

SALDO DOCUMENT

DOCUMENT REGIS

UNIVERSAL DO

NT REGISTRATION

DOCU

ERSA

2023

ATION

DOCU

ERSAL

**UNIVERSAL  
REGISTRATION**

**DOCUMENT**

Including the Annual  
Financial Report

01



## Presentation of the Group and its activities **03**

1.1	Elis in 2023	04
1.2	Strategy	19
1.3	Our customers	35
1.4	Governance	51

02



## Corporate governance **55**

2.1	Governance	56
2.2	Compensation of corporate officers	93
2.3	Participation of shareholders in general shareholders' meetings	123
2.4	Factors likely to have an impact in the event of a public offering	123
2.5	Summary table of the delegations of authority and powers granted to the Management Board	124
2.6	Supervisory Board's observations on the Management Board's report	126

03



## Our corporate social responsibility **129**

3.1	Who is Elis?	131
3.2	Our strategy	135
3.3	Planet and products	141
3.4	Our people	176
3.5	Society	193
3.6	Appendices	208
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	231

04



## Risk management and internal control **235**

4.1	Risk factors <b>AFR</b>	236
4.2	Elis Group's internal control and risk management system <b>AFR</b>	248
4.3	Group insurance	252
4.4	Vigilance plan <b>AFR</b>	253

05



## Comments on the financial year 2023 **257**

5.1	Highlights of the financial year 2023 <b>AFR</b>	258
5.2	Group results <b>AFR</b>	259
5.3	Events after the reporting period <b>AFR</b>	267
5.4	Recent developments	267
5.5	Outlook <b>AFR</b>	267
5.6	Future investments	268
5.7	Research and development activities <b>AFR</b>	268
5.8	Elis's results <b>AFR</b>	268
5.9	Five-year financial summary <b>AFR</b>	269
5.10	Legal, financial and tax information about the Company <b>AFR</b>	270

# 06



## Financial statements for the year ended

**December 31, 2023** AFR **273**

6.1	Consolidated financial statements	274
6.2	Statutory Auditors' report on the consolidated financial statements	354
6.3	Elis Parent Company financial statements	357
6.4	Statutory Auditors' report on the financial statements	375

# 07



## Other information about the Company, its share capital and share ownership

**379**

7.1	Information about the Company	380
7.2	Share capital and share ownership <small>AFR</small>	380
7.3	Market on which the security is traded	392
7.4	Investor relations	393
7.5	Provisional financial communications calendar	393
7.6	Material agreements	393
7.7	Simplified organizational chart of the Group and its main subsidiaries	394

# 08



## Additional information

**397**

8.1	Persons responsible <small>AFR</small>	398
8.2	Statutory Auditors	398
8.3	Cross-reference tables	399

This Universal Registration Document was filed on March 28, 2024 with the French Financial Markets Authority (Autorité des marchés financiers – AMF), in its capacity as competent authority under Regulation (EU) 2017/1129, without prior approval, in accordance with Article 9 of said Regulation.

The Universal Registration Document may be used for the purpose of a public offering of securities or the admission of securities to trading on a regulated market if it is supplemented by a transaction note and, where applicable, a summary and any addenda made to the Universal Registration Document. All this material must be approved by the AMF in accordance with Regulation (EU) 2017/1129.

*This Universal Registration Document is a reproduction in English, of the official version of the Universal Registration Document established in xHTML format, filed with the AMF on March 28, 2024 and available on the AMF website. This reproduction is also available on the Group's website.*

Pursuant to Article 19 of Regulation (EU) 2017/1129, the following information is included in this Universal Registration Document by reference:

- the consolidated financial statements of the Elis Group relating to the 2022 financial year and the corresponding Statutory Auditors' report appearing in sections 6.1 and 6.2 of the 2022 Universal Registration Document, available on the Company's website: <https://fr.elis.com/sites/fr.elis.com/files/2023/04/05/Elis%20-%202022%20Universal%20Registration%20Document.pdf>
- the consolidated financial statements of the Elis Group relating to the 2021 financial year and the corresponding Statutory Auditors' report appearing in sections 6.1 and 6.2 of the 2021 Universal Registration Document, available on the Company's website: [https://fr.elis.com/sites/fr.elis.com/files/2023/02/15/Elis\\_URD\\_2021\\_EN.pdf](https://fr.elis.com/sites/fr.elis.com/files/2023/02/15/Elis_URD_2021_EN.pdf)

Information in the annual financial report is identified on the contents page by the symbol AFR

**General remarks:** In this Universal Registration Document, unless otherwise stated, the terms "Company" and "Elis" refer to Elis, a joint-stock corporation (société anonyme) headquartered at 5, boulevard Louis Loucheur, 92210 Saint-Cloud (France) and registered with the Nanterre Trade and Companies register under number 499 668 440. The term "Group" refers to the Company and its consolidated subsidiaries as a whole.

**Rounding:** Certain figures (including figures expressed in thousands or millions) and percentages in this Universal Registration Document have been rounded. As a result, the sum of the rounded amounts may present immaterial differences compared to the total reported amounts.

## Cross-reference tables **399**

- Cross-reference table for the Universal Registration Document 399
- Cross-reference table with the Management Board's management report (which includes the report on corporate governance and the non-financial performance statement) 401

# 01

---

## Presentation of the Group and its activities

<b>1.1</b>	<b>ELIS IN 2023</b>	<b>04</b>
	Elis, a global leader	05
	Message from the Chairmen	08
	An international presence	10
	History and 2023 highlights	12
	Key figures in 2023	16
<b>1.2</b>	<b>STRATEGY</b>	<b>19</b>
	Trends	20
	Business model	22
	Focus on CSR	24
	Focus on operational excellence	30
	Focus on innovation	32
<b>1.3</b>	<b>OUR CUSTOMERS</b>	<b>35</b>
	Customer experience	36
	Hospitality	38
	Trade and Services	40
	Industry	44
	Healthcare and social welfare	48
<b>1.4</b>	<b>GOVERNANCE</b>	<b>51</b>
	Supervisory Board	52
	Executive Committee	53



## 1.1 ELIS IN 2023

Elis is a market leader and has placed circular services at the heart of its model every day for over 75 years and in 29 countries. With its unique operational know-how and a profitable organic growth profile, Elis creates sustainable value for its shareholders, its customers, its employees and the environment.

### Elis by the numbers (at December 31, 2023)

€4,309.4 million  
in revenue

466\*  
plants and distribution centers

55,881  
employees

Operating in  
29 countries

Approximately  
400,000  
customers



\* Figure aligned with chapter 3 reporting scope.

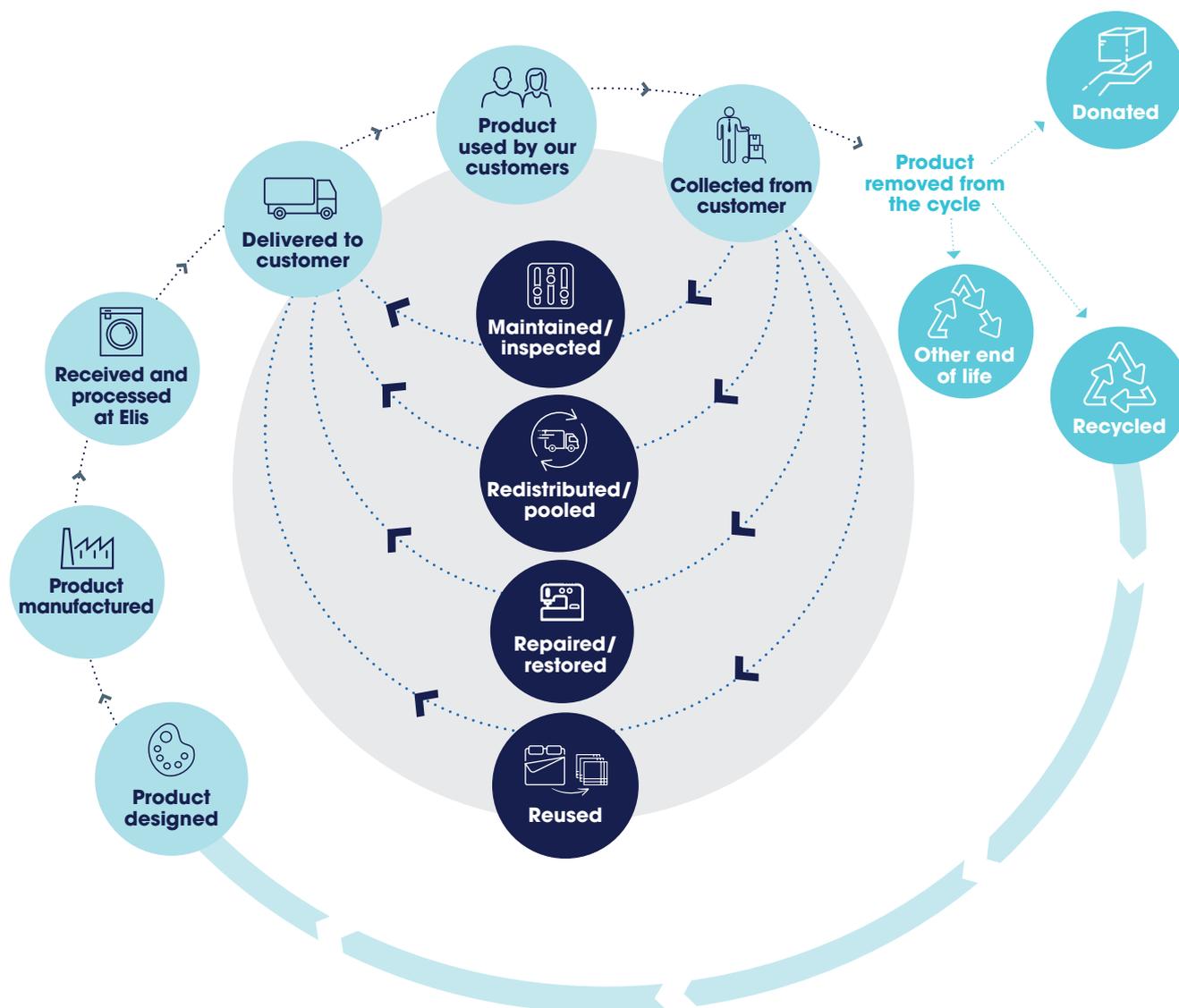
# Elis, a global leader in circular solutions for the workplace

Elis operates on a rental and maintenance business model. It sells the use of the product, rather than the product itself. This circular economy business model accounts for 84% of Elis's revenue.

As part of the rental and maintenance approach, the Group strives to optimize the lifespan of its products. Profitability is closely tied to the quality of the items rented to the customer.

Pooling is another benefit of this business model: when one customer is done with a product, another customer will be able to reuse it.

Lastly, this model puts special emphasis on customer relations by providing service and follow-up throughout life of the contract. Sustainability goes hand in hand with a focus on quality.



## Our mission

As the leader in circular services at work, Elis ensures its clients achieve optimal hygiene, well-being and protection – everywhere, every day, in a sustainable way.

Our circular services:

- ▶ helps our customers focus on their core business;
- ▶ reinforces our rental, maintenance and reuse business model;
- ▶ allows our customers to reduce their environmental footprint.

Our circular services inspire our commitment.

They create a bond between us, our customers and our planet.

And they unite our people around the world.

## Our values

OUR VALUES



Respect

- ▶ Acknowledging everyone's differences
- ▶ Valuing each contribution
- ▶ Recognizing everyone's commitment



Integrity

- ▶ Being true to our principles
- ▶ Keeping our word
- ▶ Being honest



Responsibility

- ▶ Caring for our customers, the people we work with
- ▶ Caring for the environment and being part of the community
- ▶ Being accountable for the quality of our work



Exemplarity

- ▶ Being a role model to others, both inside and outside the company
- ▶ Embodying our values in everything we do
- ▶ Remaining humble

Circular services at work



## The rental and maintenance process

Our customers' first contact is with our sales forces, who are all experts in their field. They assess the customer's needs and estimate the necessary quantities, delivery frequency and product type. Elis takes charge of purchasing and storing the items. It will adjust its service to changes in staffing levels and fluctuations in business. Elis works with customers to set the service schedule so they never have to worry:

textile maintenance, equipment servicing, replacement of consumables, repairs, and same-day pick-up and delivery so the truck never travels empty. A customer care team takes over the contract once its implementation has been finalized. The team ensures the customer's satisfaction and may offer additional services.



## Our solutions

Elis has diversified throughout its history by developing complementary new services that can meet a particular customer's various needs. Multi-service is at the core of Elis's strategy. Not only can a customer visit be optimized to achieve economies of scale, but the environmental

impact of the delivery is also reduced. Value is provided to the customer by offering a comprehensive service that frees it from organizational tasks so it can focus on its core business while maintaining control over its budget.

## Our services

We offer customized solutions for flat linen, workwear, washrooms, floor protection, beverages, cleanrooms, pest control and medical waste management.



### Flat linen



Table, kitchen and hotel linens



### Workwear



Workwear and PPE



### Washroom



Hand washing and drying, scent solutions, toilet hygiene and feminine hygiene



### Beverages



Water fountains and coffee machines



### Floor protection



Wide range of mats



### Industrial wiping



Industrial wipes



### Pest control



Pest control and prevention



### Cleanroom



Reusable cleanroom garments



### Medical waste management



Collection and disposal of medical waste

## Our markets

We work for public and private organizations of all sizes and in all business sectors.

### Industry, Trade and Services

#### Main sectors:

industry, retail commerce and services

#### Customers:

from small accounts to multinationals

#### Main services:

workwear (uniforms, protective and high-visibility garments), washroom hygiene, beverages and mats (floor protection solutions, comfort mats, logo mats)



### Healthcare

Main sectors: hospitals and care homes



### Hospitality

Main sectors: hotels and restaurants



# Message from the chairmen



Statement from **Thierry Morin**

Chairman of Elis's Supervisory Board



**Despite high inflation, the strength of the Elis model enabled the Group to achieve record levels across all its financial indicators.**

After three years marked by the pandemic and geopolitical instability, Elis was up against record cost inflation in 2023. Nevertheless, just like in the last three years, the Group's business model proved its value and robustness.

The Group's strategy is based on a decentralized model which attaches great importance to proximity between Elis and its customers, wherever they may be in the world. Such proximity and reliability of service means that we are able to forge long-lasting business relationships with our customers, in which Elis becomes a fully fledged partner in their businesses.



**The Elis business model not only guarantees considerable financial resilience, it is also responsible toward the environment.**



This approach to business relationships, and the Group's reliability and quality of service, meant that we were able to establish price adjustments to compensate for the high inflation resulting from the pandemic and the events of 2022. In addition, the numerous contracts gained in Industry and in Trade and Services, and the recovery of the Hospitality sector to pre-pandemic levels, allowed the Group to achieve record revenue of over €4.3 billion in financial year 2023, driven by almost 12% organic growth.

2023 also allowed us to return to greater operational stability. Progress is most apparent in our margins, driven by very clear improvements in industrial and logistics performance. These good results allowed a further reduction in debt and leverage, acknowledged by S&P increasing our rating to Investment Grade.

The Elis business model not only guarantees considerable financial resilience, it is also responsible toward the environment. In this regard, I would like to highlight the continuing environmental initiatives at Group level, and in particular September's announcement of the Group's Climate Plan, which sets out an ambitious roadmap for reducing carbon emissions, as well as the affirmation of the Group's identity as a leader in the circular economy via "Circular Services at Work."

We enter 2024 in a very strong position. Elis' resilience, which has been proven through our handling of the various recent crises, its operational know-how, its strengthened organic growth profile, and its model built on the principles of the circular economy will allow the Group to continue to assert its leadership in all the countries where it operates.



**Having weathered what has certainly been a stormy year, characterized by record cost inflation, Elis has managed to generate substantially increased revenue. How do you explain that?**

All our customer relationships are based on the premise of reliability and service quality; once this relationship of trust has been established, partnerships with these same customers are consolidated over time, allowing us to make fair and necessary price adjustments. In addition, there is very dynamic growth in workwear, propelled by background market trends and our many commercial initiatives.

Furthermore, in 2023, operational performance drove the improvement in the Group's margin, with record industrial and logistics productivity gains thanks to many initiatives around tools and continuous training. I want to acknowledge the commitment and hard work of the Elis teams who have contributed to these remarkable results across our 29 countries.

**Is cash flow also breaking records in 2023?**

Yes, and it's still improving! Free cash flow of €304 million and debt reduction of €153 million show that the Group is performing well, but this is just the normalization of the model after a few unstable years. We therefore expect to see free cash flow continue to grow with turnover.

This strong performance reduced debt to under €3 billion and leverage to 2x, a feat acknowledged by Standard & Poor's who raised the Group's rating to BBB-, thus bringing Elis back into the prestigious pool of Investment Grade companies.

These results also make it possible to propose an increased dividend, entirely in cash, to the general shareholders' meeting.

**Tell us about the ambitious climate plan and new identity Elis announced in 2023.**

Elis has always been at the heart of the circular economy, so we have confirmed our identity via "Circular Services at Work." Indeed, the Group offers its customers products that are maintained, repaired,

reused and repurposed in order to optimize their use and their useful lives; Elis believes that the circular economy model, aimed in particular at reducing the consumption of natural resources by optimizing products' useful lives, is a sustainable solution to meet current and future environmental challenges.

On September 4, we unveiled our Climate Roadmap, underscoring our commitment to contributing to a low-carbon society. This ambitious plan aims to reduce our direct carbon emissions by 47.5% by 2030 and our indirect emissions by 28%. These objectives have been approved by the Science Based Targets initiative (SBTi) and are aligned with the 2015 Paris Agreement, aimed at limiting the global temperature increase to 1.5°C compared to pre-industrial levels.

These climate targets mark a new phase in Elis's CSR and climate strategy. For a long time, the Group has worked to reduce its energy consumption and CO<sub>2</sub> emissions.



**In 2023, operational performance drove the improvement in the Group's margin, with record industrial and logistics productivity gains thanks to many initiatives around tools and continuous training.**

**How do you see 2024?**

The seas are calm going into 2024: our outlook is good, both in terms of turnover and cost base. That means 2024 is set to be another year of profitable growth for Elis.

Elis has also decided to invest in the future by significantly strengthening its sales organization. The sales teams are being reinforced in all of the Group's regions to accelerate the roll-out of its services and support future growth.

Finally, M&A activity is expected to be significantly stronger this year than in 2023 and we anticipate a significant upturn in acquisitions of small and medium-sized targets.



Questions to  
**Xavier  
Martiré**

Chairman of Elis's  
Management  
Board



# An international presence

**69%**  
of revenue generated outside France in 2023



**UNITED KINGDOM & IRELAND**

**12%**

**6,434** employees

**€534.9 million** in revenue

**Markets**  
Hospitality: 35%  
Healthcare: 38%  
Industry: 16%  
Trade and Services: 11%

**LATIN AMERICA**

**10%**

**15,581** employees

**€444.9 million** in revenue

**Markets**  
Hospitality: 10%  
Healthcare: 72%  
Industry: 18%  
Trade and Services: 1%

**SOUTHERN EUROPE**

**9%**

**5,116** employees

**€379.2 million** in revenue

**Markets**  
Hospitality: 48%  
Healthcare: 16%  
Industry: 19%  
Trade and Services: 17%

**Revenue:** as a percentage of consolidated revenue, excluding other sectors and miscellaneous.  
**Workforce:** data as at 12/31/2023.  
**Symbols:** services listed when they generated at least 10% of the country's 2023 revenue.  
 ● Flat linen.  
 ● Workwear (workwear and PPE, cleanroom, linen services).  
 ● Hygiene and well-being (washrooms, beverages, floor protection, industrial wiping, Pest control, medical waste management).

**SCANDINAVIA AND EASTERN EUROPE**

**14%**

**5,008**  
employees

**€599.2 million**  
in revenue

**Markets**

Hospitality: 19%  
Healthcare: 13%  
Industry: 52%  
Trade and Services: 16%

Elis in 2023

1



**CENTRAL EUROPE**

**24%**

**10,597**  
employees

**€1,013.4 million**  
in revenue

**Markets**  
Hospitality: 14%  
Healthcare: 38%  
Industry: 33%  
Trade and Services: 15%

**FRANCE**

**31%**

**13,145**  
employees

**€1,311.6 million**  
in revenue

**Markets**  
Hospitality: 34%  
Healthcare: 17%  
Industry: 18%  
Trade and Services: 31%

# History and 2023 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 is constantly innovating 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).

## 1973–2001

European expansion and diversification of rental and maintenance business (washrooms, water fountains, coffee machines, residential care linen and cleanrooms).

## 2014

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

## 2015

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

## 2017

Acquisition of Berendsen, creating a pan-European leader.

## 2020

Covid-19 crisis: strong operational and commercial response.

## 2021

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

## 2022

Expansion in Latin America with the acquisition of the Mexican leader: Lavartex.

## 2023

Elis adopts a *raison d'être* and unveils its new tagline "**Circular services at work.**"



## Elis adopts a *raison d'être* and a new tagline

In 2023, the Group defined a *raison d'être* that is rooted in its values and business model.

**To deliver circular services at work for hygiene, protection and well-being everywhere, every day, in a sustainable way.**

The Group's *raison d'être* cements its long-term commitment to the environment and local development. The Group thus underscores its goal of making sustainability – one of the central pillars of its DNA – a part of daily life. It is also an opportunity for Elis to reiterate its values to its employees, customers, partners and shareholders.

The Group's strength lies in its circular economy business model, along with its high-quality service and committed teams. This strength is reflected in the new tagline:



Our *raison d'être* and tagline reaffirm what Elis, together with all its employees, has long sought to build: an innovative company committed to a more sustainable world.  
(X. Martiré).

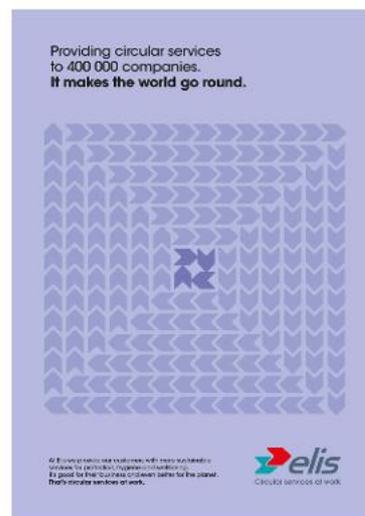


We have redefined the values we would like to amplify to our customers:

**HYGIENE:** The health crises have further raised the increasingly high expectations around hygiene for employees and their customers.

**PROTECTION:** Everyone has a strong need for protection at the personal level and in the workplace, in order to protect themselves and the environment.

**WELL-BEING:** A fundamental benefit of our service that we would like to provide to every one of our customers and to their clients.



One component of the rollout of the *raison d'être* was a communications campaign that was tailored to each of our markets. This campaign allowed us to target all our stakeholders by providing practical

examples of how each of our services is fully consistent with the circular economy model and increases customer satisfaction.



## Climate strategy

Elis has unveiled ambitious 2030 climate targets aimed at:

- › reducing absolute Scope 1 and 2 CO<sub>2</sub>eq emissions by 47.5% between 2019 and 2030;
- › reducing absolute Scope 3 CO<sub>2</sub>eq 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% between 2019 and 2030.

These targets have been approved by the Science Based Targets initiative (SBTi), 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 restricting 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.



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

## B2C pest control



Elis Pest Control reached a new milestone in its development with the expansion of its services to individual customers in three test regions: Île-de-France, Rhône-Alpes and PACA (Provence-Alpes-Côte d'Azur). The regional technical centers (RTCs) in Savigny-sur-Orge and Bobigny will be responsible for providing services for Île-de-France, the RTC in Rochetoirin for Rhône-Alpes and the one in Vitrolles for PACA.

This strategic expansion allows Elis to provide in-home vermin control, insect control and disinfection services and to offer a comprehensive solution for people with pest problems. The B2C expansion reflects Elis Pest Control's determination to position itself as the partner of choice for all pest management needs, whether for businesses or individual customers.

## Major acquisitions

Elis continues to grow in pest control in southern Europe by strengthening its position in a market whose development has accelerated since the end of the pandemic.

### June 2023: Italy

Acquisition of 100% of Gruppo Indaco SRL – The group has some 60 employees; its services (rodent, insect and crawling-pest control) are offered almost exclusively on a B2B basis. Its 2023 revenue was €4.5 million.

### November 2023: Spain

Acquisition of 100% of Compañía de Tratamientos Levante SL Founded 30 years ago, the company generated €4.4 million in revenue in 2023 and has both government and private-sector clients. It has around 80 employees and offers a wide range of pest control services (rodent and crawling- and flying-insect control) as well as disinfection services.



## New plants

### Granollers in Spain

3<sup>rd</sup> cleanroom plant in Spain

**Capacity:**

phase 1 = **50,000 items/week**

then phase 2 = **100,000 items/week**

Start-up expected in April 2024

**Surface area: 1,500 m<sup>2</sup>**

### Erlangen in Germany

Construction of a plant for the maintenance of residents' clothing

**Weekly capacity:**

**210,000 garments**

**Surface area: 4,020m<sup>2</sup>**

### Karlslunde in Denmark

Renovation of a flat linen plant

**Weekly capacity: 120 metric tons** of linen

**Surface area: 5,580m<sup>2</sup>**

### Bogota in Colombia

Renovation of a new plant

**Weekly capacity:**

**155 metric tons of flat linen** and more than **181,000 workwear** items

**Surface area: 2,390m<sup>2</sup>**

### Knutsford in the United Kingdom

2<sup>nd</sup> cleanroom plant in the United Kingdom

**Capacity:**

phase 1 = **50,000 items/week**

then phase 2 = **100,000 items/week**

Start-up expected in May 2024

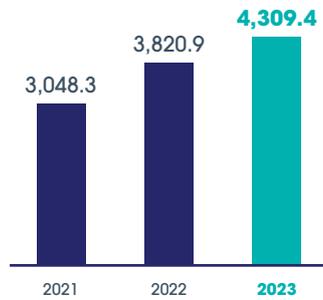
**Surface area: 1,940m<sup>2</sup>**



# Key figures in 2023

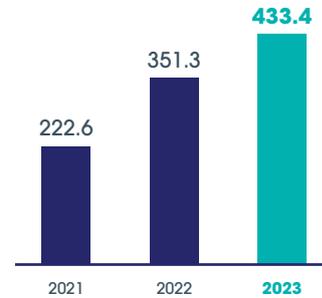
## Revenue

In millions of euros



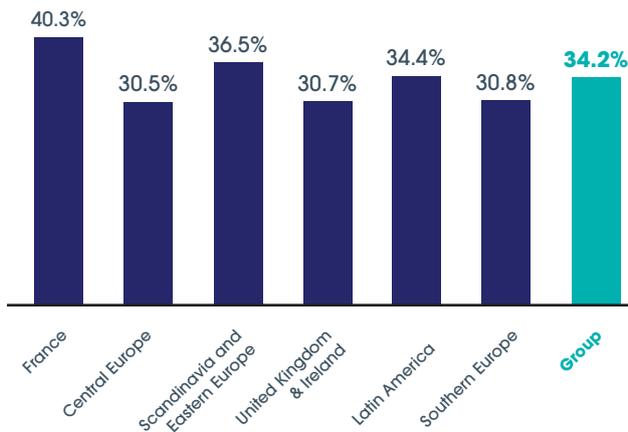
## Net income from ordinary operations

In millions of euros



## 2023 EBITDA by region

As a % of revenue



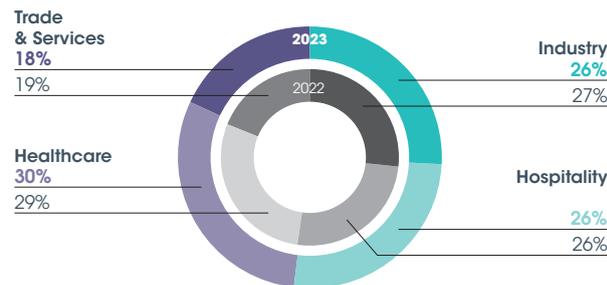
## Organic revenue growth in 2023

As a % of revenue

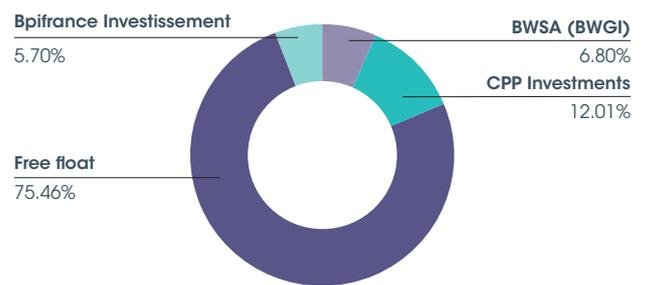


## Breakdown of revenue by market segment

As a % of revenue



## Shareholding structure at 12/31/2023\*



\* More information in chapter 7.

## Social

### HEADCOUNT

**55,881** employees at December 31, 2023

**52%** of which are women

**32.4%** female managers among new hires

### TALENT DEVELOPMENT

**20.3%** of new managers are promoted internally

## Reputation

**89%** of customers are satisfied or very satisfied with Elis\*

\* Data from satisfaction surveys conducted for Elis worldwide in 2023.

## Environment

### WATER CONSUMPTION

**46%** reduction compared to 2010\*

\* Per kg of linen delivered – Europe.

### ENERGY CONSUMPTION

**28%** reduction compared to 2010\*

\* Per kg of linen delivered – Europe.

### ISO 14001-CERTIFIED SITES

**189**

### ISO 45001-CERTIFIED SITES

**106**

More information in chapter 3.

### Revenue

€**4,309.4** million

### EBITDA

€**1,474.8** million

**34.2%**  
of revenue

### Net income from ordinary operations

€**433.4** million

### Free cash flow

€**303.6** million

### Net capex

€**820.8** 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.

# Trends

The Group defines its strategy in line with the market's developments and its main trends, as described below.

---

## Hygiene and protection

The Covid crisis changed everyday hygiene. It built awareness of cleanliness and led to an overall increase in hygiene standards. This transformation, which initially was an immediate response to the crisis, is now here to stay.

The increased need for hygiene and safety for all led businesses, schools and institutions to review their hygiene protocols. These entities are making more sanitary solutions available, reassessing their protection requirements for workwear and washing it more frequently.

In healthcare, protocols have been strengthened, particularly for hand hygiene and surface cleaning.

In the food industry, the need for garment control and traceability has grown due to hygiene scandals and tougher standards and inspections.

In the workplace, risk management has also been emphasized to ensure employee protection and safety, particularly in industry. At the same time, the European Union has continued to strengthen its standards for personal protective equipment (PPE).

---

## Demographic factors

A number of demographic factors play a key role in the economy and have an impact on the Group's vision.

The aging of the population is a major challenge. Medical advances and better living conditions have helped increase life expectancy, which has implications for the healthcare and pension systems. Growing demand for eldercare services has led to the development of the care economy, comprising home care, long-term assisted living and nursing homes. This boosts economic growth in this sector, but also presents challenges in terms of service quality, particularly with respect to residents' personal laundry.

The population growth rate has a direct impact on demand for goods and services by creating opportunities for Elis to develop its services: new customers, market expansion, geographic expansion and the possibility of diversifying its services.

Increasing urban density concentrates the need for housing and infrastructure such as hotels, restaurants, businesses and healthcare institutions, which creates opportunities in all our sectors.

---

## Tourism

According to the latest data from the World Tourism Organization published on September 19, 2023, international tourism continues to grow: 700 million tourists traveled internationally between January and July 2023, i.e., 43% more than in the same months of 2022.

Mass tourism, a major economic engine for many European countries, contributes significantly to GDP, generating revenue in sectors such as accommodation, food and beverage, transport, and tourism activities, which are covered by one of Elis's four major markets.

---

## Sustainable development

Our stakeholders are increasingly aware of their impact on the environment. They have higher sustainable development expectations and now incorporate ecological criteria into their decision-making.

They would like tangible proof of their business partners' commitment – beyond mere environmental statements – with concrete actions such as a reduction in carbon emissions, the responsible use of materials, and a positive contribution to society.

The circular economy is now a customer expectation. Customers are seeking out partners who incorporate

sustainable models, such as the inclusion of alternative materials, repurposing, repair, recycling and a reduction in waste all along their value chain. The circular economy, which reduces resource consumption, is viewed as a competitive advantage and a source of new opportunities.

Approaches that rely on linear models or single-use products are increasingly called into question. Circular services – particularly for healthcare and cleanrooms – are positioned as sustainable alternatives.

---

## Customer professionalization

In an increasingly demanding and competitive environment, our customers are refocusing on their core businesses. Their expectations of their service providers are therefore higher. They see customer experience, reliability, quality and traceability as important differentiators when choosing their business partners.

In particular, our customers are looking for responsive service providers who can offer transparent monitoring at every stage of the collaboration and for every point of

contact with the company, whether online, over the phone or in person.

Given the tensions in the global supply chain, a supplier's reliability and its ability to deliver its products and services are of the utmost importance, and this is the rationale for choosing strong partners with significant investment capacity.

# 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

- › **55,881** employees
- › Operations in **29** countries

### ENVIRONMENTAL RESOURCES

- › Water consumption: **16.7\*** million m<sup>3</sup>
- › Energy consumption: **2,879\*** GWh
- › Total fuel consumption: **51.4\*** million liters
- › Other materials (polyester, cotton, other plastics, etc.)

### FINANCIALS

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

### FACILITIES

- › **466\*** production and distribution centers
- › Over **7,000** vehicles
- › **189\*** ISO 14001-certified sites
- › **106\*** ISO 45001-certified sites
- › A responsible industrial model
- › Circular economy

### MISSION

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

\* Figures aligned with chapter 3 reporting scope.

## Mission

Ensure a circular service of protection, hygiene and well-being for its customers everywhere, every day, in a sustainable way.



## Customer experience at the core of Elis's DNA

- › A Customer Experience department with almost **30** dedicated staff members
- › An in-house Customer Satisfaction program
- › Over **45,000** satisfaction surveys conducted in 2023

## The four pillars of Elis' strategy

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

### Development of sustainable services and promotion of the circular economy

Design increasingly sustainable circular products and services by continuously reducing their environmental impact.

Help our customers achieve their CSR objectives by offering our circular economy-based services.

### Industrial and commercial excellence

Develop and maintain a close, long-term commercial relationship with customers, offering them a local, reliable, high-quality service.

Optimize the profitability of our businesses through an analytical approach to industrial and logistics processes.

Propagate a culture of continuous improvement in industrial and commercial performance, by rolling out best operating practices throughout the Group.

### Consolidation of existing positions

Develop the Group's geographic coverage by combining organic and external growth in order to benefit from economies of scale.

Take advantage of the high density of the Elis network to roll out the multi-service model and generate cross-sales.

### Network expansion

Regularly launch the Group's activities in new countries offering strong potential.

Develop the density of these new countries, apply the Group's operational methodology and eventually offer the full range of Elis services.

## Value created

### CUSTOMERS

- › Ability to focus on core business with a local partnership and work toward more sustainable solutions
- › **89%** satisfaction rate in 20 countries

### EMPLOYEES

- › **52%** women
- › **32%** of new managers are women
- › Elis for All 2023: **+10%** increase in the subscription rate versus 2022

*Figures aligned with chapter 3 reporting scope*

### INVESTORS

Since the IPO\*:

- › Shareholder return: **10%**, based on a share price of €20.94 at February 09, 2024

*\* Initial public offering.*

### ENVIRONMENT & SOCIETY

Reduction in consumption between 2010 and 2023, in line with 2025 goals:

- › Water: **-46%\***
- › Thermal energy: **-28%\***
- › Use of renewable energy: **17%**
- › Textiles recycled: **77%**
- › CO<sub>2</sub>: **15%** reduction in our absolute emissions (Scopes 1 & 2)

*\* Per kg of linen delivered - Europe.*

Local actions at the centers and for their regions:

- › **4%** of executives participate in a mentoring program (France)
- › **94.8%** of procurement spend is with direct suppliers that have undergone a CSR assessment

# Focus on CSR

## SBTi climate strategy

In September, the Group unveiled its ambitious climate targets, marking a new phase in its climate and CSR strategy. This approach has been approved by SBTi (Science Based Target Initiative), the international reference in this area. These targets supplement the

Group's *raison d'être*: to deliver circular services at work for hygiene, protection and well-being everywhere, every day, in a sustainable way.

The greenhouse gas (GHG) emission reduction targets will cover the three scopes of the company's emissions by 2030:



Climate and reducing GHG emissions are crucial global concerns. For a long time, the Group has worked to reduce its energy consumption and CO<sub>2</sub> emissions.

With these targets, Elis pledges to do its part to reduce its carbon footprint and play a leadership role in responding to climate change.

Our action plan: an ambitious roadmap

**Scope 1:** direct CO<sub>2</sub> emissions (e.g., related to natural gas or diesel)

**Scope 2:** indirect CO<sub>2</sub> emissions

Our action levers:



Stepping up our actions to reduce energy consumption



Running pilot projects to test new approaches



Increasing our use of renewable energies



Optimizing routing: itineraries, loads, eco-driving, etc.



Accelerating the transition of the fleet toward alternative vehicles

Concrete examples at Elis:



Delivery optimization software



High-performance industrial equipment



Electric trucks



Solar panels

**Scope 3:** all other indirect CO<sub>2</sub> emissions

(e.g., textile purchasing, products, transport of goods, employee commuting, etc.)

Our action levers:



Working with our customers to reduce textile loss



Repairing and repurposing to extend product lifespans



Reducing single-use packaging



Working with our suppliers to reduce their environmental impact



Eco-designing our products and services



Reducing the impact of employee commuting

Concrete examples at Elis:



Use more responsible materials in our existing product lines



The 4R program in the United Kingdom to educate customers on linen loss



Choose reusable packaging



Innovation through linen traceability



Workwear to workwear project

## Awards and prizes

### EcoVadis

Elis once again received one of the most sought-after awards, the EcoVadis Gold medal awarded to the top 5% of companies in its sector in terms of sustainable development performance.



Since its creation in 2007, EcoVadis has become the most reliable organization for assessing companies' CSR performance.

EcoVadis assesses more than 100,000 companies from more than 175 countries across 200 industry sectors on their policies, initiatives and achievements in four key areas: environment, labor and human rights, ethics and sustainable procurement.

### Improvement in our non-financial ratings

In the first half of 2023, Sustainalytics maintained Elis's "low risk" rating with a score of 17.



In 2023, the Group scored an A- on the climate questionnaire conducted by the Carbon Disclosure Project (CDP), a non-profit organization that carries out independent assessments based on information provided by companies on their strategy, management, performance, and stakeholder engagement on climate issues, among other things.

In 2023, Elis's performance was assessed by the Ethifinance ESG Ratings agency (formerly Gaïa). The Group improved its score again to 75 (from 73 in 2022) and was thus awarded a gold medal.

### Workwear to workwear



The project in which end-of-life Elis garments are recycled into new ones continues to be recognized as an innovative project that is fully aligned with the circular economy. It now includes a "zero-waste" apron. Thanks to a specific pattern-making technique, not a single scrap of fabric is thrown away in the manufacturing process. In addition, the apron is made from 100% recycled fabric.

- › Elis won the Audace award at the sixth RSE DD (Sustainable Development CSR) Mines Paris and Cegos awards.
- › Elis won Gold at the Sustainable Transformation Summit held in Paris by Décideurs Magazine and 100 Transitions.

This summit brings together policymakers and corporate leaders who have the power, impact and commitment needed to transform organizations, business models, production tools and, ultimately, society.

### Sustainable Impact Award

In Sweden, Elis won the Sustainable Impact Award, one of the three nomination categories for the brand-new Impact Awards organized by IHM Business School. This award aims to recognize achievements that have a significant impact on business, society or the environment. This success is due to Elis's efforts over many years.

