

Elis unveils ambitious 2030 climate targets

Emission reduction targets approved by SBTi and in line with Paris Agreements

Elis, the global leader in circular services at work, is today unveiling its climate roadmap and related 2030 targets, underscoring its commitment to contributing to a low-carbon society.

Elis' ambition is to achieve the following targets by 2030:

- Reduce absolute scope 1 and 2 GHG emissions by 47.5% by 2030 from a 2019 base year¹;
- Reduce absolute scope 3 GHG emissions from purchased goods and services, fuel and energy related activities, upstream transportation and distribution, employee commuting, and end-of-life treatment of sold products by 28% within the same timeframe.

These targets have been approved by the Science Based Targets initiative, an international reference and a partnership between the United Nations Global Compact, the World Resources Institute (WRI), the Carbon Disclosure Project (CDP) and the World Wildlife Fund for Nature (WWF). They are fully in line with the objectives of the 2015 Paris Climate Agreements to contribute to restrict global warming to less than 1.5°C compared to pre-industrial levels on Scope 1 and 2, and well below 2°C on Scope 3.

These climate targets mark a new step in Elis' sustainability strategy and climate actions. The Group has worked for many years to reduce its energy consumption and CO₂eq emissions. In 2022, Elis reduced the intensity of its thermal energy consumption by 26% vs. 2010 in its European laundries and achieved and exceeded its goal of reducing CO₂eq emissions (Scopes 1 and 2) per kilogram of linen delivered with a 25% reduction since 2010. The Group also reduced its CO₂eq emissions in absolute terms by 17.5% between 2019 and 2022 (Scopes 1 and 2).

These targets complement the Group's recently-unveiled *Raison d'Être*: **"To deliver circular services at work for hygiene, well-being and protection – everywhere, every day, in a sustainable way."**

Circularity is at the heart of Elis' business model, which is based on selling the use of a product rather than selling the product itself (product as a service). In addition, 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 is a sustainable solution to address current environmental challenges and the planet's finite boundaries, primarily through reducing the consumption of natural resources and keeping products in use.

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

- the simple purchase or use of products: By maximizing their use through pooling, optimizing industrial maintenance processes (water and energy consumption, etc.), and repairing and reusing products throughout their life cycles, the product-as-service business model offers a solution to common events at companies such as changes in wearers' size, employee arrivals and departures and new collections. 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% in water consumption;
- single-use or disposable products: By offering reusable solutions, often maintained locally, hence supporting local employment and regional 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.

¹ The target boundary includes land-related emissions and removals from bioenergy. Scope 2 emissions targets are market-based.

Scope 1 (direct emissions) is mainly associated with consumption of gas, fuel, etc.

Scope 2 (indirect emissions) is associated with consumption of electrical energy or steam;

Scope 3 (other indirect emissions) is associated with emission from other areas: purchases, upstream transport, employee travel, etc.

These alternatives to linear consumption models also help to prevent emissions being generated and lower customers' emissions. The Group's new targets will be an additional step to support its customers in reaching their own targets.

Commenting on the announcement, **Xavier Martiré, Chairman of the Management Board of Elis**, declared: *"Elis is taking another decisive step in its sustainability journey by unveiling today ambitious SBTi-approved climate targets, aligned with the Paris Agreements. We will achieve these targets by capitalizing on existing and known energy efficiency solutions but also by investing in breakthrough innovation, decarbonization solutions or by partnering within our value chain. Sustainability is at the core of our business model based on circularity, which offers a more efficient alternative in terms of resource consumption, waste production and climate impact, and our longstanding actions and climate performance have been recognized by the CDP by an A- rating. Our new climate targets underscore our ambition, as a market leader, to play an even more active role in addressing the climate emergency. It will be a source of attractivity and pride for our employees, engaged every day in its implementation and in the achievement of our targets. We are convinced that this strategy will be a sustainable differentiator, positioning Elis as a credible, committed and long-term partner for our customers and prospects; this should also further drive Elis profitable growth going forward."*

To achieve its targets, Elis has developed a clear roadmap and action plan:

- Regarding scopes 1 and 2, which represent 28% of the Group's CO2eq emissions, Elis will:
 - **Optimize even further its energy use in its industrial laundries** thanks to the implementation of established energy-efficient solutions and experimental innovations;
 - **Decarbonize its energy** through on-site production, switching to alternative energies or implementing new procurement strategies;
 - **Reduce the environmental impact of its logistics fleet** thanks to delivery optimization tools, eco-driving actions and fleet transition.
- Regarding scope 3, representing 72% of its CO2eq emissions, Elis will:
 - **Improve and optimize operational practices**, especially on linen management;
 - **Reduce the environmental impact of Elis' products** by working on design, material selection or modes of production;
 - **Reduce the impact of freight and support employees in their transition towards more responsible commuting practices.**

This credible and ambitious plan prioritizes effective carbon gains and financial savings. It is supported by technologies and approaches long used by the Group. Global engagement by Elis' partners and a transition of the economy toward a low carbon one will however be critical to ensure its achievement by 2030.

The Group will regularly communicate on its progress internally and externally to engage all its employees in the journey and transparently inform all its stakeholders.

Presentation of climate objectives and current trading update

Date: September 4, 2023 at 4:45pm GMT (5:45pm CET)

Speakers: Xavier Martiré (CEO), Louis Guyot (CFO) and Claire Bottineau (CSR Director)

Webcast link: <https://edge.media-server.com/mmc/p/uwe9gw6w>

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About Elis

As the leader in circular services thanks to a rental-maintenance model optimized by traceability technologies, Elis innovates every day. In its 29 countries, Elis meets the needs of its customers in terms of protection, hygiene, and well-being, while accompanying them in achieving their environmental objectives. With a unique operational know-how and a profitable organic growth profile, Elis creates sustainable value for its shareholders, customers, employees, and the environment.

<https://fr.elis.com/en>

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The climate-related data and the climate-related objectives included in this press release were neither audited nor subject to a limited review by the statutory auditors of the Group.

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