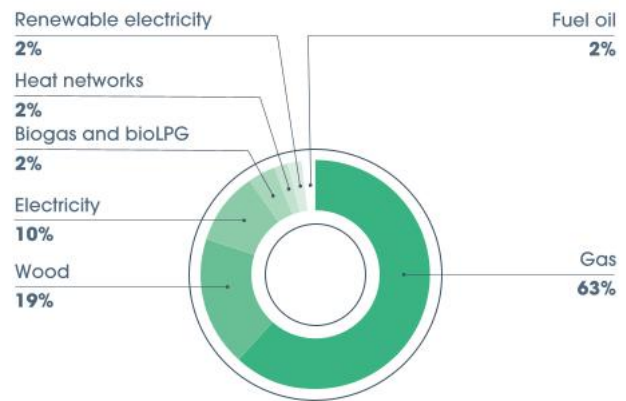
Some sites are also equipped with photovoltaic or thermal solar panels. In Europe, seven sites are now so equipped, and more will be soon.

**SHARE OF RENEWABLE THERMAL ENERGY
IN THE GROUP (AS A %)**



(1) Excluding fuel for vehicle fleets.

BREAKDOWN OF ENERGY CONSUMPTION (AS A %)



**Reducing energy consumption
and kickstarting the energy transition
of our vehicles**

Transportation energy efficiency

Improving transportation energy efficiency is fully in line with the Group's drive for operational excellence. This is focused around several issues:

- › proximity and consolidation: the Group favors sites close to its customers (generally within 30 to 100km) so that it can harmonize and consolidate its routes and loads;
- › maximization of the use and fill rates of delivery vehicles;
- › the use of tools to reduce distances traveled;
- › eco-driving;
- › improvements to the performance of the vehicle fleet;
- › reviews of fuel performance.

With regard to **maximization of the use and fill rates of delivery vehicles**, the Group's service agents have one objective: "full vehicles in both directions". A delivery vehicle thus never returns empty, as the return journey to the processing center is an opportunity to transport soiled linen/workwear and mats, empty water fountain bottles, etc.

The Elis Group also works regularly with its vehicle designers and manufacturers to reduce vehicle weight, thereby enabling an increased payload for its 3.5T vehicles and longer body lengths for its heavy goods vehicles. To this end, advances in technology with regard to the payloads of electric 3.5T vans offer new opportunities for fleet replacement without negatively impacting the load rate on delivery routes. In order to ensure the success of this strategy, all vehicle replacements are considered in terms of the range/maximization of the loading rate before being confirmed.

With regard to **the use of tools to reduce distances traveled**, three main tools are used to assist the centers in optimizing their routes:

1. a **third-party route-planning tool**: used for nearly seven years to help centers plan their routes. After route optimization opportunities have been identified, this tool enables each center's vehicle flows to be configured so as to optimize delivery distances and journey times;
2. **GLAD (Global Logistics Assistant for Deliveries)**: following a number of pilot projects, Elis is rapidly rolling out its internal GLAD solution, which is a route-assistance tool that gives service agents who use a PDA the best route in real time. The tool has already been used on more than 120 daily routes in 2021 and the aim is for it to be used on nearly 2,000 daily routes in 2022;
3. a delivery **load estimation tool** allows operations staff to better estimate their requirements several weeks ahead and organize their logistics in good time so that they can plan their route requirements and seasonal variations in as much detail as possible.

In relation to **eco-driving**, the Group is putting in place various initiatives to support these practices:

- › GLAD eco-driving: GLAD tells service agents when they are driving too fast and has the functionality to record sharp braking and accelerating. At the end of the route, the service agents receive a summary of these two driving behaviors;
- › training of new logistics managers: during the onboarding program, they are taught about eco-driving;
- › training for driving electric vehicles: when an electric vehicle is handed over, every driver is trained on this new way of driving;
- › fuel performance indicator monitoring: each Elis center monitors the L/100km indicator by delivery to raise awareness among service agents of their fuel consumption.

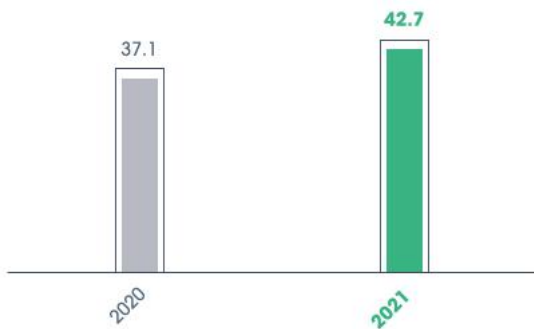
Regarding the **performance of the vehicle fleet**, the Group has a fleet replacement strategy that includes energy transition and city center access considerations.

The Elis Group actively monitors technological developments in respect of alternative energy heavy goods vehicles.

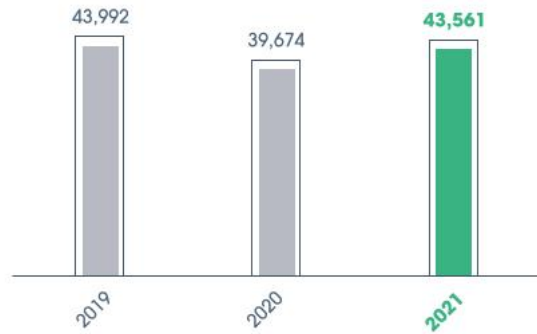
With regard to **fuel performance**, in order to better manage energy performance related to fuel consumption, the Group revised and optimized its logistics KPIs in 2021 for closer monitoring of its performance and is also reviewing its fleet management tool. Fuel performance improved markedly compared to 2020, reaching 42.7kg of products delivered per liter of fuel.

These indicators, communicated alongside centers' financial results, provide center managers with an additional tool for analyzing their activity. At the same time, summaries and benchmarks are regularly shared with the regions and countries in order for more in-depth analyses to be conducted.

FUEL PERFORMANCE OF THE LOGISTICS FLEET – QUANTITY OF PRODUCTS DELIVERED PER LITER OF FUEL (KG/LITER) – LOGISTICS FLEET



FUEL CONSUMPTION (THOUSANDS OF LITERS) – COMMERCIAL AND LOGISTICS FLEETS



Energy transition

Aware of the issues related to climate change and in order to anticipate the growing demand of customers and access issues in some city centers, the Group has an active policy for transitioning to a new vehicle fleet. This strategy is structured around four main areas:

- › employee engagement, to support changes in behavior and facilitate the adoption of these new technologies (for example, the improved range of electric vehicles and the reliability of canola oil biodiesel);
- › migration of the commercial vehicle fleet (for example, no new diesel vehicles, focus on electric vehicles);
- › step-by-step migration of the customer distribution fleet (for example, a trial in France of the new electric vehicles available in connection with the fleet replacement);
- › exploration of new technologies with regard to the heavy goods vehicle fleet (for example, trialing of the first biogas, electric and canola oil biodiesel heavy goods vehicles).

This energy transition decision was made in consultation with employees in order to ensure the commitment of everyone. This step involves employees in advance through evaluation questionnaires (in which potential users describe how they would use the electric vehicles in question) and through long-term trials where employees can give feedback and discuss their experiences regularly.

For example, the growth in the electric commercial fleet began with trialing 6 vehicles over 18 months before putting nearly 70 additional vehicles into service in 2021.

An identical approach was taken with 3.5T light utility vehicles, with a two-stage trial taking place over two years and involving a total of 16 vehicles. This trial aimed to cover technological developments in payload and range before a wider rollout is begun in 2022.

With regard to the **migration of the commercial and light utility vehicle fleet**, the Group continues to increase the extent of the migration following the trials, subject to operational feasibility (vehicle range) and fleet replacement considerations. The Group thus supports technological development and is actively replacing old diesel vehicles with electric vehicles for the sales teams that make short journeys. To this end, in France, diesel vehicles are no longer offered as a replacement, and 70% of vehicle replacements are carried out using electric vehicles. A framework agreement has also been put in place to install electric vehicle charging points at the sites. At the end of 2021, 40% of French sites were equipped with these.

Finally, with regard to the heavy goods vehicle fleet, the alternative vehicles available today are not mature or competitively priced, and remain challenged on issues such as range and payload. The Group has an active monitoring and trial strategy in place in its various regions in order to identify the best possible technologies. As such:

- › in France: The Group is trialing a biodiesel solution with the commissioning of an Oleo100 tank and the modification of some fifteen heavy goods vehicles, as well as a trial of two biogas-powered heavy goods vehicles. These trials will also enable insight to be gained into biodiesel fueling stations and how they are operated;

- › in Sweden: The Group is trialing three 100% electric heavy goods vehicles, allowing it to test this technology under specific climatic conditions.

In total, at the end of 2021, the Group had 521 alternative vehicles (124 electric, 80 biofuel, and 317 hybrids), double the number it had in 2020. In Sweden, 25% of the light utility vehicle fleet is powered by alternative energy (biofuels, biogas, electric, and hybrids).

NUMBER OF VEHICLES (GROUP)

Number of vehicles (Group)	Diesel	Petrol	Hybrid	Electric	Biofuel – (biogas, biodiesel, ethanol)	Other (LPG, NG)
Commercial vehicles	2,328	386	186	76	2	8
Light utility vehicles	3,130	40	88	45	36	15
Heavy goods vehicles	2,565	15	43	3	42	1

Sub-contracted fleet

The Group's strategy seeks to bring its fleet in-house in order to better manage the associated issues and the quality of customer service. In 2021, the number of vehicles subcontracted is estimated to have been 11%.

Outlook

The energy efficiency actions started in 2021 will continue in 2022. As a result, the multilingual GLAD tool will be rolled out on a large scale in 2022 and 2023, with the aim of nearly 2,000 European routes being planned under GLAD by the end of 2022.

As for the transition of its fleet, the Group will continue to replace it with alternative vehicles. As such, a specific investment plan is currently being implemented to increase the number of charging points fitted at the Group's sites, and in particular to accelerate the replacement of commercial vehicles. In terms of utility vehicles, more than 50 new electric utility vehicles, of a type that will specifically enable loads and routes to be optimized, are planned.

Further trials of heavy goods vehicles will also continue with more than 10 electric heavy goods vehicles and about 15 canola oil-powered heavy goods vehicles being trialed in France in 2022.

At the same time, eco-driving training for electric vehicles will be provided to facilitate the transition.

3.3.6 Fighting and adapting to climate change

Context

Climate change and its consequences are a major challenge for our times. The Paris Climate Agreements of December 2015 and the greenhouse gas reduction targets adopted by the European Union define a framework for the reduction of greenhouse gases by 2030 and 2050.

For a long time, Elis has worked to reduce its energy consumption and CO₂ emissions. The Group thereby reduced the intensity of its thermal energy consumption by 22% in its European laundries between 2010 and 2021 and has committed to driving the transition of its vehicle fleet. In 2021, the Group's CO₂ emissions per kilogram of linen delivered were 19% lower than in 2010, which is testament to the efforts made over many years.

Today, the Group wishes to commit to reducing its emissions in line with the Paris Climate Agreements to help keep the temperature

increase below 1.5°C⁽¹⁾ compared to pre-industrial levels. As such, the Group will present its climate targets, which are aligned with the methodology of the Science Based Targets initiative, at the end of 2022. Once defined, these climate targets will be put to a shareholders' vote in a Say on Climate resolution. At the combined general shareholders' meeting on May 19, 2022 and without delay, the Group will propose, via an advisory resolution, that its shareholders support this step to which the Group intends to commit itself.

In 2021, the Group adopted the TCFD guidelines and included climate reporting in its non-financial performance statement.

Unless otherwise stated, emissions reported in this section are location-based.

(1) Reduction in line with the 1.5°C target for direct (Scope 1) and indirect (Scope 2) emissions, and the well below 2°C target for other indirect emissions (Scope 3).

Carbon footprint of the Elis Group

The Group's emissions are set out below and detail:

- › direct emissions (Scope 1): mainly associated with consumption of gas, fuel, etc.;
- › indirect emissions (Scope 2): associated with consumption of electrical energy or steam;
- › other indirect emissions (Scope 3): associated with other emission areas: purchases, inbound transport, employee travel, etc. In 2021, the Group's Scope 3 emissions were estimated based on the carbon footprint calculated for France. Work is currently under way to establish a more specific assessment and reporting tool for activities that produce a lot of emissions. This work will, in particular, inform discussions around the Group's climate targets.

The Group's direct (Scope 1) and indirect emissions (Scope 2) represent 468,172 tons of CO₂, that is 24% of the Group's total emissions (Scope 1, 2 and 3).

BREAKDOWN OF THE GROUP'S GHG EMISSIONS



The major emitting activities for other indirect emissions (Scope 3) are:

- › purchases of goods and services: 70%;
- › equipment purchases: 14%;
- › employees' commuting: 8%;
- › upstream fuel and energy (excluding Scope 1 and 2): 4%;
- › upstream transport and distribution: 3%;
- › other Scope 3 activities: 1%.

It should be noted that some activities were not considered to be significant in relation to the Group's business: processing and use of sold goods, franchising, use of leased assets (downstream) and investment.

Given its carbon footprint analysis, the Group is focusing its efforts to reduce greenhouse gas emissions in the following activities:

- › the consumption of thermal energy and electricity in its operations;
- › the fuel consumption of its vehicles;
- › the development of more sustainable product ranges and increased recycling and reuse of products, primarily to reduce emissions in relation to goods and services purchased.

Risks and opportunities

The Elis Group regularly reviews its CSR stakes, risks and opportunities. Climate change risks are a key part of this assessment, which is set out in section 3.6.1 "Disclosure of non-financial performance" and in chapter 4 of this universal registration document. As such, the main risks related to climate change to date for the Group are as follows:

- › loss of market share if it does not address the growing climate change expectations of its customers expressed in public or private invitations to tender;
- › investments in new technologies (for example, renewable energy types, plants, boilers, vehicle types, etc.) to ensure the Group's energy transition may prove to be unsuitable or obsolete in the long term (due to improvements in scientific

knowledge, new regulations, the emergence of new technologies, etc.);

- › disruption of operations due to drought episodes or lack of water availability in areas with high water stress. Elis estimates that about 30 sites (out of a total of 320 laundries) are located in areas expected to be at risk of water stress in the long term.

Elis has also identified the following opportunities to date:

- › increased demand for products and services with a smaller carbon footprint. Through its economic model, the Group enables its customers to reduce their emissions compared to traditional business models (purchase or single use). In addition, the Group is carrying out many activities (materials, optimization of industrial processes, logistics fleet, etc.) to limit the footprint of its products and services over their entire life cycle. Customers taking issues related to climate change into account more could thus create new opportunities for the Group;
- › increased demand for products and services based on the principles of the circular economy, enabling reduced consumption of resources (textiles, water, energy, etc.) and a reduction in the carbon footprint. The Group could therefore benefit from existing or future regulations concerning product reuse and repair, and the fight against single-use products, etc.
- › the development of new transportation technologies with zero or reduced emissions (in use). These new technologies could, in fact, enable easier access to city centers, result in efficiency gains for delivery routes, and meet growing customer demand.

A strategy to overcome these challenges

The Group's strategy to address these risks and opportunities rests on three main pillars:

- › reducing emissions from its activities and services through energy efficiency and the use of renewable energy;
- › developing increasingly sustainable product offerings;
- › reducing water consumption to increase the long-term resilience of its operations.

Governance

Climate protection is a core part of the Group's CSR policy with dedicated objectives within the framework of its program running until 2025.

The Group's CSR performance, including on climate-related matters, is also regularly presented and reviewed by the Executive Committee. The CSR Director, working closely with the other Group departments (Industrial Projects, QHSE, Product Offerings, etc.), is responsible for:

- › leading and coordinating the Group's climate change strategy;
- › reviewing risks and opportunities;
- › continuously monitoring trends (communication, reporting, standards, stakeholder expectations, etc.);
- › conducting internal and external communication and stakeholder engagement;
- › supporting the operational teams in the implementation of the action plans.

The CSR program, which covers climate change, is presented to the Supervisory Board at least once a year, along with its objectives and the progress made against them. The CSR Committee, newly established by the Supervisory Board, met twice in 2021 and will meet three or four times in 2022. Climate change is one of the key topics overseen by this committee.

The Group's commitment on these matters is further reflected in the compensation policy applied to directors and members of the Executive Committee, many of whom have individual annual objectives related to sustainable development or climate (such as a reduction in energy consumption in operations).

Policy: objectives and performance

Through its CSR policy, Elis has made a commitment to continually reduce its direct and indirect carbon footprint, and in particular to reduce greenhouse gas emissions generated by its activities. In 2020, the Elis Group announced its new CSR program running until 2025. Several commitments have been made in order to mitigate and adapt to climate change:

Reduce CO₂ emissions intensity by 20% compared to 2010

Improving the thermal efficiency of European plants by 35% between 2010 and 2025

Accelerating the transition of the logistics fleet toward alternative vehicles

Offer at least one collection made from sustainable materials in each product family

Reuse or recycle 80% of its end-of-life textiles by 2025

Reduce water consumption per kg of linen delivered by 50% between 2010 and 2025 (European laundries)

Key performance indicator	2019	2020	2021		
Reducing our emissions globally	Direct CO ₂ eq. emissions (Scope 1) (Kt CO ₂ eq.)	474.8	381.2	413.8	
	Indirect Co2eq. emissions (Scope 2) (Kt CO ₂ eq.) - location based	71.1	58.6	54.3	
	Indirect Co2eq. emissions (Scope 2) (Kt CO ₂ eq.) - market based			76.4	
	Other direct Co2eq. emissions (Scope 3) ^(a) (Kt CO ₂ eq.)			1,500	
	% reduction in CO ₂ emissions intensity since 2010 (2025 target: -20%)	-14%	-12%	-19%	
Reducing emissions from our operations and vehicle fleet (Scope 1 and 2)	CO ₂ emissions per ton of linen delivered (Scope 1+2 - kg CO ₂ per ton of linen delivered)	310	319	294	
	% reduction in thermal energy per kg of linen delivered since 2010 (European laundries) (2025 target: -35%)	-22%	-18%	-22%	
	Share of alternative vehicles ^(b) - logistics fleet (2025 target: Accelerate the transition of the logistics fleet toward alternative vehicles)		2.3%	4.3%	
	Number of alternative vehicles	87	258	521	
	› of which logistics	47	134	257	
	› of which commercial	40	124	264	
	Share renewable thermal energy (biomass, biogas, etc.)	19%	23%	23%	
	Share of renewable electricity		9%	8%	
	Reducing other emissions related to our products and services (Scope 3)	Share of product families with at least one collection composed of sustainable materials (2025 target: 100%)		33%	46%
		Share of end-of-life textiles reused or recycled (2025 target: 80%)		65%	72%
Reducing our use of water resources to increase our operational resilience in the face of climate change	% reduction in water consumption per kg of linen delivered between 2010 and 2025 (European laundries) (2025 target: -50%)	-41%	-36%	-40%	

(a) The Group's Scope 3 emissions were estimated based on the carbon footprint calculated for France in 2019.

(b) Alternative vehicles includes electric, biogas, biofuel and hybrid vehicles. In 2019 and 2020, LPG and NGV vehicles were also included.

In 2021, the Group reduced its CO₂ emissions per ton of linen delivered by 19% thanks to a return to historical performance for thermal efficiency, an increase in the share of renewable energies in the Group's mix, increased use of alternative vehicles and the impact of more favorable emissions factors. In 2022, the Group will propose targets for reducing its greenhouse gas emissions in line

with the Paris Climate Agreements to help keep the temperature increase compared to pre-industrial levels below 1.5°C (Science Based Targets). Finally, two Group subsidiaries have a net zero emissions strategy: the United Kingdom (by 2045) and Sweden (by 2035). In 2022, the Group will be working to redefine its climate change strategy.

Elis communicates how it is addressing climate issues by responding to the Carbon Disclosure Project (CDP), a platform aligned with best practice in climate reporting (including the Task Force on Climate-related Financial Disclosure - TCFD). In 2021, the first year that this aspect of performance has been reported on, Elis scored a B rating in the CDP assessment.

In 2021, for the first time, the Elis Group also published indicators relating to European taxonomy on the two objectives of adapting to and mitigating climate change. The delegated regulation on the climate focuses primarily on the economic sectors and activities that have the greatest potential to contribute to the goal of mitigating climate change, that is, preventing the production of greenhouse gas emissions, reducing these emissions and increasing carbon capture and storage in the long term. The sectors covered thus relate mainly to energy, certain manufacturing activities, transport and buildings. As a result, these two objectives do not significantly concern the Group in 2021; the Group has reported on individually eligible capital expenditure that represents 21% of its total capital expenditure (see section 3.6.2 "Taxonomy").

Finally, in 2021, the Group joined both the French Business Climate Pledge, through which it is committed, alongside hundreds of French companies, to fighting climate change, and the Ambition4Climate initiative, through which the Group shared practical projects that contribute to fight against climate change.

Reducing our emissions globally

In order to reduce its carbon footprint, the Group is continually working with its stakeholders (internal and external) to identify and implement new solutions.

Supplier involvement

The Group works with its suppliers on climate change matters in several ways:

- › through its code of conduct, which includes energy and environmental requirements (see section 3.5.3 "Working responsibly with third parties");
- › through CSR assessments of its direct suppliers, which may lead to on-site audits. These on-site audits directly or indirectly cover issues related to climate change (for example, compliance with regulations, waste management and recycling, etc.) (see section 3.5.3 "Working responsibly with third parties");
- › through the creation of partnerships to identify, develop and implement new technologies to improve the Group's energy performance (for example, the use of emulsion cleaning products, the adaptation of laundry care processes and the identification of the best transport technologies for the Group needs (see section 3.3.5 "Minimizing our energy consumption").

Customer involvement

The dialogue that the Group has with its customers about climate change can take various forms depending on the market in question, the products and services concerned, local issues and the level of customer knowledge and awareness. The main ways of engaging with customers are:

- › presentation of the Group's commitments in terms of CSR and climate more specifically;
- › the promotion of circular economy models and their benefits in terms of resource consumption and reduced emissions compared to the alternatives of purchase or use without pooling or single use;
- › discussions with customers about Life Cycle Analysis (LCA) results or while undertaking the study, in order to produce results that have meaning and are conclusive, and to help increase everyone's understanding in a scientific and objective manner;
- › more sustainable product offerings and the development of specific ranges where appropriate. As such, the Group aims to offer at least one collection made from sustainable materials in each product family by 2025.

In particular, the services offered by Elis are positioned as a sustainable alternative:

- › to the purchase or use of products: by maximizing their use through sharing resources and optimizing their maintenance. The change in size of people wearing the clothes, the arrival or departure of employees, and changes of collection are common events within companies for which the product as a service business model offers a solution. For example, the use of workwear maintained by Elis allows a reduction in emissions of up to 37% compared to a purchase solution;
- › to single-use or disposable products: by offering reusable solutions, often maintained locally, hence supporting local employment and local economic development. For example, the use of reusable scrubs in healthcare facilities reduces emissions by 31% to 62% compared to disposable scrubs, depending on actual consumption.

More information is set out in section "Being a circular economy player" of this chapter on the Group's economic model and in section 3.5.2 "Satisfying and engaging our customers".

In 2021, the Group also took part in the "NHS Net Zero International Leadership Group", supporting NHS England and the broader healthcare sector in their carbon neutrality journey.