Also in Sweden, Elis's partner Hodakova, a haute couture upcycling brand, won the designer of the year award at the Elle fashion show.



### MSCI

In 2023, the MSCI rating agency upgraded the Group's ESG rating from BBB to A. This move acknowledges the Group's commitment to CSR and its continued progress.

### Spain: named by Forbes

Forbes magazine published its ranking of the 100 best companies to work for in Spain, and the Group once again made the cut. The list prepared by the magazine is based on an analysis of 2,000 companies with more than 250 employees. It was conducted by surveying employees directly. They were asked to evaluate aspects such as organization, compensation, work-life balance, environmental commitment and work environment.



### Portugal: Corporate Superbrand

Elis Portugal was selected as a Corporate Superbrand for the first time in 2023. Superbrands is present in 89 countries and is an independent international organization dedicated to identifying and promoting superbrands that stand out from the competition in their field of business. In Portugal, this award was given on the basis of a consumer survey and the opinion of the Superbrands board.



## Commitments

› **Fabrique Circul'R:** the Elis Group is proud to be part of the Fabrique Circul'R alongside French companies from a range of sectors that all care about one key topic: the circular economy.

This purpose of this think tank is to help them manage their circular strategy, in particular by working on ways to measure circularity.

› **NQT and the Elis Foundation:** through its Foundation, which aims to support young talent, Elis continues its partnership with the association Nos Quartiers ont du Talent (NQT – "Our Neighborhoods Have Talent"), which gives the Group's employees an opportunity to work with young people. New mentors came forward this year to support young people and help them with their job search.

The Elis Foundation provides personal and financial support to help talented young high school graduates who wish to pursue academic programs renowned for their high standards and excellence.

The Foundation thus welcomed its fifth cohort of young people at a reception where they were able to meet the Elis sponsors who will support them during their studies.



## Equipping our centers and plants

### Increasing the extent of the fleet migration

Long committed to an environmental approach, the Group continues to accelerate its transition to alternative vehicles with the aim of becoming a key player in this transition.

In France, 100% of the orders placed in 2023 to revamp our heavy truck fleet were for low-emission vehicles (exclusively electric and biofuel), and doubled our electric fleet.

Sweden, a pioneer in the energy transition, is pursuing its replacements in a similar way. Within the Group, Denmark, the Netherlands, Norway, Switzerland, and Belgium are committed to this transition, which plays out differently depending on each country's energy mix.

The French Environment and Energy Management Agency (Agence de l'environnement et de la maîtrise de l'énergie – ADEME) has chosen Elis as one of the winners of its call for projects on heavy electric vehicles. The environmental agency has awarded the Group a grant in recognition for its commitment to reducing greenhouse gas emissions.





**Water treatment in Karup in Denmark**

A special process has been developed for mat maintenance at the Karup plant in Denmark. This new water treatment facility recycles water and reduces pressure on the resource.

This facility was selected as one of the 50 ecological projects included on the “Børsen Sustainable Cases 2023” list (national newspaper in Denmark).

**Our employees**

**Elis for All**

The fourth “Elis for All” plan was a success, allowing 93% of our employees to be eligible to become shareholders in the Group. Employees were able to invest in shares while benefiting from a 30% discount and a matching contribution from the Group.

By giving them the opportunity to become Elis shareholders, the “Elis for All” plan aims to recognize their contribution by allowing them to take part in the Group’s future performance.

**Elis for all**  
2023  
Operation

- > Capital increase reserved for employees
- > Subscription rate in Elis Stock: +10% vs 2022
- > Total amount subscribed: +63% vs 2022

**elis**  
Group services & work

**Reward programs**

**Chevrons: 352 in the Group**

The Chevrons Club took its 36<sup>th</sup> trip in June in Europe. This trip was intended as a reward for the production and maintenance teams at our plants. They embody the Group’s values and are models of success and commitment for all employees. Some 264 Chevrons from 15 countries visited Lisbon, Portugal. They were divided into two groups that each stayed for four days. The Chevrons Club is the oldest Elis HR program. It was created in 1987 to acknowledge the work of the most deserving production and maintenance operators.



**Elis Club Elite**

The winners of the Club Elite 2022 visited Yucatan. In mid-March, 142 of the Group’s Top Performers hailing from our 29 countries came together for a week of information-sharing and discovery in Mexico. The aim of this trip was to reward the top salespeople for their results and their daily commitment to serving our current and potential customers.

### The Filière d'Excellence Disco

In September, interns in the FED's 2023 cohort received their diplomas from Alain Bonin. The FED, Filière d'Excellence DISCO, is the in-house certification course at Elis. It enables service agents, customer service assistants and small account managers to take a nine-month training course to qualify for business development manager positions.



## Raising our employees' CSR awareness

### 2<sup>nd</sup> year of Sustainable Development Week

For the second year in a row, the Group's commitment to sustainable development was put into light from October 2 to 6. This week provided an opportunity to raise awareness among all our employees in our 29 countries of the importance of everyday actions in reducing our environmental footprint. Practical tips were offered, along with further education on corporate social responsibility (CSR) and the circular economy.

Some of the themes addressed were: The circular economy: the fashion industry example; Physical health in the workplace; How can we reduce the impact of our transport?; what is the link between food and well-being?; and what is climate change?

### Waste sorting: Sweden

The teams at the headquarters in Sweden came together once again for a week of discussions on waste sorting.

The agenda included: activities, competitions, and an update to the information used to educate employees on the different types of waste and on the importance of sorting waste more carefully.



### Climate Fresk

To educate employees on the climate emergency and engage them in the Group's strategy on a day-to-day basis, Climate Fresks were rolled out in France and the Netherlands. The Climate Fresk helps everyone understand the mechanisms, extent and complexity of climate change concerns.



**Did you know?**

Global fashion industry:

- 4 billion TCO2e (equivalent to total USA emissions for 2022)
- 3<sup>rd</sup> most water-consuming sector (after wheat and rice production)

**What we do at Elis**

Elis Group has been involved in circular economy for more than 70 years. In 2023, the Group reinforces its positioning on circular economy by defining its raison d'être:

"Provide a circular service of production, hygiene and well-being every minute, every day, in a sustainable way"

Elis also changed its signature using "Circular Services at work" (previous: "We empower your day")

**To go further**

Two minutes to understand how to make fashion circular

Sources: [Ellie Saubert](#), [Ellie Saubert](#), [Ellie Saubert](#)

## A CIRCULAR ECONOMY FOR FASHION

**Key facts**

A circular economy model enable to keep clothing in use as much as possible in order to save resources and limit impacts on environment and human.

**Consumer use:** Repairing, Relocation, Pooling, Reusing, Repairing

**Waste:** Improve recycling technologies, ESPECIALLY TEXTILE TO TEXTILE RECYCLING

**Textile fibers:** USE ALTERNATIVE RAW MATERIALS (such as recycled polyester or recycled cotton)

**Manufacturing TRANSITION PRODUCTION PROCESS TO:** Optimize energy and goods consumption

**Did you know?**

<b>NOWADAYS TEXTILE WASTE:</b>	<b>NOWADAYS TEXTILE FIBERS:</b>
73% Landfilled or incinerated	63 MILLION TONS of textile fibers were produced for clothing in 2020
12% Recycled for another usage than clothing	> 97% Produced of virgin materials (cotton, plastic)
Less than 1% of clothes recycled in new clothing	

**Best practices**

**WHAT TO CONSIDER WHEN I WANT TO PURCHASE A NEW GARMENT ?**

- Ask yourself : Do I really need it ? (Will I wear it more than 20 times?)
- Use what you already have (The most efficient way of saving resources)
- Borrow / Rent / Swap (For occasion events such as weddings, birthday or costume parties)
- Buy 2<sup>nd</sup> hand shop items (It's also creative)
- Buy sustainable (Local, from recycled/organic material)

**WHAT TO DO WITH MY USED CLOTHES?**

- Repair
- Give them a 2<sup>nd</sup> life (donation, sale)
- Sort & recycle (Bring them to a dedicated collection place)
- Repurpose clothes for yourself (Upcycling / transformation for a new usage)

Circular services at work

Elis | Universal Registration Document 2023 | 29

# Focus on operational excellence

## GLAD: the Group's logistics application

GLAD's results confirmed the expected benefits of this application for the Group and its customers.

This tool has already been used on more than 2,700 daily routes in France, Italy, Belgium, the United Kingdom, Germany and Portugal.



The next countries to roll out the application in 2024 will be Norway, Finland, Sweden, Denmark, Ireland, the Netherlands and Brazil.

GLAD is a logistics application that can be used on a PDA or on the web and is intended for all customer-facing staff in order to:

- › optimize logistics;
- › improve customer service;
- › simplify daily tasks for our service agents.

## SOL: the Laundry Management System streamlining tool

The Group continued to pursue its LMS streamlining program. After reducing the number of LMS from 27 in 2020 to 21 at end-2022, the streamlining continued with 15 LMS at December 1, 2023. At end-2023, the goal of having only four LMS at end-2025 was maintained.

At the same time, the Group is working to align the work processes of the four target LMS (SOL, Galaxie, COALA, ABS), their product governance frameworks, and the functionalities offered by these four LMS so they can be properly integrated into Elis's global IT application landscape.

## TOM: the maintenance tool for plants

At the end of 2023, 161 plants had implemented this tool in 14 countries.

The rollout of this management tool continues at a brisk pace (approximately 50 plants per year) with the goal of equipping 200 plants by the end of 2024.

This new Elis software, dubbed TOM (a Tool for One Maintenance), offers the following features:

- › a maintenance plan tailored to the plant's machinery and its annual use is created automatically;
- › the repairs made can be input directly from a mobile app;
- › reporting is automatic and standardized (the machines that break down the most, the preventive maintenance rate achieved, etc.).

An analysis of the results confirms that the sites where TOM has been implemented have a better maintenance performance than those where it is not yet in use.



## Pest control: new certifications

### Elis Pest Control in France obtains CEPA certification

CEPA Certified certification®, a true guarantee of quality, is based on the NF EN 16636:2015 standard. It ensures standardized professional practices in pest control. This certification demonstrates the business unit's commitment to excellence, sustainability and safety.



### IPM certification for pest control in the Netherlands

The RTC\* in the Netherlands recently obtained the IPM (Integrated Pest Management) certification, underscoring its commitment to the responsible use of biocides. All technicians passed an individual test to demonstrate their skills and expertise in this area. This certification is of particular importance as the Netherlands now has new regulations governing the use of biocides. Although this certification is not mandatory, it is critical to being able to continue to use these products in compliance with legal standards.



\* Regional technical center.

## Sales team training

### Sales Academy

To ensure sales team excellence, Elis launched an internal sales technique competition for all small account managers. The goal was to improve their sales technique and customer relations performance. For several months, they competed in teams, by region and then in the finals at the Group's headquarters in a role-playing scenario. And it was a finalist from the East region who won the first finals!



## Pest control also has an academy

A school to train qualified experts. Since pest prevention and control require specific skills and know-how, Elis has its own school. The Elis Pest Control Academy provides ongoing training for technicians, assistants and managers to enhance their skills in the field of pest control. Training

is provided by regional operations managers, who accompany technicians to customer sites to assess what they have learned directly in the field.

# 1 Focus on innovation

## More responsible materials in each product line

Elis prioritizes the use of more responsible materials when designing its collections, such as recycled polyester and recycled plastic. As such, the materials in our existing product lines are gradually being replaced with alternatives, such as recycled polyester or plastic.

The combination of lower-impact materials and increased reparability allows Elis to maximize product use and continue to reduce their impact. Garments, mats and hygiene appliances are inspected and repaired directly at our plants or at dedicated workshops.

In 2023, the Phoenix line of hygiene appliances made from recycled plastic was expanded and supplemented by seven new appliances.

In mats, Elis launched the re:Tech mat which includes recycled materials derived from recovered materials.

In the garment product lines, the composition of a number of collections was changed to incorporate recycled polyester, including the best-selling Motion collection.



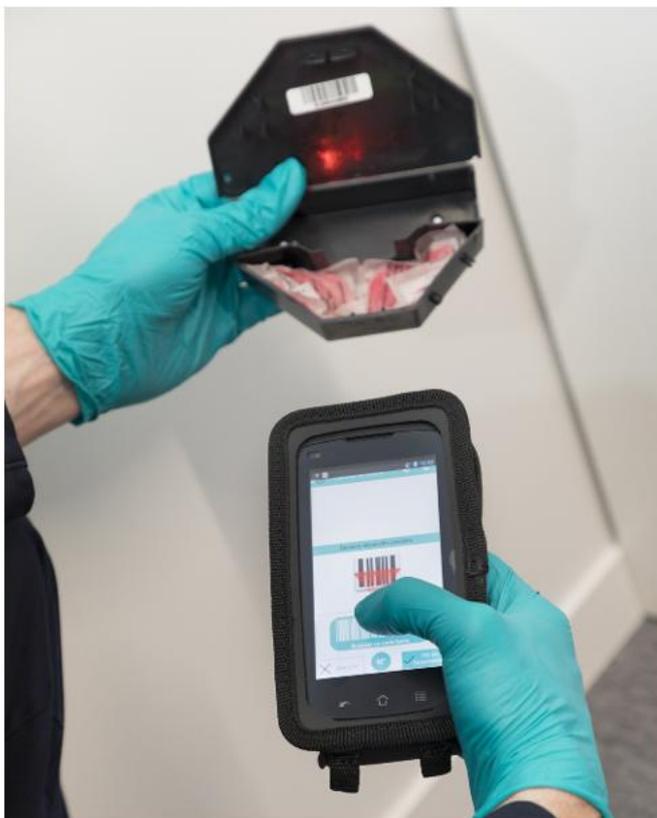
## Traceability

### Elis Connect Washroom

To make it easier to monitor its services, Elis continues to strive for quality in its hygiene and well-being service by offering a traceability solution that meets customers' expectations. In 2023, the Group thus continued to roll out its Elis Connect Washroom solution which provides electronic proof of visits. In addition, the IoT enables Elis to go one step further and offer a line of smart appliances. This is a proactive service that can optimize customers' hygiene appliance management.

### Pest control

After France, Portugal and Italy, Switzerland joined the list of countries benefiting from the Elis Connect Pest Control Solution, which ensures traceability of the pest control and prevention service. At the same time, Elis continues its efforts to guarantee a better user experience and even more efficient customer support. Elis would also like to expand this expertise to other countries and to non-standard customers by adapting its offer to their needs. Lastly, and as is the case with washrooms, the IoT will be included in smart traps to allow for quick and targeted action at the customers' sites, so they can stop worrying and focus on their work.



### Workwear

The traceability of workwear is an important consideration for customers and the people who wear it. The digitalization of the entire value chain thus lies at the heart of Elis's strategy to make the day-to-day life of companies and their employees even easier. A new version of the Elis Connect Workwear solution was introduced in 2023. It improves agents' workflow and offers visibility on the service provided through electronic delivery slips. The catalog of automatic clothing dispensers and smart lockers has also been rounded out to offer a solution that matches customers' needs, regardless of their business sector. Developing these systems brings the Group closer to the wearers. In 2024, the Group will continue to research ways to optimize the Elis Connect customer portal so it can deliver a simplified user experience by offering new features.







## 1.3 OUR CUSTOMERS

Elis offers products and solutions suited to all business sectors to meet the needs of its customers. It has focused its rental and maintenance expertise on four markets: Hospitality, Industry, Healthcare, and Trade and Services.

For each of these markets, Elis offers three main solution types: flat linen, workwear, hygiene and well-being appliances.

### Solutions



\* As a percentage of consolidated revenue, excluding miscellaneous.

# Customer experience

## MyElis

The MyElis portal is currently being redesigned to provide a better experience for our customers. Once this project is complete, our customers will have more autonomy to manage their services and contracts.

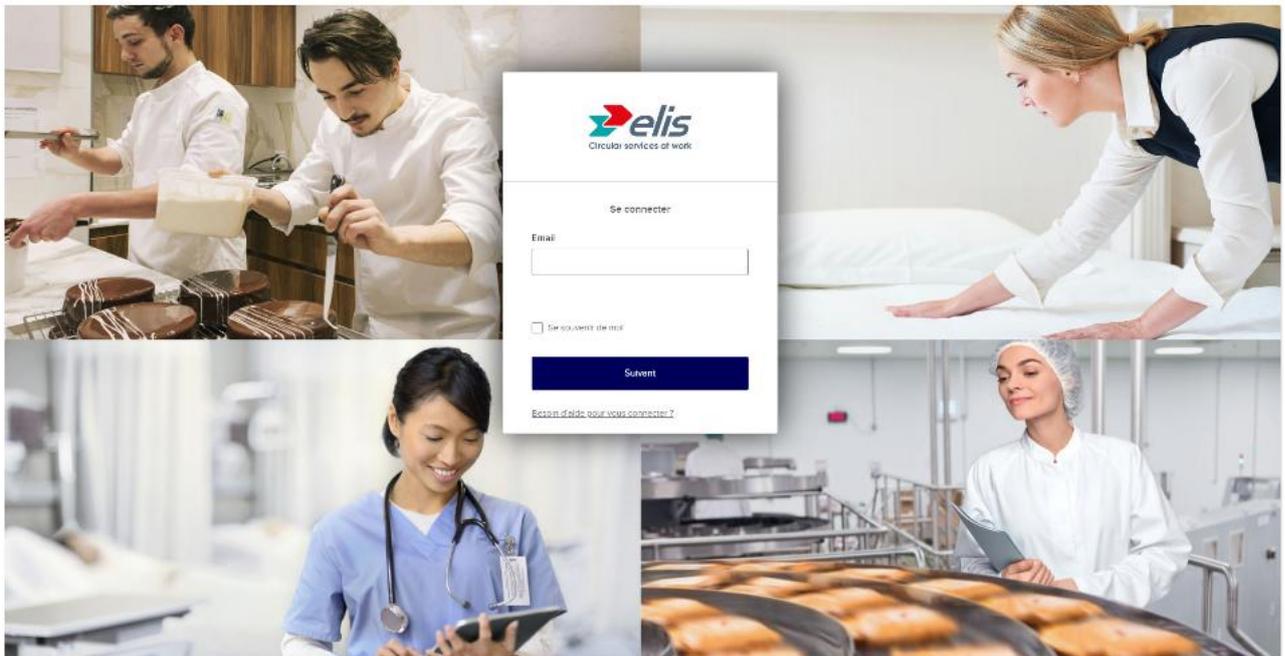
Four objectives of the portal redesign:

- › to maximize functional coverage and reduce low value-added tasks for Elis centers;
- › to optimize navigation and make it simpler, more seamless and accessible on different devices, with the option of notifications;
- › to ensure the change is adopted through training for our sales teams (sales and DISCO);
- › to benefit from robust technology, linked to the country's LMS.

In 2023, the customer portal authentication system was secured and will allow for the use of a single sign-on shared across all of the Group's digital tools, including Elis Connect.

Our Hospitality and Healthcare customers in countries using the Galaxie LMS saw some changes to their technical platform for flat linen orders. The rollout in France, Spain, Switzerland and Portugal is complete and will continue in 2024 in Italy.

In the upcoming months, new features will be added, mainly for our workwear service. The existing features will also be optimized.



## eForce

**Elis has been working for several months to build eForce, the new CRM that will be introduced in several countries, first in the Netherlands and then in France.**

eForce aims to centralize all the important information needed to manage our current and potential customers. It is intended for different teams, centers and countries and its uses will range from identifying unqualified prospects to cross-selling. **We will thus be able to offer customers a higher-quality service that is tailored to their needs.**

This is a much-anticipated project for the teams as it will have **many benefits**, starting with improved lead conversion, increased customer retention, stronger business development and better cross-functionality between the sales teams and Disco.

**eForce.Elis**  
Group CRM

## eContrat

One of Elis's priorities is to simplify the sales path, from the moment the contract is created to its signature by the customer. Electronic contracts have emerged as a powerful tool for making the sales process more efficient. eContrat is a tool that can be used to generate and sign a contract electronically. The process is broken down into three major steps:

- › Quote: the content of the quote is used for the digital contract;
- › eContrat: the contractual information is autofilled (customer information, billing, delivery);

› Electronic signature: the contract is signed with DocuSign.

Currently 12 countries, namely the United Kingdom, Italy, Brazil, Germany, France, Switzerland, Sweden, Norway, Spain, Finland, Denmark and the Netherlands, have implemented electronic signatures. The feedback from our teams is very encouraging and shows how easy it is to adopt this technology.



## Building customer loyalty: HiFi program

The goal of the HiFi (High Fidelity) project is to help field staff to renew contracts. The scope of customers potentially affected by HiFi represents more than

€700 million per year and about 160,000 customers. In 2023, 46% of contracts were renewed electronically.





# Hospitality

The Hospitality market continued to grow in 2023, with revenue per available room even coming close to pre-Covid levels. This applies also to tourism, which saw a 38% increase in the number of international tourists versus the previous year.

While inflation continued to rise before beginning to slow, higher raw material costs had a significant impact on the cost of linen maintenance. Elis therefore had to adjust its rates, while the supply/demand balance made it possible to maintain higher prices.

Elis's DNA carries even greater weight at a time when added value lies in the service provided.

The Group's rental & maintenance model also addresses the sector's key concerns thanks to the circular economy, which helps limit the impact on resources – particularly through linen streamlining.

# 26%\*

of consolidated revenue

## Industry sectors

- › Hotels
- › Full table service restaurants
- › Apartment hotels
- › Catering
- › Airlines, cruise ships and ferries
- › Short-term and long-term rental

\* As a percentage of 2023 consolidated revenue, excluding other sectors and miscellaneous.



## Le Jacquard Français gives its products a second life

Le Jacquard Français (LJF) is launching a new “second-hand” offering, encouraging customers to clean out their linen closets and give new life to their products. This initiative helps preserve the environment by reducing the consumption of raw materials and keeping products in use. The outstanding quality of LJF’s products, designed to last and be handed down from generation to generation, makes this sale of second-hand products possible.



## Innovation

The Cocoon line is the most frequently ordered bath linen collection in a multitude of countries, including France, Spain, Germany and Switzerland.

To make the product more sustainable, the weft yarn is now 10% polyester. The pile yarn is still 100% cotton to maintain the same absorption capacity.

## Elis strengthens its presence in the luxury goods industry with products for a prestigious hotel

The Vaux-de-Cernay Abbey, a 12<sup>th</sup> century jewel acquired by the Paris Society Group, was under construction for two years and reopened at the end of 2022. It is now ushering in a new era of luxury hospitality, having abandoned its ostentatious style in favor of a more personalized identity and an authentic experience. Reflecting its status as a trusted brand, Elis was selected to offer an exclusive line of bed, bath and table linen. With its high-quality materials and refined finishings, this remarkable transformation will be further enhanced by 30 new products, including a 300 thread count satin for bed linen and zero-twist cotton bath linen.



## Increased capacity: several welcome plant expansions

The recovery of the Hospitality market prompted Elis to increase capacity at some of its plants to better serve its customers. In addition to the new plants built in 2023 and described at the beginning of chapter 1, the Group expanded some of its facilities that process flat linen in the United Kingdom, Portugal and Spain. A brand-new plant will also be inaugurated in 2024 in Rousset in France.



## Trade and Services

Elis's business model is particularly well-suited to multi-service on the Trade and Services market. The teams offer their customers new solutions using existing logistics.

The Trade and Services market has proven its ability to generate value for Elis and its customers, with an increase in the average spend every year – due in part to the increase in the product mix – and revenue that represents 25% of the Group's sales contribution.

For this reason, the Elis business model, initially developed in France and Southern Europe, continued to be rolled out to several new countries in 2022 and 2023.

After the United Kingdom's successful rollout of a new Trade and Services sales force, Brazil and Switzerland also began to implement this new strategy. Following Sweden in 2023, Denmark began training a limited sales team in 2024 to target smaller-than-usual customers. Poland has taken advantage of the extension of the multi-service model to diversify its portfolio by adding the washroom offering.

To support its "multi-service" sales staff, who are able to pitch their customers on eight different services and nearly 2,300 listed products, we provide them with digital tools to present their offering: a digital portfolio, a pricing tool, digital contracts and online training.

# 18%\*

of consolidated revenue

## Industry sectors

- › Contract catering or take-out
- › Cleaning companies
- › Large retail
- › Food stores
- › Gas stations and car dealerships
- › Local shops (hairdressers, etc.)

\* As a percentage of 2023 consolidated revenue, excluding other sectors and miscellaneous.

## Ladybox

A new arrival! Elis is rounding out its feminine hygiene offering with the Ladybox. In addition to being compatible with the three washroom product lines, Aqualine, Phoenix and Fusion, this self-service sanitary protection dispenser has several advantages for our customers, who can:

- › ensure their employees' comfort while improving their quality of life at work;
- › help fight menstrual product insecurity by offering free feminine protection;
- › opt for more responsible solutions with women-friendly products: 100% organic cotton tampons and 80% natural-origin sanitary napkins;
- › benefit from a turnkey service that includes installation and refills by our service agents.

Elis continues to engage with its customers by encouraging women's well-being and helping them promote their employer brand.



## re:Tech mat: recycled materials

In order to maintain its leadership position in Scandinavia, and with its business model grounded in the principles of the circular economy, Elis launched a new mat that incorporates recycled materials with Oeko-Tex standard 100 certification. re:Tech outperforms other Elis mats and has the best water and sand absorption rates. Like its predecessors, the re:Tech mat is designed for rapid water evaporation, making it highly effective once installed at our customers' sites.

### Distribution of fibers

- › **50%** recycled polyester
- › **25%** polyester from production scraps
- › **25%** cotton from production scraps

### Distribution of rubber

- › **100%** nitrile, **34%** of which is from production scraps



## The line of recycled plastic hygiene appliances is expanding!

After a successful launch of the Phoenix range last year, new appliances have been added to the line: folded paper hand towels and two air fresheners, one aerosol and one passive. These products are consistent with the Phoenix line's responsible approach as they are, respectively, 92%, 39% and 46% recycled (ABS) plastic.

With these new products, the Phoenix line now has a more comprehensive offering that meets broader customer needs, while limiting its impact on the environment. As a reminder, the Phoenix line generates four times less CO<sub>2</sub> emissions during manufacturing\*.

*\* For one metric ton of recycled ABS compared with the production of one metric ton of standard ABS.*



## Workwear

For our Trade and Services customers, our workwear collections have expanded to include new coats and a fully revamped Front Office line.

### Izæ coat



This is a new unisex coat intended for a wide range of professions and activities. The main fabric for the navy/royal blue version and the accent fabric for the dark green/black version are made of recycled polyester and cotton.

### New Front Office line

The Front Office line is for both men and women and offers a full selection of five black garments for public-facing professions. This collection stands out for its style and its tailored fit. The garments are more on-trend and offer a modern esthetic and more current fit.







## Industry

The momentum Elis has built in the Industry market in recent years has been confirmed and is accelerating. It is based on three pillars:

- ▶ a still very satisfactory level of new customer acquisitions;
- ▶ productive rate discussions with customers who are facing the same situation as Elis (energy costs, wage increases) and are thus better able to understand our requests and accept them;
- ▶ very limited losses, a sign of the Group's operational excellence.

In addition to the reasons cited above, Elis has a very strong presence with customers in booming industries (manufacturing and aviation subcontracting).

Our cleanroom activity is driven by the strong growth that some of our customers are experiencing (defense, microelectronics, new industries: giga factories). They also have excellent outlooks.

Lastly, the food industry, which is by nature resilient and not highly exposed to fluctuations in activity, remains a major market for Elis. In addition to the Group's long-standing and very strong positions on the food market, higher hygiene standards, traceability, and the upward alignment of health standards have led to greater needs (many additional clothing changes) which has, in turn, increased Elis's activity.

France, the Netherlands and Denmark, countries with strong food traditions, remain strongholds for Elis in this segment.

26%\*

of consolidated revenue

## Industry sectors

- › Food industry
- › Chemicals and pharmaceuticals
- › Industrial services
- › Heavy industry

\* As a percentage of 2023 consolidated revenue, excluding other sectors and miscellaneous.

## Motion

Elis's best-selling collection for industry, maintenance and logistics has not only been updated, but its composition has been changed. It now uses recycled polyester instead of polyester.

Choosing recycled polyester over virgin polyester means:

- › a 45% reduction in energy consumption;
- › a 20% reduction in water use;
- › a 30% reduction in greenhouse gas emissions.

The collection consists of a number of different garments in a number of different colors.



## Elis supplements its Moovento collection for light industry with Moovento+ and MooventoR

Moovento+ adds innovative stretch fabric inserts to strategic areas (shoulders, back and crotch) to give the wearer great freedom of movement. The Moovento+ collection consists of a women's fit, with a jacket and trousers set, and a men's/unisex fit, with a jacket, trousers and coveralls. Both pairs of pants and the coveralls are EN14404 certified, and the knee pockets are reinforced with "cordura" fabric.

The collection also includes a version with integrated reflective trim (MooventoR collection). It was created specifically to meet the requirements of the EN17353 Enhanced Visibility standard.

These garments were designed to withstand a work garment's daily wear and tear. Their lifespan is optimized, while their many practical details mean that tools and accessories are always within reach.



## High-visibility t-shirt

Elis is launching its new ProEssentials high-visibility t-shirts (class 1 and class 2) to provide wearers with 360° protection. They have fluorescent and reflective properties with segmented tape around the chest, arms and shoulders. The inside is cotton and the outside is

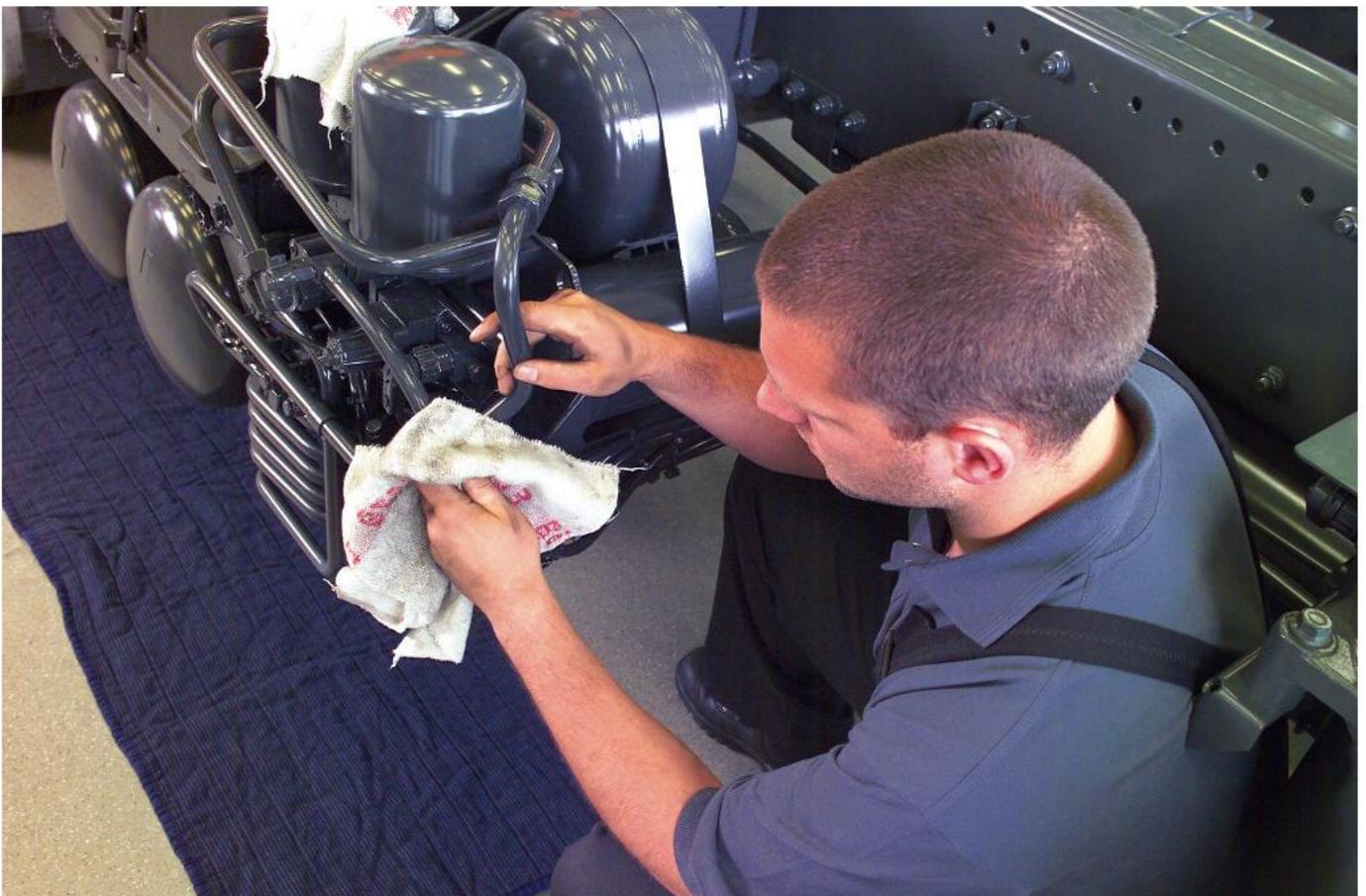
recycled polyester. Their ingenious design incorporates an underarm mesh panel, providing optimal ventilation and keeping wearers comfortable even during intense physical activity.



## The Mastermat

The wipers offering for the automotive and metalworking sectors has been expanded to include an absorbent mat solution: the Mastermat. These products efficiently soak up oils and trap metal shavings and other debris from industrial activity. The absorbent wipers and mats

are used in production and maintenance spaces and help maintain a clean - and therefore safe - work environment.



## Cleanroom

The Cleanroom business unit plays an important role in our successes, particularly with our customers in the pharmaceuticals and cosmetics industry. With double-digit growth, Elis Cleanroom has delivered impressive results.



over **4,000** customers



**€236** million

in revenue including revenue from Brazil (up 11.7% versus 2023)

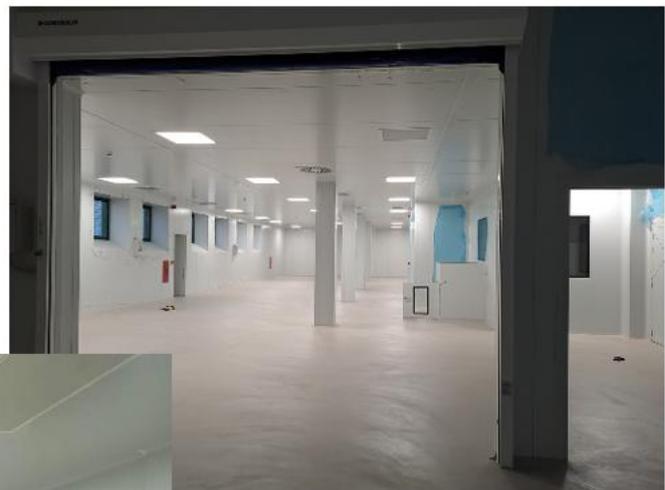


**-19%** reduction in CO<sub>2</sub> emissions between 2019 and 2022 for scopes 1 and 2



## New Elis Cleanroom plant in Granollers in Spain

Elis Cleanroom is expanding its footprint in Spain with the opening of a brand-new cleanroom plant in Granollers. This is the third cleanroom laundry plant in Spain and represents a major milestone in our commitment to providing our customers with the best possible service. The plant is equipped with the latest technologies and will meet the highest industrial standards. It has ISO 5 and ISO 7 cleanrooms where we can process up to 100,000 items per week.





# Healthcare and social welfare

Healthcare is a critical market that has even greater resilience than other sectors. Many customers have renewed their contracts, which allows the segment to maintain a very high retention rate. The teams know how to adjust and change prices depending on the types of services that their customers select.

Synergies between the sales teams in the Group's countries and Elis's know-how in managing large groups have facilitated the conclusion of international master agreements.

Awareness of corporate social responsibility – particularly with respect to the environment – has created new prospects for reusable textiles versus single-use products.

The care home market is growing rapidly due to Europe's aging populations. It is particularly mature in Germany and France and generates high volumes. This market offers untapped potential in Spain and the United Kingdom.

Given that residents have high expectations in terms of comfort, the Elis model, which can handle a wide range of services, is particularly relevant in relieving the burden on employees. The still underdeveloped washroom offering in this segment thus offers potential in a universe with very strict hygiene standards.

30%\*

of consolidated revenue

### Industry sectors

- › Hospitals and clinics
- › Elderly care homes
- › Institutions for people with disabilities
- › Primary care
- › Child daycare centers

\* As a percentage of 2023 consolidated revenue, excluding other sectors and miscellaneous.

## Linens management: a responsible and economic concern

The Elis Group has identified areas for improvement among the action levers for reducing scope 3 CO<sub>2</sub> emissions, such as reducing linen loss. This subject, already identified last year by the United Kingdom as a major concern, affects all of the Group’s regions. Customer education campaigns have been rolled out to the facilities and have already yielded results.

A number of nudges, one for each example of linen loss or damage, have been created, translated and displayed directly at the customers’ sites. More than ever, Elis is working alongside its customers to find more sustainable solutions.



## Residents’ personal laundry: a new plant in the United Kingdom

In the United Kingdom, the first plant dedicated to laundering residents’ personal clothing is opening in early 2024 after six weeks of construction. After some testing on flat linen with existing customers, the new service will officially launch in the spring of 2024. The Bridgewater plant will serve the entire southwest region of the United Kingdom. An initial pilot with the Caron Group began in December 2023.

The clothes are washed at low temperatures to maintain the look and quality of the residents’ clothing, while ensuring that it is cleaned hygienically to provide the highest standards of infection control.

Elis’s production agents carry out the final steps: all items are finished and folded by hand before they are returned to each resident.



## Pop’Life coat

The Pop’Life collection was expanded to include a new coat design that is 65% recycled polyester and 35% cotton. The unisex Pop’Life coat is intended mainly for laboratories. Its stylish teal piping matches nicely with the trousers from our Trendy line.







## 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 has 12 members, including five 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.

# The 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.

12 members and one non-voting member (censor)

**THIERRY MORIN** Chairman of the Supervisory Board, independent member

**FABRICE BARTHÉLEMY**  
Vice Chairman  
Independent member

**PHILIPPE BEAUDOUX**  
Member representing employees

**PAUL-PHILIPPE BERNIER**  
Permanent representative of  
Bpifrance Investissement,  
Independent member

**ANTOINE BUREL**  
Independent member

**ANNE-LAURE COMMAULT-TINGRY**  
Independent member

**PHILIPPE DELLEUR**  
Independent member

**AMY FLIKERSKI**  
Member

**VALÉRIE GANDRÉ**  
Member representing employees

**CÉCILE HELME-GUIZON**  
Permanent representative of BWGI  
Independent member

**FLORENCE NOBLOT**  
Independent member

**MICHEL PLANTEVIN**  
Member

**ALEXIS MARTINEAU**  
Non-voting member (censor)

<b>5</b> women	<b>12</b> meetings	<b>94%</b> attendance rate	<b>1</b> series of strategy days
<b>7</b> men	<b>57</b> years old on average	<b>66%</b> independent members	

## Audit Committee

3 members

**ANTOINE BUREL**  
Independent Chairman

**THIERRY MORIN**  
Independent member

**CÉCILE HELME-GUIZON (BWGI)**  
Independent 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
- › Review of entire risk map
- › 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

5 members

**FABRICE BARTHÉLEMY**  
Independent Chairman

**THIERRY MORIN**  
Independent member

**VALÉRIE GANDRÉ**  
Member representing employees

**MICHEL PLANTEVIN**  
Member

**PAUL-PHILIPPE BERNIER**  
(Bpifrance Investissements)  
Independent member

### 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

4 members

**FLORENCE NOBLOT**  
Independent Chairwoman

**PHILIPPE DELLEUR**  
Independent member

**AMY FLIKERSKI**  
Member

**ANTOINE BUREL**  
Independent member

### Main duties

- › Monitoring issues related to the Company's CSR and climate strategy
- › Examining the Group's CSR commitments and guidelines
- › Anticipating the main CSR considerations, risks, and opportunities
- › Issuing recommendations on the Group's CSR policy and climate action plan
- › Overseeing the process of developing, publishing, monitoring, auditing and certifying sustainability information

**100%** attendance rate  
**5** meetings

**100%** attendance rate  
**6** meetings

**100%** attendance rate  
**5** 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  
(Southern Europe, Latin America)



**ALAIN BONIN**  
Deputy Chief Operating Officer  
(France)



**MICHEL DELBECQ**  
Transformation and IT Director



**FRÉDÉRIC DELETOMBE**  
Engineering, Purchasing and  
Supply Chain Director



**CHARLOTTA ERICSSON**  
Deputy Chief Operating Officer  
(Northern Europe)



**DIDIER LACHAUD**  
Human Resources Director



**YANN MICHEL**  
Deputy Chief Operating Officer  
(France, Great Britain, Ireland,  
Eastern Europe)



**CAROLINE ROCHE**  
Marketing and  
Innovation Director



**ANDREAS SCHNEIDER**  
Deputy Chief Operating Officer  
(Central Europe, the Baltic states,  
Switzerland)

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.



# 03

## Our corporate social responsibility

<b>3.1</b>	<b>WHO IS ELIS?</b>	<b>131</b>	<b>3.5</b>	<b>SOCIETY</b>	<b>193</b>
<b>3.2</b>	<b>OUR STRATEGY</b>	<b>135</b>	3.5.1	Providing products and services that contribute to protection, hygiene and well-being and reduce resource consumption	193
3.2.1	Integrated CSR governance and management	135	3.5.2	Satisfying and engaging our customers	195
3.2.2	Our strategy: commit to the planet, our people and Society	137	3.5.3	Working responsibly with third parties	197
3.2.3	Our CSR roadmap: clear and ambitious targets	139	3.5.4	Continuing to integrate ethics into our business practices	200
<b>3.3</b>	<b>PLANET AND PRODUCTS</b>	<b>141</b>	3.5.5	Contributing to our local communities and supporting the causes that we value	204
3.3.1	Being a circular economy player	141	3.5.6	Keeping the IT system secure for us and our employees	205
3.3.2	Eco-designing our products and services	146	<b>3.6</b>	<b>APPENDICES</b>	<b>208</b>
3.3.3	Optimizing our use of resources and minimizing our impact on ecosystems	150	3.6.1	Non-financial performance statement	208
3.3.4	Reducing and properly managing our waste	156	3.6.2	Taxonomy	211
3.3.5	Minimizing our energy consumption	159	3.6.3	Non-financial ratings and prizes	218
3.3.6	Fighting and adapting to climate change	164	3.6.4	Details of Group performance	219
<b>3.4</b>	<b>OUR PEOPLE</b>	<b>176</b>	3.6.5	Methodology note	223
3.4.1	Listening to, valuing our employees and ensuring their well-being at work	176	3.6.6	Cross-reference tables: GRI, TCFD, Global Compact, SASB, SFDR	224
3.4.2	Protecting our employees	181	<b>3.7</b>	<b>REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE VERIFICATION OF THE CONSOLIDATED NON-FINANCIAL PERFORMANCE STATEMENT</b>	<b>231</b>
3.4.3	Attracting and developing our employees	184			
3.4.4	Ensuring non-discrimination and equal opportunities	188			
3.4.5	Respecting human and labor rights	191			



Elis Toulouse



## 3.1 WHO IS ELIS?

Elis "ensures a circular service of protection, hygiene and well-being everywhere, every day, in a sustainable way." This is the *raison d'être* we formalized in 2023 to reflect the Group's model, which has been based on the rental, maintenance and reuse of products and services for more than 75 years.

With our international scale and position as market leader comes a responsibility not only for our employees and our customers, but also for the environment and Society as a whole. 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.

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 the Group's development and strategy. This reflects the fact that our multiservice business exemplifies the notion of a "circular economy," in which the take-make-waste model of production is replaced by a system that maximizes the value of resources and significantly minimizes waste. At the same time, we engage our employees on a daily basis, ensuring a positive workplace environment in which diversity is promoted and ethics and integrity inform everything we do.

Our commitment to help to create a more sustainable world for society, the environment and our own employees was updated through our 2025 action program. This year, we expanded this program to include ambitious 2030 climate goals aligned with the Paris Agreement (Science Based Targets initiative methodology).



**Xavier Martiré,**  
Chairman of the Management Board

Share of revenue based on the circular economy: **84%**



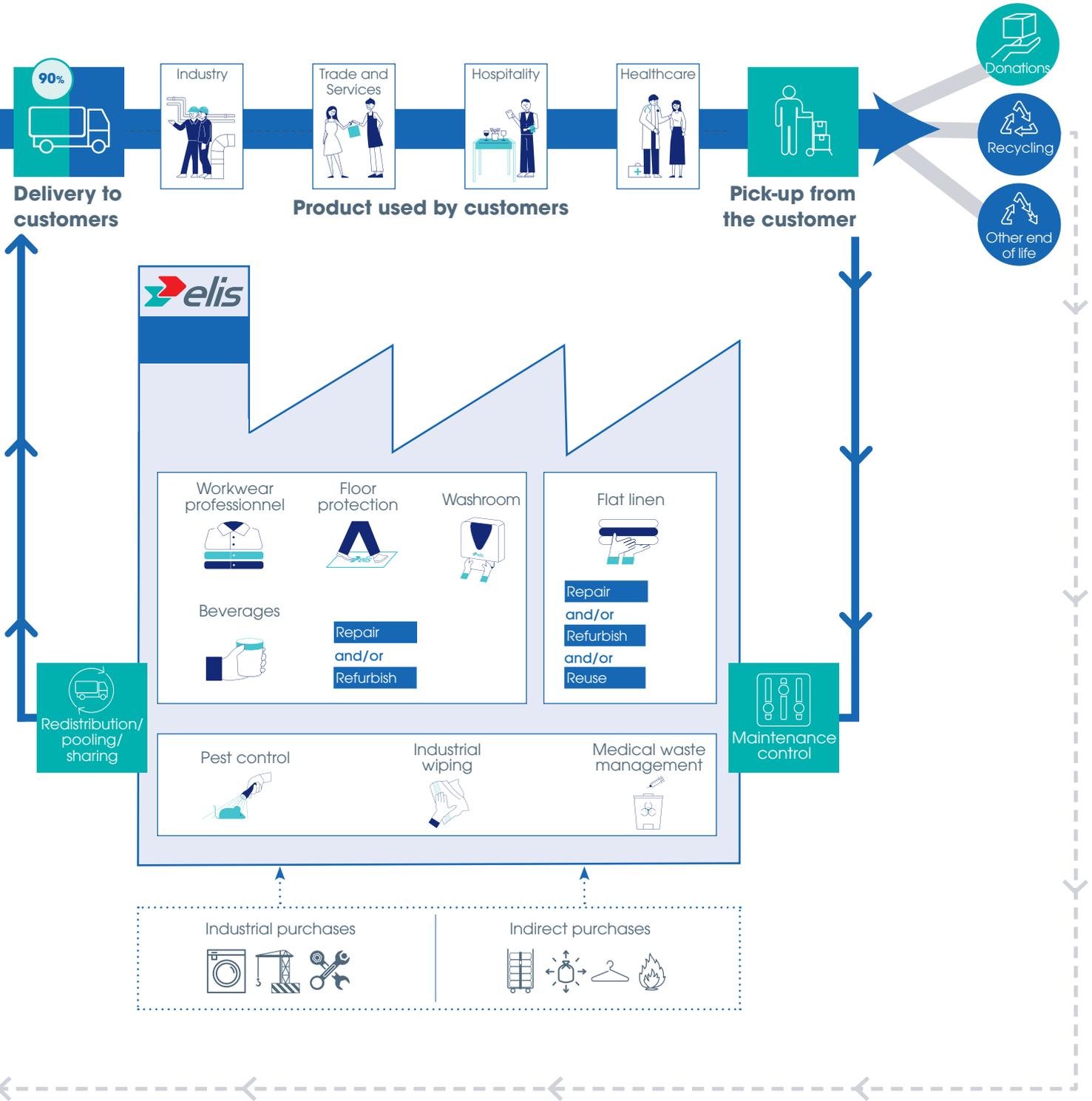
Carried out or managed by Elis

Carried out by third parties

Group subsidiaries that do business directly with consumers or other customers

**58%** of product families with at least one collection composed of sustainable materials.

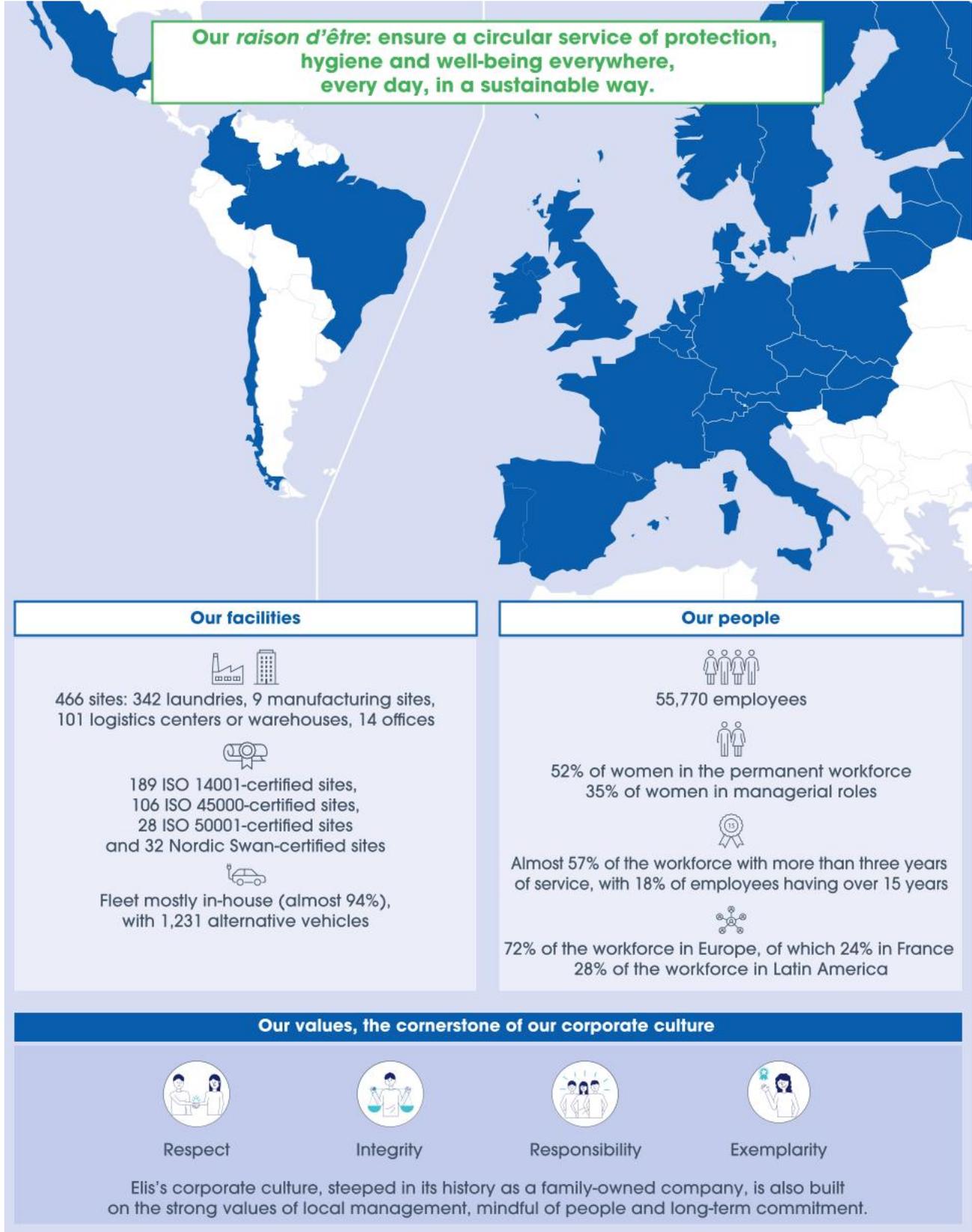
**94.8%** of procurement spend with direct suppliers that have undergone a CSR assessment in the last three years.



Other Group activities excluding product-as-a-service business model: 16%

The calculation methodology for revenue that contributes to the circular economy was revised in 2023 to align with the taxonomy regulation. Certain activities and the consumables for certain products were therefore not included.

**Our raison d'être: ensure a circular service of protection, hygiene and well-being everywhere, every day, in a sustainable way.**



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

## 3.2 OUR STRATEGY **RFA**

### 3.2.1 Integrated CSR governance and management

#### CSR governance structure in detail

Sustainability and corporate social responsibility (CSR) can be a source of both risks and opportunities; therefore, 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 the Chairman.

The Executive Committee regularly deals with sustainability related topics during its meetings, particularly its main aspects. The purpose of these meetings is to keep the Executive Committee informed of the Group's CSR risks and opportunities and to review the CSR strategy, goals and performance to date, as well as stakeholder expectations and feedback. The following topics in particular were discussed in 2023: the climate strategy and action plan, logistics optimization, linen management and the traceability program, product positioning, compliance and Green IT.

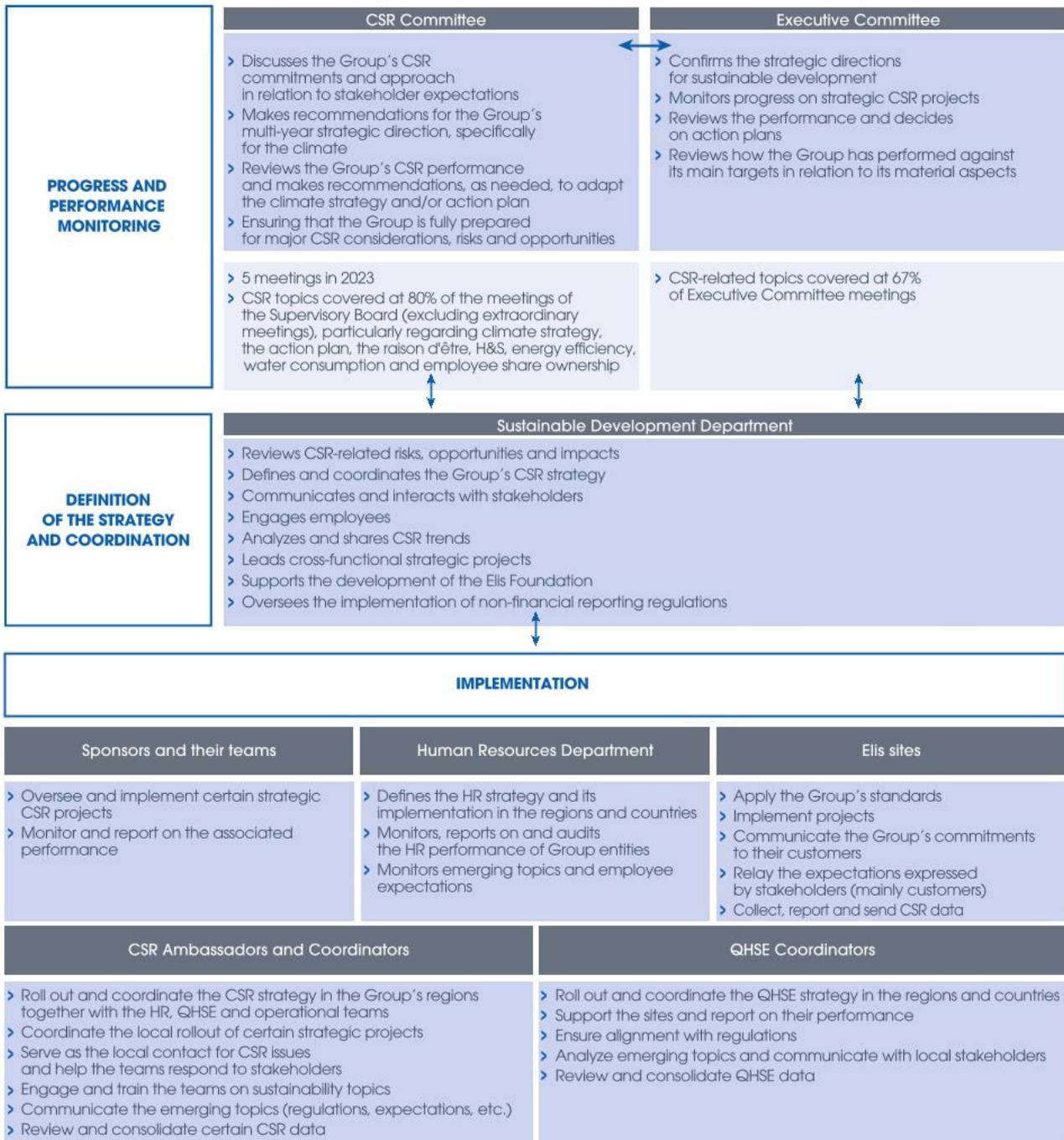
Since 2020 the Supervisory Board has a special CSR Committee that helps it monitor and anticipate CSR topics as they relate to both setting its strategy and implementing it. The CSR Committee met five times in 2023. It reviewed the Group's CSR performance and the progress made on its 2025 goals, monitored the assessments conducted and the action plans related to ESG agencies' ratings, reviewed the Group's climate strategy and action plan, and discussed the new CSRD (Corporate Sustainability Reporting Directive) regulation. On top of information shared and discussed and training basics provided during the meetings, the Committee members may request support or trainings from an

external expert. Information about the committee members' CSR competencies is available in section 2.1.4 "Supervisory Board" of this Universal Registration Document.

In addition, a report on the Sustainable development program, its goals and its performance is delivered at least once per year to the Supervisory Board, either during specific presentations or as part of the presentation of the Group's industrial strategy or during strategy planning days, and to shareholders during the annual general shareholders' meeting.

To coordinate the Group's Sustainable development projects – especially its ambitious 2025 program – and to ensure their progress, the CSR Director works closely with the members of the Executive Committee and their teams. The CSR Director also regularly shares CSR-related conceptual and/or technical elements with them (e.g. carbon accounting, carbon reporting standards, CSRD reporting, labels and certification, etc.). The following directors take responsibility for certain goals:

- › the Human Resources Director: goals related to human resources;
- › the Engineering, Purchasing and Supply Chain Director: goals related to health and safety, the environment, transportation and purchasing strategies;
- › the Marketing and Innovation Director: goals related to the product offering.



Additional information on the governance structure of the Group and its CSR Committee can be found in section 2.1 "Governance."

## 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 on a product-as-a-service business model, offering its customers the use of the product, rather than the product itself. 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 conviction that the Elis Group, with its long-standing experience in the circular economy and associated mindset, is part of the solution in a world of finite resources and significant environmental challenges.

This CSR strategy aligns with the Group's overall strategy, which is based on customer satisfaction and the ability to capture 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 key considerations and is built around the three pillars below.

Associated goals 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 its 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

The members of the Management Board have CSR targets that are reviewed annually and affect the variable portion of their compensation. Executive compensation for 2023, including the indicators used and their contribution to the variable component, is discussed in chapter 2, sections 2.2.1 "Compensation policy" and 2.2.2 "Compensation allocated and paid to corporate officers" of the 2023 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 (performance share plans), some managers and employees receive a share of the Group's long-term performance and financial results. A CSR performance criterion has been introduced since 2022 to supplement the financial indicators. Accordingly, the performance on water consumption per kg of linen delivered in European laundries affects these employees' compensation (see chapter 2, section 2.2.1 "Compensation policy").

#### Revolving credit facility

To continue incorporating CSR into all of its components, in 2021 the Group signed its first revolving credit facility indexed to CSR indicators, for €900 million, that was updated in 2023 to integrate climate targets.

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

- > water consumption, which the Group is committed to reducing by 30% per kg of linen delivered over the 2018-2030 period in its European laundries;
- > gender parity, with a commitment to increase the proportion of women in managerial roles to 42% by 2030;
- > the climate, with the goal of reducing absolute Scope 1 and 2 CO<sub>2</sub>e emissions by 47.5% between 2019 and 2030, and reducing absolute Scope 3 CO<sub>2</sub>e 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% between 2019 and 2030.

The Group's water target, set as part of this mechanism, extends the ambition of the target previously planned for 2025.

### Employee engagement and awareness

The Group uses a variety of communication methods to engage and educate employees about sustainability topics or considerations: the Group intranet, a monthly newsletter that regularly covers CSR (since 2021, more than 90% of the newsletters have included a CSR item on the Group's commitments, to raise employee awareness), a quarterly magazine distributed to all employees, and more.

Initiatives have also been rolled out locally and globally to further increase the awareness of Group employees: the rollout of Climate Fresk to the central and management teams in France and the Netherlands; the organization of a Sustainable Development Week across all the Group's sites at the same time (headquarters and plants), with information campaigns on major issues and events at the sites; and the development of CSR communication and information tools, etc.

Furthermore, social activities are organized at some of the sites: the creation of a Christmas tree out of reused or recycled materials, a potluck lunch spotlighting each person's culinary specialties, the installation and upkeep of beehives, internal competitions to promote exercise, beach clean-ups, linen donations to charities, athletic and charity challenges, tree planting.

Lastly, CSR training modules were developed and shared in order to strengthen the teams' expertise. These modules explain the main concepts of CSR and describe the Group's CSR strategy. A training module intended specifically for the sales forces has been rolled out to all of the Group's regions. Follow-up and/or basic refresher workshops are offered at the twice yearly sales/customer distribution meetings.

Efforts to define and roll out the raison d'être also provided an opportunity to reiterate the environmental benefits of the Group's circular model.

### Dialog with stakeholders

As a general rule, the Group engages in transparent dialog with its stakeholders to help inform the assessment of its CSR risks, opportunities and impacts, evaluate the relevance of its CSR strategy and business model, and share news about its performance, progress and challenges. To this end, the Group uses various channels, both periodic (surveys, annual reports, newsletters, etc.) and ongoing (posting news on the website, social media, emails, discussion meetings, etc.) and direct and indirect (through representatives and spokespersons). Stakeholder expectations are reviewed with regard to the Group's CSR strategy in order to ensure its relevance.

## DIALOG CHANNELS USED WITH STAKEHOLDERS TO IDENTIFY THEIR INTERESTS AND VIEWS

	Employees (permanent and non-permanent)*	Customers and users**	Investors/ Banks	Direct suppliers	Authorities, associations and civil society	Local communities**	Professional associations, business networks and competitors	Environment
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, responsible purchasing, etc.)	✓	✓		✓	✓			✓
Newsletters/emails/magazines	✓	✓						
Questionnaires (employee engagement survey, employee survey, Satisfelis, ESG questionnaire, etc.)	✓	✓	✓	✓	✓	✓	✓	
Collaborative initiatives	✓	✓		✓	✓	✓		
Elis studies (benchmarks, published documentation) or public reports (SBTN)						✓	✓	✓
Corporate network (meetings and publication of reports)							✓	

(\*) Permanent Elis employees represent the vast majority of workers at Elis's sites. External actors have access to the whistleblowing system. Employees and their representatives can also share the views of other stakeholders, such as members of their family.

(\*\*) Or their representatives (for example, the local public authorities for local communities, or customers for consumers and users of the products).

### Mergers and acquisitions (M&A) process

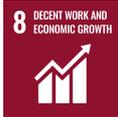
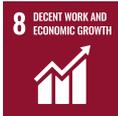
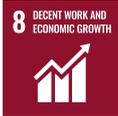
The Elis Group pursues an active acquisition strategy. Each new entity is integrated through processes that are tailored to the size of the company and its business sector. CSR is increasingly taken into consideration when identifying, signing agreements with, and integrating acquisition targets. For example:

- whenever it acquires a new company, the Group 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 excluded from the annual reporting. They will be integrated within two years at the most in order to ensure that the reporting is correctly implemented and reliable (see section 3.6.5 "Methodology note").

### 3.2.3 Our CSR roadmap: clear and ambitious targets

The pillars of our strategy	Our key concerns, a source of risks and opportunities	Our 2025 commitments and goals	Progress as of 2023	Section	Contribution to the Sustainable Development Goals (SDGs)
 <p><b>Circularity and exemplarity to reduce our impact on the planet</b></p>	Minimizing our energy consumption	Improving the thermal efficiency of European laundries by 35% between 2010 and 2025	-28%	3.3.5	  
	Minimizing our energy consumption	Accelerating the transition of the logistics fleet and aiming for 650 alternative vehicles by 2025	A fleet of 355 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	-46%	3.3.3	 
	Further developing circularity & Reducing and properly managing our waste	Reusing or recycling 80% of our end-of-life textiles by 2025	77%*	3.3.1 and 3.3.4	 
	Eco-designing our products and services	Offering at least one collection composed of sustainable materials for each product family	58%	3.3.2	
 <p><b>Empowering our employees and supporting their development</b></p>	Protecting our employees	Reducing the frequency of Group employees' accidents by 50% between 2019 and 2025	-11.4%	3.4.2	
	Ensuring non-discrimination and equal opportunities	Achieving a rate of 40% of women in managerial roles by 2025 (42% by 2030)	35%	3.4.4	 
	Listening to, valuing our employees and ensuring their well-being at work	Expanding the Group's Chevrons program	352 Chevrons (52% compared with 2018)	3.4.1	
 <p><b>Making a positive contribution to society</b></p>	Contributing to our local communities and supporting the causes that we value	Tripling the impact of the Elis Foundation by 2025	Fifth cohort welcomed in September	3.5.5	
	Working responsibly with third parties	Achieving 95% of procurement spend with direct suppliers that have undergone a CSR assessment in the last three years	94.8%	3.5.3	 

(\* ) Group scope excluding Mexico (data not available in 2023).

In Sweden and Denmark the Group has earned a certification recognizing its incorporation of the Sustainable Development Goals (SDGs) into the Group's processes: setting the strategy, contributing to the SDGs, implementing programs and tracking performance. These certifications were renewed in 2023.



Beyond its action plan, and given its circular business model and its operations, the Group believes it can make a significant contribution to UN Sustainable Development Goal (SDG) 12, "Ensure sustainable consumption and production patterns." »

Accordingly, **84% of its revenue generated, from the product-as-a-service model<sup>(1)</sup> contributes to SDG 12.**

(1) And incorporating the taxonomy's definitions for the circular economy goal.

Based on its long-standing commitment and long-term vision, the Group has also defined targets for 2030. These indicators are being used in some of the Group's funding instruments.

The pillars of our strategy	Our key concerns, a source of risks and opportunities	Our 2030 commitments and goals	Progress as of 2023	Section	Contribution to the Sustainable Development Goals (SDGs)
<p><b>Circularity and exemplarity to reduce our impact on the planet</b></p>	Fighting and adapting to climate change	Reducing absolute Scope 1 and 2 CO <sub>2</sub> eq emissions by 47.5% between 2019 and 2030 <sup>(a)</sup>	-15%	3.3.6	
	Fighting and adapting to climate change	Reducing absolute Scope 3 CO <sub>2</sub> eq 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% between 2019 and 2030 <sup>(a)</sup>	-3.6%	3.3.6	
<p><b>Empowering our employees and supporting their development</b></p>	Optimizing our use of resources and minimizing our impact on ecosystems	Reducing water consumption per kg of linen delivered by 30% between 2018 and 2030 in European laundries	-22%	3.3.3	
	Ensuring non-discrimination and equal opportunities	Achieving a rate of 42% of women in managerial roles by 2030	35%	3.4.4	

(a) The target includes land-related emissions and removals from bioenergy feedstocks. Scope 2 emissions are reported as market-based.

Scope 1 (direct emissions) mainly associated with consumption of gas, fuel, etc.; Scope 2 (indirect emissions) associated with consumption of electrical energy or steam; Scope 3 (other indirect emissions) associated with other emission areas: purchased goods and services, upstream transportation and distribution, employee commuting, etc.



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

The Group climate targets have been approved by the Science Based Targets initiative (SBTi), 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 restricting 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.

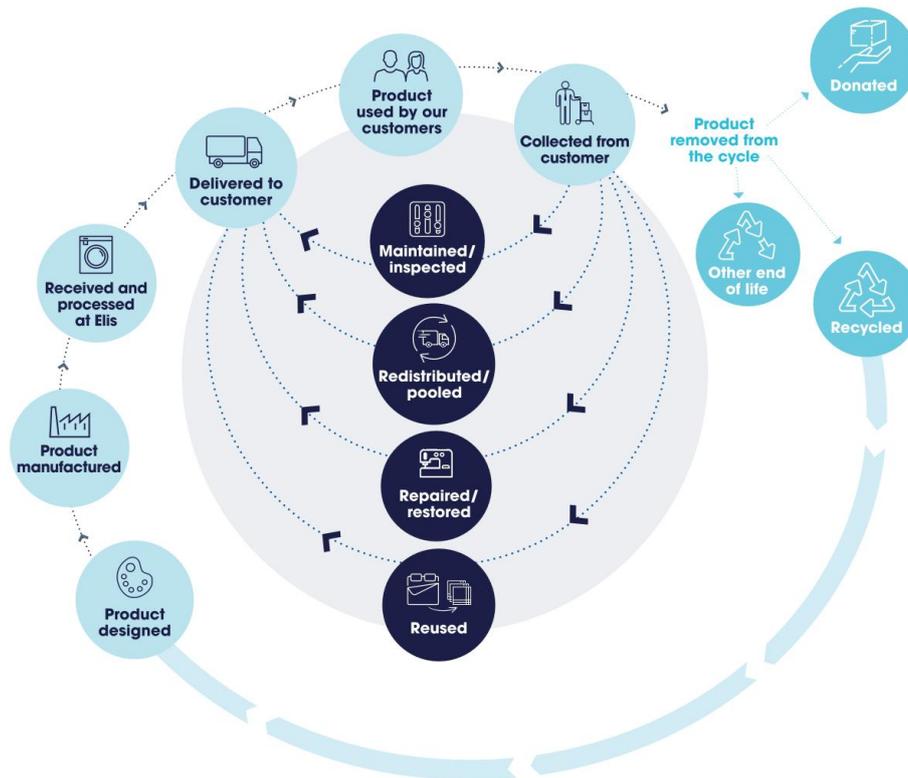
### 3.3 PLANET AND PRODUCTS

#### 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 the use of a product rather than selling the product itself (product as a service<sup>(1)</sup>). In addition to this business model, the

Group works in other areas of the circular economy such as pooling, 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 our planet's finite boundaries, primarily through reducing the consumption of natural resources and keeping products in use. The Group therefore works every day to push the limits of each of the different loops of the circular economy, in partnership with its customers, suppliers and ecosystem.

The Ellen MacArthur Foundation stresses that the circular economy can make a significant contribution to achieving net-zero emissions and that moving our business models toward a circular economy, if only in a few key sectors, could reduce CO<sub>2</sub>e emissions by nearly 9 billion tons (or 20% of global emissions)<sup>(2)</sup>.

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-a-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 would allow 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 customers' emissions.

- › The use of reusable scrubs in healthcare facilities **reduces CO<sub>2</sub>e emissions by 31% to 62%** compared to disposable scrubs, depending on actual consumption (Source: Cleaner Environmental Systems). 
- › The use of cloth roller hand towels **reduces CO<sub>2</sub>e emissions by 29%** compared to disposable hand towels (Source: ETSA). 

(1) The product-as-a-service model is characterized by selling the use of the product rather than selling the product itself.  
(2) <https://www.ellenmacarthurfoundation.org/completing-the-picture>

## Our corporate social responsibility

### Planet and products

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: it selects materials and carries out durability tests, analyzes the impacts of materials starting from the design phase, optimizes product designs to make products easier to repair and recycle, and takes their performance in maintenance phases into account;
- › by innovating in linen maintenance and logistics processes: to better reduce, reuse or recycle water and energy; sharing flows among multiple customers and products;
- › by minimizing single-use consumables at the plants, such as with a specific cleanroom line, which 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 inventories between different geographic areas, through product repair – or even refurbishing in certain cases – or through reuse (for example, turning a white roller into a blue roller);
- › by working on product end-of-life, especially for textiles, by forging partnerships to increase knowledge and help build long-lasting industrial solutions that will help make textiles from textiles.

## Governance and policy

The circular economy is an inherent part of Elis's business model and is firmly anchored in the Company's identity, 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 day-to-day linen management, procurement, qualification, maintenance and repair;
- › the teams in charge of the operational management of textiles track the textile reuse or retirement rate;
- › the CSR, environment and offering teams identify new ways to reuse, recover or recycle products at the end of their life.

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.

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.

## Goal and performance

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

### Reusing or recycling 80% of our end-of-life textiles

Key performance indicators		2021	2022	2023
<b>Embedding product-as-a service business model and promoting its benefits among customers and product users (patients, employees, visitors, etc.)</b>	Product-as-a-service share of the Group's revenue*		83%	84%
<b>Keep our products in use</b>	Share of washroom and beverage products refurbished and put back on the market (in France)	29%	58%	43%
<b>Recycle and reuse end-of-life textiles</b>	Share of end-of-life textiles reused or recycled <b>(2025 target: 80%)</b>	72%	70%	77%**

(\* ) The calculation methodology for product-as-a-service revenue was revised in 2023 to align with the taxonomy regulation. Certain activities and the consumables for certain products were therefore not included.

(\*\* ) Group excluding Mexico (data not available).

As in previous years, in 2023 the Group continued its initiatives related to the different pillars of the circular economy.

## Being a product-as-a-service company

### Measures implemented

#### Rental offerings

Based on 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 84% of the Group's revenue relies on these principles of the product-as-a-service business model through its product rental & maintenance service offering. 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 customer portfolio (about 50% of its revenue in 2014) to rental & maintenance solutions (over 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 esthetics.

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.

#### Resource scarcity, 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, particularly during the Covid-19 crisis, and to guide its customers toward a return to reusable textile solutions with a lower 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 CO<sub>2</sub>e emissions fell by 31% to as much as 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 disinfectable 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 five years, the availability in Europe of nearly 19,500 disinfectable duvets in healthcare institutions has made it possible to replace the production, transportation, maintenance and logistics of 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.

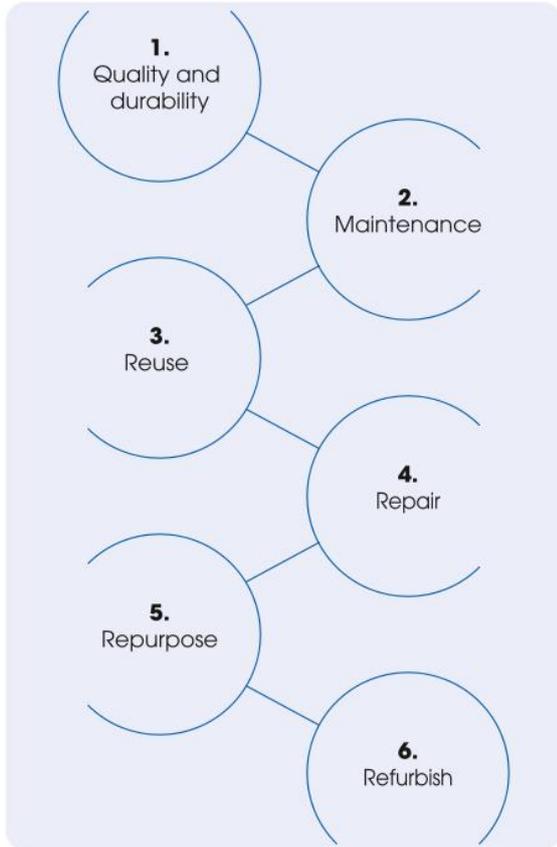
Lastly, the Group works in partnership with some of its cleanroom customers to identify reusable rental & maintenance solutions as alternatives to single-use products. The Group thus puts its circular economy experience to work for its customers so they can identify alternatives to help reduce their resource consumption, waste generation and carbon footprint. This may mean, for example, replacing single-use garments with visitor kits that contain shoe covers, gowns and hairnets. Reusable sterilization bags also help customers reduce waste in the equipment sterilization process.



## Keep our products in use

### Measures implemented

The Group works constantly to keep its products in use. The main levers it uses are:



The Group also works constantly to streamline its offering to make it easier to pool, reuse and repair its products.

#### 1. Quality and durability

Elis is meticulous when it comes to the materials that are used in its product offering. 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 durable and that a high quality 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 sturdier, dries faster and stands up better to repeated washing. It also holds its color and original properties better. The Group 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 products' resistance under industrial maintenance conditions before introducing them, to ensure they meet customers' performance and durability needs, in accordance with applicable standards. By selecting products that are built to last, the Group is helping to limit resource consumption and reduce the environmental impact of its products and services and that of its customers.

For example, this product approach allowed to extend the life of some cleanroom products in Denmark by almost two years.

#### 2. Maintenance

The Group services and maintains its products (for its textile, washroom, beverage, and pest control solutions, among others) so it can adapt the maintenance processes (washing temperature, processes, etc.) to their characteristics and thus optimize their lifespan.

#### 3. Reuse

Elis mostly provides pool 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 make up Elis's interchangeable standard offering, is monitored monthly in nine countries. The standard offering represents 90% of invoicing for these nine countries for flat linen.

For workwear, Elis tracks a "reuse" rate in 14 countries. This indicator tracks the number of workwear items that will be depersonalized and then re-personalized and allocated to another wearer (in accordance with the legislation in force). Elis seeks to continually enhance and maximize this expertise on reusing workwear. By the end of 2023, the reuse rate was more than 40%.

In addition, the Group has set up linen markets in three countries. Plants can use them to trade linen that has had low rotation. For example, if a collection is not being used in one plant, it can be used in another. Each plant lists its available items in a collaborative document. New ads are featured every month.

More than 230,000 items were shared between plants through the linen market in 2023 in France, Spain and the United Kingdom, which helped to extend the use of this linen and reduce the need for new linen.

#### 4. Repair

The products the Group provides to its customers may be used under challenging conditions. 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 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 if it stretches out, replacing a defective snap fastener or replacing a logo that has started to come off.

In 2023, in the Netherlands, nearly 365,000 repairs were made to workwear, out of nearly 2,600,000 items in use.

The Group also makes ad hoc repairs to flat linen, textile rollers or mats. This service is also offered for resident linen in nursing home.

One of the Group's units located in Latvia has specialized in mat repairs and refurbishing since 2001. This unit repairs more than 3,000 mats per month, on average, from 13 of the Group's countries. The types of repairs can vary and include repairing holes or damaged sections of the textiles, replacing the edges of the mats, adjusting the size of the mat based on damage and quality, changing the logo, etc. Nearly 98% of mats collected are repaired or resized. The same mat can therefore be repaired several times before it is discarded.

Water fountain repairs are regularly made either on-site or at a site near Paris where they can also be refurbished, where appropriate.

In France, Pest control encourages the repair of certain traps.

## 5. Repurposing

In some countries, the Group works to identify solutions for reusing its products either in the same applications (see "Being a product-as-a-service company" above) or in others. For instance, when the cotton rollers for hand towels show too many imperfections, they are dyed blue and offered to customers with heavier soiling activities (heavy industry, garages).

Likewise, in Brazil, hand towels used in the Healthcare and Hospitality sectors can be dyed black and provided to beauty or hair salons. As a result of this initiative, 1,000 kg of towels are reused each month.

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

## 6. 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.).

This workshop collects end-of-life water fountains placed on the French market and certain washroom equipment for the French, Belgian, German, Dutch and Luxembourg markets. A total of nearly 30,000 end-of-life appliances are collected every year to be taken apart and refurbished whenever possible. In 2023, nearly 6,600 water fountains were refurbished, and as a result Elis notably lowered the number of water fountains purchased on the French market by around 28%. Overall, more than 43% of products collected were repaired and put back on the market. The remainder were recycled.