Employee involvement

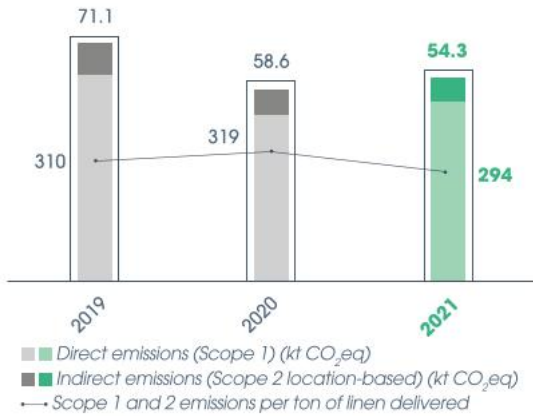
The involvement of employees in supporting change and transition is a major stake. Various ways of involving employees are used by the Group: team activities, presentations, aspirational or quantitative objectives, etc. These methods are set out in more detail in section 3.2.2. "Our strategy: commit to the planet, our people and society".

Reducing emissions from our operations and vehicle fleet (Scope 1 and 2)

The Group's emissions (Scope 1 and 2) can largely be attributed to the consumption of thermal energy and in particular to the consumption of natural gas at the Group's industrial sites. These emissions are:

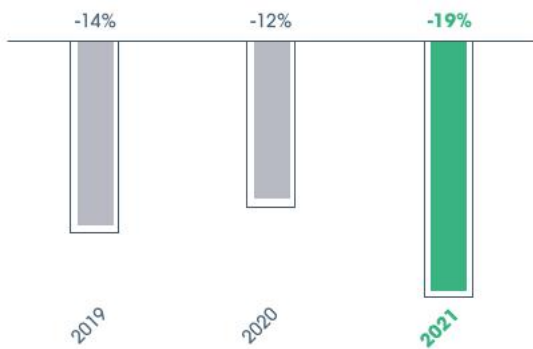
Tons of CO ₂ eq.	TOTAL	Europe	LATAM	Sites	Logistics
Direct emissions (Scope 1)	413,839	357,406	56,433	307,020	106,818
Indirect emissions (Scope 2 location-based)	54,333	46,717	7,616	54,277	56
Indirect emissions (Scope 2 market-based)	76,480	70,198	6,282	76,472	8

CO₂EQ EMISSIONS AND GROUP PERFORMANCE



CO₂ emissions per ton of linen delivered improved significantly in 2021 thanks to a return to historical performance for thermal efficiency, an increase in the share of renewable energies in the Group's mix, increased use of alternative vehicles and the impact of more favorable emissions factors.

% REDUCTION IN CO₂ EMISSIONS INTENSITY SINCE 2010



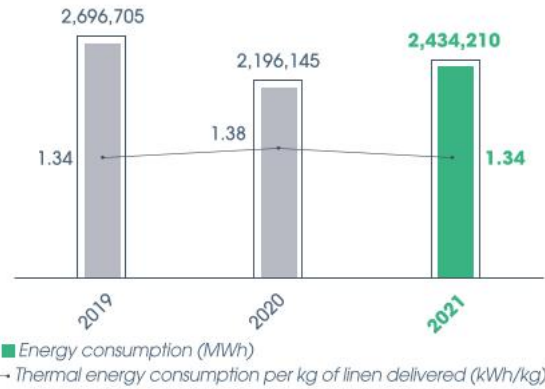
Energy consumption of our sites and energy transition

The Group's approach hinges on two main axes:

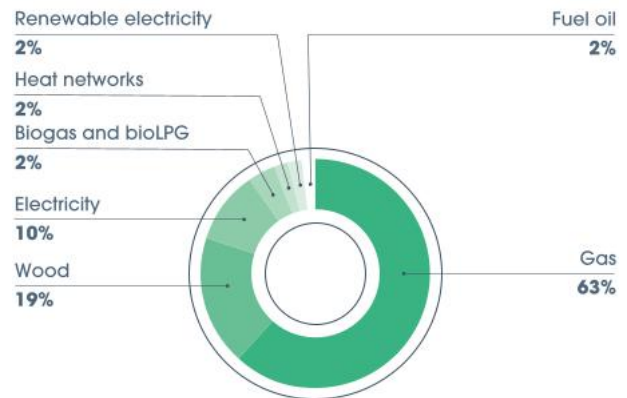
- › continually improving the energy efficiency of its sites: implementation of new technologies and best practices, monitoring, performance reviews, etc.;
- › transitioning the business toward renewable or lower-emissions energies.

Details of the Group's actions and initiatives in this regard are set out in section 3.3.5 "Minimizing our energy consumption".

ENERGY CONSUMPTION AND ENERGY EFFICIENCY (GROUP)



BREAKDOWN OF ENERGY CONSUMPTION (AS A %)



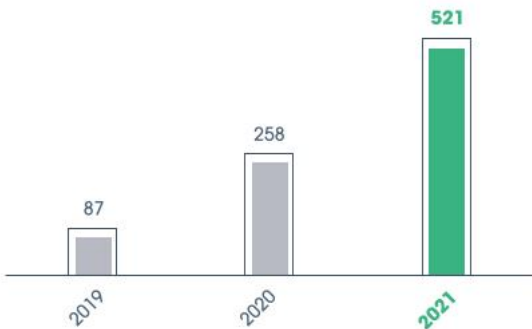
Energy consumption of our fleet and energy transition

The Group’s approach hinges on two main axes:

- › continually improving the energy efficiency of its deliveries: network density, route optimization, improvements in driving style, etc.;
- › converting its vehicles to alternative vehicles.

Details of the Group’s actions and initiatives in this regard are set out in section 3.3.5 “Minimizing our energy consumption”. In 2021, the number of alternative vehicles doubled compared to 2020, up to 521. Delivery efficiency has also markedly improved, reaching 42.7kg of products delivered per liter of fuel in 2021.

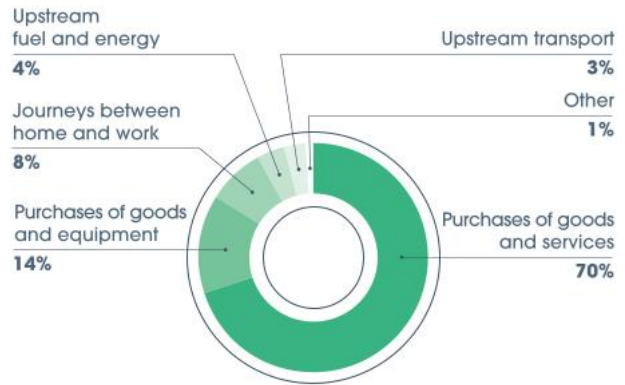
NUMBER OF ALTERNATIVE VEHICLES⁽¹⁾ – WHOLE FLEET



Reducing other emissions related to our products and services (Scope 3)

Given its economic model, which is based on the circular economy, the Group keeps many of the impacts normally borne by other stakeholders in-house, enabling the development of effective optimization and emission reduction strategies. This is particularly the case with the laundering phase or the delivery of the products, presented above. The Group’s Scope 3 emissions were estimated based on the carbon footprint performed for France.

OTHER CO₂EQ EMISSIONS (SCOPE 3)



As such, purchases of goods and services is the main source of other indirect emissions (Scope 3). The Group is working in several ways to reduce its emissions:

- › reducing the carbon footprint of its products and services, through the circular economy, eco-design, and the selection of lower-impact materials. The initiatives under way are detailed in sections 3.3.1 “Being a circular economy player”, and 3.3.2 “Eco-designing our products and services”;
- › understanding the purchasing factors for laundry (traceability projects for laundry, end-of-life, etc.);
- › recycling or reusing products at the end-of-life. In particular, the Group is carrying out pilot projects to make textiles recycled from end-of-life textiles; using recycled materials to help reduce emissions.

In 2021, the Elis Group received a B rating from the CDP, with regard to supplier engagement on climate change.

Reducing our use of water resources to increase our operational resilience in the face of climate change

The findings of the study on sites that are experiencing the effects of water scarcity or that could face it in the years to come, given the effects of climate change, as well as initiatives to reduce this exposure, are set out in section 3.3.3 “Optimizing our use of resources and minimizing our impact on ecosystems” of this chapter.

(1) Alternative vehicles includes electric, biogas, biofuel and hybrid vehicles. In 2019 and 2020, LPG and NGV vehicles were also included.

3.4 OUR PEOPLE

Governance

Human Resources is tasked with supporting the growth and transformation of the Group. The Group has always been committed to being a vehicle for the development and well-being of its employees.

The Human Resources (HR) Director is a member of the Executive Committee and reports directly to the Chairman of the Management Board. He oversees the Group HR policy with the support of the country-based operational HR Directors and the central support services (HR Development, Compensation and Benefits, HR Information System, and Legal).

The operational HR teams in each country are responsible for supporting operational activities:

- › overseeing workforce planning;
- › ensuring well-being at work and a good working environment;
- › managing the annual performance cycle;
- › providing for employee development and career management initiatives.

The objectives of the HR support teams are to assist the operational HR teams by supplying them with tools intended to attract and develop talent, and to harness this talent to form a diverse and inclusive leadership team for the present and the future. The HR support teams facilitate talent management, succession planning, performance management, and skills and leadership development. They help to define and implement motivating, compliant, fair and effective HR policies, processes, tools and practices, as well as to provide relevant data to support the development of the Elis business.

Meetings are regularly held at different levels to discuss specific topics and an international HR committee, made up of HR departments from the Group's major countries, has been set up to work on common issues (for example recruitment, retention and diversity).

The quality, safety and environment (QSE) teams play a major role regarding employee safety. The structure of these teams is described in more detail in section 3.3.3 "Optimizing our use of resources and minimizing our impact on ecosystems" of this chapter.

3.4.1 Listening to, valuing our employees, and ensuring their well-being at work

Context

Elis believes that the well-being of its employees is a key responsibility of the company. In parallel with its policies and training programs, which aim to develop the skills and protect the health and safety of its employees, Elis ensures constant improvements in the working environment and conditions so as to maintain employee engagement and satisfaction, in order to support talent retention and the performance of the company more generally.

As a result, Elis makes every effort to ensure continuous dialogue between management and employees at every level. This is one of the main reasons why the Group favors human-size sites – in order to ensure that it can listen effectively to its employees. This continuous dialogue helps to prevent any social conflict that could arise. No large-scale social events have occurred in over 10 years, and there were zero strike days in 2021.

Policy: objectives and performance

Elis aims to ensure a good quality work life, to listen to its employees and to value them. The Group bases its actions around five major themes:

1. listening to its employees;
2. valuing employees;
3. ensuring fair and attractive compensation and benefits;
4. reducing stress at work;
5. preventing absenteeism.

The Group also favors the use of permanent contracts in order to increase the loyalty and commitment of its employees.

As part of its engagement program, the Group has set a target to:

Expand the Group's Chevrons program

Key performance indicator		2019	2020	2021
Valuing our employees	Number of Chevrons in the Group	290	290	300
	Share of employees eligible for the employee share ownership scheme	87%		87%
Ensuring fair and attractive compensation and benefits	Share of managers who have been awarded performance shares	17%	17%	15%
	Number of employees with perfect attendance (%)	46%	46%	35%
Preventing absenteeism and reducing stress at work	Breakdown of absences (% of absences <7 days)	75%	67%	83%

Performance in 2020 and 2021 was impacted by the sanitary crisis. As such, absences increased in 2021, with many employees having to stay off work either to isolate or to look after children at home due to school closures, for example. The Group also achieved its objective of expanding the Chevrons program to new regions. Since 2018, Chevron numbers have grown by nearly 30%. To date, the program has been rolled out to most of Europe and Brazil.

Listening to our employees

Measures implemented

Engaging our employees

Well-being at work and the engagement of every employee are essential to the Group's success, contribute to employee retention, and ultimately to operational excellence. It is particularly key given the characteristics of the Group's model.

Employee engagement and well-being at work are measured periodically through a survey sent to all employees, who respond individually and anonymously. Employees can thus give their opinions on a variety of issues such as working conditions, training, career development, working time and safety via anonymous individual questionnaires. These surveys demonstrate the importance attached to corporate climate and the working environment at all levels.

The results of each employee survey are eagerly awaited and allow to determine areas of improvement specific to each site. The results are communicated to the employees by the management team together with the action plans defined in the response to the survey. This periodic measurement of employee engagement is essential for the relationship of trust that the Group maintains with its staff on a daily basis and that underpins the quality of its service. This employee survey is a key indicator of Elis's human resource management policy.

These surveys were historically undertaken by each country on its own terms. In 2021, these surveys were undertaken with the aim of standardizing practices. Thus:

- › in France, surveys are conducted site by site, in turn, every two years;
- › for all other countries (excluding Latin America), at the end of 2021 the survey was, for the first time, carried out simultaneously through a single questionnaire sent to all permanent employees. This survey will be repeated every two years;
- › in Brazil, the employee survey is planned to be carried out during 2023.

The Group aims to repeat the survey every two years, and thus be able to monitor the improvement in satisfaction following rollout of the action plans.

Participation in the survey, which was conducted in all countries (excluding France and Latin America), was high, with 71.90% of the employees interviewed taking part and able to share their views. The overall satisfaction rate is 61/100.

Ensuring ongoing dialogue with employees via their representatives

At Group level in Europe, dialogue with employees takes place within the European Works Council, which has 28 members and represents 35,373 employees from 22 countries. In 2021, the discussions conducted by this body were about the management of the health crisis, its economic impacts and the actions taken to overcome it, as well as CSR actions and stakes.

Since employee representation regulations are specific to each country, employee representative bodies are created accordingly.

In France, Elis has set up representation at various levels: Group, business and site. 95% of employees benefit from such representation.

Specific bodies are responsible for health and safety issues. 95% of employees in France are represented by such a body.

In addition, the Code of Ethics states de Group engagement on this matter and its support for freedom of association. Management teams are responsible for the quality of the employee dialogue in their respective areas and are assessed on its quality. At the end of 2021, the Group had not had any significant industrial disputes for more than 10 years and reported zero strike days for the year.

Improving employee conditions through collective agreements

Local agreements are in effect in the different Group subsidiaries. 70% of Elis employees are thus covered by a collective agreement. These agreements, which mainly govern the organization of working time, compensation, working conditions and work life quality, gender equality, employee management, the sharing of added value, and the prevention of psychosocial risks, are the result of ongoing dialogue with employee representatives and help to maintain the smooth operation of the business.

In France, Elis conducts this active negotiation policy at various levels: Group, company and site.

Outlook

The Group's engagement survey will be rolled out in 2023 in Brazil, enabling a standardized approach to the topic.

For the other regions, the results of the survey will be shared with employees and action plans will be implemented during 2022.

Valuing our employees

Measures implemented

Rewarding our employees' work: Club des Chevrons

The effectiveness of the Elis model is strengthened by a strong culture of conviviality and recognition, acknowledged as a key factor for employee engagement. The best example is Elis's Chevrons Club (Le Club des Chevrons) which has been rewarding the most deserving production and maintenance operators every year for more than 30 years. These employees are particularly valued at the sites where they work and in their countries, and they take part in an international event lasting several days. In 2019, this club brought together employees from the entities of the former Berendsen Group for the first time, and a similar program has been set up for Brazil. Following a year of disruption due to the health crisis, the Chevrons Club for European countries was able to meet again in November 2021 in Paris. Since 2018, Chevron numbers have grown by nearly 30%.

In addition, in most countries ceremonies are held in recognition of the longest-serving employees: this is the case in France, where long-service medals are awarded, but also in Denmark, which organized a special day in July 2021 to mark one employee's 50 years of service.

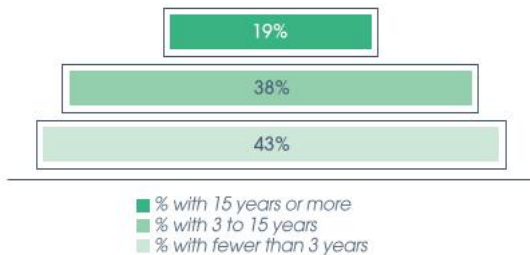
Recognizing the skills of our employees and supporting their development

Valuing employees with regard to their skills, contributions and performance, providing them with the appropriate training and supporting their development are pillars of the Group's HR strategy. Section 3.4.3, "Attracting and developing our employees", has more detail on these points.

Long-serving employees

The Group's business culture, values and HR strategy contribute to the long-term retention of employees. As such, since 2018, the distribution of staff by length of service has remained stable. Almost 60% of the workforce have more than three years of service, with 19% of employees having over 15 years.

BREAKDOWN OF STAFF BY LENGTH OF SERVICE



Ensuring fair and attractive compensation and benefits

Measures implemented

The Group's policy is to offer all employees fair and market-competitive compensation that reflects their performance and level of responsibility. To that end, the Group seeks to follow the best practice of comparable sectors. This policy takes into account the local laws and business practices of each region.

Thus, employees' skills and level of responsibility are compensated with a fixed salary matching their experience and general market practice for their business line. Depending on the level of responsibility and the country, variable compensation schemes, which aim to reward collective and individual performance, may be put in place. For the majority of operational managers, variable compensation schemes are defined in the same way in each country, with some collective objectives and some individual ones. Compensation schemes based on collective performance may exist in some countries, whether they are compulsory legal arrangements (for example, mandatory profit-sharing in France) or are voluntarily set up by the Group according to local practices, such as the optional profit-sharing scheme in France.

If necessary, the Group also uses external information provided by specialist advisers in order to be certain of its positioning relative to the local reference market. Moreover, it ensures that the minimum salaries applicable in the different countries in which it operates are respected.

Elis has also committed to giving a share of the long-term financial performance and results of the company to its managers and employees, principally through long-term incentive plans. In order to recognize and retain them, Elis awarded performance shares to around 500 employees in 2021 (senior managers, talent and expert employees). The acquisition of shares pursuant to performance share plans is subject to performance conditions and continuous service. A CSR performance criterion will be introduced in 2022.

Employee share ownership plan

In an effort to strengthen employee engagement and a sense of belonging in the Group in its various countries, and to help share the value created, in 2019 Elis launched its first employee share ownership plan, Elis for all, in 16 countries. Employees participating in the collective savings plan can subscribe for Elis shares on preferential terms via a capital increase.

In 2021, a second launch took place in 17 countries (with 87% of Group employees therefore covered). 2021 saw a 35% increase in

the number of subscribers. All employees in these countries, regardless of whether they are permanent or temporary, are eligible for this program as soon as they have more than three months of service.

As of December 31, 2021, the Group's employees held 1.79% of the share capital either directly or through a mutual fund.

Savings plans

In France, employees can access a collective savings plan, which holds the employee share ownership funds as well as a wide range of dedicated diversified savings vehicles. In addition, as of 2021, every employee can build their pension savings at their own pace by making payments to the collective pension plan.

In other countries, some regions have developed schemes that allow employees to save with terms adapted to local legislation or to supplement their pension through voluntary contributions with favorable terms.

Favoring permanent contracts and limiting part-time employment

Elis favors permanent contracts, which offer stability and security to employees and allow Elis to build stable teams involved in the life and development of the company.

As at December 31, 2021, 13% of Elis Group employees were temporary, due in particular to the seasonal nature of part of the hospitality business.

Part-time contracts are limited. The number of part-time employees remains stable and is very low: less than 7% of the permanent workforce. Part-time contracts are mainly following the request of the employee. Full-time contracts also contribute to increasing employee loyalty and engagement

A practice of remote working during the health crisis

In the context of the health crisis, Elis set up adapted ways of working to allow business continuity while guaranteeing employee safety. These ways of working included, among which home-working for the teams able to work remotely, thus allowing them to continue to operate.

Reducing stress at work

Measures implemented

As part of its general risk prevention policy, Elis is committed to promoting a healthy work environment for its employees, reducing, in particular, psychosocial risks. Through the surveys it undertakes with all its employees (see section 3.4.1 "Listening to, valuing our employees, and ensuring their well-being at work"), Elis can measure how they rate their working conditions and thus identify situations that create stress.

In France, training is given to employees, and management staff in particular, as part of this preventive action, and constitutes one way of raising awareness and understanding of psychosocial risks, their possible causes and how to prevent and overcome them. Support is also offered in some countries. In France, two social workers who are subject to professional confidentiality are available to support employees with regard to their concerns. The main areas of concern are housing, retirement and life changes.

In addition, an alert procedure, which takes into account cyberbullying, has been established. The alert procedure is described in more detail in section 3.5.5 "Continuing to integrate ethics into our business practices".

Preventing absenteeism

Measures implemented

Absenteeism is a reality that affects the Group and that can have an operational and financial impact. Preventing short-term unforeseen absences is therefore key. This type of absence is indeed the most damaging in terms of productivity, the organization of work teams and the redistribution of work to other personnel or temporary employees.

This year, as in 2020, Elis was also confronted with absences related to Covid-19 (sick and vulnerable people, contact cases, childcare issues, etc.).

Each absence has its own particular characteristics and employers are not permitted to ask employees about the medical reasons for their absence. The Group is thus implementing a series of collective measures to try to prevent absences and limit their impact on its business.

There is no international absenteeism strategy, as this issue is very much linked to the local context (for example, influenza is not a major concern in Brazil, Chile or Colombia, unlike in European countries). Policies are decided at the national level, based on each country's legislation and regulations, and sometimes by collective agreements for each sector.

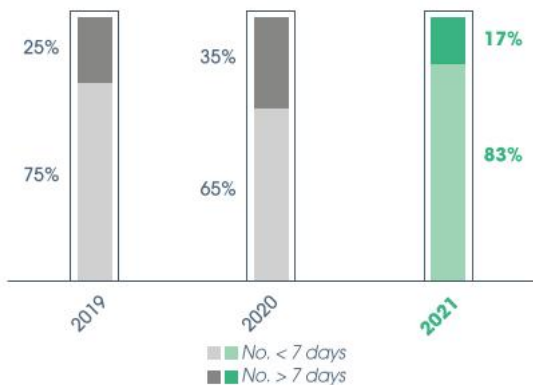
The health crisis significantly impacted the number of employees with perfect attendance in 2021, which fell by 11 points. This was mainly due to absences caused by the health crisis. A large number of employees were forced to stay off work more regularly in 2021 due to isolation rules, school closures, etc.

Short-term absences as a proportion of all absences decreased. In our business, it is these unexpected and short-term absences that impact us the most.

NUMBER OF EMPLOYEES WITH PERFECT ATTENDANCE IN 2021



BREAKDOWN OF DAYS ABSENT



Preventative measures

Each site has introduced measures in accordance with their specific issues:

- › vaccinations against influenza (or other diseases) are offered every year at certain sites;
- › some sites pay a bonus to employees who have perfect or near-perfect attendance;
- › in 2012, French entities introduced the Gest'Elis program to prevent occupational diseases, primarily musculoskeletal disorders (see below), which will be rolled out at various Elis sites outside France;
- › training sessions on job-specific body movements and postures are provided to production and customer distribution staff;
- › tools for monitoring absences are made available to managers and training is offered to provide them with the skills and knowledge to deal with absenteeism;

Some countries link a portion of managers' variable compensation to the absenteeism performance of their teams.

Gest'Elis

In 2011, Elis launched an ergonomic measure called Gest'Elis. This measure is based on analysis of production work stations. For each of these work stations, information sheets offer solutions to improve work station layout/organization as well as the equipment and tools used. Information sheets also describe how to perform the task correctly and highlight tips on comfort and safety for these work stations. For certain work stations, they are accompanied by a video promoting awareness of best practices, which is offered in order to train and improve the awareness of employees and their managers. The Methods Department supports the implementation of the relevant action sheets at the Group's production sites and the project teams take these sheets into account for new installations.

In 2015, Elis launched a similar measure in its customer distribution activity with an ergonomic analysis of the journeys made by service agents in light utility vehicles. Best practice information sheets offer solutions for fitting out these vehicles and illustrate how to use them correctly.

In France, job-specific movement and posture training is given to production operators, service agents and warehouse operators and repeated every three years. A specific booklet for production operators has been created in collaboration with a dedicated partner. This booklet, entitled "Preventing risks related to repetitive work movements," introduces the principles of economy of effort and illustrates them in various work situations. Following the same principle, a specific booklet entitled "Preventing risks related to manual handling of loads" was created for service agents.

Ad hoc ergonomic studies have been carried out to improve the working conditions of employees with medical restrictions.

Suitable initiatives are taken in different countries, such as versatility (changing work station regularly), the compulsory breaks for exercise (10 minutes of exercise for every 4 hours of work) or warm-up sessions before starting work.

Return-to-work interview

Management may set up an informal interview after an employee returns from a short- or long-term absence. Return-to-work interviews allow the Group to demonstrate to employees not only its concern for them, but also the impact that absences can have. These interviews are conducted in full compliance with medical confidentiality obligations. The interviews update employees about the site and how business is going and gauge how employees feel about their work and their quality of life in the workplace. Appropriate measures may be taken following these interviews.

Versatility

The Group encourages employee versatility, so they can step into a variety of positions at processing centers in order to replace an absent colleague. This is ensured by cross-functional training and

job adjustments or modifications to documentation material, with the simplest positions being filled by employees on fixed-term contracts.

Absences related to the health crisis

Throughout 2021, management remained committed to implementing and adapting health measures at the sites. Work processes have been adapted to minimize the risks of contamination. Personal protective equipment has been made available to all employees.

Throughout 2021, these actions were maintained and adapted according to the circumstances.

3.4.2 Protecting our employees

Context

The health and safety of its employees and everyone else at its sites is paramount for the Group. To this end, the Group strives to offer a safe and healthy working environment. The analysis of the work stations' health and safety risks also allows the risk level to be identified, mitigation and reduction measures to be defined, and accidents, injuries and occupational diseases to be prevented. With its ongoing expansion and entries into new regions and markets, the Group aims to be a leader in terms of health and safety.

Policy: objectives and performance

The Elis Group's Health and Safety Policy, developed as part of its Quality, Health, Safety and Environment (QHSE) Policy, is designed to reduce the accident rate to zero by improving safety. This means reducing risks, preventing accidents, and applying the Group's safety standards in all countries and across all businesses with the involvement of all employees. This internal policy is rolled out internationally and reviewed frequently.

The main commitments in the Elis Health and Safety policy are:

- › ensure workplace safety by reducing and preventing accidents;
- › apply the Group's safety standards and instructions in all countries and businesses;
- › involve all employees, so they actively contribute to maintaining a safe work environment;
- › ensure compliance with local regulatory requirements in all countries.

In addition, in 2020 the Group launched its 10 golden safety rules, the aim of which is to develop a culture of safety by encouraging the adoption of healthy habits and contributing to the creation of a safe work environment.

Elis is committed to a process of continuous improvement to reduce the number of risk situations. Its priorities are to strengthen the Group's safety culture by promoting and raising awareness, preventing fire and handling risks, improving workstation ergonomics, work-place hygiene and preventing business-specific risks.

As part of its ambitious program running until 2025, the Group has set itself the objective of:

Reducing the frequency of accidents by 50% between 2019 and 2025

Key performance indicator	2019	2020	2021
Improvement in frequency since 2019 (%) (2025 target): -50%		-15.5%	-6.3%
Analyzing the risks, and developing and communicating the Group's safety standards			
Frequency rate ^(a)	16.90	14.32	15.84
Severity rate ^(b)	0.66	0.70	0.67
Lost time accidents	1,529	1,141	1,370

(a) Frequency rate = Number of accidents resulting in lost time, excluding commuting accidents, during the year/Total number of theoretical hours worked x 1,000,000.

(b) Severity rate = Number of calendar days of lost work due to workplace accidents with lost work of more than 1 day, excluding commuting accidents/Total number of theoretical hours worked x 1,000.

In 2020 and 2021, hours not worked in connection with the partial shutdown due to the health situation were excluded from theoretical hours.

In 2021, workplace accidents remained lower than in the benchmark year, despite an increase this year due to the atypical operating conditions seen in 2020. This improvement in performance is explained by the Group's actions and initiatives, as detailed in the following sections.

Analyzing the risks, and developing and communicating the Group's safety standards

Measures implemented

Analyzing the risks at work stations

Each of the Group's sites has a work station health and safety risk assessment that covers all relevant operations. These assessments are updated regularly in accordance with local country regulations.

Based on the results, risk mitigation or reduction actions are defined and implemented to make the work environment safer.

A process of standardizing safety standards is under way

In 2021, Elis continued to implement its safety strategy. In each operating region, the cluster/country QSE teams work closely with the Group QSE Department to define and improve the Group's safety standards. These teams also assist countries and sites with operational deployment and monitoring their application. The Group's countries thereby continued to implement the fire risk management standard and to harmonize accident and incident reporting.

The Group also launched a working group together with the cluster/country teams and the Group Maintenance Department to harmonize practices for facility operations with a view to defining a standard for equipment security and shutdown.

Each country in the Group has its own methods and tools for identifying hazards and assessing health and safety risks. The Group wishes to harmonize these methods and use a common tool going forward.

Regular performance monitoring

In 2021, Elis continued the rigorous monitoring of incidents within the Company to record all information relating to incidents, their causes and the measures taken as a result, and to communicate the associated indicators. To achieve the objective of reducing the accident frequency rate by 50% by 2025, this objective has been broken down by region according to the current maturity of each one.

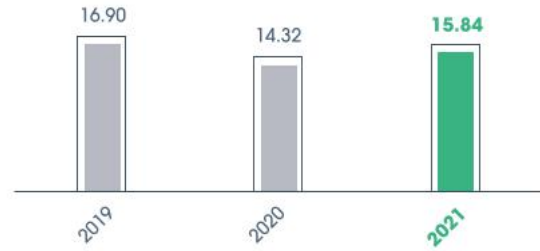
The Group's safety performance is thus monitored monthly for Elis employees (permanent or non-permanent — the Group having few temporary employees) through two indicators: the frequency rate (FR) of workplace lost-time accidents corresponding to the number of lost-time accidents per million hours worked and the severity rate (SR) corresponding to the number of days of lost work due to workplace accidents per thousand hours worked. The indicators allow a comparison to be made of changes at each site, in each region and in the Group as a whole. Group Management and the clusters/countries are informed of the results every month. The clusters/countries are responsible for informing their own organization of the results.

In addition, an analysis of the types of accidents is consolidated at Group level by activity (processing, maintenance, distribution, etc.), type of injury and type of risk (human, technical). This analysis helps to identify improvement actions to be strengthened in each country.

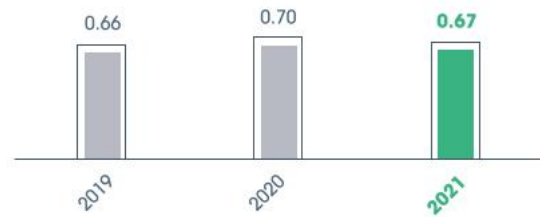
In 2021, 78% of workplace lost-time accidents were related to the risks of manual handling of loads (bags, water fountain bottles, mats, linen, workwear), slip trip and fall, mechanical handling of cages (laundry, pallet trucks) and contact with machinery (production or maintenance operations).

Actions are defined in each country and site of the Group in line with accident investigation to help reduce accidents.

FREQUENCY RATE FOR WORKPLACE ACCIDENTS INVOLVING ELIS EMPLOYEES



SEVERITY RATE FOR WORKPLACE ACCIDENTS INVOLVING ELIS EMPLOYEES



Regular checks to ensure that Group standards are applied

To assess and confirm that Group standards and rules are being applied, regular visits are made to sites by the QSE cluster/country teams.

Internal audits, which cover safety, are also carried out every two years by the Group's internal audit team. These audits are currently being rolled out across the different Elis regions.

Insurance visits, related to fire and natural risks, are undertaken each year with the insurer at a representative sample of the Group's sites. These visits assess the level of protection, detection and organization in place to control and mitigate risks.

All Group sites comply with local regulations regarding regular scheduled regulatory checks of equipment. These checks are monitored and recorded locally and any observations are dealt with.

Management system and OHSAS/ISO 45001 certification

The Group has developed a health and safety maturity matrix structured so as to adopt the main points of a health and safety management system. The evaluation of sites on the basis of this matrix started at the end of 2020 and continued in 2021 with the support of the QSE cluster/country teams. This evaluation enables priority actions to be identified at the site, country or Group level in order to improve the management of the matter at hand.

In addition, 73 Elis sites (in Sweden, Denmark, Norway, Poland, Ireland, Spain, Estonia, Finland and Czechia) have a health and safety management system certified according to either OHSAS 18001 (71 sites), or ISO 45001 (2 sites). These certifications relate to the production centers and may include service centers and offices (headquarters). Spain plans to certify all of its sites within three years.

Outlook

In keeping with the 10 golden safety rules, Elis wishes to promote several tools to strengthen its accident prevention approach to protect the health of its employees. In particular, the recording and resolving of unsafe situations and near misses happens in some countries (UK, Ireland, Brazil, etc.) and will be developed in the future in the rest of the Group.

The "prepare for work" golden safety rule refers to the "stop, think, act" tool that will be rolled out. The purpose of this tool is to perform a rapid risk assessment of infrequent or unusual operations for which there are no specific instructions or operating procedures.

The handling and use of chemicals is required in the various Elis businesses. The Group plans to develop a safety standard regarding the management of related risks.

In addition, in order to facilitate the reporting of incidents and accidents and safety indicators in all its operations, the Group has acquired an IT tool to be used across all regions to manage safety indicators and harmonize information regarding incidents and ensure its reliability. This new tool, which will be rolled out in 2022, should provide a rapid and qualitative view of incidents at Group, country and site level.

Day-to-day health and safety training and activities

Measures implemented

Reinforcing the Elis safety culture by promoting safety

The 10 Elis golden safety rules are based on the Group's main business risks and identify key health and safety points.

At their launch in October 2020, the 10 golden safety rules were presented at country management committee level and then cascaded to site management and all operatives.

In 2021, the communications and activity plan defined at launch was implemented with:

- › the 10 golden safety rules video;
- › enhanced communication around one rule each month, through a training kit dedicated to each one, so that all employees can fully familiarize themselves with it and implement it into their own work environment;
- › integration of the 10 golden safety rules into the onboarding of all new employees.

The rollout of the 10 golden safety rules will continue in 2022, with continued communication and assessment by the QSE cluster/country teams of how the rules are applied at sites.

The proper application of these rules by everyone will assist the Group in achieving its target of halving the accident frequency rate by 2025.

In addition, every new employee receives a safety induction, particularly at their work station, so that they have the key information about work station risks and the instructions to be followed for safe working.

In some countries, such as France, an annual reminder of workplace safety rules is given.

Depending on the work station occupied, operators receive additional regulatory training (electricals, driving vehicles, etc.) or training specific to the Elis business (use/handling of chemicals, etc.).



Elis safety golden rules



Get ready for work

I am trained on safety instructions and ready to undertake my job.



Move Safely

I move carefully: I'm aware of the working areas and mobile equipment.



Wear personal protective equipment

I will always use the prescribed personal protective equipment.



Drive Safely

I respect all the traffic rules both on and off site.



Share Vigilance

I will address and communicate about events, unsafe situations, and positive practices. I am vigilant on my safety and safety of others.



Handle cages safely

I always use the good practices for handling linen cages.



Position the body safely

I assess and place my body in the safest position to work in relation to loads and during manual and mechanical handling.



Be vigilant about fire

I'm aware about fire risks and I follow fire safety instructions.



Work on/with equipment safely

I do not intervene on an operating machine and I always apply lockout/tagout procedure when working on equipment.



Use chemicals safely

I work carefully with chemical product.

We empower your day



Sharing feedback and good practices

Feedback on incidents linked to personal and fire safety are shared in the Group with the operational teams via the QSE cluster/country network.

This feedback is given on the most significant events whose severity was or could have been high (accidents related to operating machinery, using chemicals, etc.), and on events with a lower severity but that occur more frequently (manual handling, mechanical handling of cages, slip trip and fall).

Training subcontractors and external companies working at our sites

The activities of subcontracting or external companies are carried out in accordance with local regulations. In Spain, Italy and France, for example, a risk assessment is carried out by the Elis site and the external company prior to the company coming on site in order to identify the risks inherent in its activities and the risks resulting from its interaction with the Elis business. This analysis enables the measures to be put in place by Elis or the external company to guarantee safe operation to be specified.

The staff of the external company are informed by their manager of the measures specified with Elis.

Integrating ergonomics principles by continuing the implementation of the Gest'Elis program

The Gest'Elis program continues to be rolled out across the Elis business so that the greatest number of employees can benefit from improvements to their work stations. This program is explained in more detail in section 3.4.1 "Listening to, valuing our employees, and ensuring their well-being at work".

Defining and supporting the improvement plans

The QSE cluster/country teams define and support the improvement plans within their respective scopes of activity. Thus, in 2021, initiatives were continued or new ones were launched:

- › For example, the United Kingdom:
 - continued its safety promotion campaign known as The Safety Premiership. Each month, several key safety criteria are examined (number of safety observations, number of health and safety committee meetings, and number of compliance checks) to promote and support safety in the plants on a daily basis. Consequently, more than 17,000 safety observations, 300 health and safety committee meetings and 300 compliance checks were carried out in 2021,
 - launched the Safety Forum, which aims to give a quick presentation of safety initiatives and solutions implemented by the different sites each quarter. The sites can then contact each other for further information;
- › Denmark trialed five-minute ergonomics training sessions three times a week at one site to improve ergonomics. This measure will be extended to other sites in 2022;
- › France:
 - continued its program of site visits by health and safety engineers to assess the safety procedures and assist the sites

in identifying the priority improvement actions to be carried out,

- initiated quarterly meetings with regional Directors and regional HR managers to review certain key indicators (accidents, fire, health and safety procedures/maturity matrix, golden safety rules) and to discuss specific actions to be strengthened in each region,
- started a process for retraining the maintenance and production teams with regard to the safe operation of equipment and compliance with the new version of the procedure for the safe shutdown of equipment. This process will continue in 2022 with the application of this procedure and the drafting of operating procedures for all equipment throughout the centers,
- implemented a Road Risk Prevention Plan in 2020, based in particular on a mobile training unit and coaching sessions for drivers of heavy goods vehicles;
- › Brazil started an inventory of the hazardous energies present on each machine to create appropriate operating methods for each piece of equipment that tell operators and the maintenance team where to put locks and shutdown protocols before carrying out work.

3.4.3 Attracting and developing our employees

Context

Attracting and developing employees is a key issue for the Group to ensure its growth and development. Indeed, given the characteristics of the Group’s economic model, some of its roles can only be learnt over the long term. The Group thus invests in its teams to ensure their well-being and long-term development.

Policy: objectives and performance

The Group’s development strategy relies on its ability to recruit and retain competent, high-performing employees. Elis thus ensures that each employee can develop within the Group, according to their skills, desire for training and the roles that Elis has. In addition, the Group promotes the values of proximity, autonomy and trust while offering its employees the career opportunities characteristic of a large international group.

To ensure the lasting growth of the Group, its human resources policy is based on two pillars:

- › attracting the best talent;
- › training employees in the Group’s business lines and supporting them in their development.

Key performance indicator		2019	2020	2021
Attracting the best talent	Hiring rate ^(a)	21%	20%	27%
	Share of young people in hires ^{(a)(b)}	30%	41%	43%
Developing our employees	Training days per employee ^(c)	1	1	1
	Share of managers promoted internally	36%	26%	16%

(a) New permanent hires added to the workforce as at December 31 in the year in question.

(b) 2019 under 27 age band changed in 2020 to under 30 for conformity with GRI.

(c) Many training sessions given were not included in the hours reported (for example, training through shared platforms).

The share of young people in hires increased in 2021 due to actions undertaken by the Group. The share of managers promoted internally decreased in 2021 as the health crisis affected the training programs. In addition, certain Group-level positions had been reviewed in 2019.

The hiring rate rose in 2021, primarily due to some employees with short-term contracts moving to permanent contracts.

Attracting the best talent

Measures implemented

Increasing visibility

Elis is endeavoring to increase the visibility of its brand as an employer and its presence in all recruitment channels. As a result, the communications and human resources teams are working together to ensure that the Company is well known across the different social networks, in particular LinkedIn. Articles, videos and photos are therefore posted regularly to develop the Company’s brand as an employer and to communicate job opportunities.

In 2021, Elis France also partnered with the Welcome to the Jungle website through a dedicated Group webpage containing its vacancies and videos presenting the Company, its business lines and its employees.

Targeted partnerships

With a view to increasing awareness of the Company and continuously enriching its pool of applicants, the Group maintains a close relationship with the best training courses (universities or schools) for all of its business lines. As such, Elis teams, particularly in France, Germany, Sweden and Denmark, regularly take part in forums or organize site visits. In Denmark, for example, HR teams

are working in partnership with Aalborg University, where employees and former graduates regularly speak to students about their careers. In France, Elis took part in the Art, Technology, Management (ARTEM) event: Ten students identified actions to improve Elis's image amongst students and young graduates. Elis is also a partner of Négociales, a competition organized by a network of 40 qualification centers in France, Belgium, Switzerland and Tunisia, which aims to enable students to work together and learn in trade negotiation settings that reflect real-life situations and that take place before a panel of professionals.

In addition, Elis endeavors to create partnerships with local employment organizations as close as possible to its sites and, in doing so, to increase its flexibility with regard to absenteeism and the seasonality of its business.

Specific programs to attract and develop young graduates

Two specific programs are offered to attract recent graduates from the best training courses and thus create a pool of future leaders:

- › The *Elis Management Trainee Program* is a personalized two-year course for young graduates, opening up a path to managerial responsibilities. It consists of four six-month placements, including one abroad and one that provides in-depth experience of a management position. Throughout the program, the Management Trainees interact with employees in various business lines and units, creating networks for themselves and preparing for roles with significant responsibility;
- › *International Exchange Program*: young people are hired and trained in the Group's key business lines (in the production and commercial segments), then sent to another country for 12 to 24 months to complete their training, share best practices and strengthen the Group's culture. The first exchange program took place in 2013 and involved young Spaniards coming to France. Additional exchanges were then organized between Brazil, Portugal, Sweden and France.

Specific programs may also be put in place in some of the Group's business areas. This is particularly the case for Le Jacquard Français, where new employees in the textile lines (weavers, tufters, sizers, quality controllers, etc.) are trained by the Group's employees via a tutorial system. This contributes, in particular, to maintaining and developing textile industry knowledge in France.

Referral policy

In order to attract high-quality applicants, Elis has set up referral programs, enabling employees to share vacant positions and recommend suitable applicants for them. In the Netherlands, Germany, France and the United Kingdom, employees are rewarded if the candidate they referred is recruited. In France, employees can choose to pay back the sum received, making a donation to the Elis Foundation instead.

This referral policy is a valuable and rich recruitment channel for identifying candidates and filling positions, while strengthening Elis's brand as an employer.

Onboarding program

Welcoming and onboarding new employees to Elis is a key priority of the human resources policy. Elis ensures that its new employees receive a warm welcome and support when they take up their positions. The Company's objective is to create a climate of trust and friendliness, foster a sense of belonging, and familiarize employees with its culture, while supporting them as they start their new position and providing them with the tools and training they need to succeed in their new role.

These onboarding programs are carried out for new employees regardless of their business line. These onboarding programs, which range in duration from a few days for production operators,

to several weeks for managers, are undertaken in each of the countries and allow new hires to learn more about Elis's values, culture, organizational structure and functions, and to build themselves an internal network.

Onboarding kits are also being developed in the various countries where the Group operates. They contain information for new employees as well as tools and resources that can be adapted to suit different situations.

Most countries also have a buddy program in place for new employees (depending on the position) to help them in their new role.

Developing our employees

Measures implemented

Training in the Group's business lines

Training is a key factor of success for the Group. The HR teams in each country have the freedom to adjust their training initiatives to the specific challenges and opportunities where they are. This gives them the flexibility to quickly adjust their approach when labor market dynamics change and to promote internal mobility.

The Group offers a variety of training programs enabling employee development. These programs cover various topics, such as health and safety at work, the technical skills required to run industrial sites, and developing managerial skills. The formats offered differ according to the topics discussed, the targets and the objectives of the program. Training sessions can be conducted face-to-face or remotely (e-learning, virtual classes), either in a group or one-to-one.

In France in 2021, the HR teams introduced the Expert Manager program. This is a nine-month training program for managers with recognized business expertise. The aim of the course is to present the Group's ambitions and major projects, while offering training modules to strengthen managerial skills, to better understand the expectations of the next generation and to offer personal development tools.

In France, the Group has chosen to run its own training center, with courses certified by Qualiopi. It offers everything a training organization would, and in particular provides programs validated by the business line teams. It runs several business line pathways to impart the Group's essential knowledge to employees.

In addition, the Elis Academy, created in 2017, provides training for all Group employees, either face-to-face or online, in three major areas: service, offering and sales.

For sales, the courses prepare employees for doing business with the Group's different types of customer. All new sales staff have a structured, four-week onboarding period during which they learn about the Group's various business lines, from logistics to production. At the end of these four weeks, an online review takes place between a trainer from the Sales Department and the sales representative to identify the points that have been mastered and those that need improvement. The course is followed a few weeks later by in-depth training at the Group French training center to refine the employee's sales skills.

Training to improve sales techniques is ongoing and given in the field:

- › at all times through a collaborative online platform that offers 25 sales modules and 37 product training modules. In 2021, nearly 6,000 modules were taken as a result;
- › every day by managers trained in coaching who work with sales staff on objectives that they have set together;
- › every month with meetings of regional sales managers organized by the Sales department, which enable teams to take a gaming approach on pre-selected themes.

In 2021, as in 2020, training of the Group's teams was affected by the health crisis but remained relatively stable. In addition, many training sessions given were not included in the hours reported (for example, training through shared platforms).

Developing internal mobility and career advancement

Internal promotion and mobility are at the heart of Elis's human-resources policy. Elis encourages its employees to progress their careers within the Company and considers developing job mobility and internal career advancement a priority, thus ensuring that there is a pool of future leaders.

To this end, Elis has made an online jobs board available to its employees in France. Consequently, all vacancies are visible to all employees who have access to the Talentsoft tool. Every employee submits a job application directly via this tool. This tool is intended to be rolled out gradually to all Group countries.

The Elis Group is working to develop a common Group talent management policy for all managers, which is based on two main tools: the individual performance review and the talent review.

During the **individual performance review**, which takes place annually, the manager and employee review the previous year, discuss measures for personal or professional development for the coming year, and identify internal mobility opportunities or targeted training to help the employee grow within their field of expertise, broaden their skills, or switch to a new role. This review has two parts:

- › setting objectives and reviewing the year's performance: For operational roles, Elis aims to align individual contributions with the objectives of the organization by setting realistic individual objectives and reviewing achievement of them. For the individual review, each employee and their manager meet at the start of the financial year to discuss and agree on individual objectives. Achievement against these objectives is reviewed at the next annual meeting;
- › reviewing skills: Each year, the employee reviews its own performance and the line manager reviews the employee. They then meet to discuss their respective reviews and decide, if necessary, on the development actions to be taken.