## Outlook

The Group is exploring the possibility of improving and replicating these models for other products and services. In particular, a cross-functional working group on washrooms, bringing together stakeholders from across the entire product life cycle (design and production (supplier), purchasing, operations, offering, CSR), has been discussing the products' circularity in order to better understand current repair and refurbishing practices in the Group's different regions and align the priorities to be implemented.

Furthermore, to help keep products in use, reminders of the workwear repair instructions will be issued.

## Recycle and repurpose end-of-life products

Recycling and repurposing end-of-life products is a priority for the Group. It has set a target to recycle or repurpose 80% of its end-of-life textiles by 2025. Current initiatives are described in section 3.3.3 "Optimizing our use of resources and minimizing our impact on ecosystems."

Within the Pest control division, end-of-life fluorescent lights and biocides are recycled.

In 2023, Le Jacquard Français also launched its second-hand offering. The company collects tablecloths, small cloths and table runners from its customers. If the items are in good condition, they are resold on a dedicated platform or donated to charity.

In the Netherlands, a pilot project has been launched to recycle end-of-life dispensers with the goal of creating jobs for people far from the labor market. After a successful test phase, the roll-out is planned for 2024.

## 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 and bag covers from these textile scraps.

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. In particular, testing is underway in France to evaluate opportunities to eliminate this packaging, which is required for certain customers.

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.

The Group works in partnership with its customers to educate the users of its products on using them properly. One of the goals is to reduce both misuse and the loss of linen that is still in good condition. Campaigns are thus conducted through local initiatives, for example, by training nurses and communicating on the three Rs for linen: Respect, Return and Reuse.

Lastly, the Group repairs and refurbishes some of its equipment (machines, tunnel washers) to extend its lifespan. Some equipment is thus completely refurbished before being reinstalled at the Group's plants.

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

## Contribute 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 the subject 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, Denmark and Sweden. In France, the Group regularly participates in events and webinars to promote circular models. The Group thus took part in a think tank ("Measuring Circularity") on circularity measurement tools, and shared its feedback on developing a circular roadmap at training sessions. In Denmark, Elis is involved in a committee that considers environmental policies and the circular economy, acting under the aegis of the Confederation of Danish Industry. In 2023, Sweden joined the CradleNet initiative, a platform for the circular economy, which aims to share knowledge by conducting studies or holding thematic workshops, and took part in the "Framework for Circular Textiles" project, which aims to identify common approaches for recycling textiles and assessing the impacts of the recyclability and circularity of products and materials;
- › the Group also communicates extensively with its teams on circularity. Furthermore, in 2023 the Group announced its *raison d'être*: "Ensure a circular service of protection, hygiene and well-being everywhere, every day, in a sustainable way." Elis's Sustainable Development Week, which is held at all Group sites, also provided an opportunity to discuss the benefits of the circular economy and how to take action on a daily basis;
- › 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 French private business association (Association française des entreprises privées - AFEP), the French industrial textile services business association (Groupement des entreprises industrielles de services textiles - GEIST), and the French water fountain industry association (Association française de l'industrie des fontaines à eau - AFIFAE) in France, and the European Textile Services Association (ETSA) across Europe. In addition, the Group contributes to the AFEP's *Ambition4Circularity* platform. Participation in this initiative demonstrates companies' commitment to this topic,
- through publications, including that of the sustainable investment forum (Forum pour l'investissement responsable - FIR), on the analysis of the SBF 120's circular economy practices, and of the International Center for Research and Innovation for Sustainable Development (Centre International de ressources et d'innovation pour le développement durable - CIRIDD), in partnership with Grand Lyon, on "The sustainable transformation of companies and regions - 50 circular economy solutions."

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

### Outlook

The Group is aware of the aspects and opportunities related to the circular economy and would like to do even more to promote these models to all its stakeholders. In the coming years, the Group will continue to discuss, share and collaborate on these topics in order to increase everyone's knowledge and continue its own internal transformation.

## 3.3.2 Eco-designing our products and services

### Context

In selling the use of a product rather than the product itself, the Group is helping to alleviate pressure on natural resources and to reduce 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" of this chapter 3). All the stages of a product's life (production, use, end of life) must therefore be considered right from the design and purchasing phases.

### Governance and policy

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 validated by the Executive Committee or during a presentation to the Operational Committee, bringing together the countries.

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.

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 works to reduce the impact of its products and services, in particular by developing products with lower environmental impact thanks to eco-design (using alternative or certified materials and products; using lower-impact manufacturing and design processes; designing products for reparability; refurbishing and recycling end-of-life products; streamlining the offering to facilitate pooling, reuse and repair, etc.) or by conducting life cycle analyses (LCA) for certain products.

## Goal and performance

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

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

Key performance indicator		2021	2022	2023
<b>Developing products with lower environmental impact thanks to eco-design</b>	Share of product families with at least one collection composed of sustainable materials <b>(2025 target: 100%)</b>	46%	51%	58%

In 2023, the number of product families with at least one collection composed of sustainable materials increased due to the new offerings launched during the year. In particular, in 2023 the Group launched a range of feminine hygiene products (Ladybox) that use certified materials (GOTS or EU Ecolabel), as well as a line of mops and cloths that use recycled polyester. This has allowed it to offer more responsible alternatives within these product families. In addition, the Phoenix washroom range, which is made from recycled plastic, has expanded to include new products, and the main material used in one of the Group's major workwear ranges (Motion) has been transitioned to recycled polyester.

## Developing products with lower environmental impact thanks to eco-design

### Measures implemented

#### Ensuring the quality and durability of our products

The Group's business model is based on the product-as-a-service concept and relies on an offering of high-quality, high-durability services and products, unlike traditional consumption models that may encourage disposable products or planned obsolescence. Some products can therefore be washed more than 100 times before they are removed from circulation, in particular white garments and a number of flat linen items.

See section 3.3.1 "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 to reduce the environmental footprint of its business, the Group conducts life cycle assessments (LCAs). 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.).

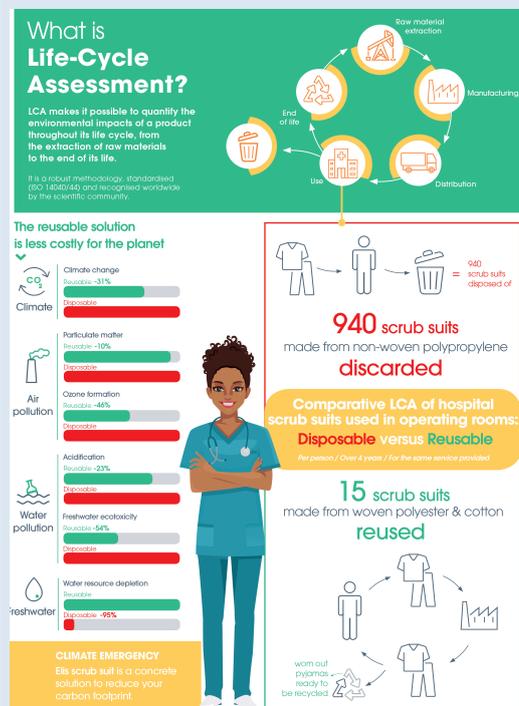
### Workwear offering: the sustainability of Elis's hospital scrubs rental & maintenance solution

Elis carried out an LCA in partnership with strategic customers to compare the environmental impact of the Elis hospital scrubs offering with competing single-use polypropylene products for France. This LCA was critically reviewed by a panel of experts and published in the Cleaner Environmental Systems scientific journal. An educational and instructional approach was taken when disseminating the study and its results to a wide audience.

The disposable scrubs were 100% polypropylene, versus the reusable scrubs at 35% cotton and 65% polyester. A few key takeaways from the study are as follows:

- ▶ fewer raw materials are needed to produce reusable scrubs than disposable scrubs because, on average, over four years a physician uses 15 reusable scrubs versus 940 disposable scrubs;
- ▶ it takes more water resources to produce cotton than to produce disposable scrubs;
- ▶ disposable scrubs have more impact at their end of life, mainly because they create more waste;
- ▶ over the course of their life cycle, reusable scrubs travel approximately 25,000 km and are used 64 times. This is similar to the shipping distance from China to France for disposable scrubs that will only be used once;
- ▶ using reusable hospital scrubs results in a 31% reduction in climate change impact compared with disposable hospital scrubs. This impact reduction can be as much as 62% depending on the level of over-consumption of disposable hospital scrubs in a healthcare facility.

Recent resource scarcities have also shown the benefits of reuse-based services solutions, which can ensure continuity of service while offering a more sustainable and local services solution. The relevance of this offering enabled the Group to gain significant market share in this segment in France during the Covid-19 crisis.



**Hand drying offering: the cotton solution that respects the environment**

Drying your hands with cotton is an environmentally responsible action. Indeed, a cotton roller can be washed up to 80 times before being recycled into cloths. The production and use of cotton rollers therefore have a limited impact on the environment compared to paper hand towels<sup>(1)</sup>:

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

Both the LCAs conducted by the Group and some external studies show the high percentage (about 75% according to UNEP) of impacts related to product manufacturing. The key to reducing the impact of products and services is therefore to work on upstream solutions (materials, design, production) as well as on the products' use in order to extend their lifespan. The Group is working with the following main levers of eco-design:

- › choice of materials and their durability. The Group is especially committed to offering at least one collection composed of sustainable materials for 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 and workwear. 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);
- › product design for repairability, refurbishing and end-of-life recycling; For garments, for example, this means avoiding, when possible, hard components that cannot be recycled easily.

The Group is increasingly incorporating these criteria when establishing its product specifications.

In 2023, the Group's product managers and country CSR coordinators received training on environmental claims and the various certifications.

**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 warning

**Purchasing more sustainable materials and products**

**Measures implemented**

Concerned about its environmental and social impact and keen to engage its customers in more sustainable initiatives, 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 to reduce environmental and social impacts.

system prevents shortages and thus optimizes the use of the various consumables.

Since 2021, the Group has offered a coffee bean offering, with no individual packaging and with less industrial processing, and an organic, fair-trade coffee offering.

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

In the Group's cleanroom business, customers are offered "visitor" kits instead of the traditional disposable solutions (gown, shoe covers, hairnet, etc.) that they are usually provided when visiting production workshops. Reusable sterilization bags are also offered in an effort to reduce waste while ensuring equipment sterilization.

The washroom ranges that have a reserve system make it possible to use up the entire consumable and thus avoid waste.

**Our Pest Control business**

Within the Pest Control business, the Elis Group seeks to take environmental aspects since the beginning. 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 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 teach customers best practices for preventing pest infestations and suggest more sustainable alternatives, such as plant-based insecticides (Origin Captiv, Origin Mosquillock, diatomaceous earth, etc.), while also encouraging the use of natural systems such as chickadee birdhouses to combat processionary caterpillars.

Moreover, ever dedicated to its circular business 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:

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

**Outlook**

In accordance with its product strategy and the Group's goal of guiding its customers toward more sustainable choices, Elis will continue to pursue its initiatives in 2024. The Group expects to launch new products that use alternative materials, made mainly from recycled materials. In addition, new materials will be tested in the Group's laboratory to determine whether they are suitable for industrial processes.

Training on environmental claims and certifications will continue to be rolled out in the Group's countries and new training modules are being developed.

Here are some examples:

**Raw materials: textile (flat linen, workwear, washroom, mats, etc.)**

Elis encourages Oeko-Tex certification for the textiles delivered, in accordance with its Supplier Code of Conduct. This label represents a worldwide uniform testing and certification system for harmful substances including prohibited and regulated substances, chemicals that are known to pose health risks, and precautionary parameters relating to health.

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

The Group is also increasingly working to incorporate fibers made from recycled materials. These materials have a smaller environmental impact on climate change during the extraction and processing phases. In 2023, the Group accelerated the incorporation of recycled polyester into the garment collections by transitioning iconic collections, such as the Motion collection for Industry, which accounts for more than 200,000 items used each year by customers. In addition, recycled cotton has replaced cotton in two glassware towels.

In 2023, Le Jacquard Français launched its Slow Life Re-Use collection made of recycled cotton and polyester threads.

The recycled material used in the products may come from post-consumer PET bottles, post-industrial waste, waste collected from oceans and coastlines, or post-consumer textile fibers (cotton or polyester).

Elis has thus launched the "zero-waste apron" designed entirely with fabric made from 100% recycled materials, 60% of which come from Elis's end-of-life textiles (closed loop). The apron has also been designed to ensure that all the fabric is used without any loss. The carbon impact of the product has therefore been reduced by 49% compared with a similar traditional apron<sup>(1)</sup>.



### Raw materials: paper and wood (workwear, washroom)

#### Washroom offering

- › **GOOD: high-quality recycled paper.** Elis offers its customers in Northern Europe a specific range of recycled paper hand towels and toilet paper. This GOOD range of paper is made from recycled cellulose fibers found in cardboard food packaging. These fibers are of equivalent quality to pure cellulose lining. Over 5.6 million rolls of GOOD paper towels were ordered by Elis sites in 2023.
- › **FSC-labeled paper for Southern Europe:** the Forest Stewardship Council is an environmental label whose purpose is to confirm that the production of wood or wood-based products complies with procedures that ensure sustainable forest management. Over 14.5 million FSC-labeled paper hand towels were ordered by Elis sites in 2023.

#### Workwear

- › **lyocell fiber:** the TENCEL™ brand's lyocell fiber made its appearance in 2020 in two workwear collections: TRENDY and REGENCIA (50% lyocell/50% polyester blend). Made from wood grown in sustainably managed and FSC- or PEFC-certified forests, this fiber is recognized for its environmental performance. It also provides a very good level of comfort and softness for wearers. The volume of workwear that contains lyocell continues to grow and the fiber is regularly requested in healthcare calls for tender.
- › **bio-based fibers:** The use of bio-based synthetic materials has also increased, but on a smaller scale.

### Raw materials: Fairtrade or organic coffee and cotton

For 13 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 linen and workwear), and is committed, via the Fairtrade/Max Havelaar label, to paying 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 2023, 76,000 Fairtrade/Max Havelaar-labeled garments were in circulation in the Elis network, and almost 642 hospitality customers had chosen organic and fair-trade cotton for their bath linen.

### Raw materials: plastic

In 2023, the Group added three new products to its Phoenix washroom line to make it more marketable to a wider range of customers and regions.

The amount of recycled plastic in the products in this washroom line ranges from 39% to 98%. Using recycled materials instead of virgin materials results in a fourfold reduction of the material impact. Moreover, this material is produced in Europe (Austria and the United Kingdom).



### Products: EU Ecolabel, a label chosen for various product families

#### Flat linen offering

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 in terms of 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.).

(1) Source: Fairly Made simplified life cycle analysis: comparison of the zero-waste apron with a white apron.

Washroom offering

- › **Paper products:** Elis provides its customers with Ecolabel-certified paper products for hand towel dispensers, as well as for toilet paper dispensers for the Aqualine and Fusion collections. In 2023, the Elis Group ordered 26 million Ecolabel-certified products (14.4 million for paper hand towels and 11.6 million for toilet paper).
- › **liquid and foam hand soaps:** Elis also provides its customers with Ecolabel liquid and foam hand soaps. In 2023, 500,000 consumables were delivered.
- › **Feminine hygiene:** In 2023, Elis launched a new offering of sanitary napkins, tampons and tampon dispensers (the Ladybox). The EU Ecolabel-certified sanitary napkins are to 80% of natural origin. They contain no chlorine, fragrances, dyes or allergens, and their packaging is made from recycled plastic. The tampons are made from organic cotton with GOTS (Global Organic Textile Standard) certification. This product is also gradually being rolled out to the Group's sites.

**Products: Cradle to Cradle certification, Fusion Collection**

Fusion is a line of Cradle to Cradle-certified washroom equipment. The Cradle to Cradle certification promotes the design of products with a smaller environmental impact. It guarantees that the products are circular and manufactured responsibly. Since 2019, Elis has installed more than 99,000 Cradle to Cradle-certified appliances from the Fusion range.

**Products: GRS (Global Recycled Standard) certification, re:Tech mats**

In 2023, the Group launched a new range of mats (re:Tech) with GRS and Oeko-Tex standard 100 certification. The upper part of the mat is composed of 50% recycled polyester and 25% cotton from production off-cuts. The backing is rubber, 34% of which comes from production off-cuts.

### 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. Beyond the beneficial impact of its circular business model, the Group has a long history of limiting its impact on ecosystems and works in this area on a daily basis. In order to manage and reduce this impact, the Group provides its services directly. Accordingly, only 1% of the Group's services were subcontracted in 2023.

**Governance and policy**

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

In the countries where Elis operates, the QHSE 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 QHSE 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. The WECO 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.

Sessions are regularly organized by the WECO teams to train the on-site teams on best practices for water and energy consumption.

Self-assessment tools have been developed. In some geographic areas, training may also be provided as part of the annual reporting and ISO 14001 or Nordic Swan certification processes, or for new hires (for example, heads of maintenance in France).

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

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

The Group also regularly reviews its environmental performance and reports on it annually in its Universal Registration Document.

## Goals and performance

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

Reducing water consumption per kg of linen delivered by 50% between 2010 and 2025 (laundries; Europe)

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

Reusing or recycling 80% of our end-of-life textiles by 2025

Reducing absolute Scope 1 and 2 CO<sub>2</sub>eq emissions by 47.5% between 2019 and 2030<sup>(1)</sup>

Reducing absolute Scope 3 CO<sub>2</sub>eq emissions by 28% <sup>(2)</sup>

Key performance indicators		2021	2022	2023
<b>Reducing the pressure on water resources</b>	% reduction in water consumption per kg of linen delivered between 2010 and 2025 (European laundries) <b>(2025 target vs 2010: -50%)</b>	-40%	-43%	-46%
	% reduction in water consumption per kg of linen delivered between 2018 and 2030 (European laundries) <b>(2030 target vs 2018: -30%)</b>	-14%	-19%	-22%
<b>Ensuring the quality of wastewater discharge</b>	% of wastewater treated before being discharged into the natural environment	100%	99.87%	99.99%
<b>Limiting our impact on biodiversity</b>	Share of product families with at least one collection composed of sustainable materials <b>(2025 target: 100%)</b>	46%	51%	58%
	Share of end-of-life textile waste reused or recycled <b>(2025 target: 80%)</b>	72%	70%	77%*
	% reduction in absolute Scope 1 and 2 CO <sub>2</sub> eq emissions between 2019 and 2030 <b>(2030 target: -47.5%)</b>		-15%	-15%
	% reduction in absolute Scope 3 CO <sub>2</sub> eq 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 between 2019 and 2030 <b>(2030 target: -28%)</b>		10%	-3.6%

(\* ) Group excluding Mexico (data not available).

In 2023, the Group continued to improve its performance in terms of water consumption per kg of linen delivered thanks to the programs that were implemented during the year, which are described in detail below.

Its performance on other biodiversity-related indicators is detailed below.

## Reducing the pressure on water resources

### Measures implemented

Water is a strategic global resource and a real sustainability consideration 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 water consumption per kg of linen delivered. As such, water consumption per kg of linen delivered decreased by 55% in laundries in France (the Group's birthplace) between 2007 and 2023 and fell by 46% in Europe between 2010 and 2023. Moreover, the Group has set itself a target: to reduce its water consumption per kg of linen delivered by 50% between 2010 and 2025.

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

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%).

In 2022, the Group reviewed its portfolio of technologies (type, maturity, etc.) and approaches with the aim of reducing water consumption and clarifying the associated action plan. The Executive Committee regularly reviews the progress made on this action plan.

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

(1) The target includes land-related emissions and removals from bioenergy feedstocks. Scope 2 emissions are reported as market-based. Scope 1 (direct emissions) mainly associated with consumption of gas, fuel, etc.; Scope 2 (indirect emissions) associated with consumption of electrical energy or steam; Scope 3 (other indirect emissions) associated with other emission areas: purchased goods and services, upstream transportation and distribution, employee commuting, etc.

(2) From purchased goods and services, fuel and energy related activities, upstream transportation and distribution, employee commuting, and end-of-life treatment of products sold.

**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 or creating best practices for washing tunnels and washing machines, including tests to eliminate the rinsing stages in washing machines);
- › new technologies (for example: installation and testing of new technologies (UVC reactor and EPIC enzyme-based system) that use less water to rinse, type of cleaning product and activation, replacement of machines with more efficient models);
- › changes to its washing processes (for example, lower temperatures where possible, mixing of reagents under new conditions to increase their efficiency).

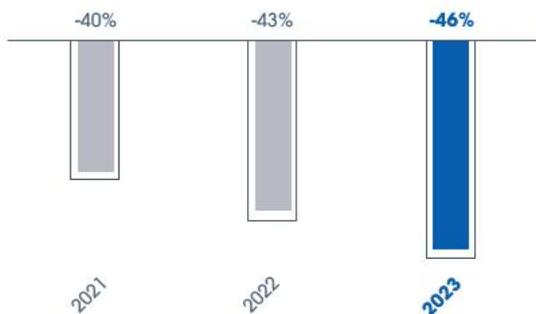
The Group also prefers to use tunnel washers where possible. Equipped with separate compartments, these washers allow linen to progress through the different stages of the process by moving from one compartment to another, and to optimize water consumption.

In 2023, the Group continued the rollout of programs to optimize its washing processes by changing products or dosages, especially with an emulsion cleaning product technology that ensures optimum dosages are used. Elis also continued to deploy its program to replace powdered cleaning products with liquid cleaning products, which are easier to rinse and therefore consume less new water. In 2023, the Group standardized the washing temperatures for all its sites based on the bleaching agents used.

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.). A tool to self-assess application of best practices in water consumption allows each site to evaluate itself and implement an appropriate action plan.

The Group is also considering alternatives to centralized heat or steam production, which could reduce water consumption significantly.

**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.), rinsing water is reused in the laundry soaking stages or that water is reused by the different washing appliances in the prewash and wash phases. In Norway, a site has been upgraded to reuse more water in the workwear and mat washing process. The site had previously reused approximately 20% of its water versus nearly 100% today.

With regard to the recycling of water at the end of the process, the Group is continuing its research and carrying out pilot projects. A feasibility study for a water treatment and recycling project is underway. 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 specializing in industrial wiping products, where all water is recycled and reused. In addition, in Brazil, the Group has two plants recycling 70% to 90% of their wastewater (workwear laundry), and in 2023 it implemented partial recycling at a healthcare site. Other partial recycling projects are underway in Sweden and France.

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 such a situation in the medium to long term, given the effects of climate change. This study identified about 30 sites (out of 322 laundries) located in areas that could be at risk of water stress in the long term. France and Spain are the two main countries affected. Because these sites are in different geographic areas, a disruption in the water supply to all 30 sites is very unlikely to occur. Seasonal droughts could result in usage restrictions. To date, the Group has only very occasionally been subject to water consumption restrictions. In France, the Group has implemented a procedure and best practices to be followed when water use is restricted. Steps have also been taken in Spain to support the sites in the event of severe drought. 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 in line with its 3R approach (Reduce, Reuse and Recycle) and by rolling out existing best practices, identifying new technologies and better processes, making dedicated investments, and training its teams. The Group also continues to test its water recycling initiatives.

### Linens maintenance and use of cleaning products

The Group almost exclusively launders linen using water-based processes. In 2023, only 0.1% of the textiles delivered by Elis to its customers were laundered using a dry-cleaning process.

To clean linen, the Group mainly uses cleaning products 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 reducing delivery frequency, all while minimizing risk. The storage of these products is regulated. The Elis Group uses only phosphate-free detergents. In addition, the Group is working to limit its consumption of cleaning products, mainly by using the right product, in the right amount, at the right time and in the right place.

## Ensuring the quality of wastewater discharge

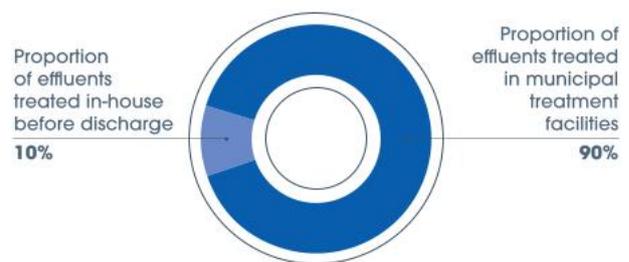
### Measures implemented

Since the nature of wastewater from laundries is the same as household wastewater, the vast majority of the Elis Group'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. The industrial water, pre-treated if necessary, is then either treated at a collective treatment plant or at an on-site 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, Elis has about 20 laundries that treat wastewater (biologically and/or physically and chemically) before it is discharged into the natural environment.

### BREAKDOWN OF GROUP WASTEWATER BY DESTINATION (MILLIONS OF M<sup>3</sup>) \*



(\* ) 99.99% of the effluent discharged is treated.

### Microplastics

Several studies have been conducted on microplastics to clarify their impact and scope. According to the report by the European Environment Agency<sup>(1)</sup>, the main sources of microplastics in surface water in Europe are tire abrasion (54%), plastic products (24%) and, to a much smaller extent, road markings and the washing of synthetic textiles.

Scientific studies and regulatory frameworks are being developed to ensure the comparability of the studies and measurements and to advance knowledge in this area, in particular on most impactful life-cycle stages of the products.

The Elis model, which aims to keep products in use, would help limit impacts over the long term. In addition, wastewater from the processes is currently treated on site or through the municipal treatment networks, depending on the applicable regulations. These on-site or in-plant pre-treatments consist, in part, of filtration or flocculation steps, which help trap some of the microplastics.

The Group also conducts testing to improve knowledge on the subject.

Lastly, Elis monitors and contributes to progress on draft European regulations on this matter.

(1) Source: <https://eionet.europa.eu/etcs/etc-ce/products/etc-ce-products/etc-ce-report-1-2022-microplastic-pollution-from-textile-consumption-in-europe>.

## Limiting our impact on biodiversity

### Measures implemented

Protecting biodiversity is an important consideration for Society as a whole. The circular economy, which forms the basis for the Group's business model, is one of the solutions identified to meet this challenge. The Ellen MacArthur Foundation<sup>(1)</sup> explains that the circular economy offers a systems solution "tackling climate change and other global challenges, like biodiversity loss, waste, and pollution." For example, the use of workwear maintained by Elis would reduce the impact on ecosystems by up to 50% compared to a purchase solution (source: EY report).

To better address its biodiversity concerns, in 2023 the Group conducted a study based on the main drivers of biodiversity loss identified by IPBES<sup>(2)</sup>. The Group's principles of action for the five leading drivers are detailed below:

1. Land- and sea-use change: the Group focuses its efforts on the rational use of resources;
2. direct exploitation of organisms: the Group takes action to reduce, reuse and recycle resources;
3. climate change: in 2023, the Group announced a climate strategy aligned with the Paris Climate Agreements;
4. pollution: the Group has implemented initiatives to prevent and reduce environmental impacts;
5. invasive species: the Group offers pest control and prevention solutions.

#### 1. Aiming for the rational use of resources (Land- and sea-use change)

For Elis, concerns associated with land-, soil- and sea-use change relate primarily to the use of land to farm the cotton used in its textiles and the wood needed to produce paper (utilized mainly in its washroom products). For several years, Elis has made it a priority to use more sustainable raw materials and to optimize their use. The Group's goal is to have at least one collection composed of sustainable materials for each product family by 2025. The Group is also increasingly using recycled materials in its products, which have less of an impact on land use.

The Group also seeks to keep products in use in order to reduce pressure on resources and prevent land- and sea-use changes. The Group has repair and refurbishing units for certain products, such as water fountains and washroom items.

The Group also refurbishes some of its equipment (machines, tunnel washers) to extend its lifespan. It can thus be completely refurbished before being reinstalled at the Group's plants.

The Group's actions in this area are described in sections 3.3.1 "Being a circular economy player" and 3.3.2 "Eco-designing our products and services" of this Universal Registration Document.

#### 2. Reducing, reusing and recycling resources (Direct use of resources)

Reducing, reusing and recycling resources is a priority in addressing biodiversity concerns. In fact, "the extraction and processing of natural resources accounts for more than 90% of global biodiversity loss and water stress"<sup>(3)</sup>.

Elis's circular model helps reduce pressure on natural resources along the entire value chain:

- › by designing products made to last and increasingly integrating recycled materials. See sections 3.3.1 "Being a circular economy player" and 3.3.2 "Eco-designing our products and services";
- › by optimizing its industrial processes and reducing its usage (water, energy). See sections 3.3.3 "Optimizing our use of resources and minimizing our impact on ecosystems" and 3.3.5 "Minimizing our energy consumption";

- › by working to reduce its consumption of other natural resources. It thus aims to reduce its paper consumption by digitizing a number of its operating processes (electronic signatures on contracts, paperless deliveries, etc.).

#### 3. Reducing our greenhouse gas emissions (Climate change)

Climate change is currently the third leading driver of biodiversity loss. In September 2023, the Group announced its new climate strategy, which is aligned with the Paris Climate Agreements, that aims to significantly reduce the Group's emissions. More details on this strategy are provided in section 3.3.6 "Fighting and adapting to climate change".

#### 4. Preventing and reducing environmental impacts (Pollution)

The Group has several levers available to limit environmental impacts along Elis's entire value chain, including:

- › **supplier assessments:** see section 3.5.3 "Working responsibly with third parties";
- › **the use of eco-design principles in its products.** By favoring products that are built to last and can be repaired, reused and refurbished, the Group helps to extend their lifespan and thus to reduce resource consumption and waste generation. In addition, some of the Group's products are labeled or certified as having less of an impact on biodiversity. For example:
  - Elis encourages Oeko-Tex certification for all textiles. This standard is a worldwide testing and certification system involving tests for harmful substances that helps to limit the use of materials and substances that are harmful or pose health risks,
  - Elis offers its customers textile product ranges made from organic cotton whose production has a reduced impact on ecosystems,
  - Elis has joined forces with Max Havelaar and Malongo on an environmental initiative that protects biodiversity by offering organic, fair trade coffee ranges,
  - 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.).

Lastly, the Group's goal is to have at least one collection composed of sustainable materials for each product family by 2025. Section 3.3.2 "Eco-designing our products and services" provides more details on the Group's actions in this area;

- › **actions to optimize and reduce impacts in its operations.** The Group implements control measures to monitor and/or prevent contamination of groundwater and soil. The main measures implemented are:
  - prevention and protection: installing network shuttering systems, protecting groundwater abstraction works on sites using groundwater,
  - training and authorizations: training operators on chemical hazards and maintenance managers on pollution risks (training provided by the QHSE Department), requiring specific authorizations for certain types of operations,
  - communication, awareness-raising and checks: displaying and implementing safety procedures (fire hazards, chemical hazards, etc.), conducting regular checks on plants covered by the regulations.

(1) Source: <https://www.ellenmacarthurfoundation.org/topics/circular-economy-introduction/overview>

(2) <https://doi.org/10.5281/zenodo.3831673>

(3) <https://doi.org/10.5281/zenodo.3831673>

Actions taken on water and waste topics are described in more detail in sections 3.3.3 "Optimizing our use of resources and minimizing our impact on ecosystems" and 3.3.4 "Reducing and properly managing our waste."

The Group is rolling out prevention, monitoring and control measures to prevent soil pollution risks. Moreover, 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. These accounting provisions most often relate to dry-cleaning activities prior to their acquisition by the Group. Across the Group as a whole, 99.9% of linen by weight is washed with water, and only 0.1% is dry cleaned. The Group is working to identify and implement, where possible, water-based washing alternatives when it acquires or is already operating this type of activity. In 2023, the costs of making these operations compliant totaled around €7.5 million, and environmental provisions and guarantees were €77.8 million. No fines were paid for environmental litigation in 2023;

- › **compliance with regulations and use of voluntary approaches:** 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 nitrogen oxide (NO<sub>x</sub>) levels, 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.

In addition, some Group sites are engaged in certification process to better communicate their engagement. To this end, in 2023, the Group had ISO 14001 environmental management certification for 162 of its sites (46% of its industrial sites), ISO 50001 energy management systems certification for 28 European sites and Nordic Swan certification for 32 sites.

## 5. Offering pest control and prevention solutions (Pest Control)

The introduction of invasive species is the fifth-leading stressor that threatens biodiversity. These species lead to various impacts on native species, ecosystem functioning and the associated goods and services.

At Elis, the goal of the Pest control activity is to offer a comprehensive pest control and prevention service while also protecting habitats. The Pest control division is therefore creating a monitoring system that involves training customers on best

practices for pests and advising them on how to better pest-proof their buildings. For one-time visits, it prefers alternative natural treatment solutions, such as dogs, hawks and ferrets, or the use of natural insecticides. This approach is reinforced through CEPA certification (quality of the disinfection, insect control and vermin control services), which it has obtained in Ireland, Italy, France and Switzerland. This standard demonstrates Elis's commitment to using responsible products and techniques, maintaining the traceability of the treatments used and promoting alternative controls (using capture traps to avoid biocides, setting up nesting boxes for chickadees and bats, encouraging building pest-proofing).

### Engaging our employees

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

Coffee grounds can be recycled at the Group's headquarters. They are used to grow oyster mushrooms and for soil regeneration, while also supporting the work of people rejoining the workforce or with disabilities.

In 2019, Elis participated in the reforestation of the Leiria pine forest in Portugal, coordinated by the Portuguese Institute for Nature and Forest Conservation. 700 Elis employees replanted 35,660 trees on a 30-hectare plot. In addition, during site construction or expansion projects, flora and fauna studies may be carried out to check for potential environmental impacts and identify any need for protection measures.

## Limiting our industrial risks

### Measures implemented

#### Preventing and protecting against fire risks

Fire is one of the main risks associated with the Group's activities, particularly given the presence of combustible materials (linen, cotton lint, etc.) and processes that use heat (ironing, drying).

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, approximately 70 sites are visited per year;
- › introducing and implementing organizational standards specific to laundry risks.

In 2023, Elis established an internal reporting system for all fires. The number of fires, how they were extinguished, their origin and the equipment involved are all tracked on a monthly basis. This information is reported along with the safety performance.

### 3.3.4 Reducing and properly managing our waste

#### Context

Elis's operations generate little waste compared to other industries, thanks to their circular business model. In 2023, 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 around 48,200 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 (around 70% of products and services by weight) whose reuse or recycling is a key consideration today.

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

#### Governance and policy

The QHSE 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" of this chapter.

In addition, in some countries, a specific organizational structure has emerged for the management of end-of-life products.

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.

#### Goal and performance

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

#### Reusing or recycling 80% of our end-of-life textiles

Key performance indicators		2021	2022	2023
<b>Recovering end-of-life textiles</b>	Share of end-of-life textile waste reused or recycled <b>(2025 target: 80%)</b>	72%	70%	77%*
	Share of end-of-life textiles recovered	81%	91%	93%
	Amount of textile waste sorted at source ( <i>in tons</i> )	6,370	8,461	10,817
<b>Managing our waste</b>	Total amount of waste generated ( <i>in tons</i> )	37,925	41,390	48,243
	Share of non-hazardous waste	82%	83%	86%
	Share of hazardous waste (excluding medical waste management)	10%	11%	10%
	Share of waste recovered	60%	63%	69%
	Proportion of non-hazardous waste recovered	64%	62%	69%
	Proportion of hazardous waste recovered	42%	71%	68%

(\* ) Group scope excluding Mexico (data not available).

In 2023, the share of non-hazardous waste remained stable and accounted for more than 85% of the Group's total waste. Hazardous waste (excluding medical waste management) remained low, at about 10%.

At end-2023, the Group was recycling 77% of its end-of-life textiles, mostly into industrial wipes (50% of textile waste collected). In 2023, the Group continued its efforts to collect and sort waste at source allowing to better capture its textile flows. Workwear recycling projects were further developed with the aim of increasing the Group's overall recycling performance.

The overall recovery of textiles continued to improve, reaching 93% at end-2023.

The share of the Group's waste that is recovered remained relatively stable compared to 2022, amounting to 69%. In 2023, Elis recovered 69% of its non-hazardous waste and 68% of its hazardous waste.

## Recovering end-of-life textiles

### Measures implemented

#### Recycling of end-of-life textiles

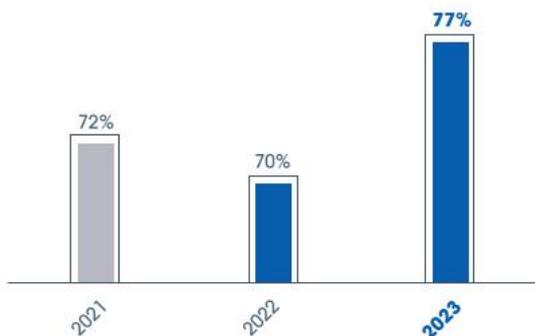
It can be challenging to recycle textiles, particularly post-consumer garments, as there are very few existing and mature channels and technologies. The Group is therefore working in its different countries to identify the best recycling pathways, and to innovate so it can develop satisfactory solutions. 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, new innovative fibers). These pilots help provide a better understanding of technical and economic feasibility and of the difficulties to be overcome, and inform the design phases for products so they can be recycled more easily. Since 2022, the Group has mapped and tracked all the initiatives in place, their maturity and their potential scale effect to make sure it is supporting the most promising and sustainable industrial solutions.

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.

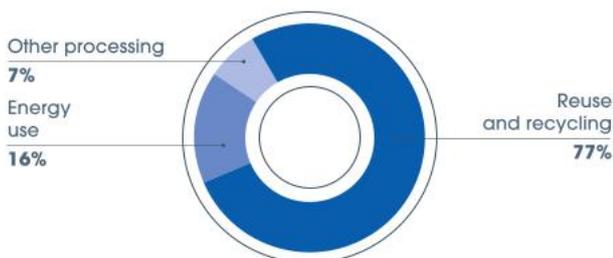
At the same time, the Group is working to improve the collection and consolidation of its end-of-life textiles so that they can be directed toward the channels offering the best recovery solutions.

As a result, the Group organizes the collection of textile waste sorted at source for all its laundry facilities (flat linen, workwear, personal protective equipment, mats) in France (3,417 tons of textile waste) in order to simplify the collection process, centralize flows, and increase the proportion of textile items sorted at source and the amount recovered (recycling, reuse and recovery in the form of solid recovered fuel). Almost all of the flat linen is recycled into industrial wipes. Some of the workwear is directed to new solutions that allow it to be defibered and recycled into textiles or insulation materials for the construction industry. Other products sorted at source are recovered as fuel.

### SHARE OF TEXTILES REUSED OR RECYCLED\* (AS A %)



### END-OF-LIFE TEXTILES SORTED AT SOURCE\*



(\* ) Group excluding Mexico (data not available).

### Examples of recycling initiatives

#### Flat linen

More than 70% of the Group's used flat linen is recycled as textile wipes. This method of recycling eliminates the use of virgin resources to make wipes. The Group's recycling partners are local, regional or national depending on the country.

With other industrial recycling solutions being developed, the Group is directing some of its used flat linen to the processing industries, where the fabric is defibered and the cotton fibers are recycled. In Northern Europe, cotton fibers are mixed with wood fibers and then used to make viscose and produce textile items. In Brazil, used sheets are industrially defibered and then recycled as cushion filling.

Other solutions have been implemented, on a small scale for now, in Sweden and the Netherlands. For example, sheets, textile rollers, hand towels and duvet covers are repurposed as reusable cloth bags or makeup remover pads.

In Colombia, Elis has launched a textile recycling project in partnership with a local association that helps women in vulnerable situations rejoin the workforce. This collaboration has led to the development of a kitchen and restaurant linen range (towels and aprons, for example) made entirely from recycled fabric.

Lastly, the Group is developing partnerships with clothing manufacturers who recycle flat linen into clothing lines without defibering the fabric.

In addition, a sale by weight of products of a lower quality grade is held every year to improve product recovery, reduce waste and allow more people to enjoy Le Jacquard Français products. A total of one ton of products was sold, giving them a second life and making them accessible to more people.