Since 2019, Elis has been gradually making the individual performance review for management staff digital using the Talentsoft platform, thus facilitating the sharing of information within line management and the human resources function.

The talent review process takes place annually, is led by the Human Resources Department in each country, and applies to all management staff. This process aims to build a collective and shared vision of the potential of employees and their development within the Group, as well as to prepare the next steps in their career, taking into account the aspirations expressed by each one and the needs of the Group. These reviews help to clarify each employee's development plan and identify the skills that need to be recruited or developed. They also serve as a basis for establishing succession plans for key positions, providing visibility on the pool of current and future leaders.

Since 2019, Elis has been gradually making the individual performance review platform digital via the Talentsoft tool, thus facilitating the sharing of information between management and the human resources teams, so that career development plans that are well suited to employees' plans and profiles can be offered.

In addition, in France, a mobility committee meets from time-to-time to review the vacant positions and mobility requests of management staff.

Supporting job mobility

The Group also offers specific vocational courses to help employees moving to a different position train for their new role. In France, for example, the training course for supervisors aims to enable employees going into middle management positions to acquire the skills required to supervise a production unit on a daily basis.

The Filière d'Excellence Disco (FED) program allows service agents to progress to management following a 16-month training program, with alternating periods of training and hands-on experience in the Company.

3.4.4 Ensuring non-discrimination and equal opportunities

Context

The Group believes that its performance depends on the quality and engagement of its people and that a pleasant work environment that is respectful of individuals benefits everyone and makes the Group more efficient and productive. Respect for individuals and equal opportunities are thus fundamental values of Elis. Elis is committed to fostering harmonious and high-quality personal and professional relationships, regardless of seniority and function, with fairness and respect for all.

Policy: objectives and performance

The Group's non-discrimination and equal opportunities policy is outlined in its Code of Ethics. As such:

- › Elis does not tolerate discrimination of any kind: the Group ensures that every employee can flourish in their work without being the subject of discrimination due to their gender, religion, race, age, sexual orientation, physical appearance, health status, disability or political orientation;

- › Elis does not tolerate any behavior that may undermine a person's dignity and, in particular, any harassment of any kind;
- › Elis seeks to promote diversity within its organization and sees the differences between its employees and business partners as a strength that is essential to the success of an international group;
- › Elis promotes equal opportunities for every employee or candidate in terms of recruitment, access to training, compensation and social protection, and has a human resources policy that aims to encourage internal promotion, internal mobility and professional development through its training program. Only skills, experience and professional and personal abilities are taken into consideration.

The Elis **Code of Ethics** is the Group's common foundation in terms of non-discrimination, diversity and equal opportunities. Many countries have their own initiatives and sometimes local or national regulations that extend beyond the Code of Ethics, notably in areas like gender equality, the fight against the gender pay gap, and the recruitment of people with disabilities.

As a sign of its commitment on this subject, the Group is working toward gender equality in particular and has set itself the following target within its ambitious program running until 2025:

Reach 40% women in executive or managerial roles by 2025 (42% by 2030)

Achievement of this objective has been included in the Group's financing policy.

Key performance indicator	2019	2020	2021
Aiming for gender equality			
Share of executive or management staff that are women (target: 40% by 2025 and 42% by 2030)	33%	34%	34%
Women share of managers hired	30%	30%	28%
Including people with disabilities and those with no/few qualifications			
Share of employees with disabilities (France)	6.6%	6%	6.2%
Attracting young people			
Share of young people in hires	30%	41%	43%

In 2021, the share of executive or management staff that are women remained stable, having grown continuously in the preceding years (24% in 2016). Consistent with its equal opportunities and non-discrimination policy, in 2021 the Group reported that the share of young people (43%) and female managers (28%) among its hires was stable.

Aiming for gender equality

Measures implemented

The share of women in the permanent workforce has remained stable in recent years, at about 53%. However, aware of the benefits of diversity, the Group wishes to support gender equality throughout its organization. As such, the Group has set a goal of having at least 40% of its management positions held by women by 2025.

In 2021, a study on the proportion of women in the various management positions was carried out and an action plan proposed to the Executive Committee and the countries to help accelerate the transformation under way. Various actions are planned, such as: changing recruitment processes to allow greater diversity in hiring; specifically monitoring women in the talent review system in order to identify women with potential, support them in their career development, and thus increase female representation in the top management roles; and increasing awareness among human resources and management teams, for example, with regard to identifying and breaking down stereotypes and decision-making biases.

In some countries, awareness is being raised among those in charge of recruitment or communications at universities and French grandes écoles to promote Elis's different business lines; particular attention is paid to under-represented gender on final shortlists of candidates for positions.

In addition, in some countries, the Group has agreements on the subject, such as France on gender equality (2019) and Spain on an equal opportunities plan for women and men (2020).

With regard to the composition of the Supervisory Board, as at March 8, 2022 (excluding members of the Supervisory Board representing employees), the Group is aiming for equal representation. There are five women and four men on the Supervisory Board, or six women and five men when taking into account the members of the Supervisory Board representing employees.

Lastly, the Group has taken into account the provisions of the "Avenir professionnel" (Professional Future) law in France, which promotes gender equality. It has calculated and published its scores for the gender equality business index. According to the methodology for calculating this index, eight subsidiaries have a calculable index, and the average score obtained for all subsidiaries is 88.6/100 in 2021. Where needed, action plans will be implemented.

Promoting the inclusion of people with disabilities

Measures implemented

The Group promotes the employment and retention of people with disabilities through dedicated agreements but also through concrete actions.

In France, for example, measures were negotiated in 2019 with social partners to encourage the employment of people with disabilities.

Actions to increase awareness among managers and employees are undertaken.

The Elis Group employs 646 people with disabilities at its sites in France, which represents 6.2% of its permanent employees. Internationally, it is sometimes difficult to accurately identify the number of employees with disabilities, given local regulations.

The objective is to support the inclusion and work of people with disabilities with work station adaptations or the implementation of specific measures, as required. Home working solutions can be implemented on a case-by-case basis in order to continue the employment of people with severe disabilities. Actions are also being taken to include intellectually disabled people in the workplace: support from their mentor and specific monitoring by managers of intellectually disabled people if they work in industrial environments with stringent safety restrictions.

Elis also welcomes employees from Établissements et Services d'Aide par le Travail (ESAT), a French network that promotes employment for people with disabilities, providing on-the-job training in an ordinary work environment.

Elis has contracts for the supply of services from ESAT and entreprises adaptées (adapted businesses). These include services such as cleaning, treatment or repair of linen, repair of cages or hangers, purchase of supplies, and maintenance of green spaces. Some Le Jacquard Français products, including the covers from its new line of leather goods, are made by ESAT in France.

In Spain, the Group has created two specialized sites, where people with disabilities make up at least 70% of employees:

- › a center in the Madrid region that employs 54 people, of whom 41 have disabilities;
- › a center in the Basque Country that employs 27 people, of whom 19 have disabilities.

These centers are small laundries that process the laundry of hospital clients or care homes, but also the laundry of customers that requires a significant amount of manual processing.

Example of services provided by AD3, a Group subsidiary specializing in residential care laundry

ADAPEI 77 is an association that has 11 specialist care and nursing homes designed to house around 400 residents with motor or intellectual disabilities. In 2016, at the instigation of the association’s Managing Director, research into setting up a new laundry facility began. In accordance with the association’s social responsibility values, this project aims, above all, to provide jobs for workers with disabilities. Based on its expertise in the design and operation of laundry facilities specializing in processing the personal laundry of care residents, AD3 was the natural choice to assist the association during the implementation phase, ranging from investment recommendations, set-up of the facility and installation of the equipment to the operational use of the site. Today, under the supervision of a sector head, an AD3 team composed of a laundry manager and three laundry operatives works together with 14 workers with disabilities who are supervised by two workshop monitors provided by the association.

In the Netherlands, the Group has a policy of actively recruiting, both directly and indirectly (via purchasing), people with disabilities or far from the labour market. As such, nearly 10,000 washroom dispensers were assembled by people far from the labour market in 2021.

Outlook

A working group was set up at the end of 2021 to work on a common policy in this area and to therefore increase the commitment to the inclusion of people with disabilities.

Including those with no/few qualifications

Measures implemented

Each Elis center is seeking to develop its own links with various local players in the employment market. Thus, in France, good relations are maintained with the local employment agencies in the various cities where the Group operates, but also with other local recruitment channels (“missions locales”). The simulation-based recruitment method proposed by employment centers has been used for many years at various Group sites in France in order to recruit people with diverse profiles.

In Denmark, the Group is part of the *Women in Jobs* program that aims to help female immigrants find employment through a combination of education and on-the-job training. As a result, in 2021, the Taastrup center welcomed several women for six weeks as part of their development.

Finally, many of the Group’s sites offer their foreign employees courses in the host country’s language to help them integrate within the Elis teams and the local community.

Attracting young people

The Group’s actions to attract young people are further detailed in section 3.4.3 “Attracting and developing our employees” and are based in particular on increased visibility in traditional media and in the media formats favored by younger generations, the development of targeted partnerships and the formation of specific career paths for young graduates.

Due to its corporate culture and values, the Group also offers fast-track courses for young graduates, offering them autonomy and responsibility, with near-term management opportunities.

3.4.5 Respecting Human and Labor rights

Context

Human rights are fundamental. Respecting them, promoting them and preventing them from being violated are at the heart of corporate social responsibility. As any other company and their supply chain, this a Group priority.

Policy: objectives and performance

The Elis Group has formalized its commitments under the Code of Ethics based on the Group’s values of integrity, responsibility, exemplarity in its commercial environment, and respect for all of its employees. The Code of Ethics and its principles apply to the Group as a whole and to all of its activities, whether with its employees, the way it does business with its suppliers, customers and stakeholders, or its activities with other players.

The Group’s values are consistent with the fundamental principles laid down by:

- › the United Nations Universal Declaration of Human Rights and the European Convention on Human Rights;
- › the United Nations Convention on the Rights of the Child;
- › the United Nations Global Compact.

All Group employees, regardless of rank, whom they report to, or geographical region of activity, must be both promoters and guardians of this Code of Ethics.

Furthermore, the Group ensures that all the applicable social standards in the labor laws of each country in which it operates are respected, and ensures compliance with major international legislation such as the conventions of the International Labour Organization and laws protecting the rights of children.

The vigilance plan put in place by the Group pursuant to law No. 2017-399 of March 27, 2017 on the duty of vigilance is set out in more detail in section 4.4 “Vigilance plan.” Under the measures put in place in the vigilance plan, the Group has, in particular, a Sustainable and Ethical Purchasing Charter (also entitled “Supplier Code of Conduct”) detailing the standards imposed by the Group on its suppliers and subcontractors with regard to fair practices, human rights, health and safety and environmental protection. This document is based on the UNGC, ILO core conventions, the UK Bribery Act (UKBA) and the French Sapin II anti-corruption law, and covers human rights, working conditions, the protection of the environment and anti-corruption regulations.

Key performance indicator	2019	2020	2021	
Respecting human and labor rights	Share of permanent employees located in countries with no human rights risks ^(a)	99%	98%	98%
	Share of revenue originating from countries with no human rights risks ^(a)	99%	99%	99%

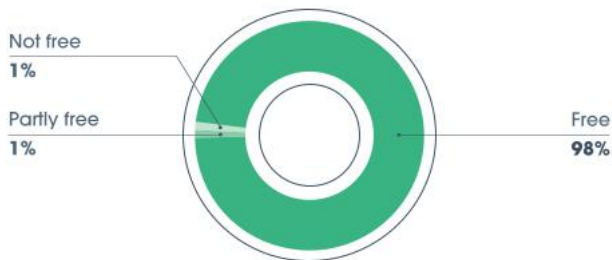
(a) Source: Freedom House.

Respecting human rights in our operations

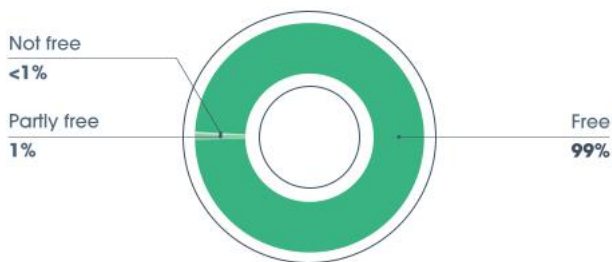
Measures implemented

According to Freedom House, the Group is mainly located in geographic areas with no human rights risks ("Free" status). 98% of the Group's permanent workforce is located in these areas and 99% of its revenue originates there.

BREAKDOWN OF PERMANENT STAFF BASED ON THE LEVEL OF HUMAN RIGHTS RISK⁽¹⁾



BREAKDOWN OF REVENUE BASED ON HUMAN RIGHTS RISK⁽¹⁾



Awareness-raising and communication

The widespread dissemination of the Code of Ethics within the Group enables it to ensure that its employees are informed of the existence and content of the Group's policy on the subject, in particular in terms of child labor, forced labor and decent working conditions (health and safety, working time, wages and benefits, harassment, data confidentiality, etc.) and of equal opportunities (non-discrimination, diversity and inclusion, skills development, etc.). The Group's actions and policies on working conditions and equal opportunities are described in more detail in the previous sections of this non-financial performance statement.

In its capacity as a signatory of the Global Compact, the Group reaffirms its commitments every year and reports on its progress within the communications framework regarding four fundamental principles: respect for human rights, respect for labor standards, the fight against all forms of corruption and respect for the environment.

Alert procedure

In 2018, the Group established an outsourced alert system, which allows any violation of the provisions set out in the Elis Code of Ethics to be reported. This system is described in more detail in section 3.5.5 "Continuing to integrate ethics into our business practices".

No incidents were reported in 2021 through the alert system in relation to human rights violations.

Child labor

The Group is particularly vigilant with regard to the rights of children and has been a signatory of the Global Compact for more than 10 years. In keeping with its equal opportunities values, the Group also strives to support young people developing their skills and integrating into the professional world. As such, in 2021, the Group hired 406 young people on apprenticeship contracts, following successful apprenticeships, summer jobs or short-term contracts.

These contracts are strictly governed by applicable regulations and agreements with schools, where applicable.

Commitment to preventing harassment in the workplace

Elis does not tolerate any behavior that may violate the dignity of an individual, including harassment of any kind. In addition to the Group's global alert procedure, there are also local procedures in place to address such situations and measures for raising awareness.

The Netherlands has a toll-free number that employees can use if they are the victim of assault/discrimination or any inappropriate/undesirable behavior at work. They may also seek assistance from external committees.

In France, measures have been agreed to for preventing psychosocial risks.

Ensuring decent working conditions

Measures implemented

General organization

Working time is organized in line with the Group's needs. The work of employees is organized within the framework of local regulations, which vary from one legal jurisdiction to another.

Given the nature of the services provided to customers, in France, some employees may be required to work at night, with such shifts strictly governed by specific agreements entered into by the relevant entities. Similarly, some employees may be required to work on Sundays, in accordance with any exceptions set out by law. In other countries, working time is regulated by law or employment contract.

Working conditions, local legislation and negotiations

Information relating to working conditions and dialogue with employees is set out in more detail in the previous sections. Furthermore, the Group undertakes to respect the regulations concerning working conditions (working time, breaks, holidays, etc.) in its capacity as signatory of the Global Compact and annually reports on its performance and progress in these areas.

Restructuring

The Group's sites must continuously evolve in order to improve operational performance and the working conditions of its employees. Excluding the health crisis, which forced the Group to quickly put in place long-term cost-saving measures, it is mainly in the above context that the Group transfers activities and jobs to other sites, and provides support to do so.

(1) Source: Freedom House.

3.5 SOCIETY

3.5.1 Providing products and services that contribute to hygiene and reduce resource consumption

Context

The Elis Group provides products and services that contribute to hygiene. Accordingly, the Group provides products that protect employees from their environment (workwear in particular) and provides not only enhanced hygiene solutions for the most vulnerable members of society and the most sensitive environments but also solutions that meet the essential hygiene needs of customers, residents, patients, visitors and users of its products.

Based on its significant experience in the Healthcare sector (around 30% of its revenue), the Group has developed expertise in several countries that meets the specific needs of the world of healthcare and hygiene more generally and offers product ranges that address these issues.

In addition, due to its circular economy model based on the product as a service business model, the Group offers solutions to its customers that are less resource-intensive and thus lower-impact (see section 3.3.1 "Being a circular economy player").

Governance

Responding to the needs and issues of its customers is a priority for the Group. Aware of its expertise in hygiene, and in the face of current environmental and health issues, the Group endeavors to support its customers, offering them solutions and services that are increasingly adapted to their needs and more responsible.

The entire Group thus stands ready on a daily basis to meet these challenges.

Policy: objectives and performance

Thanks to its extensive knowledge, the Group provides its customers and product users with solutions that contribute to hygiene and reduce resource consumption. The Group thus intends to bring safe and sustainable solutions to as many people as possible.

Key performance indicator		2019	2020	2021
Protecting workers	Share of revenue of the Workwear and Cleanroom businesses	34%	38%	38%
Bringing enhanced hygiene solutions to the most vulnerable members of society and the most sensitive environments	Number of residents served by Elis in the three main countries (Germany, France and Ireland)			114,270
Ensuring the provision of essential hygiene systems to customers, residents, patients, users and visitors	Share of revenue of the Washroom and Beverages businesses	9%	10%	10%
Providing solutions that are more responsible and help reduce consumption	Share of the Group's revenue from the product-service system	89%	88%	89%

In 2021, the Group maintained its commitment to offering products and services that contribute to hygiene and reduce resource consumption. These types of products and services represent a significant and ever-increasing part of the Group's business thanks to their continuing growth.

Protecting workers

Measures implemented

Hygiene and employee protection

Every day, Elis clothes several million workers in a hygienic manner while observing the applicable standards. As such, the Company enables millions of employees to work in optimum safety and comfort. 38% of the Group's 2021 revenue originated from this sector. In the Industry and Commerce and Services sectors, that represents more than 3.8 million wearers of our workwear.

In particular, Elis has gained expertise in the development and maintenance of personal protective equipment (PPE) for the following risks:

- › welding activities;
- › heat and flames;
- › limited liquid chemical splatter;
- › thermal hazards relating to electrical arcing;
- › poor visibility;
- › health.

The traceability systems in place allow the number of washes carried out to be monitored and ensure that the protective properties of the PPE are preserved, according to the standards in force in each region.

In addition to providing a service that helps to protect employees from their environment, the services offered by the Group allow them to mitigate the risk of contaminating their own washing machine and the laundry of their household.

Scrubs: reusable or disposable? Which is the most hygienic solution?

The public health crisis has reminded the Healthcare sector of the advantages of reusable textiles compared to disposable non-woven ones, especially when it comes to scrubs. For reusable textiles, hygiene is controlled and monitored, complying with the applicable regulations and reflecting Elis's expertise in industrial cleaning processes.

Elis' proximity solution enables continuity of service for its customers, thus limiting the risks of supply interruptions of products that are largely imported.

Product ergonomics contributing to the well-being of employees

Elis offers various products that improve workplace ergonomics and help to protect the health of its customers and users, such as:

- › **Ergonomic mat:** an "anti-fatigue" mat for standing work stations which limits the impact of standing in the same spot and reduces back and joint pain;
- › **Sloopy mop:** a specially designed, more lightweight mop with a curved neck and connector to facilitate cleaning and reduce wrist rotation;
- › **Duvet cover:** sizes can be easily identified by a colored thread, and covers are designed so that making the bed is easier (reversible, straight opening across the width of the bottom and finger grips);
- › **Regencia collection:** specially designed workwear for housekeepers that is more comfortable and uses Tencel fiber to regulate perspiration and neutralize odors.

Bringing enhanced hygiene solutions to the most vulnerable members of society and the most sensitive environments

Measures implemented

Our services for the most vulnerable people

For residents with disabilities, care homes and children's homes, it is essential to offer laundry care solutions to assist these more vulnerable people. The Group offers specific services through its laundry business for residents.

Concrete actions for maintaining laundry services during the Covid-19 crisis

When the pandemic hit, Elis was able to ensure continuity of service for its customers and help with last-minute emergencies thanks to the proximity of its centers, demonstrating greater responsiveness and adaptability than the supply chain for disposable products, which was affected by shortages, high demand, etc.

AD3, the Group entity responsible for processing residents' laundry, continued to provide this service during a time when families could no longer visit their relatives as often.

In Spain, some plants were able to take over the laundry function in establishments that faced major staff absence problems.

Our services for the most sensitive environments

The Group operates in sectors that have levels of specific requirements on certain aspects. This is particularly the case with the cleanroom businesses and with players in the Food, Pharmaceuticals, Micro-electronics, Life Sciences and Healthcare sectors.

Elis supports many healthcare facilities that need linen and workwear of unparalleled hygiene. This expertise in health and hygiene covers the needs of patients and residents as well as healthcare professionals, both in the washroom sector and in the residential and social care sector. Elis supplies products that meet the strict hygiene standards that apply to this sector and that limit the risk of cross-contamination. These community-based places, which bring together vulnerable, very old, very young, disabled or ill people, require increased vigilance in terms of hygiene.

Ensuring the provision of essential hygiene systems to customers, residents, patients, users and visitors

Measures implemented

Products that ensure good personal hygiene and help to protect the health of all

The Group offers services that help to fight health and contamination risks, notably through soap and hand sanitizer dispensers. This business had strong growth during the specific context of the health crisis.

Supporting customers during the Covid-19 pandemic

Elis has helped its customers reopen their businesses by creating special offerings. Naturally, the new offerings available include a special hand hygiene offering. This includes appliances for washing hands with soap and water followed by drying, or the dispensing of hand sanitizer on clean and dry hands for the disinfection of a wide range of viruses, including coronavirus, influenza, and hepatitis B and C. Guides have been created for all sectors to teach users of these appliances about hand hygiene.

In 2021, Elis continued to support its customers in a demanding health context, for example, by providing them with its No-Touch washroom appliance solutions, produced largely by its Kennedy subsidiary in the United Kingdom. These dispensers, together with the support provided by Elis in teaching users about hand hygiene, enable customers to protect their employees, customers and patients. In 2021, pedal systems were also offered for some dispensers.

In addition, the Group offers automatic clothing dispensers. These no-contact devices give users easy access to folded or hanging clothes. Using a card that indicates what they are allowed to take, employees collect the clothes they need at the beginning of their shift and drop them off at the end of the day.

A service ensuring essential hygiene needs are met

The Group also offers products in its washroom range that enable its customers to easily manage stocks of products that meet essential hygiene needs (toilet paper, for example). Beyond the provision of these products and their consumables, the Group, thanks to its service offering and the development of products equipped with a reserve, continually helps to ensure an uninterrupted service for its customers and users. In 2021, the Group launched on its markets new products equipped with a reserve, notably soap and paper dispensers. The family of appliances with a reserve, as well as offering greater autonomy, also helps to reduce waste as consumables are used up completely.

Providing solutions that are more responsible and help reduce consumption

Measures implemented

The Elis Group has been involved in the circular economy for more than 75 years, primarily through its business model, which is based on selling use of a product rather than selling the product itself (product as a service). In addition to this product as a service business model, the Group works in other areas of the circular economy such as reusing, repairing, refurbishing or recycling products in order to extend their life and thus keep the materials in use for as long as possible.

The Elis Group believes that the circular economy model, primarily through reducing the consumption of natural resources and keeping products in use, is a sustainable solution to address today's environmental challenges **and planet finite boundaries**.

The Elis model and its approach to addressing durability issues are presented in more detail in sections 3.3.1 "Being a circular economy player" and 3.3.2 "Eco-designing our products and services".

3.5.2 Satisfying and engaging our customers

Context

A Customer Experience Department was formed within Marketing in 2015, reflecting the Group's strengthened commitment to adopting an approach that places the customer at the heart of everything it does. This dedication is also demonstrated in the 5-star customer satisfaction program, which engages all employees around five key commitments:

- › ensuring that the services put in place provide total satisfaction;
- › delivering a service that meets customer expectations;
- › providing local and personal customer follow-up;
- › ensuring solid and responsive customer service;
- › being proactive and solutions-oriented.

In addition, the Group is working on its customer communications tools so that it can inform customers of its commitments, meet their expectations and support them with more responsible choices.

Governance

The customer satisfaction program, Satisfelis, is led by a dedicated team at Elis's head office, which works closely with local contacts. The program is conducted centrally so that measurement tools can be standardized as well as possible, to ensure an international benchmark and to share best practice. Each local contact is an

expert in their country and the specific concerns of that country's customers, and is able to use the results to drive appropriate local action.

The Communications Department is responsible for the development and deployment of all the Group's communications tools, including the CSR report, presentations to customers and films. To this end, weekly meetings take place between the Communications Department and the CSR Department. Projects are carried out jointly and are regularly presented to the communications officers of each country. The Communications Department ensures that the Group's 28 countries use the same tools.

Policy: objectives and performance

Customer satisfaction is one of the Group's priorities. The objective is to achieve an overall customer satisfaction rate of 87%. However, countries or branches may set themselves more ambitious local targets in the interests of continuous improvement. In 2021, the Group achieved its objective of 87%.

Furthermore, given the importance of partnerships on CSR to overcome current challenges, the Group intends to engage more with its customers on these issues, by sharing with them the Group's commitments in this area, the benefits of circular economy models, and by offering them more responsible alternatives.

Key performance indicator	2019	2020	2021	
Satisfying our customers	Aim for a satisfaction rate of > 87%	87%	86%	87%

Satisfying our customers

Measures implemented

Keen to listen to customers as closely as possible, the Group uses different tools, within the Satisfelis program, that are adapted to the cultural differences and needs of certain types of clients:

- › a telephone service active throughout the year (France, Spain, Brazil, etc.);
- › an email service active throughout the year (Denmark, Netherlands, etc.);
- › specific initiatives (Cleanroom customers, cleaning companies, etc.).

These measures have the same goal: to deliver actionable results to meet local customer expectations and to move Elis forward.

There are three principles essential to achieving this:

- › notifying the local branch immediately after a survey;
- › the local branch systematically calling dissatisfied customers to understand the issues and to implement long-term corrective actions;
- › carrying out a second survey of dissatisfied customers to ensure that the solution provided by the agency meets their expectations.

There are three call centers within this unique program that are steering the work:

- › one located in Villeurbanne, near Lyon, operated by Elis;

- › two others, in Barcelona and London, which are managed by a long-standing partner.

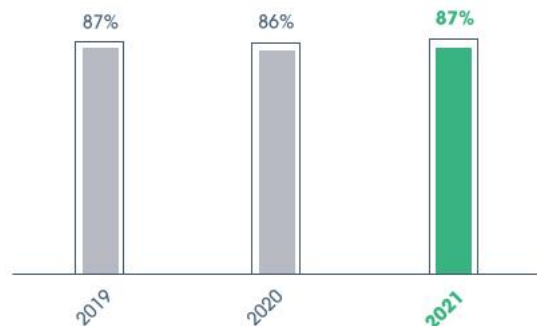
Agents at these call centers are impartial and are not paid based on the level of customer satisfaction in their surveys. Their role is key because they are responsible for listening to the voice of the customer as accurately and factually as possible. At the end of each survey, they take the time to add additional comments so that the feedback that the agencies receive is as detailed as possible.

Depending on the year, between 45,000 and 50,000 surveys are carried out around the world.

The performance indicators are:

- › the satisfaction rate in the countries that are part of the telephone initiative;
- › the Net Promoter Score (NPS), which measures how likely customers would be to recommend the company, in the countries that are part of the email initiative.

In 2021, according to these measures, the satisfaction rate was 87%.



Adapting actions to each region to be as close as possible to our teams and our customers

In order to adapt the results for local use, all Group employees have access to a dedicated portal where they can view the results of the surveys conducted on their portfolio, agency, region or country.

Every local stakeholder can therefore look at the results for their customer portfolio by client or overall. This overview allows the stakeholder to check the quality of a service (for example, workwear) and the reasons for dissatisfaction highlighted.

For a more international overview, a Group analysis is carried out and communicated to all countries and top management. This central view helps to identify general trends and can lead to more crosscutting actions.

Outlook

The content of the Satisfelis program is improved every year to grow the return on everyone's investment in it. When customers take the time to respond to Elis's questions, it is essential that we take their feedback on board. These areas of improvement involve both optimizing the process and reviewing new subjects.

In 2022, the questionnaires for all countries will be adapted so as to more tangibly assess the quality of the service provided during each period.

Moreover, all the existing initiatives will be driven by a single indicator: the satisfaction rate. It is a simple, actionable indicator that can be adapted for cultural differences. Measuring the same indicator in all countries will give the Group a harmonized customer satisfaction rate.

Communicating responsibly and engaging our customers

Measures implemented

Converting our customers to the circular economy and more responsible solutions

The Group continually seeks to encourage its customers to switch to models product as a service economy (rental-maintenance). All of the Group's materials include information related to the benefits of the circular economy and the sales teams have heightened awareness of this subject. The Group's commercial presentations increasingly highlight the benefits of rental-maintenance compared to buying or single-use solutions. This mindset is part of the Group's DNA. For example, since the acquisition of its subsidiary in Brazil, the Group has gradually transferred its maintenance solution client portfolio (about 50% of its revenue in 2014) to rental-maintenance solutions (almost 85% of its revenue).

3.5.3 Working responsibly with third parties

Context

Since 2006, the Group's commitment has been detailed in its Sustainable and Ethical Purchasing Charter, also known as the Supplier Code of Conduct, which describes Elis's relationships with suppliers beyond the mere purchase of goods and services. The Purchasing and Procurement Departments play an important role in choosing suppliers of products and services around the world. The Elis Group's priority is to guarantee the quality of the products delivered as part of its sustainable, ethical strategy. In 2021, nearly 60% of the Group's purchases came from Europe.

The Group's purchasing is divided into three segments: direct (textiles and hygiene and well-being), indirect and industrial purchases. Indirect (energy, IT, etc.) and industrial (construction, machinery, etc.) purchases are associated mainly with large

In addition to encouraging its customers to move toward more sustainable business models, the Group aims to offer them more responsible product and service alternatives. As such, product presentations always incorporate a focus on elements related to sustainable development, such as organic fair-trade offerings, Ecolabels, the use of recycled fibers, reusable flasks, etc. Customers are consequently informed of the more sustainable options available to them.

Finally, educational tools (brochures, PowerPoint presentations, videos, etc.) have been developed to raise awareness and engage customers on CSR topics, such as: What is fair trade? What is organic cotton/coffee? How is polyester recycled into fabric?

Helping our customers and users adopt more responsible behaviors

In order to raise customer awareness of product issues, product life cycle analysis can be carried out in partnership with customers. This joint work helps to increase knowledge, and to support decision-making in moving toward more responsible solutions.

The Group also uses nudges to raise awareness among customers and users of how to use products better. This is done particularly in the case of linen in order to maximize the lifespan of the product. These nudges can take the form of posters, stickers or visible message mats for customers.

Communicating responsibly

In order to further engage with its stakeholders on sustainable development issues, the Group promotes its commitments on the topic, the benefits of circular economy models, and offers more responsible alternatives.

The Group endeavors to choose the best media for its communications. As such, printing is mostly done on paper from sustainably managed forests and the Group prefers to use digital media over paper.

The Group also strives to implement responsible communication principles on a daily basis. The Group's communications teams received training in this area in 2021.

Outlook

The Group initiated work at the end of 2021 to analyze customer expectations with regard to sustainable development, not only to better meet these expectations but also to engage more with customers on these issues. Interviews with the sales forces will thus be carried out in some Group countries and tools will be developed.

European companies that produce in Europe and have limited CSR risk factors. Purchases of textile products and HWB (hygiene and well-being) appliances are a key concern. The list of suppliers is broad and comprises "corporate" suppliers, which are managed centrally, and suppliers that are managed locally — that is, at the country level or the local-entity level. Elis purchases textile products and hygiene and well-being products mainly in Europe (37%), Asia (29%) and Africa (14%). In addition, the Group has a workwear plant in Europe (700,000 items per year) and a plant in France that makes table linen (Le Jacquard Français).

The risk analysis of the main suppliers is based on the geographic location of these suppliers in order to guarantee a stable business relationship grounded in the social, ethical and environmental responsibilities that form the pillars of the Supplier Code of Conduct.

Governance

The Group’s Purchasing Director reports to the Group Engineering, Purchasing and Supply Chain Director, who is a member of the Executive Committee.

The purchasing structure and responsibility for it are managed at the Group level with the support of local buyers based in each country. The central purchasing team helps the buyers assess and monitor suppliers with regard to the ethical, social and environmental issues described in the Group’s Supplier Code of Conduct.

Policy: objectives and performance

Elis strives to forge stable and long-term relationships with its suppliers by improving relationship management while ensuring the respect of human rights and labor rights, the protection of the

environment and preventing corruption. Elis also abides by the ILO’s eight fundamental conventions.

The standards imposed by the Group on its suppliers and subcontractors in terms of fair practices, human rights, health and safety, and environmental protection are set out in a Sustainable and Ethical Purchasing Charter. Standards like this Charter, other guiding documents and the measures derived from those help decrease the likelihood of an unethical event to occur. The Code of Conduct also encourages suppliers to consider environmental challenges and to implement recognized international certifications for social, environmental, quality or energy issues. Moreover, Elis encourages suppliers to get Oeko-Tex certification for all textiles delivered.

In this vein, the Group has set an objective to achieve by 2025:

95% of direct suppliers to have undergone a CSR assessment within the previous three years

Key performance indicator	2019	2020	2021	
Implementing an integrated sustainable purchasing approach	Share of direct suppliers having undergone a CSR assessment within the previous three years (2025 objective: 95%)	94%	92%	93%
	Share of Top 100 suppliers that have signed the Supplier Code of Conduct			78%
	Number of on-site CSR audits conducted during the year	16	14	28 ^(a)

(a) In 2021, the on-site audits conducted for third parties are included.

In 2021, the Group maintained its performance, having assessed 93% of its direct suppliers within the previous three years.

Develop long-term business relationships

Measures implemented

Long-term relationships

The Purchasing Department naturally gravitates toward genuine partnerships, fostered by recurrent collections and stable production cycles. Most of the Company’s suppliers have built and continue to build strong relationships with Elis, some of them going back more than 20 years. These relationships are essential to the Group’s long-term success and the satisfaction of its customers.

In 2021 in the Textile segment (flat linen and workwear), business relationships continued with third parties that were already bound by master agreements. Thus supplier portfolio was preserved, creating continuity. The strategy has remained similar with the hygiene and well-being segment. However, market developments and the enactment of the French Anti-Waste Law for a Circular Economy required the Group to seek three new suppliers to meet new customer demands.

A philosophy of partnership

The Group approaches its relationships with its suppliers – some of which it has been working with for over 20 years – as a partnership. When the Group and its suppliers work as partners, suppliers have the potential to help devise new solutions to respond to today’s sustainability topics or support the Group in its CSR strategy. This can be seen, for example, with the development of new cleaning technologies that reduce water and energy consumption during the washing processes, or with the establishment and development of recycling procedures for its end-of-life products.

Master agreements, Code of Conduct and listing tool

Elis supplier requirements are formalized in the Supplier Code of Conduct, also known as the Sustainable and Ethical Purchasing Charter. This document is based on the UNGC, ILO fundamental conventions, UKBA (UK) or Sapin II law (France) and covers human rights, labor, the environment and anti-corruption regulations. This Supplier Code of Conduct applies to all suppliers (direct, indirect or industrial), whether new or existing.

When a master agreement is signed or renewed, every supplier is also asked to sign the Supplier Code of Conduct. To date, for direct purchases and the Group’s Top 100 suppliers, 77% of third parties have signed the Code of Conduct.

In 2020, Elis deployed a software tool called the “Supplier Onboarding Claim system.” Documents such as proof of the Oeko-Tex certification, a signed Supplier Code of Conduct, REACH commitments and more will eventually be available to monitor in this tool. The system will first be implemented for direct preferred suppliers and will notify them when documents are about to expire.

This Code is also integrated into the Purchasing Department's ISO 9001 documentation system, which accompanies its rollout among all tier-1 suppliers (i.e., suppliers with which a direct business relationship is established) and tier-2 suppliers (when Elis assigns the textile manufacturer to the clothing manufacturer – this applies to over 90% of cases for workwear for the Group's catalog suppliers).

The Group's suppliers are assessed regularly on the implementation of the Code of Conduct through a targeted questionnaire to make sure they follow a joint strategy of continuous improvement on social, ethical and environmental practices.

Employee training

Four times per year, the purchasing team, joined by the local buyers, runs a seminar that includes a part on sharing new practices in the interest of managing the supply chain and, in particular, knowing suppliers. A methodology for sourcing new third parties that incorporated CSR aspects has been presented. This methodology does not supersede the mandated audits but it allows for an initial approval stage that confirms the continuation of the sourcing process.

In addition, during their first year on the job, the Purchasing Department managers complete an anti-corruption training organized by the Group's Compliance Department.

Implementing an integrated sustainable purchasing approach

Measures implemented

Risk and supplier assessments

Due to their specific features, suppliers of direct purchases are subject to their own assessments. The risk assessment is based on factors such as geographic area, risk level (human rights, corruption, etc.), volumes or topics associated with the products in question, and the supplier's CSR maturity. Geographic areas are classified as low, medium or high risk. The completed matrix dictates the conduct of an external on-site audit. The maturity of suppliers operating in medium- or high-risk areas is assessed beforehand based on a questionnaire that provides detailed information on their position with regard to international standards such as ISO 26000, SA 8000 or ISO 14001 certifications.

External audits may be commissioned by Elis or on behalf of other third parties if the standards meet the Group's criteria. Sedex/SMETA or BSCI audits are accepted. The Group's goal is to conduct CSR assessments within the previous three years for 95% of suppliers of direct purchases.

To leverage the controls and ensure maximum coverage, suppliers are assessed first and foremost against the volume and criticality of the goods or services provided to Elis, following three-year cycles.

The process of CSR analysis of the Group's suppliers is based on the previous year's expenses. The schedule is determined according to the cycle but also on expenses with certain third parties. If expenses with a supplier become significant and that supplier is located in a country classified as at high risk, this supplier will be prioritized for an audit.

These CSR audits align with the Supplier Code of Conduct and cover factors such as production site hygiene and safety, waste management, analysis of the workforce to confirm that there are no child laborers or forced labor, management of salaries and employee benefits, and environmental impact. In addition to this formal questionnaire, there are more specific aspects related to quality management and the enforcement of the Elis Group's Supplier Code of Conduct.

As part of its efforts to continuously improve, Elis subsequently ensures the implementation of action plans arising from these audits. A more precise monitoring procedure may be applied if the Elis Group's stringent standards are not met. When this occurs, corrective actions are established, a compliance plan with fixed deadlines is administered, and a new audit is planned to confirm compliance. The Group engages in regular dialog with suppliers about noncompliance and helps them devise corrective plans. The number of cases where audits have uncovered major noncompliance is very low, no doubt thanks to the lasting, cooperative relationships the Group maintains with its suppliers.

Any new supplier of items for any Elis service or product must have a satisfactory CSR assessment in order to be listed. The Elis Supplier CSR management policy and the Elis Supplier Management Process policy describe this selection procedure.

In 2021, Elis mandated 19 CSR audits, and nine audits were conducted on the initiative of third parties managed by an accredited organization. In addition, 11 direct suppliers earned SA 8000 or ISO 26000 certification.

More than 90% of the catalog workwear supplied by Elis is made with fabric that is known and approved by the Group, allowing the Group to completely manage the value chain from the textile manufacturer (tier 2 supplier) to the clothing manufacturer (tier 1 supplier).

Certified products

By engaging with suppliers able to offer certified products, the Group ensure a higher level of concerns of social and environmental aspects within its supply chain. This is discussed in greater detail in section 3.3 "Planet and products."

Outlook

As of 2020, all suppliers that are assessed through a CSR audit are monitored to ensure that the action plans that were created are implemented. In 2022, as part of its ongoing efforts to better assess its supply chain, the Group will add new questions about rising topics.

The markets where Elis operates are changing all the time. To keep up, Elis plans to further educate its teams on subjects such as certifications (topics, tools, etc.) in order to remain responsive and stay a step ahead of its markets and customer demands.

3.5.4 Contributing to our local communities and supporting the causes that we value

Context

The Elis Group is present in 28 countries and has more than 425 sites. The Group's operations are intrinsically designed to be as close as possible to its customers (generally within 30 to 100km) and to offer a dense service network. This unique positioning allows the Group to be strongly rooted in its regions and to contribute to them both directly (through employment, local partnerships, donations, taxation, etc.) and indirectly (through its contribution to the local economic fabric or its purchasing).

Governance

Governance with regard to human resources is detailed in section 3.4 "Our people".

Thus, the Group has set itself the target of:

Tripling the impact of the Elis Foundation by 2025

In 2021, the Group continued its engagement with its communities and welcomed the third cohort to its Foundation.

Supporting social mobility through our foundation

Measures implemented

The Elis Foundation

The Elis Foundation, launched in 2019, is fundamentally rooted in the Elis philosophy and culture of supporting the development of its employees and helping to make them the leaders of tomorrow by entrusting them with significant responsibility. It aims to identify and support young, motivated, and outstanding people qualified to baccalauréat level to go on and achieve their academic dreams. As such, the Group offers them a scholarship and the support of an Elis employee as a sponsor during their studies.

Each sponsor acts as a mentor and provides regularly advice and support. This support is allocated for one year and may be renewed depending on school results, problems encountered or situation changes.

In 2021, the Foundation was able to bring together sponsors and mentees from these three years at the Group's headquarters in Saint-Cloud for a back-to-school cocktail party. This friendly gathering allowed everyone to meet up again after a year marked by the health crisis. The cocktail party also served as an opportunity for the Group to reiterate its commitment to supporting young people with exemplary academic records seeking to undertake long-term, complex or competitive studies.

This young Foundation, which is currently only running in France, welcomed its third class in September 2021.

Outlook

With three years of experience, the Elis Foundation continues to grow in France. In addition, it is exploring opportunities to expand its impact in the coming years.

Strengthening our impact and local anchorage

Measures implemented

Our local economic footprint

Due to its economic model, its activities and its positioning, the Group's business operations cannot be relocated and contribute to the economic development of the regions both directly (through employment, taxation, local partnerships, etc.) and indirectly

With regard to the Group's engagement with its communities, it favors a local approach, enabling sites and countries to respond as best as possible to the challenges faced in their areas and to support the causes they hold dear.

In addition, in 2019, the Group launched a Foundation in France, chaired by the Chairman of the Management Board.

Policy: objectives and performance

Aware of its strong local presence in its regions, the Group intends to support the transformation of its communities and support their development.

Moreover, the Elis Foundation, faithful to the Group's corporate culture, seeks to help young people with their education.

(through its contribution to the local economic fabric or its purchasing). A study carried out in 2016 thus assessed, for the workwear business line, that more than four times the number of direct and indirect jobs were generated, of which more than 30% are in Europe.

This locally economic contribution approach is reflected, in particular, in the Group's commitment to support the maintenance of expertise and know-how locally, as evidenced by the subsidiary Le Jacquard Français, located in Gérardmer in France. In addition, the Group has a workwear manufacturing plant in Europe (700,000 garments per year).

Le Jacquard Français certified as a living heritage company

The Entreprise du Patrimoine Vivant (living heritage company) label is a mark of recognition issued by the French government to honor businesses with excellent craft and industrial know-how. Awarded for a period of five years, this label brings together manufacturers committed to high performance in their trade and their products. Created by the country's Small Business Act of August 2, 2005 (Article 23), the label Entreprise du Patrimoine Vivant may be awarded to any company that has an economic heritage, in particular one consisting of rare, renowned or ancient know-how based on the mastery of traditional or highly technical methods and limited to a certain geographic area. The label came into being in May 2006. Le Jacquard Français has held this label, awarded by the Minister of the Economy and Finance, since 2010.

Commitment to local communities

Decisions and actions relating to the Group's commitment to its communities are made and implemented at the local level so that the Group can remain as close as possible to the needs and challenges faced by the regions in which it is located. This philosophy is reflected in particular in its support for its communities during difficult times. From donating linen to helping underserved populations, some examples of our actions in 2021 are detailed below:

- in France, to mark Breast Cancer Awareness Month in October, Le Jacquard Français donated a share of its in-store and online sales of pink products. In addition, following a charitable initiative run at the Group's headquarters, more than 1,000 meals were donated to Restaurants du Cœur, a charity that provides food to those in need;

- › in Spain, one site donated 50 complete sets of sheets, throws and bath and hand towels that will form part of the welcome kits given to refugees, migrants and people at risk of social exclusion;
- › in the Netherlands, 6,000 soap dispensers and 60,000 individual bottles of hand sanitizer were distributed to food banks as support for tackling the health crisis;
- › in Sweden, teams are formed each year to organize Christmas gifts for children with cancer. This is in addition to regular donations of throws, clothing and towels to organizations that support homeless people and refugees;
- › in Colombia, the Group gave more than 40 kg of clothing to an organization that supports families, young people and the elderly who are living in precarious situations. Other donations have also been made to firefighters, the police and hospitals. For example, more than 125 kg of clothing was donated to Mario Correa Rengifo Hospital to support it in the face of the health crisis;
- › In Denmark, the Group offers its linen and laundry services to certain associations or certain events, such as the Red Cross summer camps. In addition, the Cleanroom business donates between 2,500 and 3,000 textile pieces every month to *Global Medical Aid*, which are then used in countries where there are lacking (for example, Burundi, Nepal, Sri Lanka, Kenya and Afghanistan).

Local sourcing

For direct purchases, and more specifically in the hygiene and well-being areas, local European sourcing is preferred, in particular in segments such as mats, dispensers and paper. In 2021, nearly 100% of direct hygiene and well-being suppliers were based in Europe. In the same year, Le Jacquard Français also repatriated the manufacture of its aprons to France, to an ESAT that it supports.

In terms of its direct purchases, Elis sources almost 40% of its purchases of workwear products from local European suppliers.

Nearly 40% of direct workwear suppliers are based in Europe

Almost 100% direct hygiene and well-being suppliers are based in Europe

3.5.5 Continuing to integrate ethics into our business practices

Context

The Group's ethical and responsible conduct is key to its success, and longevity, and Elis is committed to building trust with its internal and external stakeholders. The principles of respect, integrity, responsibility and exemplarity constitute the foundation of the Group's commitments, as reflected in its Code of Ethics. As such, the Group wishes to actively take part in the current movement of increasing expectations of the society, the regulator and the various stakeholders towards the economic operators, in the areas of ethics, transparency and the fight against corruption.

With a presence in 28 countries and international sales accounting for 68% of its consolidated sales revenue, Elis is subject to an increasing number of ethical regulations, including those relating to the fight against corruption, bribery, money laundering, modern slavery and human rights abuses. A description of the binding regulations to which the Group is subject is given in section 4.1.4, "Legal, regulatory and tax risks" of this universal registration document.