In 2023, Le Jacquard Français also launched its second-hand offering. The company collects tablecloths, small cloths and table runners from its customers. If the items are in good condition, they are resold on a dedicated platform or donated to charity.

#### Workwear

Recycling post-consumer garments is a challenge and the Group is already working in some cases with recycling companies that specialize in defibering fabric in order to make insulation materials for the industry and construction sectors. The Group is also making progress in its search for solutions to remanufacture yarns from textile fibers derived from used workwear waste.

In terms of workwear in France (3,417 tons of textile waste), the Group is testing solutions with the aim of developing textile-to-textile recycling channels. In France, the first items designed and woven from recycled Elis workwear yarns have been made.

In the Netherlands (which represents 4.5% of the Group's textile waste by weight), all end-of-life workwear has been mechanically recycled into insulation material for the automotive or industry sector. As such, all garments managed by the Group are recycled in this market.

In several European countries, a growing proportion (35% overall) of end-of-life workwear is channeled to mechanical recycling solutions to produce textile yarns or insulation materials for industry. Chemical recycling projects are also under way.

Other initiatives are also under way to recycle cleanroom garments as acoustic panels, insulation, or stuffing for household linen (pillows, duvets) or to turn them into new garments specifically designed for this business.

Furthermore, haute couture collections and shows have also been organized in Sweden, France and Denmark using end-of-life workwear, which is helping to promote the circular economy and the recycling of woven materials without industrial processing. One show notably took place at Paris Fashion Week.

**Mats**

At the end of 2023, the Group formed a new partnership to recycle the rubber and fiber from mats. This project aims to put the mats into a recycling loop to keep them from ending up as waste. The goal is to reincorporate these fibers when creating new materials or products.

**Other products**

In the Netherlands, a pilot project has been launched to recycle end-of-life dispensers with the goal of creating jobs for the people far from the labor market. After a successful test phase, the roll-out is planned for 2024.

**Making textiles from textiles: the "Workwear to Workwear" project**

For the past years, the Group has been running a recycling project in France aimed at recycling the Group's used workwear into new workwear as a way to close the loop.

To do so, the Group has identified a number of partners to manage the various stages of the recycling and production chain. This pilot project currently uses only the know-how and skills of French players to produce the fabric. The Group is thus working with a sheltered sector company located in the Auvergne-Rhône-Alpes region to shred the garments (the first step in the garment recycling process) and another company that specializes in defibering and spinning. Le Jacquard Français, a Group subsidiary, does the weaving.

Five aprons made by the Group at its plants from recycled workwear are being sold in Europe as a limited edition line. The aprons are made of 100% recycled material, of which 60% is from Elis end-of-life textiles. The Group is working to develop this project on a larger scale. The carbon impact of this product has been reduced by 49% compared with a similar traditional apron.

Lastly, this Workwear to Workwear project won the Espoir Trophy at the 2022 European Circular Fashion Awards in the Large Company category. It was selected from among 15 finalists out of more than 200 applications received.

The product was recognized once again in 2023, winning the Audace award at the Cégos Les Mines competition and the Gold trophy in the "Circular economy, reuse: best strategy" category at the Sustainable Transformation Summit.

**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 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:

- › for non-hazardous waste: in containers or in dedicated areas - for example:
  - cardboard,
  - scrap metal,
  - plastic film,
  - consignment pallets,
  - domestic waste,
  - textiles;
- › for hazardous waste: in dedicated containers:
  - empty soiled packaging in containers and cans,
  - used oils stored in dedicated containment areas or in aboveground double-skin tanks protected from the rain,
  - batteries in washroom stores or in metal drums with lids.

Most of the Group's waste is non-hazardous. This consists of waste from packaging, textiles, 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.).

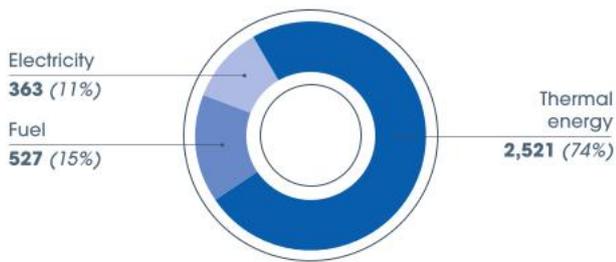
In 2023, 69% of the Group's waste was recovered.

### 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 0.7% of the total energy consumption, excluding fuel.

#### BREAKDOWN OF THE GROUP'S ENERGY CONSUMPTION (GWH AND %)



Laundries mainly use thermal energy and electricity to heat the water used for washing and to dry and iron linen. Although Elis's sites do not consume huge amounts of energy compared to traditional industrial activities, the number of sites (342 laundries in 2023) does make the Group's energy consumption significant.

Regarding its vehicle fleet, the Group has nearly 10,500 vehicles (68% for deliveries and 32% for commercial use). The strategy of bringing logistics in-house continues to generate efficiency and productivity gains. The actions carried out in 2023 have thus ensured that the vast majority of distribution routes are now served in-house (94% 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.

Aware of its energy consumption, the Group is committed to an ambitious approach to reducing energy consumption and to a transition towards supply methods that emit less greenhouse gas in order to contribute to the fight against climate change.

#### Governance and policy

The QHSE 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" of this chapter.

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. This governance method enables the Global Logistics Assistant for Deliveries (GLAD) tool for logistics teams to be rolled out, facilitating distribution route optimization and guidance.

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 the thermal efficiency of European laundries by 35% by 2025 and accelerating the transition of its logistics fleet toward 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.

## Goals and performance

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

**Improving the thermal efficiency of European laundries by 35% between 2010 and 2025  
Accelerating the transition of the logistics fleet and aiming for 650 alternative vehicles by 2025**

Key performance indicators		2021	2022	2023
<b>Reducing energy consumption and achieving the energy transition of our operations</b>	% reduction in thermal energy per kg of linen delivered since 2010 (European laundries) <b>(2025 target: -35%)</b>	-22%	-26%	-28%
	Share of renewable energy in total energy consumption (excluding logistics)	21%	19%	17%
	Share of renewable thermal energy (biomass, biogas, etc.)	23%	21%	19%
	Share of renewable electricity	8%	9%	7%
<b>Reducing energy consumption and achieving the energy transition of our vehicles</b>	Share of alternative vehicles – logistics fleet	3.7%	3.7%	5.0%
	Number of alternative vehicles <sup>(a)</sup> – whole fleet	488	715	1,231
	› of which logistics <b>(2025 target: 650 alternative vehicles)</b>	224	232	355
	› of which commercial	264	483	876
	Kg of products delivered per liter of fuel <sup>(b)</sup>	42.7	48.7	49.0

(a) Alternative vehicles includes electric, biogas, biofuel and hybrid vehicles. In 2023, non-rechargeable hybrids were not included in the scope. In 2020, LPG and NGV vehicles were also included.

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

In 2023, the Group significantly improved its performance in terms of thermal energy consumption per kg of linen delivered, reaching -28% compared to 2010. This substantial improvement was due in particular to the existing energy efficiency programs.

The share of renewable energies decreased in 2023 due mainly to the relative decline in Brazil's thermal energy consumption in the Group's total mix after rising significantly, the integration of Mexico, and the reduced supply of certain alternative energies (biogas, for example).

The Group also continued to acquire alternative vehicles, with 355 alternative logistics vehicles in 2023. In particular, the Group received over the summer 50 electric heavy trucks, demonstrating its commitment to using this technology. Overall, the number of alternative vehicles (commercial and logistics fleets) more than doubled between 2021 and 2023 to 1,231. Delivery efficiency has also improved, reaching 49kg of products delivered per liter of fuel in 2023.

## 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. Energy sobriety and efficiency are the key pillars of the Group's climate action.

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 spinning presses, drying/ironing equipment, new boiler burners, installation of LEDs, reduction in energy consumption by the heating, ventilation and air-conditioning systems, 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;
- › monitoring new technologies and processes.

When defining its Climate strategy, the Group also conducted an in-depth analysis of energy efficiency opportunities, taking into account existing technologies and best practices as well as new technologies and innovations to be tested. A detailed action and implementation plan has been defined for these initiatives and is being rolled out to help the Group achieve its Climate targets.

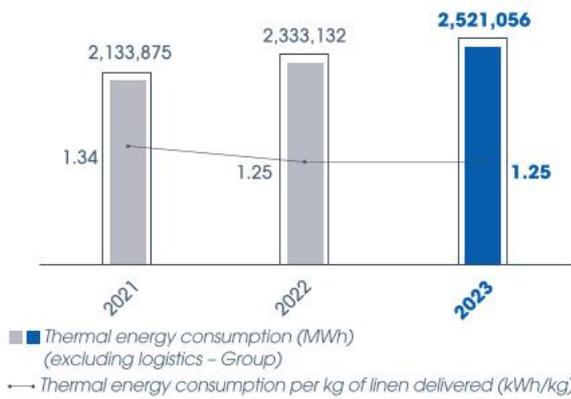
In addition to the above initiatives, in 2023 the Group undertook several specific actions to help reduce its energy consumption. In particular, it:

- › updated the **Energy essentials**, which outline key energy monitoring and optimization actions;
- › **standardized washing temperatures** for all sites based on the bleaching agents used;
- › **evaluated new low-temperature washing processes** that can reduce energy consumption by up to 9%;
- › **carried out internal energy audits** to identify energy action plans;
- › **subjected its heat exchangers to external audits, which helped improve** the energy ratio at certain sites by up to 10%.

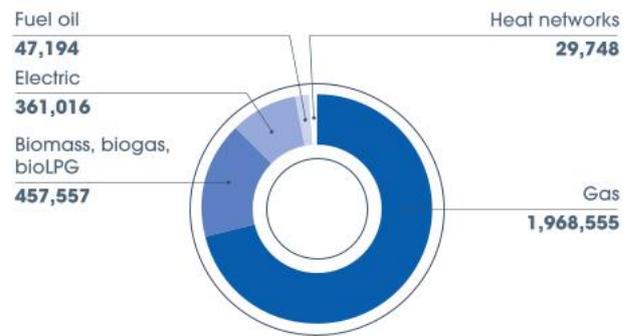
In addition, the Group has a centralized Purchasing Department supplemented by local buyers in the key countries where it operates. It has also implemented appropriate processes to ensure that purchases in Europe are coordinated by the central department. The Purchasing Department therefore actively monitors changes in energy costs and contracts with preferred suppliers.

The improvement in energy use in the Group's laundries in Europe was offset by scope effects related mainly to major acquisitions where performance has not yet been optimized.

### THERMAL ENERGY CONSUMPTION AND ENERGY EFFICIENCY IN OPERATIONS (SITES - GROUP)<sup>(1)</sup>



### ENERGY CONSUMPTION BY TYPE OF ENERGY<sup>(1)</sup> (MWH)



### ENERGY CONSUMPTION BY TYPE OF PRIMARY ENERGY AND ON-SITE ENERGY GENERATION

(in MWh)

	2023
Total consumption of energy from fossil sources	2,674,427
Total consumption of energy from nuclear sources	97,701
Total consumption of energy from renewable sources	513,675
<ul style="list-style-type: none"> <li>› Consumption of fuel from renewable sources</li> <li>› Consumption of purchased or acquired electricity, heat, steam and cool from renewable sources</li> <li>› Consumption of self-generated non-fuel renewable energy</li> </ul>	91,426
Generation of non-renewable energy	1,088
Generation of renewable energy	12,715
	1,556

#### Green IT

In 2023, the Group finalized a green IT study to review its practices and develop an action plan. After the results of the study were shared with the Executive Committee, priority actions were defined and are now being implemented. In addition, the IT teams attended "The digital collage" a workshop to receive training on concerns associated with digital technologies.

The Group also launched a digitization strategy for certain processes, such as contract signatures. Digitization also helped reduce paper consumption in France by more than 8% between 2020 and 2023.

In addition, the Group has a strategy for transferring some of its data center applications to cloud solutions, which will help it pool infrastructure and optimize resource consumption.

To raise the IT teams' awareness of CSR considerations, a conference was organized in 2022 in partnership with a Green IT player to give an overview of the state of the art, highlighting best practices and sector considerations. This conference was widely broadcast to the teams.

In some of its countries, the Group also established policies to give its computer equipment a second life. In Germany, for example, Elis is working with a company that hires people with disabilities to refurbish equipment. As a result, 34% of the devices collected were able to have a second life.

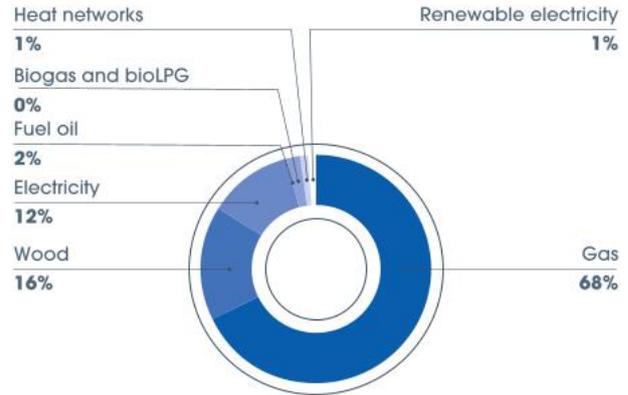
(1) Excluding fuel for vehicle fleets.

**Energy transition**

In addition, 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:

- › on-site energy generation (solar thermal, or renewable). About 50 projects have been identified under the Climate strategy. By the end of 2023, 16 of the Group’s sites had been equipped;
- › lower-emission thermal energies (heat networks, biomass): 19% of the Group’s thermal energy consumption:
  - in Brazil, a total of 35 sites use biomass energy (98% of tonnage delivered in Brazil, 92% of the sites in Brazil);
- › the purchase of electricity from renewable sources in certain markets using Guarantee of Origin-type certificates: 7% of the Group’s electricity consumption in 2023: 100% of the electricity in Sweden (hydropower) and the Netherlands.

**BREAKDOWN OF ENERGY CONSUMPTION (AS A %)**



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

**Measures implemented**

**Transportation energy efficiency**

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

- › 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 trucks. 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 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. It helps reduce “unproductive” kilometers and allows the logistics teams to focus on higher value-added corrective actions. This tool has already been used on more than 2,700 daily routes in France, Italy, Belgium, the United Kingdom, Germany and Portugal;

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 informs service agents when they are driving above the speed limit and when it records a harsh braking. 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 (low emission zone).

The Elis Group also actively monitors technological developments in respect of alternative energy heavy trucks.

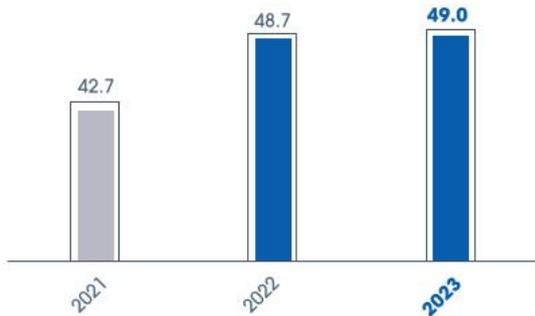
With regard to **fuel performance**, in order to better manage energy performance related to fuel consumption, the Group revised and optimized its logistics KPIs in 2021 for closer monitoring of its performance and also reviewed its fleet management tool. Fuel performance improved compared to previous years, reaching 49.0 kg of products delivered per liter of fuel.

The Group regularly conducts reviews of possible energy efficiency levers and takes certain actions. For example:

- › entering into a master agreement for tire maintenance to maintain the right tire pressure and reduce fuel consumption;
- › limiting the new 3,5t vehicles to 110 km/h, with the aim of curbing their consumption;
- › rolling out communication tools around best practices for fuel performance and eco-driving in all Group countries.

The fuel performance 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 (IN KG/LITER) – LOGISTICS FLEET**



**Energy transition**

Aware of the stakes related to climate change and in order to anticipate the growing demand of customers and access aspects 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;
- › migration of the commercial vehicle fleet (for example, no new diesel vehicles, focus on electric and hybrid vehicles);
- › step-by-step migration of the customer distribution fleet to electric and biofuel-powered vehicles;
- › experimentation with new technologies for the heavy truck fleet.

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. An identical approach had been 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 provided insights into the technological developments in payload and range prior to a wider rollout.

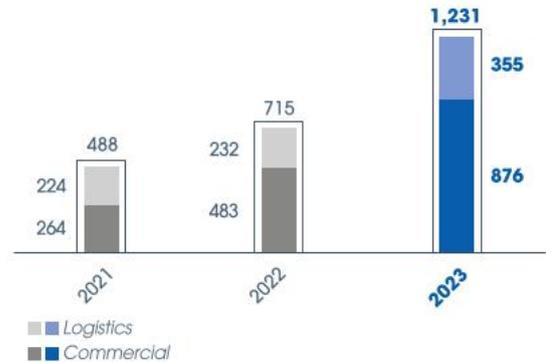
With regard to the **migration of the commercial and light utility vehicle fleet**, the Group continues to increase the extent of the migration following the trials, subject to operational feasibility (vehicle range) and fleet replacement considerations. The Group is working closely with automakers on the transition in order to stay up to date on technological developments and their possible implementation at Elis. The Group is actively replacing old diesel vehicles with electric or hybrid vehicles for the sales teams that make short journeys. To this end, in France, diesel vehicles are no longer offered as a replacement, and all replacements have shifted to electric vehicles if their use so allows. To make this transition possible, a plan to install electric charging stations at Elis’s sites was launched in 2022. At the end of 2023, nearly 500 charging points had been or were being installed.

Finally, with regard to the heavy trucks fleet, the alternative vehicles available today are still evolving and remain challenged with regard to matters such as range and payload. After successful trials in several regions, the Group now has an active transition policy. Accordingly, 100% of the heavy trucks ordered in France in 2023 were alternative vehicles (i.e. B100-only or electric trucks).

In France, the Group now has 17 biofuel-powered heavy trucks and 61 electric heavy trucks.

In total, at the end of 2023, the Group had 1,231 alternative vehicles (590 electric, 110 biofuel, and 531 plug-in hybrids), a 72% increase between 2022 and 2023.

**NUMBER OF ALTERNATIVE VEHICLES – WHOLE FLEET**



**Trialing electric heavy trucks**

After conducting a successful trial in 2022 and taking delivery of 11 all-electric heavy trucks, France added 50 new electric heavy trucks to its fleet in 2023. These vehicles travel up to 200km every day to deliver and pick up linen. As such, 40% of our Parisian heavy truck deliveries are performed each week, seven days a week, at night, with no direct emissions or noise pollution. Elis is thus positioned as one of the leaders in electric heavy truck deliveries in Paris.

In 2023, the Group was also awarded funding from ADEME to purchase 75 additional electric heavy trucks to support the transition of its fleet in 2024.

In the Netherlands, four new electric heavy trucks were delivered in 2023.



**Sub-contracted fleet**

The Group’s strategy seeks to bring its fleet in-house in order to better manage the associated aspects and the quality of customer service. In 2023, the number of vehicles subcontracted is estimated to have been 6%.

**Outlook**

The energy efficiency actions started in 2023 will continue in 2024. The GLAD tool will continue to be rolled out in other European countries. Roll-out is also planned in Brazil for the second quarter of 2024. Action sheets aiming to raise sites' and users' awareness of practical steps they can take to lower consumption will also be distributed. They will cover, for example, the installation of deflectors on vehicles that travel on highways and freeways, as well

as the use of oils that have the right viscosity to make combustion engines run more smoothly.

As for the transition of its fleet, the Group will continue to replace it with alternative vehicles, in accordance with its climate plan, and to install charging stations at its sites. In terms of heavy trucks, nearly 75 additional new electric vehicles and 45 additional B100-only heavy trucks have been ordered for 2024.

**3.3.6 Fighting and adapting to climate change**

**Context**

Climate change and its consequences are a major challenge for our times. The Elis Group, through its circular economy-based business model, is positioned as a more responsible alternative to single-use and purchase-based models (see section 3.3.1 "Being a circular economy player") and plays a role in reducing its customers' CO<sub>2</sub>eq emissions.

Beyond its business model, for a long time, Elis has worked to reduce its energy consumption and CO<sub>2</sub>eq emissions. The Group thereby reduced the intensity of its thermal energy consumption by 28% in its European laundries between 2010 and 2023 and is committed to transitioning its vehicle fleet. In 2023, the Group reduced its CO<sub>2</sub>eq emissions in absolute terms by 15% between 2019<sup>(1)</sup> and 2023 (Scopes 1 & 2), showcasing the efforts made over the years.

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. In 2023, the Group thus announced its climate roadmap and related 2030 targets, underscoring its commitment to contributing to a low-carbon society.

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

- › **reducing absolute Scope 1 and 2 CO<sub>2</sub>eq emissions by 47.5% between 2019 and 2030<sup>(2)</sup>;**
- › **reducing absolute Scope 3 CO<sub>2</sub>eq 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% between 2019 and 2030.**

These targets have been approved by the Science Based Targets initiative (SBTi), 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 restricting 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.



The 2019 baseline year was selected in accordance with the SBTi's recommendations and corresponds to the last representative year of business for which data were available at the date of the targets' definition.

In 2023, Group climate reporting is integrated within its non-financial performance statement and applying some TCFD guidelines.

Unless otherwise stated, Scope 2 emissions reported in this section are market-based.

Lastly, Elis is not excluded from the Paris Climate Agreement benchmarks<sup>(3)</sup>.

**Elis Carbon footprint**

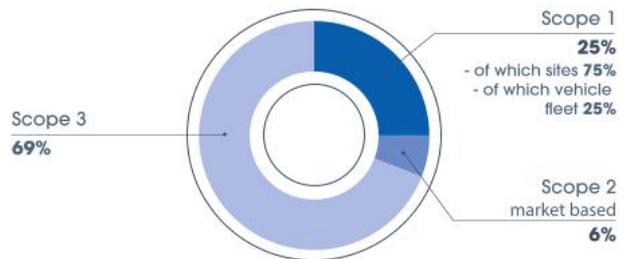
The Group's emissions are set out below and detail:

- › 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: purchased goods and services, upstream transportation and distribution, employee commuting, etc.

The Group's direct (Scope 1) and indirect emissions (Scope 2) represent 607,133 tons of CO<sub>2</sub>eq, that is 31% of the Group's total emissions (Scope 1, 2 and 3).

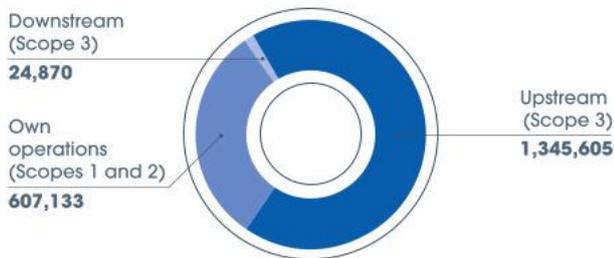
The Group's Scope 3 emissions are driven mainly by purchases of goods and services (71%) and, in particular, purchases of products (51% of total emissions), upstream fuel and energy (excluding Scopes 1 and 2) (9%) and transport (employee commuting, transport of goods and logistics, business travel) (9%).

**BREAKDOWN OF THE GROUP'S GHG EMISSIONS**



(1) Emissions for 2019 have been recalculated to account for some recent acquisitions.  
 (2) The target includes land-related emissions and removals from bioenergy feedstocks. Scope 2 emissions are reported as market-based. Scope 1 and 2 targets represented 34% of total emissions in 2019 and Scope 3, 66%. Scope 3 targets covered 72% of total Scope 3 emissions in 2019.  
 (3) In particular Article 12, paragraph 1, points d) to g), and Article 12, paragraph 2, of Commission Delegated Regulation (EU) 2020/1818.

**CO<sub>2</sub>EQ EMISSIONS (SCOPE 1, SCOPE 2 MARKET-BASED AND SCOPE 3) AND DISTRIBUTION ALONG THE VALUE CHAIN**  
(in tCO<sub>2</sub>eq)



**Governance and policy**

The fight against climate change is a core part of the Group’s CSR policy with dedicated objectives in its 2025 program and the stated ambition of aligning its 2030 targets with the Paris Climate Agreements.

The governance implemented by the Group on climate matters is fully integrated into the CSR governance described in section 3.2.1 “Integrated CSR governance and management.” In particular:

- › at the Supervisory Board level: the CSR Committee reviews the Group’s policies and performance on all CSR topics. Climate was one of the themes covered at each of the meetings. Progress on CSR is also regularly shared with the Supervisory Board at least once a year. The Climate strategy was especially discussed and approved by the Supervisory Board;
- › at the Management Board and Executive Committee level: the Chairman of the Management Board, with the endorsement of the members of the Executive Committee, confirms the strategic direction for Sustainable development. The Climate strategy, its definition, its action plan and its communication were considered at several meetings;
- › the CSR Director, who reports to the Chairman of the Management Board, works closely with the other Group departments (Industrial Projects, QHSE, Product Offerings, etc.) and is also 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, stakeholder engagement, and supporting the operational teams in the implementation of the action plans.

Furthermore, the members of the Management Board have also CSR goals that are reviewed annually and affect the variable portion of their compensation. In 2023, 12% of the variable compensation of the Chairman of the Management Board was linked to CSR criteria, and in particular to the Group’s climate strategy (see chapter 2, section 2.2.2 “Compensation allocated and paid to corporate officers” of the 2023 Universal Registration Document). For 2024, CSR indicators are in place for all members of the Management Board, with their climate goals representing 6% of their variable portion (see section 2.2.1 “Compensation policy”). In addition, some members of the Executive Committee have specific CSR goals related to their duties or the implementation of strategic programs, in particular those that are focused on energy or climate (e.g. reducing energy consumption in operations). Lastly, since 2022, the Group’s long-term incentive plan has included a CSR indicator in addition to financial indicators. This plan enables some managers and employees to receive a share of the Company’s long-term performance and financial results. The indicator selected, namely water consumption per kg of linen delivered, has a direct impact on energy consumption and thus the related CO<sub>2</sub>eq emissions (reducing water consumption means lowering the energy required to heat the water, thus reducing emissions).

The Group’s climate strategy, which was set up by the Company’s Executive Committee and includes specific targets, was approved in July 2023 by the Board of Directors on the recommendation of the CSR Committee. This climate strategy was presented to the market in early September 2023. The Executive Committee’s roll-out of the action plan approved by the Supervisory Board is regularly reviewed by the CSR Committee and the Supervisory Board.

A specific presentation on this climate strategy and the main actions taken in this context will be given at the Company’s general shareholders’ meeting on May 23, 2024.

Finally, to oversee the definition of the Climate strategy, its action plan and its related projects, a cross-functional steering committee (Finance, Product Offerings and Communications, Industrial Operations, Purchasing, Logistics, Supply Chain and CSR) has been in place since 2022. It reviews, among others, the carbon footprint measurement tools (Scopes 1, 2 and 3); the definition of the climate roadmap; the definition and status of the action plans; communications, both internally and to stakeholders; and the incorporation of climate into some Group tools (financial and marketing).

### Risks and opportunities

The Elis Group regularly reviews its CSR topics, risks and opportunities. Climate change risks are a key part of this assessment, which is set out in section 3.6.1 "Non-financial performance statement" and in chapter 4 of this Universal Registration Document. All climate risks (transition, adaptation, physical, etc.) are thus reviewed and assessed in order to contribute to the reduction of the Company's impact on climate, its adaptation to climate change, and its long-term resilience. In 2022, the Group's industrial, supply chain, finance and CSR teams also worked together to produce a better mapping of these risks and opportunities, in particular in relation to the 2030-2040 climate scenarios (Aqueduct tool for water scarcity, aligned with the 2.1°C or 3°C scenarios, and qualitative analysis based on the Shared Socioeconomic Pathway (SSP) approach). The entire supply chain was taken into account in this risk analysis. As such, the main risks and opportunities related to climate change to date for the Group are as follows:

Category of risks and opportunities	Description	Materialization horizon	Significance of the potential financial impact
<b>Transition risk</b>	› Risks related to the (direct or indirect) costs of energy resources due, for example, to changes in carbon regulations;	Medium term	Low to moderate
	› Risk of increased stakeholder expectations in terms of contribution to climate change mitigation: employees, customers, shareholders and lenders;	Medium term	Low
<b>Physical risk</b>	› Risk related to business disruption due to pressure on water resources (drought or lack of water availability in areas with high water stress) and adaptation to climate change. Elis estimates that about 30 sites (out of a total of 322 laundries in 2022) are located in areas expected to be at risk of water stress in the long term;	Short to medium term	Low to moderate
	› Increased demand for critical 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 for scrubs, for example). 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. In 2023, the Group also announced its Climate Strategy aligned with the Paris Climate Agreements. Customers increasingly taking into account issues related to climate change and the Group's commitment in this area could thus create new opportunities for the Group;	Short term	Low to moderate
<b>Opportunities</b>	› 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. For example, cotton reels for hand towels as opposed to paper;	Medium term	Low to moderate
	› The development of new transportation technologies with zero or reduced emissions (in use). These new technologies could, in fact, enable easier access to downtown areas and meet growing customer demand.	Short to medium term	Low

As part of its response to the Carbon Disclosure Project (CDP), every year the Group also publishes a specific assessment of its risks and opportunities (time scale, impact, risk management, etc.).

These risks and their management are incorporated into the Group's strategy, presented below, in order to contribute to its footprint mitigation, the adaptation of its operations, and its resilience. They are also incorporated into the Group's financial planning, for example, its plans to invest in energy efficiency or replace the vehicle fleets with lower-emission vehicles.

In 2023, the Group thus reported, in accordance with the EU taxonomy and its requirements:

- › €3.4 million in taxonomy-eligible capex for activity 4.25 "Production of heat/cool using waste heat" 7.3 "Installation, maintenance and repair of energy efficiency equipment";
- › €3.5 million in taxonomy-aligned capex for activity 6.5 "Transport by motorbikes, passenger cars and light commercial vehicles";
- › €5.0 million in taxonomy-aligned capex for activity 6.6 "Freight transport services by road." Note that vehicles that use biofuels were not considered taxonomy-aligned;

- › €0.1 million in taxonomy-aligned capex for activity 7.4 "Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)."

These capex amounts are consistent with the EU taxonomy and might not cover all of the investments the Group might make in these areas, particularly with respect to energy efficiency in its processes and its investments to transition its fleet to alternative vehicles (for example, biofuels).

These climate risks and opportunities also affect the Group's strategy, in terms of products and services (with the development of more responsible products, partnerships with upstream suppliers), in its operations (reduction in water and energy consumption, for example), and in its relationships with its business partners (efforts to reduce linen loss with customers, partnership with cleaning product suppliers to optimize energy consumption or with electric vehicle makers to analyze needs and implementation).

## Policy: Climate transition plan

### A long-standing commitment

Because it operates on a circular economy-based business model, the Elis Group offers alternatives to purchase/acquisition solutions and single-use products. By optimizing resource consumption from upstream to downstream (design, manufacture, maintenance, delivery, use, etc.) and pursuing the best end of life for its products, the Group can offer its customers solutions that have a lower impact and generate fewer emissions.

The Ellen MacArthur Foundation stresses that “the circular economy is needed to get to net-zero emissions” and that moving

business models toward a circular economy, if only in a few key sectors, could reduce CO<sub>2</sub>eq emissions by nearly 9 billion tons (or 20% of global emissions)<sup>(1)</sup>.

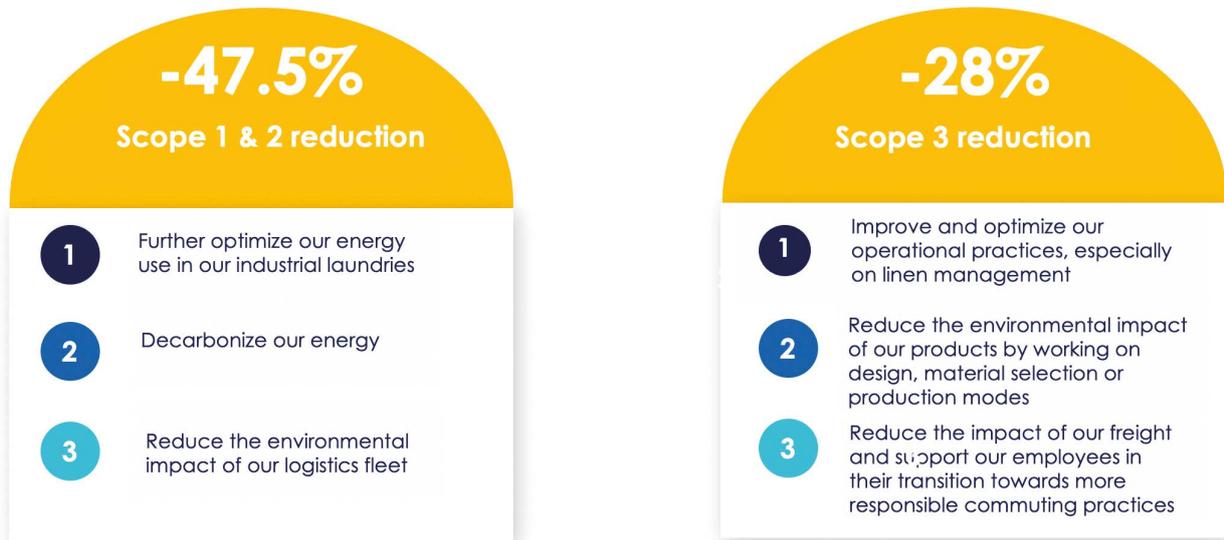
The Group has also included some climate goals as part of its 2025 engagement program, which it achieved by the end of 2022 by reducing the carbon intensity of its operations by more than 20% since 2019. This positioning and commitment were highlighted by the CDP, which gave the Elis Group a score of A- in 2023 for its climate change commitment, actions and performance.

### A renewed ambition

In 2023, the Group set ambitious targets to reduce its greenhouse gas emissions that are in line with the Paris Climate Agreements and that seek to contribute to restricting 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.

- › **reducing absolute Scope 1 and 2 CO<sub>2</sub>eq emissions by 47.5% between 2019 and 2030<sup>(2)</sup>;**
- › **reducing absolute Scope 3 CO<sub>2</sub>eq 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% between 2019 and 2030.**

These goals reflect the Group’s belief in the importance of current climate change considerations and the opportunity that circular services represent for the Company.



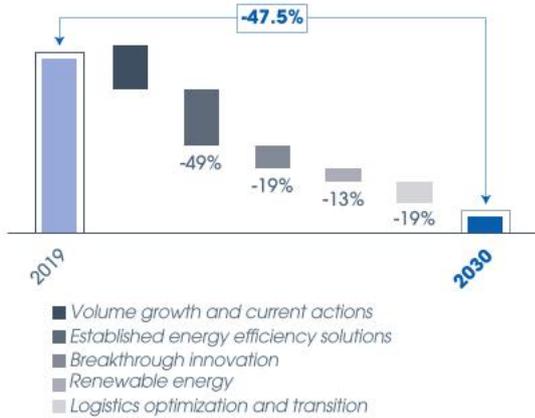
To achieve its targets, Elis has developed a clear roadmap and action plan:

- › regarding Scopes 1 and 2, which represent 31% of the Group’s CO<sub>2</sub>eq emissions, Elis will:
  - **further optimize its energy use in its industrial laundries** thanks to the implementation of established energy-efficient solutions and experimental innovations. As a result, nearly 50% of the gains expected will come from established technologies and approaches (replacing presses with high-pressure presses, rolling out heat exchangers, etc.). New technologies to be explored were also identified in the climate roadmap development phase through an examination of mature and emerging technologies in various industrial sectors. The industrial teams will test and qualify these innovations in order to understand their operational benefits and constraints before any wide-scale rollout,
  - **decarbonize its energy** through on-site renewable energy production, switching to alternative energies or implementing new procurement strategies. The Group has thus identified about 50 solar panel projects that could be implemented in the coming years. It will also consider alternative approaches to electricity supply. Lastly, the Group will evaluate opportunities, at the local level, for low-carbon thermal energy and will soon run a pilot project with a biomass boiler in Europe. Currently, the Group mainly uses biomass in Brazil (80% of thermal energy consumed) but makes only minimal use of this approach in Europe. The pilot project will give the Group a better understanding of the constraints and opportunities associated with this type of energy in other regions,

(1) <https://www.ellenmacarthurfoundation.org/completing-the-picture>

(2) The target includes land-related emissions and removals from bioenergy feedstocks. Scope 2 emissions are reported as market-based. Scope 1 and 2 targets represented 34% of total emissions in 2019 and Scope 3, 66%. Scope 3 targets covered 72% of total Scope 3 emissions in 2019.

- **reduce the environmental impact of its logistics fleet** thanks to delivery optimization tools, eco-driving actions and fleet transition. The Group will continue to roll out its internal GLAD tool (see section 3.3.5 "Minimizing our energy consumption") in its regions and will reinforce its best practices for eco-driving. It will further accelerate its vehicle fleet transition with about 1,000 alternative vehicles by 2030, while also experimenting with new technologies for heavy trucks. At the end of 2023, the Group received in France more than 50 new electric heavy trucks, highlighting its efforts in this area;



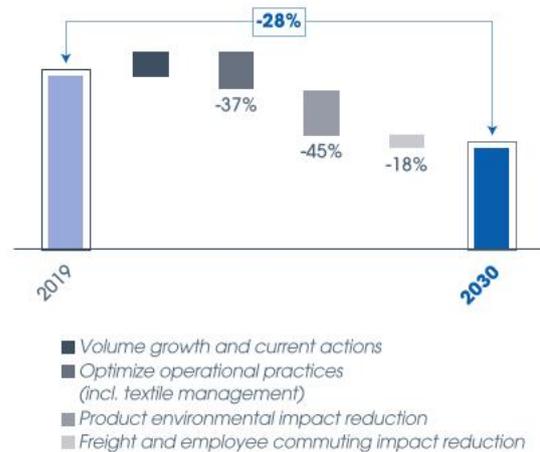
regarding Scope 3, which represents 69% of its CO<sub>2</sub>e emissions, Elis will:

- **improving and optimizing operational practices, especially on linen management.** As a significant share of the Group's emissions come from its linen, extending the lifespan of the products and keeping them in use are key levers for reducing resource consumption and CO<sub>2</sub>e emissions. Reducing linen loss, which can represent significant quantities, is therefore a priority action. Solutions focused on product traceability, cage-level traceability, weighing, and rewards will therefore be implemented in the coming years to better identify the causes of these losses and encourage best practices.

Staying true to its circular economy DNA, the Group will also work to further promote pooling solutions and product reuse and repair in its different regions and between its different sites. The Group is thus planning to double the capacity of its mat repair plant in Latvia and is rolling out a revised best practices guide for linen management at its sites. The Group will also continue to reduce the number of use cases for single-use plastic by promoting reusable solutions.

Lastly, energy reductions related to the climate plan for Scopes 1 and 2 will help reduce upstream energy emissions.

- **reduce the environmental impact of its products** by working on design, material selection or production methods. The Group will prioritize working with its suppliers to improve manufacturing practices within the value chain, especially through energy efficiency and decarbonization. The Group will also continue to eco-design its products and transition its range to alternative materials. In 2023, the Group thus expanded its range of washroom products made from recycled materials, launched an apron product made from recycled Elis textiles, and transitioned the composition of one of its major workwear ranges to recycled materials,
- **reduce the impact of freight and support employees in their transition toward more responsible commuting practices.** In particular, the Group will carry out actions to engage its employees, help them understand mobility-related concerns and encourage behavior changes.



This credible and ambitious plan prioritizes carbon efficiency and financial savings and thus enables the Group to stay in line with the financial guidelines provided to the market. Faithful to its DNA, based on the circular economy and operational excellence, this plan prioritizes sobriety, efficiency and reuse. It is also supported by technologies and approaches long used by the Group. Global engagement among Elis's partners (suppliers, customers, employees, etc.) and the market (industrialization of new logistics technologies, energy decarbonization, equipment availability, transition of vehicles to alternative vehicles, stakeholder engagement, etc.) will, however, be critical to ensure its achievement by 2030.