This multiplicity of issues and the need to take into account local requirements and expectations are integrated into the strategic direction of the Group, which is working to implement a compliance program that is adapted to each country, where appropriate, and that seeks to identify, prevent and mitigate the risks of corruption and bribery, based on core international legislation and applicable national legislation.

Elis has also made voluntary commitments in the area of ethics, and is, for example, a member of the United Nations Global Compact, the tenth principle of which is to fight against corruption.

Governance and senior management's commitment

The Group's directors embody the Group's culture of integrity, and have, in particular, a "zero-tolerance" stance regarding all forms of corruption. This message is relayed to all Group management levels, in particular through the Code of Ethics, which has a preface written by the Chairman of the Management Board.

The general direction and implementation of the anti-corruption and anti-bribery compliance program is reviewed and assessed by

the Executive Committee. The Executive Committee has thus been directly involved in preparing and validating corruption and bribery risks mapping and identifying certain essential components of the compliance program, and can be asked to make certain operational decisions.

The implementation of the program is the responsibility of the Group's Legal Services Department. During the 2021 financial year, Elis chose to strengthen the resources mobilized for this matter and recruited a Group Compliance Manager, who reports directly to the Legal Director and Compliance Officer, in order to continue developing and improving the measures of detection and prevention of corruption, to supervise their measures across all the Group's businesses and employees, and to ensure appropriate reporting to the Company's management committees and, as shown below, Audit Committee.

As part of its mission, the Group's compliance division relies on a network of designated anti-corruption officers in each country where the Group is active. These officers are employees of the Group who hold an official position in the company hierarchy, and are either specifically dedicated to this matter (as is the case in some countries) or have other roles elsewhere within the Group. Regardless of their rank, officers have the powers and independence necessary to exercise their duties. Within this context, the Group compliance division ensures that anti-corruption officers are involved in updating the corruption risk map, oversee subjects that require the program to be adapted for the requirements of local regulations, conduct ethical incident investigations and assist local leaders in promoting ethical principles.

Finally, the Audit Committee, which derives its authority from the Supervisory Board, monitors the system for preventing and detecting corruption and bribery risks, ensures the effectiveness of the internal audit and control systems and tracks progress made with regard to action plans.

Fiscal matters are duly covered and managed by a Group tax division within the Finance Department. The Group uses external consultants for significant transactions and whenever the necessary expertise is not available in-house. The Group tax division interacts regularly with the administrative and financial Directors of each country to ensure the proper implementation of the Group's fiscal strategy.

Policy: objectives and performance

In order to comply with the obligations of French Law 2016-1691 of December 9, 2016 on transparency, the fight against corruption and the modernization of the economy (the "Sapin II" law) and as part of its risk management strategy, the Group has undertaken to set up a program to prevent and combat the risks of corruption and influence peddling, covering France and all the countries in which the Group operates.

For instance, for the former Berendsen Group, the program integrates the pre-existing compliance measures implemented pursuant specifically to the British anti-corruption regulations.

Elis is careful to ensure that its compliance programs are in line with legal requirements, and that they are regularly updated and adapted to reflect the reality of the Group's exposure to the risks of corruption and bribery.

The Group is committed to developing a culture of anti-corruption, the principles for which are formalized in the Code of Ethics, which provides a complete framework for what the Group expects from all its employees, leaders and partners:

- › the Group and all of its employees undertake to comply with applicable competition regulations;
- › Elis employees may only offer or receive gifts or entertainment authorized under the Gifts, Entertainment, Donations and Sponsorship Procedure;
- › facilitation payments, and the use of Group funds or assets for the benefit of a political party or a person in or running for elected office, are prohibited;

- › employees must prevent or avoid all conflict of interest situations, and must act according to the principles of immediate disclosure and withdrawal, where applicable;
- › interest representation is subject to strict regulation;
- › Elis strives to respect and to have its suppliers respect the various applicable laws and regulations and the values set out in the Code of Ethics.

The policies and procedures that make up the Group's compliance program complement the Code of Ethics in order to provide employees with practical tools to support them in the running of their operations and projects.

Within the meaning of the Group's general risk map, corruption risks were not identified as being amongst the most significant risks, on the one hand, as a result of the steps taken to combat the risks of corruption and bribery within the Group, in particular within Group countries considered to be sensitive, and on the other hand, given the limited share of activities and locations that may be considered sensitive from this point of view at Group level. During the 2021 financial year, the share of the Group's revenue generated by countries at high risk of corruption (those with a score below 50/100) according to Transparency International's Corruption Perceptions Index was less than 8%.

In the area of taxation, the Group also endeavors to comply with local laws and this is part of a transparent approach with regard to the tax authorities.

Key performance indicator	2019	2020	2021
Number of incidents reported by a whistleblower	175	173	187
Percentage of incidents that are relevant	57%	57%	52%
Ensuring Group compliance with Sapin II and other local laws			
Out of the number of relevant incidents, percentage of proven incidents	59%	52%	55%
Percentage of proven incidents that have been subject to disciplinary action or a disciplinary reminder of any kind	88%	96%	93%

In 2021, of the 187 incidents reported, 52% were deemed relevant, and 55% of those were deemed proven. 93% of the proven incidents were the subject of disciplinary action of various kinds.

Fighting corruption, money laundering and anti-competitive practices

Measures implemented

During the 2021 financial year, the Group, taking the eight pillars required by the Sapin II provisions as a basis, continued to roll out measures that constitute its internal program for the prevention and detection of corruption and bribery risks, seeking to prioritize regions where appropriate.

Risk mapping and assessment

Corruption and bribery risks are assessed using a dedicated mapping tool that has been used since 2017. The purpose of this mapping is to identify, assess and prioritize the risks of corruption and bribery for each business line and in each of the countries in which the Group operates, with the aim of accurately reflecting the risks to which the Group is specifically exposed. This methodology is applied uniformly within the Group in order to enable changes in the results of the risk assessment to be monitored and priority actions to be defined. It constitutes the basis of Elis's internal anti-corruption program, with measures adapted and proportionate to the results of the risk assessment.

At the end of 2021 financial year, 8% of scenarios were considered particularly at risk, that is, representing a gross risk whose criticality

(measured in terms of the risk of it occurring and its potential impact) falls in the top quartile on the measurement scale.

The map has been developed and is regularly updated with the assistance of the executive roles, thus contributing to its continuous improvement.

Code of Ethics

The Group's ethical principles are set out in the Group Code of Ethics, which was distributed to all employees for the first time in 2012 and revised in 2018 to comprehensively incorporate the fight against corruption and bribery.

This Code reaffirms the Group's obligation to respect local laws and sets the rules of conduct to be adopted by all stakeholders, namely its employees, its customers and consumers, its trading partners and its competitors, the environment and civil society. It provides concrete examples so that employees can take appropriate action if unsure.

This Code is intended to form the foundation on which all internal standards and charters adopted by the Group are based, including the Supplier Code of Conduct, the Code of Conduct for Trading and Market Activities, and resources developed by the Group to combat the risk of corruption. These documents are available to the public on the Group's website (www.elis.com) under the heading "Our CSR policy".

The Code of Ethics has been formally agreed upon by all of the Group's senior managers and the heads of each Group's countries. The Company's main suppliers are informed about the Group's anti-corruption strategy and agree to comply with it. This includes them agreeing to the Supplier Code of Conduct as outlined in the "Risk management in relationships with third parties" section below. Proven violations of the Code of Ethics are sanctioned according to the principle of proportionality, and this code is integrated into the disciplinary system wherever the applicable national legislation permits.

Whenever necessary, the Group Code of Ethics is adapted to local requirements. It is intended to be communicated in all Group countries and has been translated into all local languages.

All Group employees, regardless of rank, whom they report to, or geographical region of activity, must be both promoters and guardians of this Code of Ethics.

Gift procedures

The Gifts, Entertainment, Donations and Sponsorship Procedure was put in place in 2018. In particular, it lays down the principles that strictly regulate the offering or acceptance of benefits of any kind and sets limits on their value. In the circumstances defined by the procedure, gifts and invitations given and received must be declared to managers, who ensure that these declarations are filed and adequately archived. Special attention is paid to relations with public officials and prior approval from the Compliance Officer may be required.

Risk management in relationships with third parties

The Sustainable and Ethical Purchasing Charter, more often called the Supplier Code of Conduct, contains the standards that the Group applies to its suppliers and subcontractors regarding fair practices, human rights, health and safety, and environmental protection.

In particular, Elis endeavors to control the risks of corruption and bribery related to third parties:

- › Elis prohibits its suppliers from subcontracting all or part of the contractual services awarded to them without its written consent. The Supplier Code of Conduct is automatically included as an appendix to the Group's framework agreements, and contracts with strategic suppliers considered to be high risk are subject to regular audits, including on compliance and anti-corruption aspects (see section 3.5.3 "Working responsibly with third parties");
- › Elis incorporates ethical clauses whenever possible into its general terms and conditions of sale and its framework agreements with its customers;
- › the Group is particularly attentive when it comes to merger and acquisition deals, and follows due diligence procedures on specific ethical and compliance matters whenever necessary.

With the objective of strengthening its third-party review system, and in the interest of continuous improvement, Elis is continuing with its approach of classifying third parties according to their risk level and of assessing those most at risk, and has incorporated compliance with international economic sanctions.

Training

The widespread diffusion of the Code of Ethics within the Group ensures that employees are informed of the existence and content of Elis's anti-corruption policy.

Employees identified as exposed to corruption and bribery risks based on the results of the above-mentioned mapping receive training in the internal compliance framework, with priority given to the most sensitive regions and roles. These employees are primarily senior executives, head office and operational center managers, and members of the commercial and purchasing functions.

Training is provided by officers within the countries, which allows the requirements of local compliance programs and applicable national legislation to be taken into account. For this reason, some

geographical areas are particularly prioritized, such as Brazil, France and the United Kingdom, where comprehensive training is carried out face-to-face and/or online, with such training being mandatory for certain categories of employees considered to be the most exposed to corruption risks.

Alert procedure

In 2018, the Group established an outsourced alert system, which allows any violation of the provisions set out in the Elis Code of Ethics to be reported. The alert procedure allows all employees, customers and suppliers to send a message (and/or a voice message) via a dedicated website, accessible 24 hours a day, 7 days a week, in all local 18 different local languages. This system allows anonymity and ensures confidentiality at all stages of the process. The existence of this alert system is actively communicated to all internal and external stakeholders, in particular through the Code of Ethics and the Supplier Code of Conduct.

The Group undertakes to protect whistleblowers from any negative consequences, provided that alerts are submitted in good faith and are based on verifiable information.

All admissible alerts are investigated in accordance with the principles laid down in the procedure for handling alerts, may give rise to sanctions, and are reported to the Audit Committee twice a year.

In the 2021 financial year, of the 187 incidents reported, 52% were deemed relevant, and 55% of those were deemed proven. 93% of the proven incidents were the subject of disciplinary action of various kinds.

Internal and accounting controls

The internal control and risk management procedures relating to the preparation and processing of accounting and financial information are an integral part of the Group's corruption prevention system.

The Group compliance division ensures that the various measures of the anti-corruption scheme are implemented, providing support to local officers and monitoring the implementation of the action plans.

During the 2021 financial year, a structuring and formalization initiative was introduced jointly with the Internal Audit Department, with the objective of integrating specific controls related to ethics, anti-corruption and the alert system into the risk management system.

Committing to responsible taxation

Measures implemented

The Group is committed to complying with and strictly abiding by local laws and paying the taxes it owes in the countries in which it does business.

The Group's tax principles are set out below:

- › taxes are paid in accordance with all rules and regulations applicable in the countries in which the Group operates. The Group undertakes to abide by both the spirit and the letter of the law. The Group pays corporate income tax, withholding tax, customs duties and other taxes to which it is subject in the countries in which it operates, in accordance with national and international rules (i.e. OECD guidelines, local tax laws, international tax treaties, EU directives, etc.);
- › the Group encourages open, respectful and constructive relationships with the tax authorities in each jurisdiction in which it operates. It provides factual and relevant information in accordance with OECD recommendations (Country-by-Country Reporting);
- › the Group is transparent about its tax strategy. Declarations are made in accordance with applicable national legislation and reporting requirements.

The Group prohibits any tax evasion or artificial tax arrangements that could compromise the Group’s reputation and values. Moreover, the Group does not use tax structures for the purposes of tax evasion and does not invest in tax structures located in tax havens for the purposes of not paying its taxes.

In principle, the Group operates through legal entities established in each of the relevant countries.

The Company’s decision to invest in a particular country is driven primarily by commercial objectives and investment strategies, as well as the Company’s commitment to develop the best solutions and offer its customers the best service.

Transactions between Group subsidiaries are carried out solely for commercial reasons. They are conducted according to the arm’s length principle in accordance with international standards (OECD guidelines) and local transfer pricing rules to ensure they are fairly taxed (i.e. the taxation of profits where value is created).

As a matter of principle, the Group also avoids acquisitions in places that are considered tax havens or non-cooperative countries and territories (“NCCT”) under French law or by the OECD.

Geographic areas	2019		2020		2021	
	EBIT (as a %)	Tax paid (as a %) ^(a)	EBIT (as a %)	Tax paid (as a %) ^(a)	EBIT (as a %)	Tax paid (as a %) ^(a)
Latin America	8.3%	17.6%	12.3%	20.3%	9.2%	15.9%
UK & Ireland	3.3%	1.1% ^(b)	-3.9%	3.8% ^(b)	2.5%	5.8% ^(b)
Southern Europe	4.6%	3.7%	-6.6%	2.8%	2.0%	-0.3%
Scandinavia & Eastern Europe	23.3%	24.8% ^(b)	29.5%	38.9% ^(b)	22.8%	30.3% ^(b)
France	45.7%	26.5% ^(b)	44.6%	12.4% ^(b)	46.4%	29.1% ^(b)
Central Europe	17.4%	26.3%	26.1%	21.9%	20.5%	19.1%
Other ^(c)	-2.5%	N/A	-2.0%	N/A	-3.3%	N/A

(a) Tax paid, excluding tax not based on net income (company value-added contribution (CVAE) in France and the regional tax on productive activities (IRAP) in Italy, for example).

(b) The tax paid per country includes the tax charge corresponding to the holding companies or manufacturing entities existing in the country, if applicable.

(c) Other = holding companies and manufacturing entities

3.5.6 Keeping the IT system secure for us and our employees

Context

As operations become more digitalized and people use digital technology more, Elis’s environment is changing, and this creates new challenges. In response, the Group has devised policies focused on bolstering its cybersecurity and protecting personal data and privacy.

The challenges relate particularly to:

- › operating loss following a cyberattack targeting IT systems that could affect Elis’s business; and
- › the protection of the personal data Elis processes. This is mainly the data of its employees and job applicants and data collected from customers, suppliers and stakeholders.

Governance

The strategic direction for cybersecurity is set by the Information Systems Department. Within the IT Department, the IT Security Department is responsible for shaping and implementing the security policy.

Elis is strengthening its cybersecurity structure by building a multicountry, global team and forming outside partnerships to monitor cyberattacks 24 hours a day, 7 days a week, 365 days a year. This structure covers governance, risks, compliance, the incorporation of security into projects and keeping assets secure.

The cybersecurity management approach is based on a risk analysis. These risks are identified in conjunction with all the organization’s departments, business lines and IT. Elis maps IT risks and ensures that measures to protect the assets are established, adjusted to the risks, and then implemented.

When it comes to data protection, each country has a structure for following the relevant rules. The Data Protection Officer for France

(DPO) serves as a coordinator who makes sure that compliance is standardized. A central steering committee meets regularly. The mechanism set up by the Group has been reviewed by the Audit Committee.

Policy: objectives and performance

The security policy addresses the major issues of IT security, particularly data protection, and outlines for each of them the overarching principles that must be applied. It conveys clear objectives, best practices and levels of control that are suited to the risks incurred — most notably, cyberattack risks.

The Group’s policy on the management of personal data is posted on the Group’s various websites and shared with its employees and customers. In this policy the Group lays out its commitments regarding data collection, processing, use and storage, as well as the procedures that individuals can follow to exercise their rights.

The cybersecurity policy is based on ISO 27001 and international guidelines such as the National Institute of Standards and Technologies (NIST) and the Center for Internet Security (CIS). It includes directives, standards, procedures and companion guides that are enforced in and adapted to all the countries where the Group operates.

When it comes to cybersecurity, the Group focuses especially on:

- › ensuring business continuity: the IT system must be prepared to restore interrupted services in the event of an attack;
- › protecting user and customer data;
- › making sure that the IT system complies with the security policy and regulations;
- › providing advice and support to Elis’s business line departments so they can design new services securely.

Priority is placed on:

- › protecting the sites against operating losses (service interruption as a result of a cyberattack) by managing the storage systems and processes (both connected to and isolated from the network), isolating the networks to limit the impact of an attack and being able to respond to security incidents 24/7/365 in all the countries where Elis operates;
- › protecting the financial transaction management systems;
- › complying with current regulations on personal data.

This policy is reviewed regularly based on threat evolution, incidents, compliance level, the organization's business, and regulatory requirements.

The Group applies the cybersecurity policy and standardized tools in all the countries where it does business.

Education and training

Measures implemented

Internal IT Charter

When the General Data Protection Regulation (GDPR) entered into force, the Group revisited and applied the Charter on Acceptable Use of Electronic Communication Technologies. This Charter outlines security measures and procedures for protecting personal data.

Employee education and training

Education initiatives focused on the principles of data protection are revamped regularly. In 2021, emphasis was placed on storage periods and email inbox management as well as continuing the education for IT Department staff.

The Group issues frequent reminders to employees about cybersecurity issues. There is a process to educate employees about IT system security, reminding users about cybersecurity good practices. Phishing tests are also run regularly, and video training on security best practices are provided for all the countries where Elis operates.

Outlook

To sustain its improvement of cybersecurity, Elis continues to expand its cybersecurity education and training plan with new e-learning tools and new content tailored to the various business lines.

Keeping our IT systems secure

Measures implemented

Prevention

Elis applies an IT system security risk management process and identifies, describes and addresses these risks; the nature and level of the risk dictates the priority of the security measures that are implemented to protect assets. The IT risk map is reviewed regularly and updated in response to feedback and the manifestation of new risks.

To guarantee compliance with current regulations on the management of personal data, this stage is anticipated during the design phase ("privacy by design") of every new project or request for change. This includes risk identification and evolution and the determination of organizational and technical security measures.

Elis enforces a series of principles governing access to IT systems. Access to IT systems is limited to authorized users and systems. In addition, the Group isolates third-party data (e.g. customers, suppliers, partners). Additional mechanisms such as encryption may also be used.

Mechanisms to assess, process and monitor the vulnerabilities of products are implemented for the Group.

Elis is strengthening and standardizing the security of its infrastructure in order to reduce the risk of spread of cyberattacks and guarantee the IT system's availability and integrity, as well as the privacy of its services and data.

Detection

There are established mechanisms and a structure monitoring events that could cause a security incident. Should an incident occur, remediation actions are immediately set in motion. These special tools have been rolled out to all countries and monitor attacks and attempted attacks in real time. Annual security audits are also conducted on critical assets. The audit reports and compliance monitoring tools serve as the basis for a formalized remediation and monitoring plan until the detected breaches are resolved. Elis carries out penetration tests on its applications and on any high-risk system.

Elis's Security Operation Center (SOC) conducts 24/7/365 monitoring of malicious events that occur on the IT systems (e.g. networks, collaborative systems) and deploys the appropriate responses depending on the criticality of the incident.

Response to security incidents

The incident response team is equipped to respond remotely or on-site at any time in all the countries where Elis operates. Elis has identified sources of risks and devised a suitable response plan and targeted procedures to respond to them quickly and effectively. Security incident management is being continuously improved. Elis delivers frequent training to the relevant teams about new attacks and ways to respond to them.

Outlook

As cyberthreats evolve, the Group needs to update its strategic plan and cybersecurity roadmap. This plan and roadmap include new programs and initiatives that aim to improve mechanisms to protect systems and prevent, detect and react to incidents and crises, and to incorporate new technologies to advance cybersecurity, such as artificial intelligence. Elis will continue to ensure that the plan to secure the IT system is closely connected to the modernization plan for its infrastructure and applications, and will guarantee high security in the transition to the Cloud.

Respect and security of personal data

Measures implemented

Respect and security of personal data

The current processes meant to keep personal data secure are discussed above in the paragraph "Keeping our IT systems secure." In addition, Group employees are educated about the concepts of "privacy by design" and "privacy by default" so these elements are included from the upstream phases of any project that involves the processing of personal data.

Elis has begun to overhaul the structure of its policy on the international flow of personal data. Elis is supplementing current measures with additional guarantees that take into account the latest relevant requirements.

Notifying data subjects

As soon as it is anticipated that personal data will be collected, the data subjects are notified about the purpose of the processing and the legal grounds for the data collection. Clear, accessible mechanisms inform data subjects and give them an opportunity to question the protection of personal data. If the data subjects' privacy must be infringed, the Group implements the procedure established in accordance with the regulations in force.

Monitoring incidents and requests for access rights

A security-incident response procedure applies across the countries where the Group operates. A log of personal data breaches and another log of security incidents are kept; they

include the incident reports and areas for improvement that have been pinpointed.

The exercise of rights of access to personal data during the year apply mainly to human resources subjects and are processed.

Outlook

Elis will continue to implement the necessary measures to protect personal data and will keep an eye on changes to regulations in the countries where it operates.

3.6 APPENDICES

3.6.1 Disclosure of non-financial performance

Presentation of the business model

The Group's business model is set out in chapter 1, section 1.2 of this universal registration document.

Risk analysis methodology and presentation of the major risks

The CSR Department, in conjunction with the Human Resources, Legal Services, Quality, Safety and Environment, and Purchasing departments, carried out an in-depth review of the Group's CSR-related stakes in 2021 to map its risks and opportunities.

This analysis, intended to assess the stakes for both the company and its stakeholders, took into account short-, medium- and long-term issues in the following areas:

- › the environment
- › social aspects
- › societal aspects
- › respect for human rights and business ethics;
- › customers and product and service users;
- › purchases;
- › governance.

Each area was individually analyzed and assessed in terms of its impacts (financial, strategic, reputational, environmental, on health and safety, and on the local population) and their likelihood of occurring.

This review of the stakes was based on interviews with key company personnel who are in direct contact with stakeholders, interviews with certain external stakeholders (investors in particular), an in-depth review of documentary evidence (ESG questionnaires, customer questionnaires, etc.) and the Group risk matrix established in 2020. This matrix was also presented to the Executive Committee, the CSR Committee and the Supervisory Board.

These stakes form the foundations of the Group's CSR strategy thanks to the prioritization of the non-financial risks in the short, medium and long term. The risks with the greatest impact are thus included in the Group Risk Assessment presented in chapter 4 of this universal registration document. A table for cross-referencing with the disclosure of non-financial performance is presented below.

Other risks could also exist that the Group is currently unaware of or that are considered non-material as at the date of this universal registration document. If those risks were to materialize, they could have a material adverse impact on the Group and its business, financial position, results, ability to achieve its objectives or reputation.

Cross-referencing the disclosure of non-financial performance risks and the sections of chapter 3

Elis presents its CSR strategy both to comply with regulatory requirements (such as the disclosure of non-financial performance or taxonomy, for example) and to meet the expectations of its stakeholders. Thus, policies, objectives, performance indicators and actions are presented to illustrate the Group's commitment on these matters.