The Group will provide regular updates on its progress internally and externally to engage all its employees in the journey and transparently inform all its stakeholders. In particular, the Executive Committee plans to review Scope 1 and 2 emissions on a quarterly basis.

## Goals and performance

The Group therefore has the following targets:

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

Accelerating the transition of the logistics fleet  
and aiming for 650 alternative vehicles by 2025

Offering at least one collection composed of sustainable materials  
for each product family by 2025

Reusing or recycling 80% of our end-of-life textiles by 2025

Reducing water consumption per kg of linen delivered by 50% between 2010 and 2025  
(laundries; Europe)

Reducing absolute Scope 1 and 2 CO<sub>2</sub>eq emissions by 47.5%  
between 2019 and 2030<sup>(1)</sup>

Reducing absolute Scope 3 CO<sub>2</sub>eq emissions by 28%<sup>(2)</sup>

In 2023, the Group's new Climate strategy has been retained and incorporated into its financing policy in the context of the revolving credit facility.

Key performance indicators	2021	2022	2023
Direct CO <sub>2</sub> eq emissions (Scope 1) (Kt CO <sub>2</sub> eq)	413.8	450.3	498.9
Indirect CO <sub>2</sub> eq emissions (Scope 2) (Kt CO <sub>2</sub> eq) – location-based	54.3	53.8	67.2
Indirect CO <sub>2</sub> eq emissions (Scope 2) (Kt CO <sub>2</sub> eq) – market-based	76.4	86.8 <sup>(a)</sup>	108.2
Other indirect CO <sub>2</sub> eq emissions (Scope 3) (Kt CO <sub>2</sub> eq)	1,500 <sup>(b)</sup>	1,340.9	1,370.5
Total CO <sub>2</sub> eq emissions (Scopes 1, 2 (location-based) and 3) (Kt CO <sub>2</sub> eq)		1,844.9	1,936.6
Total CO <sub>2</sub> eq emissions (Scopes 1, 2 (market-based) and 3) (Kt CO <sub>2</sub> eq)		1,877.8 <sup>(a)</sup>	1,977.6
% reduction in absolute Scope 1 and 2 CO <sub>2</sub> eq emissions between 2019 and 2030 <sup>(c)</sup>			
<b>(2030 target: -47.5%)</b>		-15%	-15%
% reduction in absolute Scope 3 CO <sub>2</sub> eq emissions since 2019		-0.3%	-2%
% reduction in absolute Scope 3 CO <sub>2</sub> eq 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 between 2019 and 2030 <sup>(c)</sup>			
<b>(2030 target: -28%)</b>		10%	-3.6%
CO <sub>2</sub> eq intensity (Scopes 1, 2 (location-based) and 3) per euro of revenue (tons of CO <sub>2</sub> eq/€) <sup>(d)</sup>			0.00045
CO <sub>2</sub> eq intensity (Scopes 1, 2 (market-based) and 3) per euro of revenue (tons of CO <sub>2</sub> eq/€) <sup>(d)</sup>			0.00046

(1) The target includes land-related emissions and removals from bioenergy feedstocks. Scope 2 emissions are reported as market-based Scope 1 (direct emissions) mainly associated with consumption of gas, fuel, etc.;  
Scope 2 (indirect emissions) associated with consumption of electrical energy or steam;

Scope 3 (other indirect emissions) associated with other emission areas: purchased goods and services, upstream transportation and distribution, employee commuting, etc.  
(2) From purchased goods and services, fuel and energy related activities, upstream transportation and distribution, employee commuting, and end-of-life treatment of products sold.

Key performance indicators		2021	2022	2023	
<b>Reducing our Scope 1 and 2 emissions</b>	Continually improving the energy efficiency of our industrial laundries	% reduction in CO <sub>2</sub> eq intensity (Scopes 1 and 2 – location-based) since 2010 <b>(2025 target: -20%)</b>	-19%	-25%	-22%
		CO <sub>2</sub> eq emissions per ton of linen delivered (Scopes 1 and 2 – kg CO <sub>2</sub> eq per ton of linen delivered) – location-based	294	270	282
		% reduction in thermal energy per kg of linen delivered since 2010 (European laundries) <b>(2025 target: -35%)</b>	-22%	-26%	-28%
	Decarbonizing our energy mix	Share of renewable energy in total energy consumed (excluding vehicles)	21%	19%	17%
		Share of renewable thermal energy (biomass, biogas, etc.) in total thermal energy	23%	21%	19%
		Share of renewable electricity in total electricity	8%	9%	7%
	Striving for exemplarity on a daily basis in our logistics	Share of alternative vehicles <sup>(e)</sup> – logistics fleet	3.7%	3.7%	5.0%
		Number of alternative vehicles	488	715	1,231
		› of which logistics <b>(2025 target: 650 alternative vehicles)</b>	224	232	355
		› of which commercial	264	483	876
<b>Reducing our Scope 3 emissions</b>	Share of product families with at least one collection composed of sustainable materials <b>(2025 target: 100%)</b>	46%	51%	58%	
	Share of end-of-life textiles reused or recycled <b>(2025 target: 80%)</b>	72%	70%	77% <sup>(f)</sup>	
<b>Reducing our use of water resources to increase our operational resilience in the face of climate change</b>	% reduction in water consumption per kg of linen delivered between 2010 and 2025 (European laundries) <b>(2025 target: -50%)</b>	-40%	-43%	-46%	

(a) Data modified in 2023 due to adjustments to the 2022 emissions factors.

(b) In 2021, the Group's Scope 3 emissions were estimated based on the carbon footprint calculated for France in 2019.

(c) The target includes land-related emissions and removals from bioenergy feedstocks. Scope 2 emissions are reported as market-based.

(d) The Group's financial information is discussed on in section 5.2.3 "Income statement analysis for the financial year ended December 31, 2023" of this Universal Registration Document.

(e) Alternative vehicles includes electric, biogas, biofuel and hybrid vehicles.

(f) Group excluding Mexico (data not available).

The Group reduced its Scope 1 and 2 emissions in absolute terms by nearly 15% between 2019<sup>(1)</sup> and 2023, driven mainly by its enhanced energy efficiency programs and the energy transitions carried out at certain sites, despite increases in some emission factors.

Total absolute Scope 3 emissions fell by 2% between 2019 and 2023, due in particular to energy consumption optimization between 2019 and 2022, employees' transition to lower-impact commuting practices, and more precise measure for certain source of emissions. It should also be noted that linen purchases increased in 2022 after the post-health crisis recovery in activity.

The Elis Group also publishes indicators relating to the European taxonomy, in particular for the goals of climate change mitigation and adaptation. 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: prevent the production of greenhouse gas emissions, reduce these emissions and increase 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; the Group reports relatively low individually eligible capital expenditure (see section 3.6.2 "Taxonomy").

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

(1) Emissions for 2019 have been recalculated to account for some recent acquisitions.

## 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 Supplier 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 linen care processes and the identification of the best transport technologies for the Group's needs (see section 3.3.5 "Minimizing our energy consumption" and section 3.5.3 "Working responsibly with third parties"))).

### Customer involvement

The dialog 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 aspects 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 on the climate topic more specifically;
- › the promotion of circular business 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 composed of sustainable materials for 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 product-as-a-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;

- › 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 3.3.1 "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 2023, the Group continued to roll out CSR and Climate training for its sales teams and employees to help them understand and strengthen their expertise in all these areas.

In 2021, the Group 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 key concern. Various ways of involving employees are used by the Group: team activities, presentations, aspirational or quantitative objectives. These options are set out in more detail in section 3.2.2 "Our strategy: commit to the planet, our people and Society." For Sustainable Development Week in 2023, the Group selected themes relating to the impact individuals have on climate and provided key information on ways to reduce it. The Group is also rolling out Climate Fresk to the Group's headquarters in France, as well as to the Netherlands, and held a session for its CSR and QHSE coordinators in order to expand the initiative to other regions.

### Use of carbon pricing

The Group is not subject to any quota trading systems in its regions. The Group nevertheless incorporates internal carbon pricing (shadow price) into the decision-making process for some investments. In particular, in 2023, when working on the definition of its climate strategy, the Group developed models that incorporated carbon pricing for Scope 1, 2 and 3 emissions in order to evaluate the associated resilience and opportunities. The Group also incorporates carbon pricing into its decision-making for investments in equipment to prioritize the ones with the best financial and climate returns. This approach, which has been integrated into the Group's financial processes, covers all regions as well as Scope 1, 2 and 3 emissions (upstream energy), i.e., 37.2% of the Group's total emissions.

## Our corporate social responsibility

### Planet and products

Finally, in some financial analyses, the Group uses carbon pricing (€150/ton of CO<sub>2</sub>eq) to calculate the rates of return on investment incorporating this component. This price was set based on information from the 2018 Intergovernmental Panel on Climate Change report (5.1), a review of carbon tax schemes and EU Emissions Trading System mechanisms, and the voluntary carbon market.

Lastly, in discussions with customers and internally, the Group may use carbon pricing to raise awareness of the benefits associated with a reduction in textile loss and a product repair.

The table below incorporates the 2022 CO<sub>2</sub>eq emissions recalculated to take account of the Group's recent acquisitions and to facilitate comparisons with 2023 performance.

### DETAILS OF THE GROUP'S SCOPES 1, 2 AND 3 EMISSIONS, PERFORMANCE AND TARGETS

	History						Goals and milestones	
	Reference year (2019)	2021	2022	2022 recalculated	2023	Variation (2022 recalculated /2023) (as %)	2030	Status (as %)
Direct CO <sub>2</sub> eq emissions (Scope 1) (Kt CO <sub>2</sub> eq)	582.3	413.8	450.3	503.5	498.9	-1%		
Indirect CO <sub>2</sub> eq emissions (Scope 2) (Kt CO <sub>2</sub> eq) - location-based		54.3	53.8	68.6	67.2	-2%		
Indirect CO <sub>2</sub> eq emissions (Scope 2) (Kt CO <sub>2</sub> eq) - market-based	128.9	76.4	86.8	101.6	108.2	7%		
<b>Direct and indirect CO<sub>2</sub>eq emissions (Scopes 1 &amp; 2) (Kt CO<sub>2</sub>eq) - market-based</b>	<b>711.3</b>	<b>489.3</b>	<b>518.3</b>	<b>605.1</b>	<b>607.1</b>	<b>0.3%</b>	<b>-47.5%</b>	<b>-15%</b>
Other indirect CO <sub>2</sub> eq emissions (Scope 3) (Kt CO <sub>2</sub> eq)	1,403.8	1,500	1,340.9	1,397.6	1,370.5	-2%		
1 - Purchased goods and services	952.8		960.4	1,002.6	974.3	-3%		
2 - Capital goods	92.5		52.6	54.6	92.9	70%		
3 - Fuel and energy related activities (not including Scope 1&2)	134.6		120.7	125.3	128.0	2%		
4 - Upstream transportation and distribution	58.9		60.2	62.5	65.6	5%		
5 - Waste generated in operations	17.9		17.0	17.7	24.7	40%		
6 - Business travels	19.3		7.3	7.5	8.1	8%		
7 - Employee commuting	101.1		99.6	103.5	52.0	-50%		
11 - Downstream leased assets	2.4		2.2	2.3	2.4	7%		
12 - End-of-life treatment of sold products	23.8		19.9	20.7	22.2	4%		
13 - Use of sold products	0.5		0.8	0.9	0.3	-63%		
<b>Other indirect CO<sub>2</sub>eq emissions (Scope 3) (Kt CO<sub>2</sub>eq) - scope for SBTi targets</b>	<b>1,010.9</b>	<b>1,035.8</b>	<b>1,111.9</b>	<b>1,111.9</b>	<b>974.6</b>	<b>-12%</b>	<b>-28%</b>	<b>-3.6%</b>
<b>TOTAL CO<sub>2</sub>EQ EMISSIONS</b>								
<b>Total CO<sub>2</sub>eq emissions (Scopes 1, 2 (location-based) and 3)</b>		<b>1,968.1</b>	<b>1,844.9</b>	<b>1,969.7</b>	<b>1,936.6</b>	<b>-2%</b>		
<b>Total CO<sub>2</sub>eq emissions (Scopes 1, 2 (market-based) and 3)</b>	<b>2,115.1</b>	<b>1,989.3</b>	<b>1,877.8</b>	<b>2,002.7</b>	<b>1,977.6</b>	<b>-1%</b>		

Emissions for 2019 have been recalculated to account for some recent acquisitions. Emissions for 2021 correspond to published emissions. In 2021, the Group's Scope 3 emissions were estimated based on the carbon footprint calculated for France in 2019. Emissions in 2022 were modified due to an adjustment on some emissions factors. The "2022 recalculated" emissions include the Group's recent acquisitions to facilitate comparisons with 2023 performance.

### FOCUS ON EMISSIONS RELATED TO BIOENERGY CONSUMED BY THE GROUP (BIOGENIC EMISSIONS)

Tons of CO <sub>2</sub> eq	2023
<b>Direct emissions (Scope 1)</b>	<b>498,903</b>
Of which emissions from combustion of biomass and/or the production of biomass for bioenergy	196,920
<b>Indirect emissions (Scope 2 market-based)</b>	<b>108,230</b>
Of which emissions from combustion of biomass and/or the production of biomass for bioenergy	0
<b>Direct emissions (Scope 3)</b>	<b>1,370,475</b>
Of which emissions from combustion of biomass and/or the production of biomass for bioenergy	0

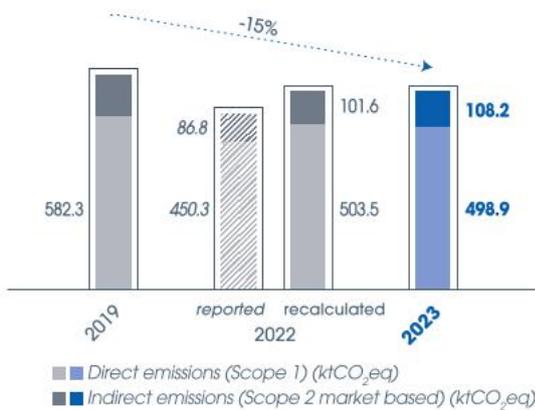
## Reducing our Scope 1 and 2 emissions

The Group's emissions (Scopes 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 <sub>2</sub> eq)	Total	Europe		LATAM		Sites		Logistics	
Direct emissions (Scope 1)	498,903	430,315	82%	68,588	80%	372,684	78%	126,219	>99%
Indirect emissions (Scope 2 location-based)	67,173	50,538		16,635		67,204		149	
Indirect emissions (Scope 2 market-based)	108,230	91,591	18%	16,639	20%	107,832	22%	398	<1%
<b>Total emissions (Scopes 1 and 2 market-based)</b>	<b>607,133</b>	<b>521,906</b>	<b>86%</b>	<b>85,227</b>	<b>14%</b>	<b>480,516</b>	<b>79%</b>	<b>126,617</b>	<b>21%</b>

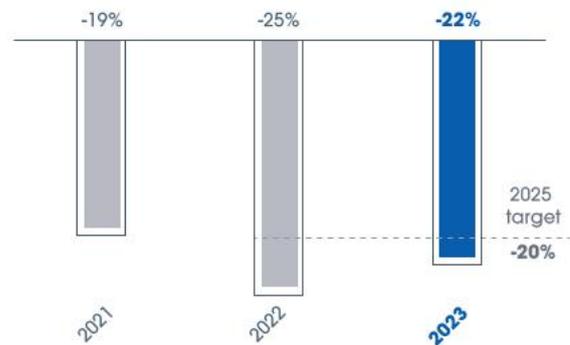
The Group's CO<sub>2</sub>eq emissions (Scopes 1 and 2 market-based) fell by 15% between 2019 and 2023, driven mainly by the enhanced energy efficiency program and the energy transition initiated at certain sites and in logistics.

### CO<sub>2</sub>EQ EMISSIONS AND GROUP PERFORMANCE



Scope 2 emissions are presented as market-based. The 2019 and 2022 emissions were recalculated to include the Group's recent acquisitions and to facilitate comparisons with 2023 performance.

### % REDUCTION IN CO<sub>2</sub>EQ INTENSITY SINCE 2010 (SCOPES 1 AND 2 LOCATION-BASED)



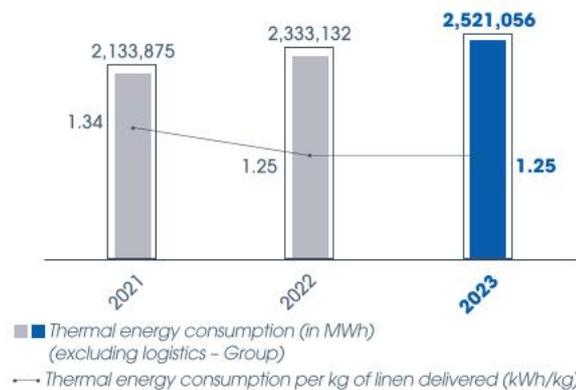
## Continually improving the energy efficiency of our industrial laundries and decarbonizing our energy mix

The Group's approach hinges on two main axes:

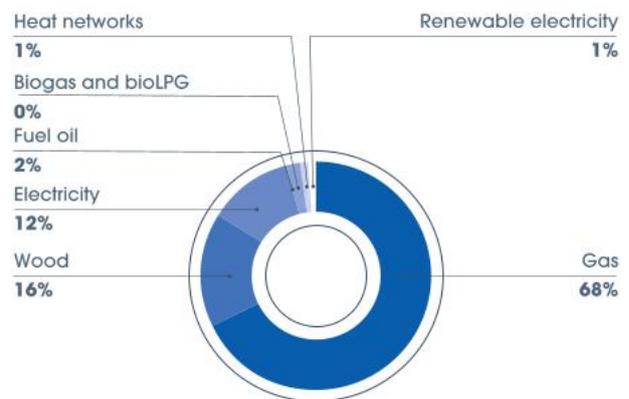
- continually improving the energy efficiency of its sites: implementation of new technologies and best practices, monitoring, performance reviews, etc.;
- transitioning the business toward renewable or lower-emissions energies.

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

### THERMAL ENERGY CONSUMPTION AND ENERGY EFFICIENCY IN OPERATIONS (GROUP)



### BREAKDOWN OF ENERGY CONSUMPTION (AS A %)



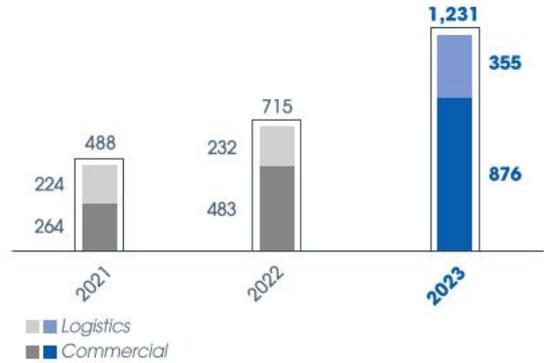
**Striving for exemplarity on a daily basis in our logistics**

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 2023, the number of alternative vehicles increased significantly to stand at 1,231. Delivery efficiency has also improved, reaching 49.0 kg of products delivered per liter of fuel in 2023.

**NUMBER OF ALTERNATIVE VEHICLES<sup>(1)</sup> – WHOLE FLEET**



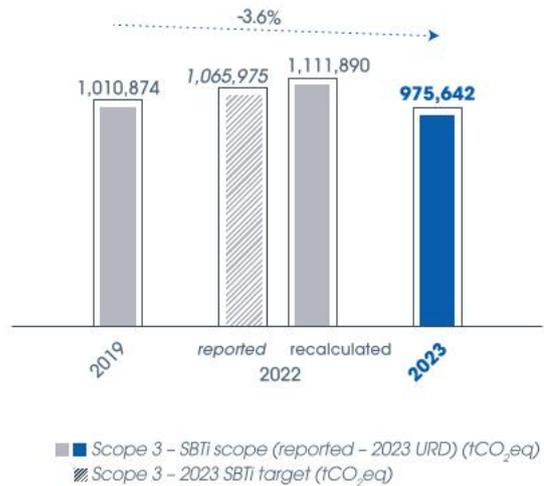
(1) Alternative vehicles includes electric, biogas, biofuel and hybrid vehicles.

**Reducing our Scope 3 emissions**

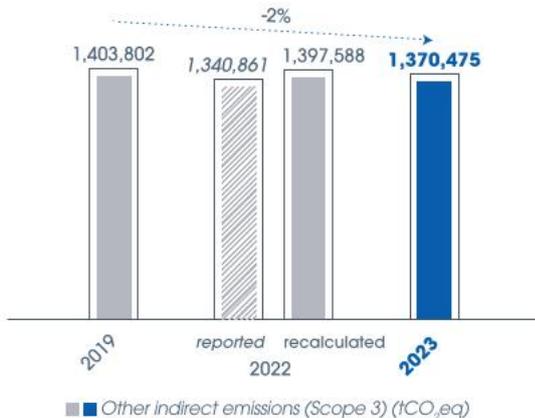
Given its economic model, which is based on the circular economy, the Group keeps many of the impacts normally borne by other stakeholders in-house, enabling the development of effective optimization and emission reduction strategies. This is particularly the case with the laundering phase or the delivery of the products, presented above.

Since 2022, the Group has conducted an annual assessment of all of its emissions sources to obtain a more accurate picture of its emissions. In the coming years, the Group will continue to improve its data collection and reporting tools in an effort to determine the footprint of its other emissions with even greater accuracy.

**CHANGE IN SCOPE 3 EMISSIONS (SBTi SCOPE)**



**CHANGE IN OTHER INDIRECT CO<sub>2</sub>EQ. EMISSIONS (SCOPE 3)**



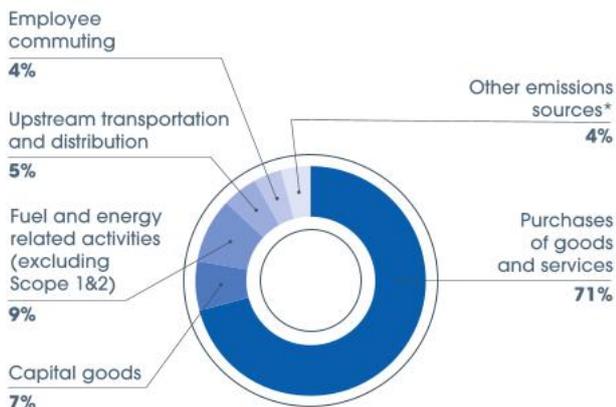
The 2019 and 2022 emissions have been recalculated to include the Group’s recent acquisitions and to facilitate comparisons with the 2023 performance (see CO<sub>2</sub>e emissions and Group performance).

Total absolute Scope 3 emissions fell by 2% between 2019 and 2023, due mainly to energy consumption optimization between 2019 and 2022, employees’ transition to lower-impact commuting practices, and the better capture of certain sources of emissions in 2023. It should also be noted that linen purchases increased in 2022 after the post-health crisis recovery in activity.

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

- › purchased goods and services: 71%;
- › fuel and energy related activities (not including Scope 1&2): 9%;
- › employee commuting: 4%;
- › upstream transportation and distribution: 5%;
- › capital goods: 7%;
- › other Scope 3 activities: 4%.

### BREAKDOWN OF SCOPE 3 EMISSIONS



\* Other emissions\* includes emissions in connection with waste generated in operations, business travels, downstream leased assets, use of sold products and end-of-life of sold products.

Some activities were not considered relevant given the Group's own activities: upstream leased assets, downstream transportation and distribution, processing of sold products, franchises and investments.

The Group is working to reduce its emissions by:

- › improving and optimizing operational practices, especially on linen management. In 2023, the Group pursued its initiatives in France and the United Kingdom to reduce linen loss in partnership with customers. The Group is testing various ways of raising customers' awareness and involving them in linen management (see section 3.5.2 "Satisfying and engaging our customers"). The Group has also reworked its best practices for linen management, which outline easy and profitable repairs and promote product reuse;
- › prioritizing energy efficiency in its operations and logistics (see section 3.3.5 "Minimizing our energy consumption"). In particular, the Group regularly forms partnerships with carmakers and energy suppliers to analyze in greater detail the options for transitioning its fleet to alternative vehicles or to accelerate this transition (see section 3.5.3 "Working responsibly with third parties" of this chapter 3);

- › developing increasingly responsible and lower-impact products. The Group's initiatives are further detailed in chapter 3.3.2 "Eco-designing our products and services" and chapter 3.3.1 "Being a circular economy player." For example, in 2023 the "Phoenix" washroom line, made from more than 80% recycled plastic, was expanded and one of the Group's major garment ranges was transitioned to recycled polyester;
- › encouraging employees to use more responsible means of transport. Some of the French and Brazilian sites are making shuttles available to employees to facilitate and combine their trips. In 2023, initiatives to promote carpooling and soft mobility were implemented in some sites: internal competition on the topic, the promotion of carpooling tools, information booths during Sustainable Development Week, etc. A bike policy has also been implemented in Belgium to allow eligible employees to lease a bike for four years, thus providing them with a multimodal and flexible solution. In addition to changes in practices between 2019 and 2023, the Group also increased the accuracy of its reporting for this emissions source in 2023, through wider employee participation in communiting practice survey;
- › repairing and keeping its industrial equipment in use (capital goods source). The Group thus regularly refurbishes some of its equipment to prolong its lifespan;
- › reducing emissions related to product end-of-life, mainly through recycling or reusing. The Group's projects are described in more detail in section 3.3.4 "Reducing and properly managing our waste."

In 2023, the Elis Group received a B rating from the CDP suppliers engagement on climate change.

#### The carbon impact of linen loss or misuse

Linen loss occurs every year, particularly in hospitals. For every item lost or damaged, a replacement item must be purchased. This results in additional emissions. A study conducted in the United Kingdom in 2022 assessed linen loss at about 70 items per month, representing 7.8 tCO<sub>2</sub>eq in one year.

#### A lower environmental impact building for its headquarters in Germany

The new headquarters in Germany stands out for its innovative hybrid wood construction, which saved 1,200 metric tons of concrete and complies with cradle-to-cradle principles. The facade was designed to fully reuse resources.

The building was awarded a gold medal from DGNB (Deutsche Gesellschaft für Nachhaltiges Bauen), illustrating a strong commitment to sustainability and the circular economy.

## 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".

## 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, with whom he has regular discussions. He oversees the Group HR policy with the support of the country-based operational HR Directors and the central support services (HR Development Department, Compensation and Benefits Department, Legal Services Department, Methods Department). He also works closely with management to ensure the implementation and consistency of the Group's HR policy across all Group countries, and to anticipate and meet the teams' needs.

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

- › overseeing workforce planning;
- › ensuring well-being at work and a high-quality working environment;
- › managing the annual performance cycle;
- › providing for employee development and career management initiatives;
- › cultivating an increasingly inclusive work environment that fosters equal opportunities and non-discrimination.

The goals 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 both now and for the future. The HR support teams facilitate talent pools, 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 Elis' businesses.

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, diversity and inclusion). The Group's performance on diversity, and on gender balance in particular, is regularly presented to the members of the Executive Committee and to certain Supervisory Board committees.

In addition, the Group has had a dedicated disability organization in place since 2022, with an ambassador in each country whose role is to apply the Group's Disability Charter and implement local initiatives to promote the employment of people with disabilities.

The QHSE teams play a major role in protecting employees. 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".

### 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 one of the company's key responsibilities. 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 close daily proximity between management and employees at every level. This is one of the main reasons why the Group favors human-size sites – ensuring that it can listen effectively to its employees. This continuous dialog helps to avert any social conflict that could arise due to failure to monitor and prevent social tensions. No major event has occurred in over 10 years.

#### Policy

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

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.

## Goal and performance

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

### Expanding the Group's Chevrons program

Key performance indicators		2021	2022	2023
<b>Listening to our employees</b>	Rate of participation in the internal survey*	71.9%		72%
<b>Valuing our employees</b>	Number of Chevrons in the Group	300	310	352
<b>Ensuring fair and attractive compensation and benefits</b>	Share of employees eligible for the employee share ownership scheme**	87%	89%	93%
	Share of managers who have been awarded performance shares	15%	20%	13%
	Share of employees with a variable performance-based pay component		52%	57%
<b>Preventing absenteeism and reducing stress at work</b>	Number of employees with perfect attendance (as a %)	35%	31%	43%
	Breakdown of absences (as % of absences <7 days)	83%	83%	87%

(\*) Biennial survey in 2021, the average rate of participation in the employee surveys conducted covered the Group, except for France and South America. In 2023, the figure covered the entire Group, based on a weighted average of the relevant workforce.

(\*\*) In 2023, the share was calculated based on the eligible permanent and non-permanent workforce on the date of the plan, i.e., September 30.

The Group also achieved its goal of expanding the Chevrons program to new regions. Since 2018, Chevron numbers have grown by nearly 52%. To date, the program has been rolled out in Europe and Brazil.

The share of managers eligible for performance shares has reached record levels due to an exceptional plan in 2022 that was open to more employees.

After several years marked by the health crisis, the number of employees with perfect attendance has returned to levels similar to the Group's historical performance.

The Group has also been recognized for its attractiveness. In 2023, in Spain, Elis Manomatic was identified as one of the 100 best places to work in the country by *Forbes* magazine, and Elis Sweden was named the most attractive employer of the year by The Career Companies.

## 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 satisfaction, as well as 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 topics such as working conditions, training, career development, working time and safety via anonymous individual questionnaires. These surveys demonstrate the importance attached to the corporate climate and working environment at all levels.

These surveys were carried out in every countries in 2023 including, for the first time, countries in Latin America. As such:

- for France, surveys are conducted site by site, in turn, every two years. The last two-year cycle ended in September 2023. Employee participation was high during this cycle at 89% and the overall satisfaction rate was 14.45/20. The new cycle began in October 2023;
- for Sweden, the participation rate was 67% and the satisfaction rate was 70%;
- for all other countries: the survey was carried out simultaneously via a single questionnaire sent to all permanent employees. Participation in the survey, which was conducted in all these countries, was high in 2023, with 68% of the employees interviewed taking part and able to share their views. The average satisfaction rate increased from 6.1/10 in 2021 to 7.6/10 in 2023.

The results of each employee survey are eagerly awaited and allow Elis to determine areas of improvement specific to each site. The results are shared with each country and each manager.

The management team also shares the results with employees along with the action plans drawn up in response to the survey. The action plan is monitored locally. As such, in the United Kingdom, a specific "Employee Voice" system was put in place to tie the results of the survey to concrete actions. More than 552 actions have been identified as a result. At the end of 2023, more than 30% had been finalized (155 actions). Of the remainder, 34% are in progress and 36% are planned for 2024.

This periodic measurement of employee engagement and satisfaction 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.

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

When the last satisfaction survey was conducted, more than 84% of respondents considered that the Elis Group was committed to CSR.

#### Ensuring ongoing social dialog with employees via their representatives

At the Group level in Europe, the social dialog with employees takes place within the European Works Council, which has 28 members and represents 34,063 employees from 22 countries. In 2023, discussions within this body focused on Elis's economic and financial situation, results in a high inflation context, acquisitions, the outlook, employees, and the Group's new raison d'être.

Since employee representation regulations are specific to each country, employee representative bodies are created accordingly. Employee representative bodies thus cover 74% of the Group's employees.

In France, Elis has set up representation at various levels: Group, business and site. This representation covers 100% of employees.

## Our corporate social responsibility

### Our people

3

Specific bodies are responsible for health and safety aspects. These types of bodies represent 100% of employees in France.

In addition, the Code of Ethics commits the Group on this matter and reiterates its support for freedom of association. Management teams are responsible for the quality of the employee dialog in their respective areas and are assessed on its quality. The Group has not had any significant social event for more than 10 years.

### Improving employee conditions through agreements and collective agreements

In addition to the local regulations applicable in each country, agreements are in effect in the different Group subsidiaries: Collective agreements thus cover 71% of all Elis employees. These agreements make it possible to adapt 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 dialog with employee representatives, and help to maintain good working conditions at the different sites.

## Valuing our employees

### Measures implemented

#### Rewarding our employees' work: The Chevrons Club

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 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 they take part in an international event lasting several days. In 2023, the Chevrons Club for the European countries met in Lisbon. Since 2018, Chevron numbers have grown by nearly 52%.

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, as well as in Denmark and the United Kingdom. In the United Kingdom, over 180 employees with 10 to 50 years of service were recognized in 2023.

#### 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," describes these points in more detail.

#### 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 has more than three years of service, with 18% of employees having more than 15 years.

## 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

In France, Elis pursues this active negotiation policy at the Group, company and site levels to best address these topics. In 2023, agreements on gender equality and quality of life in the workplace, as well as on the prevention of social risks, were renegotiated and introduced new measures to benefit employees. Measures were thus taken to support pregnant women and employees who need to care for a relative.

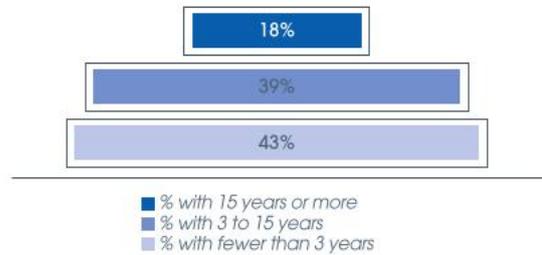
In 2023, as part of the launch of a new offering in France that aims to improve access to basic hygiene products (Elis's Ladybox range), the Group also gradually rolled this solution out to its sites.

### Outlook

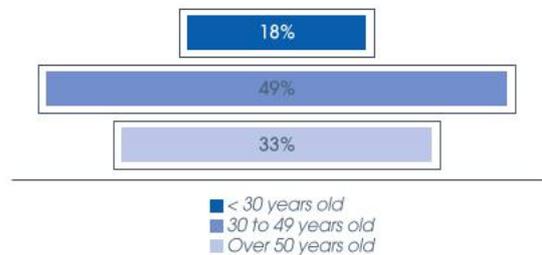
Based on the results of the satisfaction survey, action plans are being implemented to meet employees' expectations.

In 2025, the Group will adopt a new updated and global vision in which employee engagement and satisfaction are a core concern.

### BREAKDOWN OF STAFF BY LENGTH OF SERVICE



### BREAKDOWN OF STAFF BY AGE IN 2023



best practice of comparable sectors. This policy takes into account the local laws and business practices of each region and can include different types of non-statutory non-pay benefits (language classes, box lunches, access to bicycles, etc.).

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 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 both collective and individual goals;
- › for all sales teams, including employees in operations, as well as Service Agents responsible for sales in a number geographic areas including France, Spain, Portugal and Italy: there is a bonus scheme in place which can represent significant additional compensation;
- › for just over 500 employees in 2023 (senior managers, talent and expert employees): the Group awarded performance shares to give them a share of the long-term financial performance and results of the Company, principally through long-term incentive plans. The vesting of shares is subject to performance conditions and continuous service. A CSR criterion has been included since 2022, based on performance on water consumption per kg of linen delivered;
- › for all employees: 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 in Portugal or the optional profit-sharing plan in France;
- › in addition, the Group has an employee share ownership plan accessible to 93% of its employees (see below).

In all, components of compensation are tied to performance for more than 57% of the Group's workforce.

If necessary, the Group 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.

As in 2022, the Group raised its wages significantly in 2023 to maintain its attractiveness on a particularly tight job market.

### Employee share ownership

Employee share ownership is an important tool for increasing the sense of belonging to a group. To this end, in 2019 Elis launched the "Elis for All" plan, which allows employees to subscribe to Elis shares under preferential conditions through an employee share ownership plan (ESOP).

A fourth plan was rolled out in 18 countries in 2023, covering 93% of the total workforce, and this was the first year the plan was made available in Mexico. All employees in these countries, regardless of whether they are permanent or temporary, were eligible for this plan.

The plan was once again a success, as the number of participants rose by 20% compared with the 2022 plan and the amount raised increased by 62%.

Elis also seeks to connect employees more closely to the Group's financial performance and retain talent by awarding bonus shares of the Company. Vesting is contingent on the fulfillment of performance conditions over a vesting period of at least two years.

As of December 31, 2023, the Group's employees held 2.57% of Elis's share capital either directly (including vested performance shares) or through a company mutual fund (fonds commun de placement d'entreprise - FCPE).

### Other non-statutory non-pay benefits

In France, all employees can access a voluntary Group savings plan, which holds the employee share ownership funds as well as a wide range of dedicated vehicles to help them diversify their savings. In addition, as of 2021, every employee can build their pension savings at their own pace by making voluntary contributions to the Group pension savings plan (PERCOL).

Other countries have also developed schemes that allow employees to save with terms adapted to local legislation or to supplement their pension through voluntary contributions with favorable terms.

Childcare programs (daycare, for example) or box lunches may also be offered in certain regions.

In 2023, the Group estimates that at least 37% of its workforce had access to at least one non-statutory non-pay benefit related, for example, to pensions or healthcare. The Group will fine-tune its reporting for this indicator in the coming years.

### Favoring permanent contracts and adjusting working time

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, 2023, 11% of Elis Group employees were temporary, due in particular to the seasonal nature of part of the Hospitality business.

Although the Group does favor full-time contracts, part-time contracts are also used, when appropriate, to encourage more diversity and inclusion. The share of part-time employees remains stable at close to 5% of the permanent workforce. Part-time contracts requested by employees are considered and agreed.

The Group makes limited use of outside staff (1,205 temporary workers over the course of the year) and prefers to hire its employees directly.

### A practice of remote working

A work-from-home policy is in place for employees whose duties can be performed remotely and it has been shared throughout the Group.

## 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.

Training is given to employees, particularly management staff, as part of this preventive action. It is one way of raising awareness and understanding of psychosocial risks, their possible causes and how to prevent and overcome them.

In 2023, the Group reviewed and improved its psychosocial risk prevention initiatives in France through agreements signed with its social partners. The aim was to promote comprehensive and effective prevention by providing information and training to everyone at the company; promoting best practices, including for dialog within the company and work organization; and taking into account the balance between work life, family life and personal life.

Support is also offered in some countries. In France, two social workers who are subject to professional confidentiality are available to help employees with their concerns. The main areas of concern are housing, retirement and life changes.

In the United Kingdom, the Group has created a dedicated helpline available to all employees 24 hours a day, 365 days a year. Mandatory training has also been rolled out to all managers

to raise their awareness of mental health conditions. Actions were also taken on national mental health awareness day.

In addition, a whistleblowing procedure has been established which takes account of cyberbullying. The whistleblowing procedure is described in more detail in section 3.5.4 "Continuing to integrate ethics into our business practices."

## Preventing absenteeism

### Measures implemented

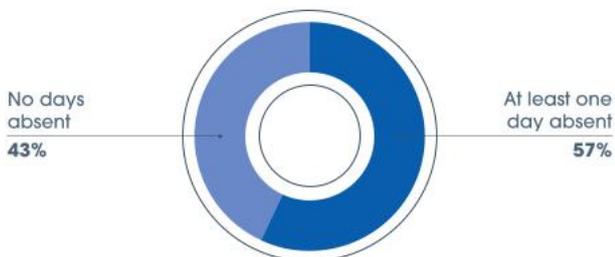
Absenteeism is a reality that affects all companies and that can have operational and financial consequences. Preventing short-term unforeseen absences is therefore key. This type of absence is indeed the most damaging in terms of productivity, the organization of work teams and the redistribution of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

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.