As such, the table below presents the links between the main non-financial risks and the stakes faced by the Group. All policies implemented, performance indicators and outcomes in relation to preventing, identifying and mitigating these risks are presented in the referenced sections.

The significant associated risks have been included in the Group's risk assessment, presented in chapter 4.

Major risks	Detailed description of the risk	Associated stakes	Key performance indicator and outcomes	Section
Risk of strengthening stakeholder expectations in terms of climate change mitigation and of business disruption entailed by climate change	<p>Main risk As a result of its activities, the Group is subject to climate change-related risks.</p> <p>On one hand, with regard to transition issues in order to limit its emissions and adapt to the growing expectation of its stakeholders and, on the other hand, with regard to adaptation issues.</p> <p>Secondary risks 1) risks related to energy consumption in operations, variability in direct and indirect costs due to carbon taxes, for example, or changes in regulations (vehicles);</p> <p>2) risks related to changes in stakeholder expectations regarding products and services (materials used, recycling of products at the end-of-life, etc.). In addition, the Group's products are positioned as sustainable alternatives, usually consuming fewer resources and emitting less CO₂, due to the Group's implementation of circular economy principles;</p> <p>3) risks related to business disruption due to the occurrence of natural events. Given the effects of climate change, it is possible that some extreme events will become more frequent (e.g., storms, floods) or that local climate conditions will be affected over the longer term (rising temperatures, more frequent droughts, fall in local water resources, etc.). In particular, the Group's business could be affected by the availability of water resources.</p>	<p>Transversally:</p> <ul style="list-style-type: none"> › Fighting and adapting to climate change <p>1) Transition of direct operations</p> <ul style="list-style-type: none"> › Minimizing our energy consumption <p>2) Transition of products and services</p> <ul style="list-style-type: none"> › Eco-designing our products and services › Being a player in the circular economy › Reducing and managing our waste <p>3) Adaptation</p> <ul style="list-style-type: none"> › Optimizing our use of resources and minimizing our impact on ecosystems 	<p>Transversally:</p> <ul style="list-style-type: none"> › Direct CO₂eq. emissions (Scope 1) › Indirect CO₂eq. emissions (Scope 2) – location based › Indirect CO₂ eq. emissions (Scope 2) – market-based › Other direct CO₂eq. emissions (Scope 3) <p>1) Transition of direct operations</p> <ul style="list-style-type: none"> › CO₂ emissions per ton of linen delivered › % reduction in CO₂ emissions intensity since 2010 › Ratio of thermal energy consumption of European plants per kg of linen delivered; › % reduction in thermal energy per kg of linen delivered since 2010 (European laundries) › Number of alternative vehicles <p>2) Transition of products and services</p> <ul style="list-style-type: none"> › Share of product families with at least one collection composed of sustainable materials › Share of end-of-life textiles reused or recycled <p>3) Adaptation</p> <ul style="list-style-type: none"> › Water consumption of European laundries per kg of linen delivered › % reduction in water consumption per kg of linen delivered between 2018 and 2030 (European laundries) 	3.3
Risk related to business disruption due to pressure on water resources	<p>Water is a strategic global resource and a real sustainability challenge for communities, companies, and in particular for Elis.</p> <p>For Elis, the management of water resources presents a twofold challenge:</p> <ul style="list-style-type: none"> › minimizing water consumption; › managing the impact of its discharges. <p>Water supply is crucial to operating an industrial laundry, in large part due to the activity of washing laundry.</p>	<ul style="list-style-type: none"> › Optimizing our use of resources and minimizing our impact on ecosystems 	<ul style="list-style-type: none"> › Water consumption of European plants per kg of linen delivered › % reduction in water consumption per kg of linen delivered between 2018 and 2030 (European laundries) 	3.3.3

Major risks	Detailed description of the risk	Associated stakes	Key performance indicator and outcomes	Section
Risk related to business disruption due to pressure on water resources	<p>Unlike traditional modes of consumption, the rental and maintenance model – which fully fits into the product as a service business model – enables Group customers to benefit from Elis’s services without having to purchase any products. This model simplifies customers’ lives while also reducing pressure on natural resources and the environment. Through process optimization, the rental and laundry service is able to substantially reduce water consumption compared to a solution based on purchasing and in-house laundering.</p>			3.3.3
Risk related to the product portfolio not meeting customers’ environmental expectations	<p>Overall, given the stakes associated with resource consumption, climate change and exhausting the planet’s finite resources, traditional consumption models have been called into question and products have been challenged with regard to the way they are manufactured, their use, and what happens to them at the end of their life.</p> <p>The Group has seen this issue arise for its own products as the expectations of the market and its customers grow in terms of:</p> <ul style="list-style-type: none"> › the eco-design of products (incorporating recycled or alternative materials, design for recycling, etc.); › extending the lifespan of products (linked to circular economy principles); › the ability to recycle products; › the supply chain (production method, sustainability commitments, etc.). <p>Given its business model, which is based on the circular economy, the Group offers products and services that have a reduced environmental impact and that encourage sustainable product use and a longer product lifespan compared with more traditional approaches.</p> <p>In addition, circular economy models are supported, in particular, by institutional stakeholders (e.g. Taxonomy).</p>	<ul style="list-style-type: none"> › Eco-designing our products and services › Being a player in the circular economy › Reducing and managing our waste › Working responsibly with third parties 	<ul style="list-style-type: none"> › Share of product families with at least one collection composed of sustainable materials › Share of end-of-life textiles reused or recycled › Share of direct suppliers having undergone a CSR assessment within the previous three years 	3.3 and 3.5.3
Risk of becoming less attractive to and failing to retain employees	<p>The Group could encounter difficulties attracting, recruiting and retaining employees in certain important positions in the context of a competitive global market.</p>	Attracting and developing our employees	Share of managers promoted internally	3.4.3

Major risks	Detailed description of the risk	Associated stakes	Key performance indicator and outcomes	Section
Operational and reputational risk linked to a lack of diversity in our teams	The Group may experience difficulties implementing its equal opportunities and diversity strategies and actions, which could have regulatory consequences or affect its brand image and ability to attract employees.	Ensuring non-discrimination and equal opportunities	Share of executive or management staff that are women	3.4.4
Reputational risk for the Group linked to poor environmental and social practices in the value chain	The Group aims to comply with environmental and human rights regulations throughout the value chain. However, if a supplier were to breach these regulations, aspects including the reputation of the Group could be adversely affected in the long term.	Working responsibly with third parties	Share of direct suppliers having undergone a CSR assessment within the previous three years	3.5.3

Tax evasion, the fight against corruption and human rights are presented in this document in sections 3.4.5 "Respecting human and labor rights" and 3.5.5 "Continuing to integrate ethics into our business practices". However, these matters have not been identified as significant risks as at the date of this document.

In addition, some topics (food waste, sustainable and responsible food, lack of food security, respect for animal welfare and the use of conflict minerals) have not been included in this document, as they do not represent major challenges for the Group today.

Finally, matters related to collective agreements are presented in section 3.4.1 "Listening to, valuing our employees, and ensuring their well-being at work".

3.6.2 Taxonomy

Context

EU taxonomy⁽¹⁾ regulations are a key part of the European Commission's action plan with regard to sustainable finance and aim to redirect capital flows toward a more sustainable economy. As European taxonomy is a system for classifying environmentally "sustainable" economic activities, it represents an important step toward the European goal of carbon neutrality by 2050.

As such, in 2021, for the first time, the Elis Group published indicators relating to European taxonomy on the two objectives of adapting to and mitigating climate change.

In order to define the activities eligible under European taxonomy, the Group examined all economic activities eligible for taxonomy listed in the delegated regulation on the climate, with regard to the activities carried out by the Group in its various regions and subsidiaries.

The delegated regulation on the climate focuses primarily on the economic sectors and activities that have the greatest potential to contribute to the goal of mitigating climate change, that is, preventing the production of greenhouse gas emissions, reducing these emissions and increasing carbon capture and storage in the long term. The sectors covered thus relate mainly to energy, certain manufacturing activities, transport and buildings.

After a thorough review involving various Group functions (finance, sustainable development, QHSE, industrial projects, logistics, IT, etc.), it was concluded that the first two objectives do not significantly concern the Group. However, the Group anticipates that a significant part of its activities should fall within the scope of the regulation when it comes to the objective of transitioning to a circular economy, particularly with respect to its workwear rental-maintenance activities.

Indicators related to the share of activities eligible with regard to taxonomy have been reported in accordance with the provisions set out in Annex 1 of Article 8 of Delegated Regulation C(2021)4987 supplementing Regulation (EU) 2020/852. In particular, given the Group activities limited exposure to eligibility with respect to taxonomy relating to climate targets and the definitions of these indicators:

- › the Group reported zero revenue from eligible activities;
- › eligible operating expenditure was considered immaterial;
- › eligible capital expenditure was 21% and consists exclusively of individually eligible capital expenditure not linked to Elis's commercial activity in the absence of eligible revenue.

SHARE OF TAXONOMY CAPITAL EXPENDITURE ELIGIBLE



(1) Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.

Reporting methodology

In order to report and publish information on activities eligible for European taxonomy in 2021, the Group:

- › analyzed in detail the activities eligible for taxonomy, comparing each of the activities listed in the Annex to the Regulation with Elis's operations (commercial activities, operations, investments, etc.);
- › reviewed its industrial investments, having previously identified the capital expenditure relating to activities eligible under the regulation in 2021 (individually eligible capital expenditure);
- › conducted training sessions in its main languages with its key contacts in the various regions and subsidiaries;
- › supplied its subsidiaries with a tool allowing them to report financial information for each of the eligible activities that may be applicable to the Group;
- › set up a cross-functional team responsible for assisting and answering questions from local teams and reviewing the data reported;
- › consulted with external sector experts and peers to ensure that the regulatory texts were being correctly interpreted.

Individually eligible capital expenditure

As the Group did not have any economic activity generating revenue eligible for taxonomy, only expenditure related to purchases of eligible products and services or to the undertaking of eligible activities for its own internal requirements was taken into consideration.

In addition, in view of the two objectives reported on in 2021, the Group chose to allocate its eligible activities to the climate change mitigation target. It should be noted that, with regard to the activities concerned, and irrespective of alignment criteria, these activities could have been allocated to the adaptation target.

Code	Activity	Amount of Capex (in millions of euros)	Percentage of Capex (as a %)	Mitigating climate change	Adapting to climate change
4.1	Electricity generation using solar photovoltaic technology	0.0	0.0%	✓	
4.14	Transport and distribution networks for renewable and low-carbon gases	0.0	0.0%	✓	
4.16	Installation and operation of electrically powered heat pumps	0.0	0.0%	✓	
4.21	Heat/cold generation using solar heating	0.0	0.0%	✓	
4.23	Heat/cold generation using gas-based fuel and renewable non-fossil liquids	0.9	0.1%	✓	
4.24	Heat/cold generation through bioenergy	0.2	0.0%	✓	
4.25	Heat/cold generation through the use of waste heat	7.2	1.1%	✓	
5.3	Construction, extension and operation of wastewater collection and treatment networks	1.3	0.2%	✓	
5.4	Renewal of wastewater collection and treatment networks	20.4	3.0%	✓	
6.5	Transport by motorbikes, passenger cars and light utility vehicles	16.7	2.4%	✓	
6.6	Road freight	0.0	0.0%	✓	
6.15	Infrastructure enabling low carbon intensity road transport and public transport	29.0	4.3%	✓	
7.2	Renovation of existing buildings	24.6	3.6%	✓	
7.3	Installation, maintenance and repair of energy-efficient equipment	10.2	1.5%	✓	
7.4	Installation, maintenance and repair of recharging stations for electric vehicles inside buildings (and in garages attached to buildings)	0.0	0.0%	✓	
7.5	Installation, maintenance and repair of instruments and mechanisms to measure, regulate and control the energy performance of buildings	0.2	0.0%	✓	
7.6	Installation, maintenance and repair of renewable energy-related technologies	0.2	0.0%	✓	
7.7	Acquisition and ownership of buildings	32.2	4.7%	✓	
8.1	Data processing, hosting and related activities	0.1	0.0%	✓	
CAPITAL EXPENDITURE ELIGIBLE FOR TAXONOMY		143.1	21.0%		
CAPITAL EXPENDITURE NOT ELIGIBLE FOR TAXONOMY		539.3	79.0%		
TOTAL CAPITAL EXPENDITURE		682.4	100%		

Explanations and main assumptions relating to capital expenditure

An activity was considered eligible on the basis of its description, irrespective of any assessments of the technical alignment criteria, of any significant harm caused to any of the other environmental objectives, or of minimum social safeguards. The share of aligned activities within the meaning of taxonomy, which will be presented from 2022 onward, will therefore be lower than the share of eligible activities under the technical criteria adopted by Europe.

The main assumptions made by the Group in its reporting are as follows:

- › activities 4.23 and 4.24: investments in eligible heat-generating devices (particularly from renewable energy) have been taken into account in their entirety, including if they fulfill additional functions (for example, drying laundry). Their ability to produce heat in situ (particularly from renewable energy) means they can be a more flexible and efficient alternative to a central heating system;
- › activities 5.3 and 5.4: investments associated with the renovation or construction of wastewater treatment systems have been reported by the Group, as these systems complement or replace municipal systems;
- › activity 7.7: investments associated with new buildings acquired or held by the Group in 2021 have been included, regardless of the energy performance of the building concerned;
- › where several eligible activities could be selected for the relevant activity, the expenditure in question was reported in a unique single activity. As such, some investments related to major industrial projects were not considered separately within different eligible categories. For the construction of a new building, all investment was allocated to activity 7.7.

3.6.3 Non-financial ratings and prizes

The Elis Group is assessed on its environmental, social and governance (ESG) performance by several non-financial ratings agencies.

These annual or biannual reviews enable the Group to communicate its commitment, identify areas for improvement and position itself relative to its peers.

In particular, in 2021, Elis:

- › maintained its gold medal in the EcoVadis assessment and improved its overall performance (scoring 72 compared to 70 in 2020). This assessment, based on the customer-supplier relationship, assesses companies on 21 issues grouped into 4 themes (Environment, Labor & Human Rights, Ethics and Sustainable Procurement). This medal positions Elis in the top 5% of the 75,000 companies evaluated by EcoVadis;
- › achieved a score of B on the climate questionnaire conducted by Carbon Disclosure Project (CDP), a non-profit organization that carries out independent assessments (with ratings ranging from Leadership A to D-) based on information provided by companies on their strategy, management, performance or even their role in engaging with their stakeholders about climate issues. The Elis Group is thus positioned higher than the average score for the sector in Europe (C) for this first reporting year. The Elis Group also received a B score for its engagement with suppliers on climate change;

In accordance with the European definitions, the key performance indicator for capital expenditure is defined as capital expenditure eligible for taxonomy (numerator) divided by total capital expenditure (denominator). Total capital expenditure includes additions to property, plant and equipment and intangible assets during the financial year, before amortization, depreciation and any revaluations, including those resulting from impairment and changes in fair value. It includes additions to fixed assets (IAS 16 – €555.1 million as shown in Note 6.2 to the 2021 consolidated financial statements), to intangible fixed assets (IAS 38 – €21.1 million as shown in Note 6.1 to the 2021 consolidated financial statements) and right-of-use assets (IFRS 16 – €71.1 million as shown in Note 6.4 to the 2021 consolidated financial statements). Additions resulting from business combinations are also included (€35.1 million as shown in Note 2.4 to the 2021 consolidated financial statements). Goodwill is not included in capital expenditure as IAS 38 does not define it as an intangible fixed asset. For more details on our accounting methods as regards capital expenditure, please refer to the introduction of the aforementioned notes to the consolidated financial statements in chapter 6.1 of this universal registration document.

Eligible operating expenditure

In accordance with the European definitions, the key performance indicator for operating expenditure is defined as operating expenditure eligible for taxonomy divided by total operating expenditure. Total operating expenditure is comprised of uncapitalized direct costs related to research and development, building renovation measures, short-term rental, maintenance, repair, and any other direct expenditure related to the day-to-day maintenance of tangible fixed assets. Given the nature of the Group's business and the exemption provided for in the regulation, the key indicator for operating expenditure was considered to be immaterial (<10% of the Group's operating expenses).

- › had its performance recognized by the rating agency Gaia, with a higher score (83 in 2021 - compared with 80 in 2020);
- › improved its performance with MSCI, with a score of 6.7 in 2021 (compared with 5.6 in 2020).

In addition, some entities of the Group have received awards for their commitment to sustainable development. Sweden, for example, is a finalist competing for the Environmental Strategy Award, which aims to reward the best environmental strategy.



3.6.4 Details of Group performance

Summary of environmental information

	Unit	Group 2021	Group 2020	Group 2019
Scope				
Gross revenue of sites within the scope	Millions of euros	3,047.6	2,646.4	3,200.7
Number of sites included in the scope	Number of sites	425	425	419
General environmental policy				
ISO 50001 certified sites	Number of sites	78	81	81
ISO 14001 certified sites		141	143	139
% of industrial sites that are ISO 14001-certified ^(a)	as a %	39%		
Amount of compliance costs	Millions of euros	8.1	5.6	7.5
Amount of environmental provisions and guarantees	Millions of euros	71.2	72.1	70.7
Amount of compensation paid for environmental litigation	Millions of euros	0	0	0.03
Pollution prevention and waste management				
Total amount of waste generated	Tons	37,925	35,733	34,794
Share of waste recovered		60%	61%	65%
Amount of hazardous waste generated	Tons	6,766	6,958	6,367
Share of waste that is hazardous	as a %	18%	19%	18%
Proportion of hazardous waste recovered	as a %	42%	56	67
Amount of non-hazardous waste generated	Tons	31,159	28,775	28,428
Proportion of non-hazardous waste recovered	as a %	64%	63	65
Amount spent on waste treatment	Millions of euros	7.6	7.1	6.6
Amount generated through waste recovery	Millions of euros	1.0	0.7	1.20
Sustainable use of resources				
Total volume of water consumed	Millions of m ³	14.4	13.0	15.6
Water consumption in liters per kg of linen delivered (all Group sites)	L/kg	9.0	9.4	8.9
Proportion of public water	as a %	47	48.5	46
Proportion of groundwater	as a %	51	50.5	52
Proportion of surface water	as a %	2	1	2
Amount spent on water consumption	Millions of euros	11.2	10.5	12.2
Volume of industrial wastewater discharged	Millions of m ³	12.3	10.8	13.7
Volume of industrial wastewater treated	Millions of m ³	12.3	10.8	13.7
Proportion of industrial wastewater treated in municipal wastewater treatment facilities	as a %	90	92	90
Proportion of industrial wastewater treated in-house before discharge into natural environment	as a %	10	8	10
Total energy consumption (excl. vehicles)	MWh (HHV)	2,433,931	2,196,145	2,696,704
Electricity consumption	MWh	300,357	289,827	324,787
Consumption of renewable energy (thermal)	MWh (HHV)	497,458	435,649	454,655
Consumption of natural gas/propane/butane	MWh (HHV)	1,555,254	1,390,895	1,810,510
Consumption of fuel oil (excluding fuel for vehicles)	MWh (HHV)	43,497	50,658	64,276
Consumption of other energy sources	MWh (HHV)	40,471	29,116	42,477
Amount spent on energy consumption	Millions of euros	106.7	88.4	109.4
Total fuel consumption for vehicles (deliveries and services)	Thousands of liters	43,560.7	39,674.3	43,992.4
Gasoline consumption	Thousands of liters	933.0	594.3	773.6
Diesel consumption	Thousands of liters	42,178.0	38,749.4	43,068.1
Amount spent on fuel consumption	Millions of euros	43.6	35.6	50.6
Thermal energy consumption per kg of linen delivered (all Group sites)	kWh/kg	1.34	1.38	1.34
Fight against climate change				
Direct GHG emissions – Scope 1	Kt CO ₂ eq.	413.8	381.2	474.8
Indirect GHG emissions – Scope 2 (location-based)	Kt CO ₂ eq.	54.3	58.6	71.1
Indirect GHG emissions – Scope 2 (market-based)	Kt CO ₂ eq.	76.5		
Indirect GHG emissions – Scope 3	Kt CO ₂ eq.	1,500		
Total GHG emissions – Scope 1 and 2 (location-based)	Kt CO ₂ eq.	468.2	439.8	545.9

(a) Industrial sites are defined as production or manufacturing sites.

Summary of social information

	Unit	Group 2021	Group 2020	Group 2019
Total workforce	Number of employees	48,738	44,496	48,173
Permanent workforce		42,292	40,171	41,701
Permanent female workforce		22,292	21,297	22,073
Permanent male workforce		20,000	18,874	19,628
Permanent managers		3,592	3,209	3,147
Permanent female managers		1,213	1,082	1,027
Non-permanent workforce		6,446	4,325	6,472
Total workforce – France		12,385	11,575	13,235
Total workforce – Europe (excluding France)		24,135	21,611	23,652
Total workforce – Latin America		12,218	11,310	11,286
Permanent workforce aged 17 or under as at December 31		45	11	4
Permanent workforce aged 18-29 as at December 31				
<i>Change in tranches in 2020 to be GRI-compliant</i>				
<i>*In 2019: Permanent workforce aged 18-26 as at December 31</i>		7,114	6,406	4,502*
Permanent workforce aged 30-49 as at December 31				
<i>Change in tranches in 2020 to be GRI-compliant</i>				
<i>*In 2019, permanent workforce aged 27-49 as at December 31</i>		21,294	20,505	23,949*
Permanent workforce aged 50 and over as at December 31		13,839	13,249	13,246
<i>Based on the social reporting scope</i>				
Number of new permanent hires		13,070	7,955	9,969
Hiring rate in the permanent workforce				
<i>New permanent hires as a proportion of workforce as at December 31</i>	as a %	26.8	17.9	20.6
New permanent female hires	Number of employees	5,786	3,732	4,410
New permanent male hires	Number of employees	7,284	4,223	5,559
New permanent hires aged 17 or under	Number of employees	157	13	28
New permanent hires aged 18-29				
<i>Change in tranches in 2020 to be GRI-compliant</i>				
<i>*In 2019: New hires aged 18-26</i>	Number of employees	5,424	3,262	2,906*
New permanent hires aged 30-49				
<i>Change in tranches in 2020 to be GRI-compliant</i>				
<i>*In 2019: New hires aged 27-49 as at December 31</i>	Number of employees	5,970	3,811	5,687*
New permanent hires aged 50 and over as at December 31	Number of employees	1,519	869	1,261
New permanent hires in France	Number of employees	1,764	1,052	1,494
New permanent hires in Europe (excl. France)	Number of employees	5,458	2,294	4,230
New permanent hires in Latin America	Number of employees	5,848	4,609	4,245
Number of departures in the permanent workforce				
<i>Permanent employees who leave the organization voluntarily</i>	Number of employees	6,436	4,136	4,765
Turnover rate in the permanent workforce in France				
<i>Hires and departures in the permanent workforce as a proportion of the workforce as at December 31</i>	as a %	10.4	6.9	8.8
Turnover rate in the permanent workforce in Europe (excluding France)				
<i>Hires and departures in the permanent workforce as a proportion of the workforce as at December 31</i>	as a %	17.5	9.6	14
Turnover rate in the permanent workforce in Latin America				
<i>Hires and departures in the permanent workforce as a proportion of the workforce as at December 31</i>	as a %	34.7	28.1	25.6
Departures in the permanent workforce in France	Number of employees	817	548	838
Departures in the permanent workforce in Europe	Number of employees	2,998	1,841	2,395
Departures in the permanent workforce in Latin America	Number of employees	2,621	1,747	1,532
Departure rate				
<i>Departures of employees who leave voluntarily as a proportion of the workforce as at December 31</i>		13.21	9.30	11.43
Compensation	Euros			

	Unit	Group 2021	Group 2020	Group 2019
Fixed and variable compensation, collective and individual		897,722,964	861,799,365	978,436,212
Of which bonuses, collective compensation and discretionary profit-sharing		15,463,972	14,523,813	17,343,534.86
Organization of work	as a %			
Proportion of full-time permanent workforce		93.50	94.20	93.8
Proportion of part-time permanent workforce		6.50	5.80	6.2
Absenteeism rate		7.19	6.64	6.37
Number of absences shorter than seven days (paid or unpaid)	Number	106,561	78,518	48,246
Average number of training days per employee				
<i>Number of training days in proportion to the permanent and non-permanent workforce</i>	Number	1	1	1
Workplace accidents				
Number of fatal accidents		0 ^(a)	0	0
Number of accidents with lost time		1,370	1,140	1,529
Frequency rate				
<i>[Number of lost time accidents (excluding commuting accidents) relative to the number of worked hours during the year] x 1,000,000</i>		15.84	14.31	16.90
Frequency rate in Europe (including France)		17.97	15.98	18.66
Frequency rate in Latin America		10.24	9.71	11.15
Severity rate				
<i>[Number of calendar days off related to lost time accidents with more than 1 day off (excluding commuting accidents) relative to the number of worked hours during the year] x 1,000</i>		0.67	0.70	0.66
Severity rate in Europe (including France)		0.85	0.87	0.77
Severity rate in Latin America		0.20	0.23	0.29

(a) In 2021, an employee regrettably passed away after falling ill during a work break.