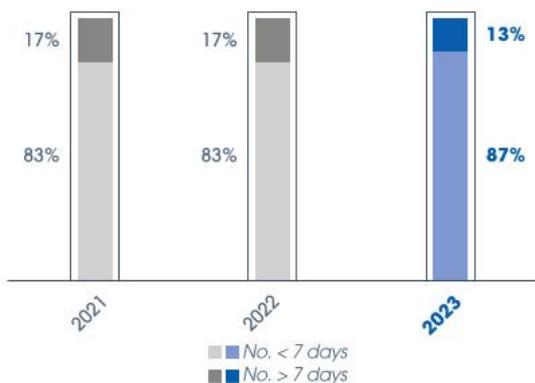
There is no international absenteeism policy as this issue is very much linked to the local context (for example, influenza is not a major concern in Brazil, Chile, Mexico or Colombia, unlike in European countries). Policies are decided at the national level, based on each country's legislation and regulations,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

After several years marked by the health crisis, the number of employees with perfect attendance has returned to levels similar to the Group's historical performance.

### SHARE OF EMPLOYEES WITH PERFECT ATTENDANCE IN 2023



### 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;
- › French entities have introduced the Gest'Elis program to prevent occupational diseases, primarily musculoskeletal disorders (see below), which is gradually being rolled out to various Elis sites outside France;
- › training sessions on job-specific body movements and postures are provided to production and customer distribution staff;
- › initiatives are implemented to encourage employees to take care of their health. France initiated breast and prostate cancer prevention campaigns and made self-testing available;
- › in Brazil, employees with a high absenteeism rate are monitored and offered specific coaching;
- › tools for monitoring absences are made available to managers and training is offered to provide them with the skills and knowledge to manage absenteeism;
- › the Group communicates on absenteeism and the measures taken.

These various measures are regularly discussed with employee representatives, occupational physicians and managers.

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

In 2023, Elis's Sustainable Development Week, which was held at all of the Group's sites, focused specifically on health and safety and on proper work station posture.

#### Gest'Elis

The Gest'Elis measure is based on analysis of production work stations. For each of these work stations, information sheets offer solutions to improve the work station and its layout, 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. Certain work stations 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.

This measure has also been implemented in its Customer Distribution activity with an ergonomic analysis of the journeys made by service agents in vans. 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 of work stations 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 four 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 significance of each absence. 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, such as work-station adaptations, may be taken following these interviews, with medical recommendations taken into consideration where applicable.

#### Versatility

The Group encourages employee versatility in the workshops with a twofold objective: first, to vary movements and postures so that employees feel physically strong and, second, to be able to more easily 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.

## 3.4.2 Protecting our employees

### Context

The health and safety of employees and everyone else at Elis's sites is paramount for the Group. To this end, the Group strives to offer a safe and healthy working environment. The analysis of the health and safety risks of workstations also makes it possible to identify the level of risk and define actions to eliminate or reduce it and avoid the occurrence of accidents, injuries and occupational diseases. Strengthened by its expansion into new territories and markets, the Elis Group aims to become a leader in health and safety.

### Policy

The Elis Group's health and safety policy, developed as part of its 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:

- › to 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, the Group established its "10 golden safety rules" in 2020 with the aim of developing a safety culture by encouraging the adoption of good habits and helping to create a safe working 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 work station ergonomics, workplace hygiene and preventing business-specific risks.

## Goal and performance

As part of its ambitious 2025 program, the Group has set itself the goal of:

**Reducing the frequency of Group employees' accidents by 50% between 2019 and 2025**

Key performance indicators	2021	2022	2023		
<b>Analyzing the risks and developing and disseminating the Group's safety standards</b>	Improvement in frequency rate since 2019 (%) <b>(2025 target: -50%)<sup>(a)</sup></b>				
	-6.3%	0.7%	-11.4%		
	Frequency rate for Group employees <sup>(a),(c)</sup>	15.84	17.02	14.97	
	Severity rate for Group employees <sup>(b),(c)</sup>	0.67	0.72	0.67	
Lost-time accidents involving Group employees			1,370	1,580	1,582

In 2021, hours not worked due to the partial shutdown during the public health crisis were excluded from theoretical hours worked.

(a) Frequency rate = Number of accidents resulting in lost time (excluding commuting accidents) per million hours worked Frequency rate in 2019: 16.90.

(b) Severity rate = Number of calendar days of lost work due to workplace accidents with lost work (more than one day, excluding commuting accidents) per thousand hours worked.

(c) Permanent and non-permanent employees.

The Group's performance improved significantly in 2023. The frequency rate decreased by more than 11% compared with 2019.

At the Group level, the number of accidents remained relatively stable compared with 2022. At constant scope, the number of lost-time accidents fell sharply.

In 2023, the Group began to factor safety indicators into the variable compensation of certain managers. These indicators will be rolled out to other regions based on their safety performance.

The Group is also increasingly working to incorporate safety into management practices and culture.

Lastly, in 2023, Elis United Kingdom took home the "Safety & Health Excellence Awards" prize and won silver at the highly regarded "Royal Society for the Prevention of Accidents (RoSPA) Achievement Awards" for its outstanding work in safety, health and well-being at work.

## 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 activities. These assessments are updated regularly in accordance with local country regulations.

Based on the results, actions to eliminate or reduce risks are defined and implemented to make the working environment safer.

#### Ongoing process to harmonize safety standards

In 2023, Elis continued to implement its safety strategy. In each operating region, the cluster/country QHSE teams work closely with the Group QHSE 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.

In 2022, the cluster/country teams and the Group Maintenance and QSE departments introduced a shared "equipment safety and shutdown" standard to harmonize practices for facility operations, make them safer, and eliminate the risk of accidents. To facilitate rollout of the standard, a process was launched in the first quarter of 2023 to train the cluster/country Quality, Health, Safety and Environment (QHSE) teams and the country maintenance teams. These efforts will continue in early 2024.

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.

Each Group entity also has its own business-specific procedures. For example, detailed operating instructions have been created for the Pest control activities and refresher courses on principles and processes are regularly offered to all.

### Regular performance monitoring

Elis records all accidents at its sites and tracks the causes of accidents on a monthly basis in order to identify them, share them, and help achieve the goal of reducing the accident frequency rate by 2025 (-50%). This target is broken down by region based on each region's maturity and performance.

The Group's safety performance is thus monitored monthly for Elis employees (permanent and non-permanent – the Group seldom uses temporary workers) using two indicators: the frequency rate (FR) of lost-time workplace 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 provide a comparison of the changes at each site, in each region and within the Group as a whole. A monthly report is made to Group management and to the clusters/countries. The latter are responsible for disseminating the indicators within their organization.

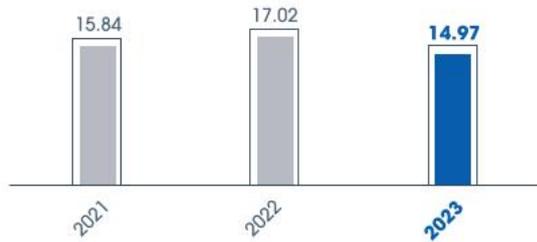
In 2023, Elis established an internal reporting system for all fires. The number of fires, how they were extinguished, their origin and the equipment involved are all tracked on a monthly basis. This information is reported along with the safety performance.

In addition, an analysis of accident types is consolidated at Group level by activity (production, maintenance, distribution, etc.), by nature of the injuries and by nature of the risks (human, technical). This analysis helps to identify improvement actions to be strengthened in each country.

In 2023, 62% of lost-time accidents were related to the risks of mechanical handling of cages, manual handling of loads, and slips, trips and falls.

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 QHSE 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.

## Day-to-day health and safety training and activities

### Measures implemented

#### Reinforcing the Elis safety culture by promoting safety

Elis's 10 golden safety rules are based on the Group's main business risks and identify key health and safety points. The proper application of these rules by everyone will assist the Group in achieving its target of reducing the frequency of Group employees' accidents by 50% by 2025. After the launch of the 10 golden safety rules in October 2020 and an active messaging and promotion campaign in 2021, reminders are regularly provided through communication actions. The rules are also part of the onboarding process for all new employees.

All new employees receive a safety induction, particularly for their work station, to give them key information about work station risks and instructions for working safely.

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

### Management system and OHSAS/ISO 45001 certification

The Group has developed a health and safety maturity matrix structured to cover the main points of a health and safety management system. 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, the Group's sites have health and safety procedures and instructions that are managed at the site or country level. In addition, 106 Elis sites (in Sweden, Denmark, Norway, Poland, Ireland, Spain, Estonia and Finland) have voluntarily chosen to have a health and safety management system certified to ISO 45001. These certifications relate to the production centers and may include service centers and offices (headquarters).

### 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 (United Kingdom, Ireland, Brazil, etc.) and will be developed in the future in the rest of the Group.

To help reduce risks and improve the safety culture with regard to the first golden safety rule, "Get ready for work," a rapid risk assessment tool will be developed and rolled out to all regions.

The Group is also planning to develop an incident management tool that will be rolled out to the various regions in order to facilitate the reporting and analysis of incidents, accidents and safety indicators in all its operations, as well as to harmonize the information and make it more reliable. This will provide Elis with a rapid and qualitative view of incidents at the Group, country and site level.

Lastly, the Group began to factor safety indicators into the variable compensation of certain managers. These indicators will be rolled out to other regions based on their safety performance.

Depending on the work station occupied, operators also receive additional regulatory training (electricals, machinery operation, etc.) or training specific to the Elis business (use/handling of chemicals, etc.). These training programs are monitored locally.

For example, every year the Pest control employees in France, Italy, the Netherlands and Portugal formally sign, in the presence of a manager, the procedures that detail the operating processes and, in particular, the PPE needed to perform the task, the equipment to be used and the steps to be followed and complied with. This annual signature ensures proper knowledge of current safety rules.



# 10 safety golden rules Elis



**Get ready for work**  
I am trained in safety procedures and ready to undertake my job.



**Move safely**  
Je me déplace avec précaution : 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 take action and communicate on events, unsafe situations, and good practices. I am vigilant about my safety and the safety of others.



**Handle cages safely**  
I always follow 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 safety**  
I'm aware about fire risks, and I follow fire safety instructions.



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



**Handle chemical products safely**  
I handle chemical products with care

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 QHSE 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, 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 beforehand by the Elis site and the external company to identify the risks inherent in the task and the risks resulting from its interaction with the Elis's activity. This analysis enables any measures to be taken by Elis or the external company for 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 to implement 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 QHSE cluster/country teams define and support the improvement plans within their respective scopes of activity. In 2023, some of the ongoing and new initiatives were as follows:

- Brazil:
  - introduced, several years ago, a week dedicated entirely to prevention and healthcare called "SELISPAT - Safety Week." In addition, in 2023, Brazil launched "Driver's Week" for service agents, with educational talks on safe driving practices,
  - continued its safety communication and culture actions. These included, in particular, monthly meetings on safety topics that are cascaded to every level, safety observation reporting and processing, and the development of specific training courses on safety. Taken together, these actions contributed to a significant reduction in accidents in Brazil;
- the United Kingdom:
  - continued its "Safety Premiership" safety promotion campaign for the fourth year in a row. The campaign proactively creates competition between the sites, by communicating on safety observations and holding monthly health and safety committee meetings to keep everyone engaged and empowered to make safety improvements,
  - continued the quarterly forums, with the sites giving a quick presentation of their replicable safety initiatives and solutions every quarter,
  - launched a slip, trip and fall education campaign, with an employee ambassador (the "slips, trips and falls champion") who is responsible for providing local training and suggesting new ideas to reduce slips, trips and falls,
  - continued to use the "Safety Culture" application to conduct self-assessments and surprise audits. Since the fourth quarter of 2023, the application has also allowed regional directors to conduct a six-question assessment every time they visit a site. The aim is to maintain a high level of safety at all the sites within their scope of responsibility,
  - held training sessions for nearly 750 people;
- on World Day for Safety and Health at Work, Spain held an event where the sites competed to make videos about the 10 golden safety rules;
- France:
  - rolled out a digital escape game based on the 10 golden rules with more than 80% of the workforce participating,
  - implemented a specific support initiative at certain sites to help them reduce their frequency rate. This initiative aims to strengthen the safety management culture by involving every manager in the implementation of safety fundamentals, monitoring progress on the site's priority actions and identifying targeted actions to be taken after incidents.

### 3.4.3 Attracting and developing our employees

#### Context

Attracting and developing employees is a key consideration 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 learned over the long term. The Group thus invests in its teams to ensure their well-being and long-term development. Elis's employees and their expertise, skills and know-how make up the Group's intellectual capital.

#### Policy

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 within Elis. 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. The Elis Group's culture is based on talent development and the company's ability to offer social mobility.

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.

#### Goal and performance

The Group's performance in 2023 was as follows:

Key performance indicators		2021	2022	2023
Attracting the best talent	Hiring rate <sup>(a)</sup>	27%	32%	32%
	Share of young people in hires <sup>(b)</sup>	43%	38%	38%
	Share of senior workers in hires <sup>(c)</sup>		13%	14%
Developing our employees	Training days per employee trained <sup>(d)</sup>	1	1.4	1.85
	Share of new managers promoted internally <sup>(e)</sup>	16%	21%	20%

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

(b) Under 30 age band

(c) Over 50 age band.

(d) Many training sessions given were not included in the hours reported (for example, training through shared platforms). Information is also available for 82% of the workforce (countries with no data available and that are excluded from the scope: Germany, Norway, AD3, the Netherlands and Switzerland).

(e) Number of Elis employees promoted to their first management position relative to the number of managers hired and the number of managers promoted.

The share of young people in hires remained relatively stable in 2023 due to actions undertaken by the Group. The share of managers promoted internally remains stable, thanks to the talent reviews conducted in all countries and to the training programs.

The hiring rate was stable in 2023, primarily due to some employees with short-term contracts moving to permanent contracts and to the increase in the workforce.

The number of hours of training per employee also continued to increase. In 2023, 61% of employees in the scope covered by the indicator (countries with no data available and that are excluded from the scope: Germany, Norway, AD3, the Netherlands and Switzerland) received training.

The number of internal promotions remained stable compared with 2022 at nearly 20%. The Group will also work to better capture all types of mobility (geographic and professional) in the coming years.

#### 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 France, Elis has partnered with the Welcome to the Jungle website since 2021, and a dedicated Group webpage containing its vacancies and videos presenting the Company, its business lines and its employees has been added. In Germany, the Group posts its offers on platforms such as StepStone and Indeed and experiments innovative approaches to identify talent, using artificial intelligence.

The Group has also been recognized for its attractiveness. In 2023, in Spain Elis was identified as one of the 100 best places to work in the country by *Forbes* magazine, and in Sweden Elis was named the most attractive employer of the year by The Career Companies.

##### 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, the Elis teams, particularly in France, Germany, Sweden, Finland and Denmark, regularly take part in forums, organize site visits and participate in training programs at prestigious schools.

In Denmark, for example, HR teams developed a partnership with Aalborg University, through which employees and alumni regularly speak to students about their careers.

In France, the Group has signed several partnership agreements with engineering schools (ICAM, Centrale Nantes) and business schools (EM Lyon, SKEMA), as well as sponsorship agreements with the Arts et Métiers engineering school (ENSAM), Toulouse Business School and NEOMA.

In addition, in some countries the Group's different business lines are presented to students at top schools and universities at events and in one-on-one conversations.

Elis arranges for operational staff to give presentations at schools specializing in the Group's different business lines in order to increase their visibility, organizes plant visits for students from these schools, and participates in collective roundtable discussions and conversations on themes selected by the school (business and digital for EM Lyon and recruitment and CSR for ICAM).

As part of their curriculum, about 100 students from the Excelia business school (Tours, La Rochelle, Orléans) participated in a challenge to support the external communication of Elis's water initiatives.

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 some parts 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 placements lasting six months, 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;
- › the International Exchange Program: young people are hired and trained on the Group's key business lines (in the production and commerce segments), then sent to another country for 12 to 24 months to complete their training, share best practices and strengthen the Group's culture. Internships and apprenticeship contracts are also offered to young graduates in order to train and then hire these young people, where appropriate.

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 and expertise 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.

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 goal 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 programs, which range in duration from a few days for production operators to several weeks for managers, are developed in every country and allow new hires to build an internal network and learn more about the values, culture, organizational structure, the Group's circular model and Elis's functions.

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 challenges and opportunities specific to their scope. 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 goals 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, the Group has chosen to develop its own Qualiopi-certified training center at Janville, with 70 internal and external trainers. It functions fully as a training organization and offers programs validated by the business line teams. It runs several business line courses to impart the Group's essential knowledge to employees.

Training has been managed since 2022 with the Training Orchestra tool, which enables Elis employees to request training and track their training program. The overall satisfaction rate is 94%.

In 2021, the HR teams introduced the Expert Manager program in France. 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.

Since 2010, the Group has had the FED, the Filière d'Excellence DISCO, in France: this is Elis's in-house certification course and enables service agents and, for the last two years, customer service assistants and small account managers to take a nine-month training course to qualify for business development manager positions. This program, which runs over a nine-month period and includes time in the company and in training at a dedicated Group center, helps employees gradually discover all the facets of their new profession while developing key competencies.

In 2023, the United Kingdom launched the "Laundry Academy," a similar program intended for employees who currently hold positions such as team leader, customer service assistant, or driver, and who have been identified as seeking advancement. This 12-month program covers a variety of themes, including health and safety, sales, energy, chemistry, water (WECO) and production. It proved highly successful and will be expanded in 2024.

In Denmark, the "On your way as a leader" mentorship project, intended for employees who would like to move into management positions, was launched in 2023. In Sweden, 87 people also received coaching on team management.

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, the offering and sales. CSR modules have been incorporated since 2022 to give the sales teams even more support on these topics and help them promote circular services.

For sales, the courses prepare employees for doing business with the Group's different customer types. 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 program continues a few weeks later with an immersive experience at the Group's dedicated training center to hone the employee's sales skills.

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

- › at all times through a collaborative platform (Klaxoon) that offers 25 sales modules and 40 product training modules to employees in 12 of the Group's countries. In 2023, nearly 9,000 modules were taken as a result;
- › every day by managers trained in coaching who work with sales staff on goals that they have set together;
- › every month, with meetings of the Regional Sales Managers organized by the Sales Department, where the teams work on pre-selected themes through a gaming approach.

The Pest control division has had an in-house training school in France since July 2022. The school's mission is to ensure that Pest control workers' knowledge of new operating procedures, new products and new regulations is up to date. The training also provides an opportunity for the different sites to share ideas and thus offers a collective response to the issues facing this activity, which deals with living organisms. The training is intended for technicians, assistants and managers. Currently, of the 248 people working in Pest control, all technicians with more than one year of service have been trained. Portugal has also established this type of training school, which should gradually be replicated in other regions.

## Outlook

In 2024, the Group will continue to roll out its e-learning program for all Group employees using modules developed by the support departments.

## 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 the development of job mobility and internal career advancement to be 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.

Elis 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 goals and reviewing the year's performance: for operational roles, Elis aims to align individual contributions with the organization's goals by setting realistic individual goals and reviewing their achievement. For the individual review, each employee and their manager meet at the start of the financial year to discuss and agree on individual goals. Achievement against these goals is reviewed at the next annual meeting;
- › reviewing skills: each year, the employee reviews their 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 digitalizing the individual performance review for management staff 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 and 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 digitalizing the individual performance review platform 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 certain countries, such as France and the United Kingdom, a mobility committee meets periodically to review the vacant positions and mobility requests of management staff. Every year, each site's Management Committee considers the development possibilities and opportunities for non-managerial employees, both at the site itself and at other locations. Support measures are in place to facilitate this professional and/or geographic mobility.

In 2023, the share of managers promoted from within stood at 20%.

In addition, in 2023, 42% of pest control technicians in France were service agents who benefited from internal mobility.

## 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.

### 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 for Elis, which seeks to promote an increasingly inclusive environment. In keeping with its values (respect, exemplarity, integrity and responsibility), Elis is committed to implementing quality and harmonious human and professional relations, both hierarchical and functional, loyal and respectful of all.

Diversity, equity and inclusion are thus central to Elis's identity.

#### Policy

The **Code of Ethics** forms the foundation on which all internal standards and Codes adopted by the Group are based, including the Diversity and Inclusion Charter, the Gender Equality Charter and the Disability Charter. The Code of Ethics states that the Group must make sure that all the applicable social standards in the labor laws of each country in which it operates are respected, and ensure compliance with major international legislation such as the conventions of the International Labour Organization, in particular Convention No. 111 on discrimination, and with laws protecting the rights of children. It specifies the Group's commitments to non-discrimination, diversity and equal opportunities. It applies to its employees, as well as in its business practices with suppliers, customers and stakeholders and in the Group's activities with all other players. Accordingly, the Group:

- › does not tolerate discrimination of any kind, whether due to gender, religion, origin, age, sexual orientation, physical appearance, health status, disability or political orientation;
- › prohibits any behavior that may violate a person's dignity and, in particular, any harassment of any kind.

Since 2022, the Group has sought to strengthen its commitment to diversity, inclusion and equal opportunities and adopted a **Diversity and Inclusion Charter**. The Group is committed to:

- › creating an inclusive workplace: training and awareness sessions will be organized for recruiters and managers on unconscious bias, stereotypes and non-discrimination;
- › promoting equal opportunities and combating all forms of discrimination throughout the employee's entire career: a person's skills, experience and professional accomplishments are the only factors taken into account;
- › promoting diversity and gender equality in all their forms: creation of action plans focused on career advancement, equal pay, training and work-life balance;
- › promoting diversity of culture, ethnicity and origin: Elis expects its employees to recognize, respect and welcome all cultural differences wherever the Group operates;
- › guaranteeing equal opportunities to people with disabilities: the Group supports integrating people with disabilities into the workforce and works to keep them in their jobs;
- › respecting and accepting all sexual orientations and identities: Elis is committed to creating an inclusive work environment and would like everyone to be their true selves in the workplace;
- › taking intergenerational differences into account: it is important for Elis to recognize both the experienced vision of older employees and the innovative spirit of young talent.

At the end of 2022, the Group also adopted a **Disability Charter**, which sets out the Group's commitment to diversity and inclusion as it relates to this specific topic. This charter reflects the Group's determination to develop initiatives at the international level and go beyond the relevant legal requirements.

In 2023, the Group also adopted a **Gender Equality Charter**, which will be shared worldwide in early 2024.

Many countries also have their own initiatives in areas such as gender equality, the fight against the gender pay gap, and the recruitment of people with disabilities.

#### Goal and performance

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

**Achieving a rate of 40% of women in managerial roles by 2025 (42% by 2030)**

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

Key performance indicators		2021	2022	2023
<b>Aiming for gender parity</b>	Share of women in managerial roles <b>(target: 40% by 2025 and 42% by 2030)</b>	34%	34%	35%
	Share of female managers hired	28%	34%	32%
<b>Including people with disabilities or with few qualifications</b>	Share of employees with disabilities (France)	6.2%	6.3%	6.2%
<b>Attracting young people</b>	Share of young people in hires	43%	38%	38%

In 2023, the share of women in managerial roles in the workforce rose and reached 35%, in particular, their number rose by 12% (1,426 in 2023 versus 1,262). Furthermore, this increase occurred in the context of low turnover in managerial staff, underscoring the Group's ability to attract, retain and promote talent, and female talent in particular. Despite the actions taken, the Group is facing challenges to attract and retain talent, including female talent, across all its regions. In addition, given the types of professions in the Group and the profiles sought (engineers), the Group has a smaller access to talent pool.

Consistent with its equal opportunities and non-discrimination policy, in 2023 the Group reported a relatively stable share of young people in hires (38%).

## Aiming for gender parity

### Measures implemented

The share of women in the permanent workforce has remained stable in recent years, at about 52%. 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 roles held by women by 2025. As a sign of the Group's commitment, the annual gender parity performance is included in some of the Group's funding tools.

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: 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; increasing awareness among human resources and management teams, for example, with regard to identifying and breaking down stereotypes and decision-making biases.

In 2022, an anonymous survey on gender equality was conducted among all Group executives (62.5% participation rate) and the results were shared on the intranet and in the Group's quarterly review. The results show that Elis's values, and respect in particular, guide the day-to-day actions within the Group and help create an environment that respects diversity and gender parity at every stage of an employee's career (recruitment, training, advancement) and in their work-life balance. Accordingly, 91% of respondents believe that Elis provides a work environment where differences are respected and 79% that Elis is effectively addressing harassment, sexism and violence at work. However, while management seems to be concerned about gender equality (83%), only 69% believe they have enough training on the topic and consider that there is still work to be done to combat stereotypes. Anti-stereotype education will therefore be organized soon. Based on these results, in 2023 the Group drew up a Gender Equality Charter. This charter will be more widely distributed in early 2024 during Elis's Parity Week, which aims to educate all Group employees on unconscious bias. A mentorship program was launched in 2022 to support high-potential women in their career development. In France, non-discrimination in all its forms is an integral part of the recruitment and management training modules. In Germany, managers are educated on gender equality in the workplace. In Portugal, practices were analyzed and reviewed to identify unconscious biases. In the United Kingdom, managers and employees were trained on equality and diversity, including unconscious prejudice and stereotyping. In addition, a video was put together for National Women in Engineering Day to showcase women in different roles within the Group, their career

path and their experience at Elis. The video was used internally to encourage women employees to apply for new positions, and externally on social media. A policy to take menopause into consideration in the workplace is also in place. In Spain, managers received training on gender equality in the workplace and diversity.

The Elis Group also endeavors to offer fair and attractive pay, which contributes to employee retention and the Group's long-term performance. The compensation policy is based on the principles of non-discrimination and equity among employees, regardless of their gender.

In some countries, such as France, Switzerland, the United Kingdom and Sweden, the Group publishes an index that measures any gender pay gaps.

In France, this index measures five indicators: pay gap, pay raise gap, promotion gap, percentage of female employees who receive raises when returning from maternity leave, and the number of men and women among the top 10 earners. In 2023, the average of the scores for all subsidiaries is 88/100. The same type of index is calculated in Switzerland, the United Kingdom and Sweden. It provides a clear picture of any gaps that might exist and of the action plans that should be implemented. The Group would like to implement an index in other countries to ensure that there is no difference in how women and men are being treated.

In some countries, education is provided to those in charge of recruitment at or communication with top schools and universities to promote Elis's different business lines. In addition, particular attention is paid to candidates of under-represented gender on final shortlists for positions. In Colombia, priority is also given to employing women with children in order to improve their living conditions.

In addition, in some countries, the Group has agreements on the subject, such as France on gender equality (2023) and Spain on equal opportunities for women and men (2020).

With regard to the composition of the Supervisory Board as at March 6, 2024: there were four women and six men on the Supervisory Board (excluding Supervisory Board members representing employees), or five women and seven men when taking into account the Supervisory Board members representing employees.

The Group also has a whistleblowing procedure for reporting high-risk actions or situations. This system is described in more detail in section 3.5.4 "Continuing to integrate ethics into our business practices."

### Outlook

In 2024, the Group will launch the wide-scale roll-out of its Gender Equality Charter during Parity Week at Elis.

## Inclusion of people with disabilities

### Measures implemented

At the end of 2022, the Group adopted a Disability Charter which reflects its determination to develop initiatives at the international level and go beyond the relevant legal requirements. This charter is in line with the non-discrimination, diversity and equal opportunities policy implemented by Elis, in particular via its Code of Ethics and its Diversity Charter, which serve as the Group's shared foundation for these aspects. With this charter, the Group commits to:

- respect and promote the rights of people with disabilities. In 2023, the Group rolled out education campaigns for managers and employees, in particular throughout November, which is disability awareness month, and at the International Disability Day held every year on December 3;

- employee retention. The Group is committed to promoting the professional integration and retention in employment of employees with disabilities. The aim is to enable people with disabilities, whatever the disability, to work in an ordinary environment, with work station adaptations or the implementation of specific measures, if necessary;
- oversee and monitor implementation of the policy for people with disabilities. The Group's Diversity and Inclusion Officer is responsible for coordinating and monitoring implementation of the Disability Charter and the Disability Ambassadors in the countries are responsible for its application on a daily basis.

Furthermore, in France, measures were negotiated in 2019 with the social partners to encourage the employment of people with disabilities and steps are being taken to increase awareness among managers and employees.

In 2023, the Elis Group employed 673 people with disabilities in France at its sites, and the number of people with disabilities employed has remained stable. Internationally, local regulations may prevent reporting on this indicator.

Actions are also being taken to include people with intellectual disabilities in the workplace: support from their mentor and specific monitoring by managers of people with intellectual disabilities if they work in industrial environments with stringent safety restrictions.

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

Elis has contracts for the supply of services with companies that employ people with disabilities. These include services such as cleaning, treatment or repair of linen, repair of cages or hangers, purchase of supplies, and maintenance of green spaces.

In France, Le Jacquard Français is having some of its products made by ESATs. Also, as part of its Workwear to Workwear project, in which workwear is recycled into new workwear, the Group is working with a sheltered sector company in France to sort the fabric (removal of hard components, etc.) so it can be unraveled at a later stage to create a new thread.

In Spain, the Group has created two specialized employment centers, where people with disabilities make up 66% of employees:

- › a center in the Madrid region that employs 55 people, of whom 37 have disabilities;
- › a center in the Basque Country that employs 34 people, of whom 22 have disabilities.

These centers are small laundries that process linen from hospital customers or nursing homes, as well as customer linen that requires a significant amount of manual processing.

In Brazil, the number of people with disabilities increased by 45% in 2023 and Elis entered into partnerships with institutions focused on recruiting and integrating people with disabilities.

## Integration of employees with 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 offices in the various cities where the Group operates, as well as with local social and employment organizations (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 Switzerland, when offers are published by the Employment Office, individuals with no or few qualifications have priority for seven days. 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 internships. As a result, in 2021, the Taastrup center welcomed several women for six weeks as part of their course.

## Attracting young people

### Measures implemented

The Group's actions to attract young people are further detailed in section 3.4.3 "Attracting and developing our employees" and are based on increased visibility in the media and tools favored by the

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

ADAPEI 77 is an association that has 11 specialist care and nursing homes designed to house around 400 residents with physical or intellectual disabilities. In 2016, at the instigation of the association's CEO, 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 linen 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 an active policy of direct or indirect employment (via purchasing) of people with disabilities or those with difficulties finding employment. Thus, since 2022, some purchases were made from suppliers that hire the long-term unemployed: office cleaning services provided by people with hearing disabilities and purchases of bouquets of flowers assembled by refugees or people with disabilities. To demonstrate its commitment, in 2023 the Group obtained a specific certification on this market (PSO – *Prestatieladder Sociale Ondernemen* – certification that social aspects are factored into business practices, level 2).

### Outlook

In 2024, the Group will continue to roll out initiatives under its Diversity and Inclusion Charter and its Disability Charter.

In Germany and Denmark, the recruitment tools have been adapted to make it easier for these types of candidates to apply.

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. Some documents are translated into different languages.

Over the course of 2023, one site in France undertook a project to integrate eight Ukrainian employees into its teams through a program that combined French classes (to learn everyday and technical terms) with a one-week immersion in production. This gave them the opportunity to learn about the company before joining the teams for a minimum period of two and a half months.

younger generations, the development of targeted partnerships or the development of specific career paths for young graduates.

Due to its corporate culture and values, the Group also offers fast-track career paths 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 for all companies and their supply chains, this a Group priority.

#### Policy

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;
- › the United Nations Guiding Principles on Business and Human Rights; and
- › the OECD Guidelines for Multinational Enterprises.

All Group employees, regardless of their position, entity 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 companies' 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. The document is based on the UN Global Compact, the UN Guiding Principles, the OECD Guidelines, the ILO core conventions, the UK Anti-Bribery and Corruption Act (UKBA) and the French Sapin II law and covers human rights, working conditions, environmental protection and applicable anti-corruption regulations.

#### Goal and performance

The Group's efforts in this area are measured by the following indicators:

Key performance indicators	2021	2022	2023	
<b>Respecting human and labor rights</b>	Share of permanent employees located in countries with no human rights risks <sup>(a)</sup>	98%	98%	95%
	Share of revenue originating from countries with no human rights risks <sup>(a)</sup>	99%	99%	96.5%

(a) Source: Freedom House.

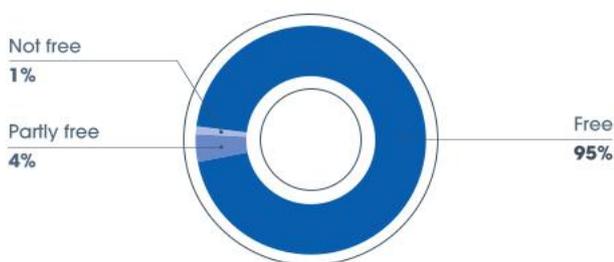
The change in the breakdown of the workforce and revenue can be attributed to the Group's recent acquisitions (in Mexico in particular).

#### Respecting human rights in our operations

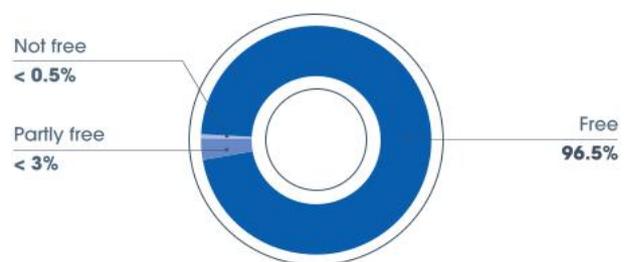
##### Measures implemented

According to Freedom House, the Group is mainly located in geographic areas with no human rights risks ("Free" status). Thus 95% of the Group's permanent workforce is located in these areas and 96.5% of its revenue originates there.

BREAKDOWN OF PERMANENT STAFF BASED ON THE LEVEL OF HUMAN RIGHTS RISK<sup>(1)</sup>



BREAKDOWN OF REVENUE BASED ON THE LEVEL OF HUMAN RIGHTS RISK<sup>(1)</sup>



(1) Source: Freedom House.

### 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.

### Whistleblowing procedure

In 2018, the Group established an outsourced whistleblowing system, which allows for any violation of Elis's Code of Ethics to be reported. This system is described in more detail in section 3.5.4 "Continuing to integrate ethics into our business practices."

No incidents were reported in 2023 through the whistleblowing system in relation to human rights violations. If a violation were to be reported, it would then be investigated and the accompanying action plan would be implemented.

### 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.

## 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, some employees in France may be required to work at night; such shifts are 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 social dialog with employees is set out in more detail in the previous sections.

In 2022 and in 2023, at the international meeting of key HR directors in the Group's countries, the Group reiterated that Elis does not allow people under the age of 18 to work at its facilities, with the exception of summer jobs and internships or apprenticeship contracts that are governed by specific rules, and does not allow such recruitments under permanent contracts.

As such, in 2023, the Group hired 165 young people on apprenticeship, summer job or short-term contracts. Some of these young people, who were recognized for the high quality of their work during successful apprenticeships, were subsequently hired.

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 whistleblowing procedure (described in section 3.5.4 "Continuing to integrate ethics into our business practices"), procedures to address such situations and measures to raise awareness have also been implemented. As such:

- › 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, new measures have been taken under the agreements for preventing psychosocial risks that were negotiated with the social partners in 2023;
- › in Germany, officers were appointed at the sites and management was educated on the topic;
- › in Denmark, employees have access to a platform that sets out the Group's policy and the procedure to be followed if they are subject to harassment or sexist conduct.

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.

### Restructurings and reorganizations

The Group's sites must continuously evolve in order to improve operational performance and the working conditions of its employees.

As part of its work to boost its growth, the Group is building new operating sites and expanding existing facilities (Denmark, France, Poland, Portugal, etc.) to provide employees with a better work environment.

There have been no restructurings in recent years.

## 3.5 SOCIETY

### 3.5.1 Providing products and services that contribute to protection, hygiene and well-being and reduce resource consumption

#### Context

Elis believes that the circular economy model it has operated under for more than 75 years and in 29 countries combines economic and environmental performance while meeting its customers' protection, hygiene and well-being needs and helping them meet their own environmental and social goals.

The Group offers products and services that help protect people from their environment (mainly workwear and personal protective equipment) and the external environment from people (mainly in the cleanroom business). In addition, based on its experience in the healthcare sector (around 30% of its revenue), the Group has developed expertise to meet specific hygiene requirements, a basic need for society. Elis provides its customers with tailored solutions thanks not only to specific product ranges but also to the quality of the maintenance performed at its plants, its effective management of contamination risks and the traceability of its solutions.

Lastly, the Group offers products designed as much for the well-being of its employees as for the customers of its customers, in order to ensure the well-being of end-users, be they patients, clients or visitors.

In addition, the Group's product-as-a-service business model allows it to offer solutions that consume fewer resources and thus have less impact (see section 3.3.1 "Being a circular economy player").

#### Governance and policy

This underpins the Elis Group's *raison d'être*, which was defined in 2023: "Ensure a circular service of protection, hygiene and well-being everywhere, every day, in a sustainable way."

This *raison d'être* forms the basis for the Group's positioning and reflects its strategy and business model. It has been shared with all of the Group's employees and stakeholders.

The Group comes together every day to support its customers and offer them protection, hygiene and well-being solutions and services that are increasingly responsible and adapted to their needs.

#### Goal and performance

The Group has made its *raison d'être*, which reflects its day-to-day values and actions, the driver of its short-, medium- and long-term strategy. This *raison d'être* is therefore intended to be a key factor in decision-making:

Key performance indicators		2021	2022	2023
<b>Providing solutions that are more responsible and help reduce consumption of resources</b>	Product-as-a-service share of the Group's revenue*		83%	84%
<b>Bringing enhanced hygiene solutions to the most vulnerable members of society and the most sensitive environments</b>	Number of residents served by Elis in the three main countries (Germany, France and Ireland)	114,270	120,710	126,848
<b>Ensuring the provision of essential hygiene systems to customers, residents, patients, users and visitors</b>	Share of revenue of the Washroom and Beverages businesses	10%	8%	8%
<b>Protecting workers</b>	Share of revenue of the workwear and cleanroom businesses	38%	34%	34%

(\* ) In 2023, the calculation methodology for product-as-a-service revenue was revised to align with the taxonomy regulation. Certain activities and the consumables for certain products were therefore not included.

In 2023, the Group maintained its commitment to offering products and services that contribute to hygiene, well-being and protection and reduce resource consumption. These types of products and services represent a significant part, ever-increasing, thanks to its overall growth.

#### Providing solutions that are more responsible and help reduce consumption of resources

##### 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 the 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 business model is a sustainable solution to address current environmental challenges and our planet's finite boundaries, primarily through reducing the consumption of natural resources and keeping products in use.

The Elis model and its approach to addressing these considerations 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."

## Providing solutions that contribute to hygiene for all members of society

### Measures implemented

#### Recognized expertise in hygiene and healthcare

The Group has extensive expertise in hygiene and healthcare and approximately 30% of its revenue originates from this sector.

##### Home or industrial washing: which is the best solution?

To maintain the protection provided by personal protective equipment (PPE) and ensure wearers' health and safety, PPE must be washed and dried under specific conditions. Some countries also have standards for the number of washes. Professional maintenance will preserve the protective properties of this equipment and ensure compliance with regulations.

More generally with respect to workwear, maintenance performed in an industrial laundry helps ensure optimal washing when it comes to hygiene or even disinfection, as needed. Proper washing can prevent risks of cross-contamination with personal linen.

In this way, 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 people, very old, very young, ill or with disabilities, require increased vigilance in terms of hygiene.

The Group also operates in sectors where there are specific requirements. This is particularly true for the cleanroom businesses and with players in the agrifood and pharmaceutical industries. For residents with disabilities and for nursing homes and childcare facilities, the Group offers specific personal linen services through its linen business for residents.

### 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. In an increasingly demanding public health context, Elis offers its No Touch washroom appliance solutions, produced largely by its subsidiary, Kennedy, in the United Kingdom. These dispensers, together with the service and support provided by Elis in teaching users about hand hygiene, enable customers to protect their employees, customers and patients.