3.6.5 Methodology note

The reporting period covered by this universal registration document is January 1 to December 31, 2021.

A reporting protocol detailing the collection, calculation, and consolidation rules is updated annually and shared with key contributors.

Indicator reporting scope

The declaration of non-financial performance applies to all of Elis's business, including all of its subsidiaries in all countries of operation.

Businesses acquired or formed in 2021 (MAB Industria e Comercio Eireli, BEPE Administradora de Bens Ltda, and Nortelav Lavanderia Industrial Ltda in Brazil, Scaldis Saint-Martin in Belgium, Arvo

Protect BV in the Netherlands, Eliteq Sanidad Ambiental, S.L., Logralimp, S.L., and Lavanderia Lizzara, S.L. in Spain, Pure Washrooms Ltd in the UK, Pestguard Ltd. in Ireland, Chrissl Skadedyrsservice A/S in Denmark, Viga 65, Rentex-Service and Dionix in Russia, and Elis Supply Chain Centre Sp. Zoo in Poland) are excluded from the 2021 reporting scope (with the exception of chapter 3.6.2 "Taxonomy"). In accordance with the Group's reporting protocol, these entities will be integrated within no more than two years, that is, within 2023 reporting at the latest.

Where applicable, new entities related to acquisitions in previous years have been included in the 2021 reporting scope.

A few minor logistics sites have been excluded from the scope of environmental reporting.

3.6.6 Cross-reference tables: GRI, TCFD, Global Compact, SASB

Chapter 3 of the universal registration document follows the guidelines and main recommendations of international approaches, such as those of the Global Reporting Initiative (GRI), the Task Force on Climate-Related Financial Disclosures (TCFD), the Sustainability Accounting Standards Board (SASB), the Sustainable Development Goals (SDGs) and the United Nations Global Compact.

Detailed cross-reference tables are presented on the following pages.

GRI cross-reference table

The Group has chosen to comply as necessary with the Global Reporting Initiative (GRI) framework and, as such, presents a cross-reference table with general and specific information related to its most material issues.

Major risks	Cross-referencing with specific GRI elements
Risks related to climate change	Energy (302), Emissions (305), Water and effluents (303), Materials (301)
Risks related to human resources (attraction and retention)	Employment (401)
Risks linked to human resources (diversity)	Diversity and Equal Opportunity (405)
Risks related to the value chain	Procurement Practices (204), Supplier Environmental Assessment (308) and Supplier Social Assessment (414)

GENERAL INFORMATION

GRI Source	Disclosure	Reference
102-1	Name of the organization	7.1
102-2	Activities, brands, products, and services	1.1; 1.3
102-3	Location of headquarters	7.1
102-4	Location of operations	1.1
102-5	Ownership and legal form	1.1; 7.1; 7.2
102-6	Markets served	1.1; 1.3
102-7	Scale of the organization	1.1; 6.1; 7.2
102-8	Organization's workforce	3.1
102-9	Organization's supply chain	3.2; 3.5.3
102-10	Significant changes to the organization and its supply chain	1.1; 5.1.2; 6.1.7 (Note 2.4); 4.1.3
102-11	Precautionary Principle	3.1, 3.2; 3.3
102-12	Charters, principles and other external initiatives	Code of Ethics, Sustainable and Ethical Purchasing Charter, CSR policy, QHSE policy
102-13	Membership of associations	1.1
102-14	Statement from senior decision-maker	3.1
102-16	Values, principles, standards, and norms of behavior	1.1, 3.1; 3.2; 3.5.3; 3.5.5
102-18	Governance structure	1.4, 3.2.1
102-40	List of stakeholder groups	3.2.2
102-41	Collective bargaining agreements	3.4.1
102-42	Identifying and selecting stakeholders	3.2.2
102-43	Approach to stakeholder engagement	3.2.2
102-44	Key topics and concerns raised	3.2.2
102-45	Entities included in the consolidated financial statements	3.6.5, 6.1.7 (Notes 2 and 11)
102-46	Defining report content and topic boundaries	3.6.6
102-47	List of material topics	3.6.6
102-48	Restatements of information	3.6.4
102-49	Changes in reporting	Appendices, chapter 3
102-50	Reporting period	January 1, 2021 - December 31, 2021
102-51	Date of most recent report	2020
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	3.6.4
102-54	Claims of reporting in accordance with the GRI Standards	3.6.6
102-55	GRI cross-reference table	3.6.6
102-56	External verification of the report	3.7

SPECIFIC ITEMS LINKED TO ELIS'S MAJOR RISKS

GRI Source	Disclosure	Reference
204 - Procurement Practices		
204-1	Proportion of spending on local suppliers	3.5.4
301 - Materials		
301-3	Reclaimed products and packaging materials	3.3.4 and 3.3.1
302 - Energy		
302-1	Energy consumption within the organization	3.3.5
302-2	Energy consumption outside of the organization	3.3.5
302-3	Energy intensity	3.3.5
303 - Water and Effluents		
303-1	Interactions with water as a shared resource	3.3.3
305 - Emissions		
305-1	Direct (Scope 1) GHG emissions	3.3.6
305-2	Energy indirect (Scope 2) GHG emissions	3.3.6
305-3	Other indirect (Scope 3) GHG emissions	3.3.6
305-4	GHG emissions intensity	3.3.6
308 - Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	3.5.3
401 - Employment		
401-1	New employee hires and employee turnover	3.4.3, 3.6.4
405 - Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	1.4, 2.1.2, 3.2
414 - Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	3.5.3

TCFD cross-reference table

The table for cross-referencing with the TCFD recommendations is presented below.

The Elis Group’s response to the CDP also gives more detail on some of the items.

Recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)	Cross-reference
Governance	Description of the board’s oversight of climate risks and opportunities 3.3.6
	Description of management’s role in assessing and managing climate risks and opportunities 3.3.6
Strategy	Description of short-, medium- and long-term climate risks and opportunities 3.3.6
	Description of the impact of climate risks and opportunities on the company, its strategy and its financial planning 3.3.6
	Description of the resilience of the organization’s strategy to different climate scenarios – notably, 2°C or below 3.3.6
Risk management	Description of the organization’s processes to identify and assess climate risks 3.3.6, 3.6.1
	Description of the organization’s processes to manage climate risks 3.3.6
	Description of how climate risk identification, assessment and management processes are integrated into the overall risk management processes 3.3.6
Performance and targets	Communication of company performance indicators to assess climate risks and opportunities in connection with strategy and risk management 3.3.6, 3.6.1
	Communication of Scope 1, Scope 2, and if applicable, Scope 3 emissions and the associated risks 3.3.6
	Description of the targets adopted by the company for managing climate risks and opportunities, and communication of performance with respect to those targets 3.3.6

Table for cross-referencing with the United Nations Global Compact

The Group also issues a Communication on Progress (CoP) each year, which is published on the United Nations website.

Category	Principles of the United Nation Global Compact	Sections
Human Rights	1 Business should support and respect the protection of internationally proclaimed human rights within their sphere of influence. 3.4.5, 3.5.3, 3.5.5	
	2 Businesses should make sure that they are not complicit in human rights abuses. 3.4.5, 3.5.3, 3.5.5	
Labor rights	3 Business should uphold the freedom of association and the effective recognition of the right to collective bargaining. 3.4.1, 3.4.5, 3.5.3, 3.5.5	
	4 Businesses should uphold the elimination of all forms of forced and compulsory labor. 3.4.5, 3.5.3, 3.5.5	
	5 Businesses should uphold the effective abolition of child labor. 3.4.5, 3.5.3, 3.5.5	
	6 Businesses should uphold the elimination of discrimination in respect of employment and occupation. 3.4.4, 3.4.5, 3.5.3, 3.5.5	
Environment	7 Business should support a precautionary approach to environmental stakes. 3.3	
	8 Businesses should undertake initiatives to promote greater environmental responsibility. 3.3	
	9 Business should encourage the development and diffusion of more environmentally responsible technologies. 3.3	
Fight against corruption	10 Businesses should work against corruption in all its forms, including extortion and bribery. 3.5.3, 3.5.5	

SASB cross-reference table

In light of the specific nature of Elis's activities, based on the circular economy model, the Group does not belong to any specific category defined by the *Sustainable Accounting Standards Board* (SASB). The Group has chosen the following two sectors as the most representative:

- › Clothing, accessories and shoes;
- › Household & Personal Products.

The cross-reference table is as follows:

Issue (SASB)	Topic (SASB)	Indicator (SASB)	Code	Section	
Water and effluent management	Water management	(1) Total water withdrawn, (2) total water consumed, percentage of each total in regions with high or extremely high baseline water stress	CG-HP-140a.1	3.3.3 Optimizing our use of resources and minimizing our impact on ecosystems	
		Description of risks connected to water management and discussion of strategies and practices to mitigate those risks	CG-HP-140a.2		
Product Quality and Safety	Management of chemical substances contained in products	Discussion of processes to ensure compliance with the regulations on restricted substances	CG-AA-250a.1	The Supplier Code of Conduct applies to all Group suppliers (direct, indirect or industrial), whether new or existing. In addition, the framework agreements include a document signed by third parties agreeing to respect the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) requirements for products delivered to the Group.	
		Discussion of processes for the assessment and management of risks and/or hazards associated with chemicals contained in products	CG-AA-250a.2		
	Product environmental, health and safety performance	Recipes of products containing substances classified by the REACH regulation as substances of very high concern (SVHC)	CG-HP-250a.1		Not applicable (due to its business model, the Group remains the owner of the product throughout its use).
		Recipes of products containing substances on the California DTSC Candidate Chemicals List	CG-HP-250a.2		Not applicable (not operating on the US market)
		Discussion of the process to identify and manage emerging materials and chemicals of concern	CG-HP-250a.3		The Group conducts regular monitoring through its teams and professional associations. 3.2; 3.3.1
Recipes of products designed using the principles of green chemistry	CG-HP-250a.4	Elis reports the share of its product families with at least one collection composed of sustainable materials. 3.3.1; 3.3.2			
Life cycle and product design	Life cycle management of packaging	(1) Total weight of packaging, (2) percentage of packaging made from recycled and/or renewable materials, and (3) percentage of packaging that is recyclable, reusable and/or compostable	CG-HP-410a.1	The Group does not sell products, but the use of products. In its operations, the Group limits the use of packaging, which is usually reusable. 3.3.1; 3.3.2; 3.3.3	
		Discussion of strategies to reduce the environmental impact of packaging over its life cycle	CG-HP-410a.2	3.3.1; 3.3.2; 3.3.3	

Issue (SASB)	Topic (SASB)	Indicator (SASB)	Code	Section
Supply chain management	Environmental impacts in the supply chain	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 in compliance with wastewater discharge permits and/or contractual agreements	CG-AA-430a.1	Percentage of direct suppliers that have undergone a CSR assessment is shown in 3.5.3
		Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have completed the Higg Facility Environmental Module (Higg FEM) assessment developed by the Sustainable Apparel Coalition (SAC), or an equivalent environmental data assessment	CG-AA-430a.2	Percentage of direct suppliers that have undergone a CSR assessment is shown in 3.5.3
	Working conditions in the supply chain	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 which have undergone an audit in line with a labor code of conduct and (3) percentage of total number of audits carried out by a third-party auditor	CG-AA-430b.1	Percentage of direct suppliers that have undergone a CSR assessment is shown in 3.5.3
		Priority non-conformance rate and associated corrective action rate for suppliers' labor code of conduct audits	CG-AA-430b.2	Percentage of direct suppliers that have undergone a CSR assessment is shown in 3.5.3
		Description of principal risks relating to (1) labor and (2) environmental, health and safety risks in the supply chain	CG-AA-430b.3	3.3.2; 3.3.3; 3.5.3; 3.5.5
Environmental and social impacts of the palm oil supply chain	Quantity of palm oil sourced, percentage certified by Roundtable on Sustainable Palm Oil (RSPO) supply chains as (a) Identity preserved, (b) Segregated, (c) Mass balance, or (d) Book and Claim	CG-HP-430a.1	Not applicable	
Raw materials sourcing & Performance	Raw materials sourcing	Description of environmental and social risks associated with the sourcing of priority raw materials	CG-AA-440a.1	3.3.2; 3.3.3; 3.5.3; 3.5.5
		Percentage of raw materials certified by a third party in line with an environmental and/or social sustainability standard, broken down by standard	CG-AA-440a.2	Elis reports the share of its product families with at least one collection composed of sustainable materials. 3.3.1; 3.3.2; 3.3.3

3.7 REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE VERIFICATION OF THE CONSOLIDATED NON-FINANCIAL PERFORMANCE STATEMENT

(Financial year ended December 31, 2021)

In our capacity as the Statutory Auditor of Elis (the "Company") appointed as an independent third party and accredited by Cofrac (Cofrac Inspection Accreditation No. 3-1060, the scope of which is available at www.cofrac.fr), we conducted our audit with the aim of formulating a reasoned opinion expressing a limited assurance conclusion on the historical information (reported or extrapolated) in the consolidated non-financial performance statement (the "Disclosures" and the "Statement" respectively), prepared in accordance with the Company's procedures (the "Reporting Framework") for the financial year ended December 31, 2021, and presented in the Group's management report pursuant to the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Conclusion

Based on the procedures we performed, as described in the section entitled "Nature and scope of our work," and the information we obtained, we have not identified any material misstatement that causes us to believe that the consolidated non-financial performance statement is not consistent with applicable regulations or that the Disclosures, considered as a whole, are not presented fairly in accordance with the Reporting Framework.

Preparation of the non-financial performance statement

The absence of a generally accepted and commonly used framework or established practices on which to base the assessment and measurement of the Disclosures means that different, but acceptable, measurement techniques may be used that could affect comparability between companies or over time.

Consequently, the Disclosures should be read and understood with reference to the Reporting Framework, the material elements of which are available on request from the Company's registered office.

Limitations inherent in the preparation of the Disclosures

The Disclosures may be subject to uncertainty inherent in current scientific or economic knowledge, or in the quality of external data used. Some disclosures are sensitive to the methodological choices, assumptions and/or estimates used in their preparation and presented in the Statement.

Responsibility of the Company

It is the responsibility of the Management Board to:

- › select or establish appropriate criteria for the preparation of the Disclosures;
- › prepare a Statement in accordance with the legal and regulatory provisions in effect that includes a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to those risks, and the results of those policies, including key performance indicators, and where applicable, the disclosures required under Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- › implement the internal control measures it deems necessary to ensure that the prepared Disclosures are free from material misstatement, whether due to fraud or error.

The Statement was prepared by applying the Company's aforementioned Reporting Framework.

Responsibility of the Statutory Auditor appointed as independent third party

It is our role, based on our work, to formulate a reasoned opinion expressing a limited assurance conclusion that:

- › the Statement complies with the provisions of Article R. 225-105 of the French Commercial Code;
- › the disclosures made pursuant to Article R. 225-105(1)(3) and (II) of the French Commercial Code, namely the policy outcomes, including the key performance indicators, and actions in relation to the main risks (the "Disclosures") are fairly presented.

As our role is to issue an independent opinion on the Disclosures as prepared by management, we are not permitted to be involved in their preparation, since that could compromise our independence.

It is not our responsibility to comment on:

- › the Company's compliance with other applicable legal and regulatory provisions (particularly with regard to the disclosures required under Article 8 of Regulation (EU) 2020/852 (green taxonomy), the vigilance plan and the fight against corruption and tax evasion);
- › the fair presentation of the disclosures required under Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- › the compliance of products and services with the applicable regulations.

Regulatory provisions and applicable professional guidelines

Our work, which is described below, was carried out in accordance with the provisions of Articles A. 225-1 et seq. of the French Commercial Code, the professional guidelines issued by the French Association of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) with respect to this engagement, and international standard ISAE 3000 (revised) – Assurance engagements other than audits or reviews on historical financial information.

Independence and quality control

Our independence is defined by the provisions of Article L. 822-11-3 of the French Commercial Code and the French Code of Ethics for Statutory Auditors. We have also implemented a quality control system that includes documented policies and procedures for ensuring compliance with applicable legal and regulatory requirements, the Code of Ethics, and the professional guidelines issued by the French Association of Statutory Auditors with respect to this engagement.

Means and resources

Our work called on the expertise of five people and took place between November 2021 and February 2022 over a total engagement period of approximately three weeks.

We were assisted in our work by our specialists in sustainability and corporate social responsibility. We conducted 10 interviews with the persons responsible for preparing the Statement, who were mainly from CSR departments.

Our environmental and corporate social responsibility

Report by one of the Statutory Auditors, appointed as an independent third party, on the verification of the consolidated non-financial performance statement

Nature and scope of our work

We planned and performed our work taking into account the risk of material misstatement in the Disclosures.

We believe that the procedures we followed when exercising our professional judgment allow us to express a limited assurance conclusion:

- › we learned about the business of each of the companies included in the scope of consolidation and their exposure to the main risks;
- › we assessed the suitability of the Reporting Framework in terms of its relevance, completeness, reliability, objectivity and clarity, taking into account industry best practices, where appropriate;
- › we verified that the Statement covers each category of social and environmental information provided for in Article L. 225-102-1 (III) concerning respect for human rights and the fight against corruption and tax evasion;
- › we verified that the Statement contains the information required under Article R. 225-105 (II) where relevant in view of the main risks and includes an explanation of the reasons for not including the information required by the 2nd paragraph of Article L. 225-102-1 (III);
- › we confirmed that the Statement describes the business model and main business risks affecting all of the entities included in the scope of consolidation, including, where relevant and proportionate, the risks arising from their business relationships, products and services, as well as policies, actions and outcomes, including key performance indicators pertaining to the main risks;
- › we consulted the documentary sources and held meetings to:
 - assess the process for selecting and validating the main risks and consistency of the outcomes, including the key performance indicators used in respect of the main risks and policies presented, and
 - corroborate the qualitative information (actions and outcomes) that we considered material, as presented in the appendix. For some risks: “eco-designing our products” and

“working responsibly with third parties,” we performed our work at the level of the parent company; for other risks, work was performed at the level of the parent company and selected entities – the Clisson site in France and the Fürstenwalde site in Germany;

- › we verified that the Statement covers the entire scope of consolidation, i.e. all of the entities included in the scope of consolidation in accordance with Article L. 233-16;
- › we examined the internal control and risk management procedures implemented by the company and evaluated the data-gathering process aimed at ensuring that the Disclosures are fair and complete;
- › for key performance indicators and other quantitative results, as presented in the appendix, that we considered material, we conducted:
 - analytical procedures to check that the data gathered had been consolidated correctly and that trends in the data were consistent;
 - a thorough examination on a test basis or using other selection methods to verify the correct application of the definitions and procedures and reconcile the data with the supporting documents. The audit was performed on a selection of contributing entities, namely the sites at Clisson (France) and Fürstenwalde (Germany), and covers between 33% and 48% of the consolidated data selected for these tests;
- › we assessed the overall consistency of the Statement with our knowledge of all of the entities included in the scope of consolidation;

The procedures set up for a limited assurance audit are less extensive than those required for a reasonable assurance audit performed according to the professional guidelines issued by the French Association of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*); a higher level of assurance would have required more extensive verification work.

Neuilly-sur-Seine, March 8, 2022

One of the Statutory Auditors

PricewaterhouseCoopers Audit

Bardadi Benzeghadi

Partner

Pascal Baranger

Director, Sustainable Development Department

Appendix: List of CSR information that we considered to be the most material

Key performance indicators and other quantitative results

- › number of refurbished water fountains
- › figures for GOOD (high-quality recycled paper)
- › number of Fairtrade/Max Havelaar-labeled garments
- › number of orders for paper with Ecolabel certification
- › water consumption in liters per kg of linen delivered
- › amount of waste generated
- › number of alternative vehicles
- › energy consumption
- › ISO 14001 certification
- › fuel consumption
- › Scope 1 GHG emissions
- › Scope 2 GHG emissions: market-based and location-based
- › Scope 3 GHG emissions: France and extrapolation
- › number of new hires
- › number of managers promoted internally
- › percentage of employees with disabilities (France)
- › women share of managers hired
- › number of CSR audits performed in 2021
- › share of end-of-life textiles reused or recycled (2025 target: 80%)
- › percentage of product families with at least one collection composed of sustainable materials (2025 target: 100%)
- › percentage of water consumed per kg of linen delivered between 2018 and 2030 (2030 target: -30%)
- › share of end-of-life textiles reused or recycled (2025 target: 80%)
- › percentage reduction in thermal energy per kg of linen delivered (2025 target: 35%)

- › percentage reduction in the rate of CO2 emissions from operations since 2010 (target: 20% reduction in Scope 1 and 2 emissions per ton of linen delivered between 2010 and 2025)
- › hiring rate
- › percentage of executive or management staff that are women (target: 40% by 2025 and 42% by 2030)
- › percentage of direct purchases that have undergone a CSR assessment (target: 95%)

Qualitative information (actions and outcomes)

- › linen market: tool for visualizing each plant's data
- › "From Linear to Circular" working group in Sweden
- › life-cycle assessment for the scientific review
- › coffee product without individual packaging (introduced in 2021)
- › water consumption verification program for heavy-duty tunnel washers, conducted on workwear and healthcare items
- › reuse of water used during the rinsing phase
- › reorganization of textile waste collection at end-2021
- › Le Jacquart Français initiative
- › GLAD tool
- › code of conduct for suppliers
- › participation in school forums
- › referral program
- › onboarding kit for new hires
- › survey on percentage of women holding management positions
- › initiatives in favor of people with disabilities in Germany
- › ongoing relationships with third parties with whom there are framework agreements
- › third-party evaluation audits





elis.com



French corporation (Société Anonyme) governed by a Management Board and a Supervisory Board with a share capital of €224,076,007
Registered office: 5, boulevard Louis Loucheur - 92210 Saint-Cloud - France - Trade and Companies Register (R.C.S.) no. 499 668 440 Nanterre