### A service ensuring essential hygiene needs for customers, residents, patients, users and visitors

The Group 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 back-up supply, continually helps to ensure an uninterrupted service, to increase the appliances' autonomy, and to limit waste by reducing the use of consumables. In 2023, the Group launched a new offering that aims to improve access to basic hygiene products while participating in the fight against menstrual product insecurity: the Ladybox. The Ladybox contains a dispenser for EU Ecolabel-certified sanitary napkins and non-applicator tampons made from organic cotton.

## Ensuring the well-being of people and helping to protect workers

### Measures implemented

#### Product ergonomics to contribute to employee well-being

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

- › **Ergo 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;
- › **Duvel cover:** sizes can be easily identified by a colored thread, and the covers are designed to make it easier to make the bed (reversible, finished straight, bottom open over the entire width, side slits);
- › **Regencia collection:** specially designed workwear for housekeepers that is more comfortable and uses Tencel fiber to regulate perspiration and neutralize odors;
- › **ProEssentials t-shirt:** a new collection of high-visibility UV protection t-shirts to protect outdoor workers (gardeners, road workers, sanitation workers, etc.) from the sun.

### Hygiene and employee protection

Every day, Elis clothes several million workers in compliance with hygiene and current standards. As such, the Company enables millions of employees to work in optimum safety and comfort. The Group generated 34% of its 2023 revenue from this sector. In the Industry and Commerce and Services sectors, this figure represents more than 3.8 million wearers.

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 linen of their household.

### 3.5.2 Satisfying and engaging our customers

#### Context

Customers are at the heart of everything the Group does, and their satisfaction is a key concern for the Customer Experience Department within the Marketing Department. This desire 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 customer communications tools so that it can inform customers of its commitments, meet their expectations and support them with more responsible choices.

#### Goal and performance

Customer satisfaction is one of the Group’s priorities. It has set a goal of achieving a customer satisfaction rate of 87%. Countries or branches may set more ambitious local goals in the interests of even sharper improvements. In 2023, the Group achieved its goal with a rate of 89%.

In addition, the Group intends to engage more with its customers on these aspects, by sharing with them its commitments, the benefits of circular business models, and by offering them more responsible alternatives.

Key performance indicator	2021	2022	2023
<b>Satisfying our customers</b> Aim for a satisfaction rate of > 87%	87%	88%	89%

#### Satisfying our customers

##### Measures implemented

Keen to listen to customers as closely as possible, the Satisfelis program comprises different tools that are adapted to the cultural differences or to the needs of certain customer types:

- › 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 their concerns and to implement long-term corrective actions;
- › carrying out a second survey of dissatisfied customers to ensure that the solution provided by the branch meets their expectations.

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

- › one located in Villeurbanne, near Lyon, which is an integral part of the Elis Group;
- › another, in Barcelona, which is managed by a long-standing partner.

#### Governance and policy

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 of customer’s needs and concerns in their country and is able to use the results to drive appropriate local action.

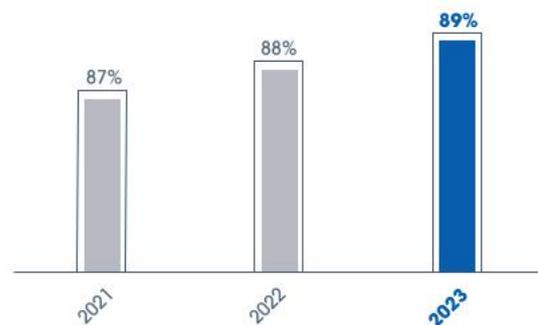
The Communications Department is responsible for the development and deployment of all the Group’s communications tools, including those that relate to CSR. To this end, weekly meetings take place between the Communications Department and the CSR Department. Projects are carried out jointly and are regularly presented to the communications officers of each country. The Communications Department ensures thus efficient tool sharing between the countries.

Advisors 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 branches receive is as detailed as possible.

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

Since January 2022, a single “satisfaction rate” indicator has been used Group-wide to manage customer satisfaction. It is a simple, actionable indicator that can be adapted for cultural differences. Measuring the same indicator in all countries gives the Group a harmonized customer satisfaction rate.

#### IMPROVEMENT IN THE CUSTOMER SATISFACTION RATE



### 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, plant, region or country.

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

In France, the Group has implemented an enhanced system to optimize customer loyalty (telephone survey, for example) during the contract renewal period.

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

The notifications sent to the branch once the survey is completed allow line staff at each plant to identify customer complaints in real time. Customers must be contacted within 24 hours to confirm receipt of their complaint and create an immediate and customized action plan.

National or Group action plans may be implemented as necessary, for example, to reduce product implementation times.

### Outlook

Every year, customers take the time to respond to Elis's questions, and taking their feedback on board helps the Group improve.

To supplement the optimizations provided by the Satisfelis program, the Group expects to roll out additional customer care programs to better evaluate certain key moments of the customer experience.

## Communicating responsibly and engaging our customers

### Measures implemented

#### Supporting our customers in the move toward the circular economy and more responsible solutions

The Group continually seeks to encourage its customers to switch to product-as-a-service models (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 sales presentations further emphasize the benefits of rental & maintenance compared to buying or single-use solutions. This mindset is part of the Group's identity. For example, since its arrival in Brazil, the Group has gradually transferred its maintenance solution customer portfolio (about 50% of its revenue in 2014) to rental & maintenance solutions (over 85% of its revenue).

In addition to encouraging its customers to move toward more sustainable business models, the Group aims to recommend them more responsible product and service alternatives. As such, product presentations incorporate a focus on characteristics related to Sustainable development (for example, organic fair-trade offerings, Ecolabels, the use of recycled fibers, reusable flasks, etc.). In 2023, in order to help its customers transition, the

Group is offering its Phoenix range of washroom products made from recycled plastic at the same price as the standard range. The Group also transitioned one of its leading workwear ranges to a solution that incorporates recycled polyester and offered the first apron made from recycled workwear.

Finally, educational tools (brochures, PowerPoint presentations, videos, etc.) have been developed to raise awareness and engage customers on CSR topics as varied as: "What is fair trade?"; "What is organic cotton/coffee?"; and "How is polyester recycled into fabric?". ». To delve deeper into these topics, video shorts on textile labels have also been posted to social media to explain the differences between the various labels and certifications.

Specific tools have been developed (videos explaining the benefits of circular models, presentation materials, training materials for the sales forces, etc.) based on the work done with the sales forces in the Group's various regions. Their rollout continued in 2023 and was boosted by the announcement of the Group's raison d'être and its climate goals. Newsletters have also been sent to the Group's customers to present its strategy and its commitments, which are aligned with the Paris Climate Agreements.

#### Promoting circular services and their benefits

The Group conducted a life-cycle analysis to compare the environmental impact of disposable and reusable scrubs. The results show that disposable scrubs have more impacts than reusable scrubs. Even though it takes more water to produce the cotton used in reusable scrubs than the polypropylene used in disposable scrubs, the latter has more impact during its end-of-life. On average, a physician will use 940 disposable scrubs versus only 15 reusable scrubs over four years.

The results of this life-cycle analysis have been widely communicated to the Group's stakeholders and are included in dedicated and educational communications materials (simplified infographic and training video).

#### Working alongside customers to reduce linen loss: "Healthcare Textile Improvement Program" in the United Kingdom

Linen that is lost, misused or discarded, in addition to potentially generating additional costs, can have significant environmental impacts. In the United Kingdom, Elis has estimated that linen lost or misused could cover the equivalent of 190,000 tennis courts. This is why an initiative was launched on this market: the Healthcare Textile Improvement Project (HTIP). The goal of this project is to partner with customers to understand why linen is lost and to reduce these losses by 30%.

A communications campaign focused on the four Rs - "Rent it, Respect it, Return it, Reuse it" - was rolled out to engage customers and ensure that all stakeholders (staff, patients, management, etc.) would commit to the project and change their practices.

This campaign was expanded more widely in 2023. After the United Kingdom, France undertook a project with customers in the healthcare sector to understand their needs and the causes of linen loss. It also rolled out an education campaign.

### 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 at customers' premises. In 2023, a number of nudges were created on the linen care theme and were translated into around 10 languages.

## 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 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 and ethical strategy.

The Group's purchasing is divided into three segments: direct purchases (textiles and hygiene and well-being), indirect purchases and industrial purchases. Indirect purchases (energy, IT, etc.) and industrial purchases (construction, machinery, etc.) are associated with large 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 for the Group. The supplier base is extensive and comprises "corporate" third parties, which are managed centrally, and suppliers that are managed locally, i.e. at the country or site level. Elis purchases textile products and hygiene and well-being products mainly in Europe (37%), Asia (35%), Brazil (4%) for its local market, and Africa (10%). In addition, the Group has a workwear manufacturing plant in Estonia (700,000 items per year), four clothing manufacturing plants in Brazil for this market, a plant in France that makes table linen (Le Jacquard Français) and a hygiene appliance production plant (Kennedy).

The analysis of the risk posed by suppliers is based mainly on their geographic location. This risk analysis incorporates third parties' ability to demonstrate their commitment to assessing societal and environmental responsibilities and their strategic impact on the Elis Group's business. This process guarantees a stable business relationship, grounded in the social, ethical and environmental responsibilities that form the pillars of the Group's Code of Conduct.

### Communicating responsibly

The Group strives to implement responsible communication principles on a daily basis. To that end, in 2023 the Group's marketing and communications teams were trained on environmental claims, which revisited the basics covered in previous training sessions. A responsible communications guide that incorporates the information discussed and best practices has also been made available to the teams.

Finally, the Group endeavors to choose the best media for its communications. As such, the Group prefers to use digital media and, when printing is necessary, this is usually done with paper from sustainably managed forests.

### Governance and policy

The Group's Purchasing Director reports to the 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 topics described in the Group's Supplier Code of Conduct.

Elis strives to forge stable and long-term relationships with its suppliers by improving the management and consolidation of relationships while ensuring the respect of human rights and labor rights, environmental protection and prevention of corruption. Elis also prohibits all forms of human rights violations as defined in internationally recognized texts, in particular:

- › 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;
- › the ILO fundamental conventions;
- › the United Nations Guiding Principles on Business and Human Rights;
- › the OECD Guidelines for Multinational Enterprises.

The standards imposed by the Group on its suppliers and subcontractors in terms of fair practices, human rights (in particular, forced labor, child labor, working time, compensation, discrimination, etc.), health and safety, and environmental protection are set out in the Supplier Code of Conduct. This Code, other guidance documents and the measures derived from them help reduce the risk of unethical practices. Principles relating to human rights and to compliance with labor and anti-corruption legislation, as well as environmental practice initiatives, are commonly evaluated by third parties.

It also encourages suppliers to take into account environmental challenges and to implement internationally recognized social, environmental, quality and energy certifications. Moreover, Elis encourages suppliers to obtain Oeko-Tex Standard 100 certification for all textiles delivered.

## Goal and performance

The Groupe has set a goal to achieve by 2025:

**Achieving 95% of procurement spend with direct suppliers that have undergone a CSR assessment in the last three years**

Key performance indicators		2021	2022	2023
<b>Implementing an integrated sustainable purchasing approach</b>	Share of procurement spend with direct suppliers that have undergone a CSR assessment in the last three years <b>(2025 target: 95%)<sup>(a)(b)</sup></b>	93%	94%	94.8%
	Number of on-site CSR audits conducted during the year <sup>(c)</sup>	28	36	32
	Share of Group and country buyers that have received training on CSR topics	38%	75%	74%
	Share of Group buyers that have set targets including the signing of the Code of Ethics for framework agreements	100%	100%	100%

(a) Spending in 2022 is taken into account when calculating this indicator.

(b) The assessment is based on a risk analysis using an approach that takes into account the location of the third parties' production.

(c) The on-site audits conducted for third parties have been included since 2021.

The Group improved its performance in 2023 and achieved a level of 94.8% of its procurement spend from direct suppliers that have undergone a CSR assessment in the last three years, bringing it closer to its target of 95%.

In 2023, the share of Group and country buyers that have received training on CSR topics remained relatively stable.

## 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 maintain strong relationships with Elis, some of them going back nearly 40 years. These relationships are essential to the Group's long-term success and customer satisfaction.

In 2023 in the textile segment (flat linen and workwear), business relationships continued with third parties that were already bound by master agreements. Thus the supplier base was maintained to ensure continuity. The strategy remains similar with the hygiene and well-being segment.

#### Partnership-based approach

The Group approaches its relationships with its suppliers as a partnership. When the Group and its suppliers work as partners, suppliers have the potential to help devise new solutions to meet today's sustainability considerations or support the Group's 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 the identification and development of recycling channels for its end-of-life products;
- › the development of new product offerings, such as the Phoenix washroom range made from recycled plastic; and

- › the implementation of the Group's partnership-based approach with certain automakers and energy companies to participate in calls for projects under grants (the Environment and Energy Management Agency (Agence de l'environnement et de la maîtrise de l'énergie - ADEME) in France, for example) or to study potential ways to transition vehicle fleets to electric based on information provided by the route optimization tool (GLAD).

#### Master agreements, Code of Conduct and listing tool

Elis supplier requirements are formalized in the Supplier Code of Conduct. This document is based on the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the ILO fundamental conventions, the UK Bribery Act (UKBA) and the French Sapin II anti-corruption law. This Code consolidates the Elis Group's commitments for its third parties and covers human rights, working conditions, protection of the environment and anti-corruption regulations. It applies to all tier 1 suppliers (in the direct, indirect or industrial scopes), whether new or existing partners.

In the workwear segment more specifically, it is also signed by tier 2 suppliers (when Elis assigns the textile manufacturer to the clothing manufacturer, which applies to over 90% of cases for the Group's catalog suppliers).

When a master agreement is signed or renewed, every supplier is asked to formally 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 Supplier Code of Conduct. Having suppliers sign this Supplier Code of Conduct for master agreements is a priority goal for Group buyers.

In 2022, Elis implemented a Group-wide S2C (Source to Contract) tool, which is used to archive documents such as master agreements, signed Supplier Codes of Conduct, and the REACH commitments that have been incorporated into quality specifications. 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 common approach of continuous improvement on social, ethical and environmental practices.

## 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 high, moderate or low risk. The completed matrix defines the parameters for the conduct of an on-site audit by an independent third party. 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.

All suppliers that are assessed through a CSR audit are monitored to ensure that the corrective action plans identified are implemented. These action plans serve as the basis for discussions to help suppliers improve their practices on ethical, social and environmental matters over the long term. Significant non-conformities are subject to corrective action plans and close monitoring by Elis. The Group also has a zero-tolerance policy with respect to child labor and safety. The assessment of the cotton supply chain for suppliers responsible for textile weaving in the flat linen and workwear scopes also includes additional constraints and demands such as the source of the raw materials.

External audits may be commissioned by Elis or on behalf of other third parties if the standards meet the Group's criteria. In particular, Elis recognizes SMETA and BSCI audits. The Group's goal is to achieve, in 2025, 95% of procurement spend with direct suppliers that have undergone a CSR assessment in the last three years.

The analysis process for Group 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 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, wage and employee benefit management, and

#### Employee training

During their first year on the job, the Purchasing Department employees participate in anti-corruption training organized by the Group compliance team. Additionally, Group and local buyers complete a training program developed with an external partner that includes a section on sustainable purchasing. Refresher courses are offered on a regular basis to ensure that the teams receive adequate training and information.

environmental impacts. In addition to this formal audit matrix, there are more specific aspects related to quality management and the enforcement of the Elis Group's Code of Conduct.

As part of its approach to continuous improvement, Elis subsequently ensures the implementation of action plans arising from these audits. A more focused monitoring procedure is systematically triggered if the Group's standards are not met. When this occurs, corrective actions are identified, a compliance plan with fixed deadlines is implemented and a new audit may be planned to confirm compliance.

Any new supplier of items for any Elis service or product must have a satisfactory CSR assessment in order to be listed. Elis's CSR management policy and the supplier management policy describe this supplier selection procedure in detail. This assessment system applies to the entire value chain of products distributed by the Group and more specifically for the vast majority of workwear, from the fabric supplier (tier 2 supplier) to the clothing manufacturer (tier 1 supplier).

In 2023, Elis mandated 22 CSR audits, and 10 audits were conducted on the initiative of third parties by an accredited organization. In addition, 11 direct suppliers have been awarded the SA 8000 certification or are involved in an ISO 26000 initiative.

#### Third-party assessment

Alongside this process for the most at-risk suppliers, the Group has introduced a due diligence procedure for third parties, which includes potential indirect and industrial suppliers, in order to verify their integrity in relation to Group standards as defined, for example, in the Supplier Code of Conduct (see section 3.5.4 "Continuing to integrate ethics into our business practices").

#### Certified products

The use of certified products also ensures that certain social and environmental requirements are met by third-party partners in the supply chain.

#### Outlook

As part of its climate strategy, the Group will broaden its discussions with its suppliers mainly to develop new partnerships or help them assess or reduce their emissions.

## 3.5.4 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 in which society, regulators and various stakeholders hold economic operators to increasing standards when it comes to ethics, transparency and anti-corruption.

With a presence in 29 countries and international sales accounting for 69% of its consolidated sales revenue, Elis is subject to an increasing number of ethical regulations, including those relating to the fight against corruption, bribery, influence peddling, money laundering, modern slavery, human rights abuses and environmental damage. A description of the main binding regulations to which the Group is subject is given in section 4.1.4 "Legal, regulatory and tax risks" in chapter 4 of this Universal Registration Document.

In this context, the Group is working to implement a compliance program with the aim of identifying, preventing and mitigating corruption, bribery and influence peddling risks (also referred to as the "anti-corruption program"). This program, which is based on the recommendations of the French Anti-Corruption Agency (Agence française anticorruption - AFA), represents the minimum reference standards intended to be implemented consistently across all Group operations. This program is adapted, as necessary, to each Group country to meet specific local regulatory obligations and to account for any specific risks. This approach aims to guarantee comprehensive coverage of ethics violation risks and to ensure compliance with all relevant laws and regulations in force in each of the Group's countries. The program is constantly being improved and strengthened: this adaptive approach aims to ensure its effectiveness by continually aligning the Group's practices with legal requirements and any new threats identified.

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 corruption. In addition, it relies on the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises in its business practices.

### Governance and policy

The management bodies embody the Group's culture of integrity and have a "zero-tolerance" stance regarding any form of corruption. This message is relayed to all Group management levels, in particular through the Code of Ethics, which is prefaced by the Chairman of the Management Board.

First, responsibility for implementing the anti-corruption and influence peddling compliance program rests with the Group's Executive Committee, which oversees its formulation and drives the rollout. This committee has thus been directly involved in preparing and validating the essential components of the compliance program, such as the risk mapping and the third-party assessment policy. Its members are also asked to make certain operational decisions relating, for example, to third-party validation and management of ethics alerts. During the 2023 financial year more specifically, the Executive Committee carried out a critical analysis of certain procedures, examined the results of the rollout of the anti-corruption e-learning training, and revised and approved the action plan for 2024.

Operational implementation of the program is delegated to the Group's Legal Services Department. The Legal Director, who is also the Compliance Officer, reports to the Group's Chief Financial Officer, a member of the Management Board. This allows for regular and direct communication with the management body.

The Group has been strengthening the resources dedicated to this matter since 2021, and a dedicated team at Corporate, consisting of a manager and specialist legal counsel, ensures the development, rollout and continuous improvement of the system for preventing and detecting corruption and bribery risks. The Group's compliance team leads implementation across all Group businesses, countries and among all employees and ensures regular reporting to the Executive Committee and Audit Committee.

The Group's compliance team therefore assists each of the individual country management bodies, which are responsible for promoting, adapting and implementing the compliance program in their respective countries. To that end, it relies on a network of designated anti-corruption officers in each country where the Group is active. These officers are, with some exceptions, Group employees who hold an official position in the company hierarchy, and are either specifically dedicated on this matter when required (local Compliance Officers) or have other roles within the Group such as, for example, CSR ambassadors or Chief Financial Officers. Regardless of their position, anti-corruption officers have the powers and independence necessary to exercise their duties. Within this context, the Group compliance team ensures that anti-corruption officers are involved in updating the corruption risk mapping, oversee subjects that require the program to be adapted in accordance with local regulations, conduct whistleblowing investigations and assist local leaders in promoting ethical principles.

Finally, the Audit Committee, a specialized committee of the Supervisory Board, supervises and regularly monitors the system for preventing and detecting corruption, bribery and influence peddling risks, ensures the effectiveness of the internal audit and control systems, and tracks progress made on action plans. During the 2023 financial year more specifically, the Audit Committee examined the results of the investigations conducted following the receipt of whistleblowing reports (see "Whistleblowing procedure" section below), analyzed how extensively and effectively the program was deployed in each of the Group's countries, and was kept informed of the various compliance projects under way, while making recommendations on certain aspects of the compliance program.

Given the cross-functional aspects of business ethics, the Group's compliance team works closely with other Group functions (in particular, the Legal Services, Human Resources, CSR, Purchasing, and Audit and Internal Control Departments, as well as the Transformation and IT Department), with the goal of harmonizing policies and procedures and coordinating their implementation.

Fiscal matters are duly covered and managed by a Group tax division, also within the Legal Services 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.

In order to comply with the obligations of French Law 2016-1691 of December 9, 2016 on transparency, anti-corruption and the modernization of the economy (the "Sapin II" law), and in accordance with its voluntary ethics commitments, the Group has undertaken to set up a program to prevent and combat the risks of corruption, bribery and influence peddling, covering France and all the countries in which the Group operates.

This program is tailored to the specific requirements of some of the Group's countries: when Elis's countries are subject to different anti-corruption compliance obligations, as is the case for Brazil, Chile, Spain and the United Kingdom, for instance, local regulatory requirements have been incorporated into the applicable compliance program, in accordance with the "adapt and adopt" principle.

Elis is therefore 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 exposure that the Group and each Elis country have to the risks of corruption, bribery and influence peddling. For example, in 2023, the Group's compliance team worked closely with local managers in Germany to adapt the Group third-party assessment procedure (see "Risk management in relationships with third parties" section below) to the directives of Germany's corporate supply chain due diligence act, and also with managers in Chile to implement a "Violation prevention model" consistent with the obligations of law no. 20.393. As new companies are acquired, the preexisting policies and procedures in place at the acquired entities are adapted to meet the Group's anti-corruption standards.

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, executives 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 system for preventing and detecting corruption and bribery risks, or the "Anti-corruption policy," is thus formalized through the following documents:

- › the Group's ethics and anti-corruption policy commitments and values are set out in the Group's Code of Ethics, which forms the basis of the anti-corruption program;
- › these principles are implemented through operating procedures that cover all the ethics risks identified;
- › practical tools for rolling out these policies and procedures are provided to the countries to ensure proper implementation.

Together, these documents and tools form the Elis Group's anti-corruption policy.

With the meaning of the Group's general risk map, corruption risks were not identified as being amongst the most significant, due to the steps taken to combat corruption and influence peddling risks within the Group – in particular within Group countries considered to be sensitive – and also due to the limited share of activities and locations at Group level that may be considered sensitive to these risks. During the 2023 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 10%. The Group nevertheless continues to closely monitor changes in its exposure to corruption and ethics violations, mainly with respect to its external growth transactions, as explained above.

In the area of taxation, the Group also endeavors to comply with local laws and this is part of a transparent approach to the tax authorities.

## Goal and performance

The Group's key performance indicators are thus:

Key performance indicators		2021	2022	2023
<b>Ensuring Group compliance with Sapin II and other local laws</b>	Number of whistleblowing incident reports	187	194	225
	Percentage of relevant incidents	52%	62%	51%
	Out of the number of relevant incidents, percentage of proven incidents	55%	26%	28%
	Percentage of proven incidents that have been subject to disciplinary action or a disciplinary reminder of any kind	93%	100%	81%

In 2023, of the 225 incidents reported, 51% were deemed relevant, 28% of those were deemed proven and 81% 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 2023 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 system for the prevention and detection of corruption, bribery and influence peddling risks.

### Risk mapping and assessment

Corruption and influence peddling risks are assessed using a dedicated mapping tool that has been developed and maintained since 2017. The purpose of this mapping is to identify, assess and prioritize the risks of corruption and influence peddling 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 this assessment to be monitored and priority actions to be defined. It serves as a guide for developing and

implementing Elis's internal anti-corruption program, with measures adapted and proportionate to the results of this risk assessment.

The map has been developed and is regularly updated with the assistance of the executive roles, thus contributing to its continuous improvement. Accordingly, every year, the need to update the map is discussed to ensure its continuous relevance with developments within the company's operations and in the market.

At the end of 2023 financial year, 7% 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.

### Code of Ethics

The Group's ethical principles are set out in the Code of Ethics, which was distributed to all employees for the first time in 2012 and revised in 2018 to comprehensively incorporate the anti-corruption and influence peddling measures.

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 and conduct themselves correctly should they find themselves in a high-risk situation.

This Code is intended to form the foundation on which all internal standards, policies and procedures adopted by the Group are based, including the Supplier Code of Conduct, the Code of Conduct for Trading and Market Activities, and the anti-corruption resources developed by the Group. These documents are available to the public on the Group's website ([www.elis.com](http://www.elis.com)) under the heading "Our CSR policy."

The Code of Ethics is formally agreed upon by all of the Group's senior managers and the heads of each Group's country. 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. This Code is integrated into the disciplinary system, either through incorporation into the internal rules of all Group companies wherever the applicable national legislation permits it or by any other means allowed by applicable regulations and in accordance with the French Anti-Corruption Agency's recommendations.

The Group's Code of Ethics has been translated into all local languages, and is adapted to local requirements whenever necessary. The individual country management bodies and the anti-corruption officers are responsible for distributing it in each of the Group's countries.

All Group employees, regardless of their position, entity or geographical region of activity, must be both promoters and guardians of this Code of Ethics.

### Gift procedure

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, prohibits certain practices, and sets limits on their value. In the circumstances defined by the procedure, exchanges of gifts and entertainment 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. This procedure is regularly revised to consider changes in regulations and practices and, in the 2023 financial year more specifically, was reviewed by the Executive Committee.

### Risk management in relationships with third parties

The Group places a particular emphasis on managing third party risks and in 2016, as part of its vigilance plan implementation, it adopted a Sustainable and Ethical Purchasing Charter (or "Supplier Code of Conduct"), as well as supplier risk assessment and CSR audit procedures (see section 3.5.3 "Working responsibly with third parties").

With the aim of strengthening its continuous improvement and anti-corruption program(s), Elis is reinforcing its third-party assessment management system and introducing two new procedures, namely an Embargo policy and a Third-party Due Diligence policy (rolled out gradually), which cover potential customers, suppliers, intermediaries, and beneficiaries of donations and sponsorships, as well as acquisition targets.

These third parties are individually assessed by the operational teams to determine the type of checks to be performed before the third party is approved and an agreement formalizing the relationship is signed. Where a risk exists, specific due diligence procedures are then carried out using the tools and resources made available by the Group: for example, in 2022, the Group subscribed to specialized tool for screening stakeholders, and the third parties scoring the highest risks are then subject to "enhanced" due diligence by a compliance expert (or by another officer appointed by that expert). The local or Group governing body may also be asked to handle particularly sensitive cases.

When the assessment is completed, the persons designated in the policy as responsible decide whether or not to enter into the business relationship, and where applicable, whether to take measures to mitigate specific risks, such as having the third party sign the Supplier Code of Conduct, incorporating ethics clauses into the contractual instrument, informing and training employees based on the existence of a risk, etc. The Supplier Code of Conduct, for example, requires not only that signatories comply with the Group's commitments, but also that they have their own anti-corruption, bribery and influence peddling policies. Suppliers must produce information, improve awareness and develop reference frameworks for ethics and integrity with their own business partners, and make every effort to ensure the latter's compliance with said Code. In addition, and as noted in section 3.5.3 "Working responsibly with third parties," the Group prohibits all forms of human rights violations as defined by internationally recognized texts.

The final risk is assessed mainly on the basis of any unfavorable information identified about the third party itself, but also regarding its shareholding structure, ultimate beneficiaries and main executives (including checks against international economic sanctions). The nature of the expected relationship, country risk, and the sensitivity of the business sector are also taken into consideration.

The goal is to ensure a formalized, harmonized and consistent approach across all the Group's countries, incorporating local regulatory requirements where applicable. Like all the components of the Group's anti-corruption compliance system, this procedure will be monitored and reviewed on a regular basis to ensure its ongoing relevance and effectiveness.

### Training

The Group's anti-corruption training plan is implemented at three levels:

- › first, the widespread dissemination of the Code of Ethics within the Group ensures that all employees are informed of the existence and content of Elis's anti-corruption policy, and that they have concrete examples to help them internalize best practices and act appropriately in situations that could pose an ethics violation risk. These awareness actions may be accompanied by one-time initiatives aimed at reinforcing the principle of zero tolerance for any form of corruption, and at increasing employees' knowledge of policies and procedures. For example, a game-based workshop was organized in Spain during International Compliance Officer Day;
- › employees identified as the most exposed to the risks of corruption, bribery and influence peddling, based on the results of the above-mentioned risk mapping receive dedicated training on the internal anti-corruption compliance framework, with priority given to the most sensitive regions and roles. These employees are primarily senior executives, head office and operational center managers, as well as members of the commercial and purchasing functions; Training is provided by anti-corruption officers within the countries, which allows the requirements of local compliance programs and applicable national legislation to be taken into account. Some Group countries may also bring in external experts (consultants, attorneys). For example, in the 2023 financial year, a new training campaign was rolled out in France on anti-corruption principles and tools, targeting all headquarters managers as well as all functions considered to be the most exposed to corruption risk within the operational units. The aim was to provide information and training on the strengthening of the Group's anti-corruption program. Lastly, as part of the onboarding program for new hires in sensitive positions, a specific training session is held by the Group Compliance Manager or the local anti-corruption officer to further reinforce the zero-tolerance message and the need for everyone to be both the promoter and the guardian of the Group's ethics values;
- › lastly, specific training on implementation of certain procedures, such as the third-party due diligence procedure referred to above, is also provided to the teams that are particularly concerned by their adoption.

## Whistleblowing procedure

In 2018, the Group established an outsourced whistleblowing system, which allows for any violation of Elis's Code of Ethics and, in general, all unlawful and unethical behavior to be reported. The procedure for handling whistleblowing reports is revised on a regular basis to consider changes in applicable regulations in order to comply with applicable legal and regulatory obligations, such as the Sapin II law, the French law on the duty of vigilance, and Directive (EU) 2019/1937 on the protection of whistleblowers. This Group-wide procedure has been rolled out to all Elis countries and may be adapted to comply with local requirements, in the form of an appendix to the Group policy for each country, where applicable.

The whistleblowing procedure allows all employees, customers and suppliers to use a dedicated website to send a message (and/or a voice message), accessible 24 hours a day, 7 days a week, in all 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, for example, through internal training, publication on the Group's internal and external websites, displays in the operational units, and the distribution of the Code of Ethics and the Supplier Code of Conduct.

The Group undertakes to protect whistleblowers from any negative consequences or retaliation, provided that reports are submitted in good faith.

All admissible whistleblowing reports are investigated in accordance with the principles laid down in the whistleblowing report procedure, and may give rise to sanctions if the violations are proven, as well as to changes in the Group's practices, policies and procedures, in order to address any negative impacts identified. Whistleblowing reports are subject to regular reporting to the management bodies by the Group's compliance team.

In the 2023 financial year, of the 225 incidents reported, 51% were deemed relevant, and 28% of those were deemed proven. 81% were the subject of disciplinary action of various kinds.

## 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 and duties 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 current reporting requirements.

The Group prohibits any tax avoidance 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.

## Internal and accounting controls

An internal control and risk management system, covering all controlled companies within the Group's scope of consolidation, has been set up to ensure the reliability of its parent company and consolidated financial statements and the compliance by the Group's activities with applicable laws and regulations. Risks are handled through specific control procedures forming part of the operating and accounting processes. Their implementation is monitored under this internal control system, as described in section 4.2 "Elis Group's internal control and risk management system," chapter 4 of this Universal Registration Document.

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 and detection system.

The Group compliance team and the Internal Audit Department work as partners to better integrate controls over the rollout of the anti-corruption program into the general internal control and risk management system. Specifically dedicated control points have thus been incorporated into the Group's overall internal control system and undergo document-based testing to ensure that the Group's anti-corruption program has been effectively rolled out in all Elis countries. Specific action plans are developed for any non-compliant controls. Implementation of these plans will be monitored by the Internal Audit Department in collaboration with the Compliance function.

At the same time, the compliance team conducts an annual review with each Group country at the beginning of the year, to help the local management bodies adapt and roll out the program and to ensure that appropriate resources are allocated to implement the system. A review, including quantitative performance indicators, is then conducted at the end of the year, to make sure the program's performance is monitored over time.

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 goals 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 in the place 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. Russia, due more specifically to the situation in Ukraine and its impacts on Russia's relationships with certain states, including EU member states, has been on the EU's NCCT list since February 14, 2023. However, the Group, whose presence in the region through its operating companies predates these events, complies with the specific tax rules on operations with NCCTs.

The Group is also preparing to comply with the reporting requirements of the new OECD "Pillar Two" regulation in all the countries in which it operates and to pay the additional tax owed, if any.

Details on the Group's tax rate by major geographic region are provided in the "Global minimum tax rate" section of Note 11 to the consolidated financial statements for the financial year as at December 31, 2023, which can be found in chapter 6.1 of this Universal Registration Document.

## 3.5.5 Contributing to our local communities and supporting the causes that we value

### Context

The Elis Group is present in approximately 30 countries and has more than 400 sites. The Group's operations are intrinsically designed to be as close as possible to its customers (generally within 30 to 100 km) 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) and indirectly (through its contribution to the local economic fabric or its purchasing).

### Goal and performance

Aware of its strong local presence, the Group intends to support the transformation of its regions and be a local player in supporting its communities and their development.

In line with the Group's corporate culture, the Elis Foundation also seeks to help talented young people with ambitious academic projects.

The Group has therefore set a target of:

### Tripling the impact of the Elis Foundation by 2025

In 2023, the Group pursued its commitment in its regions by providing support through monetary donations, donations of products and services, and volunteering.

The Foundation also expanded its efforts in France and in 2023, it welcomed its fifth cohort.

The Group has also been working with the association NQT (Nos Quartiers ont des Talents – Our Districts have Talent). Since 2022 to support more young talents and give employees more opportunities to become involved.

Nearly 80 young people have received support since the partnership was formed and 4% of managers in France have made a commitment to help young talents either directly through the Foundation or through NQT.

### Supporting social mobility through our Foundation

#### Measures implemented

##### The Elis Foundation

The Elis Foundation, launched in 2019, is fundamentally rooted in Elis's 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. The foundation aims to identify and support young, motivated and outstanding high-school graduates to achieve their academic ambitions. 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 regular advice and support. This support is allocated for one year and may be renewed depending on school results, problems encountered or changes in the situation.

This young Foundation, which currently operates only in France, welcomed its fifth cohort in September 2023. The annual event was 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.

In 2023, the Foundation conducted a number of communication initiatives (social media, internet, direct actions in high schools, posters, etc.) to raise its profile among high school graduates and thus be able to assist more talent over time.

### Strengthening our impact and local presence

#### Measures implemented

##### Establishing our activities in the regions

Due to its economic model, its activities and its positioning, the Group's business operations cannot be relocated and they contribute to the economic development of its regions both directly (through employment, taxation, local partnerships, etc.) and indirectly (through its contribution to the local economic fabric or its purchasing). A study carried out in 2016 thus assessed, for

### Governance and policy

Locating the Group's sites in proximity to its customers is an intrinsic part of the Group's model, which it replicates in its different markets and countries.

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 regions and to support the causes they value.

In addition, in 2019, the Group launched a Foundation in France, chaired by the Chairman of the Management Board.

In addition to its direct actions via the Elis Foundation, the Group has partnered with NQT (Nos Quartiers ont des Talents – Our Districts have Talent) since 2022. This association, with a presence in many French regions, has much in common with the Foundation, namely its goal of helping young talents (with a minimum of three years of higher education) in difficult situations or from priority neighborhoods or revitalization zones to find their first job or work/study position through mentoring programs. This initiative makes it possible to support more young people while also offering the Group's employees greater opportunities to become a mentor and have an impact.

Nearly 80 young people have received support since the partnership was formed and 4% of managers in France are supportive young talents.

### Outlook

Backed by its first few 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, particularly internationally, and to extend its range of supports for young talents.

the workwear business, that more than four times the number of direct and indirect jobs were generated, of which more than 30% in Europe.

This regional approach is reflected 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 made 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 French law on SMEs 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 Ministry 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 it can remain as close as possible to the needs and considerations faced by the regions in which it is located. This philosophy is reflected in its support for its communities. From donating linen to helping disadvantaged communities, some examples of our actions in 2023 are detailed below:

- › in France, Le Jacquard Français created a range of tea towels for Breast Cancer Awareness Month in October, and 10% of the proceeds were donated to the Ruban Rose association. Ruban Rose is the leading association in France focused on breast cancer awareness and early detection. Le Jacquard Français also regularly supplies fabric to Gaëlle Constantini, a sustainable fashion designer, whose products are made by incarcerated women;
- › the Group also donated a commercial vehicle to Secours Catholique to help it launch a mobile charitable clothing store initiative;
- › in Colombia, a partnership was established in March 2023 with the Fundación amigos centro de cáncer association, which

provides assistance to children with cancer. Elis maintains and washes the flat linen used by the children and their caregivers. New linen (sheets, blankets and pillowcases) was also donated when the association opened its new guest house;

- › In Denmark, the Group offers its linen and laundry services for certain events, such as the Red Cross summer camps. In addition, the cleanroom business donates between 2,500 and 3,000 textile items every month to Global Medical Aid. These are then used in countries where they may be lacking (for example, Burundi, Nepal, Sri Lanka, Kenya and Afghanistan);
- › in Ireland, Elis lent its support to residents of Cork after they experienced flooding, offering Pest control services and donations of items such as mops, cleaning products and mats for the affected homes;
- › in Norway, Elis works with several local associations to promote and encourage sports activities, such as soccer, golf and ice hockey. The partnerships help create social connections through sports;
- › in Poland, around 50 Elis employees helped prepare packages filled with basic supplies during the holiday season;
- › products were also donated in other Group regions, for example, in the United Kingdom (to the Royal Society for the Prevention of Cruelty to Animals - RSPCA), Germany (for the homeless) and the Czech Republic.

In collaboration with its insurance company, in 2023 the Group also reinvested some of its insurance premiums in specific projects that have a positive social or environmental impact.

#### Local sourcing

Local European sourcing is preferred for direct purchases, and in hygiene and well-being more specifically. This is true in particular for segments such as mats, water fountains and paper. Le Jacquard Français also works continually to move its products closer or relocate them when they are not produced internally. In 2021, it relocated the manufacture of its aprons to France to an ESAT (Établissements et Services d'Aide par le Travail, a French network that promotes employment for people with disabilities).

Nearly **30%** of direct workwear suppliers are based in Europe

More than **90%** of direct hygiene and well-being suppliers are based in Europe

## 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 cybersecurity and protecting personal data and privacy.

The aspects 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. These are mainly employee and job applicant data and data collected from customers, suppliers and stakeholders.

### Governance and policy

The strategic direction for cybersecurity is set by the IT Systems Department. Within the IT Systems Department, the IT System Security Department, via the Group CISO (Chief Information Security Officer), 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 the securing of digital assets.

This cybersecurity management approach is based on a risk analysis. The risks are identified in conjunction with the organization's global structure, business lines and Information Technology. Elis maps IT system risks and ensures that measures to protect the assets are established, adjusted to the risks, and then implemented.

When it comes to data protection, the Group has a policy that sets out the principles implemented by the Group and in each entity as well as the governance rules at the Group and individual country level. A Group committee meets regularly, and the DPO (Data Protection Officer) for France and CISO periodically bring together the network of data protection officers present in each country. The officers are provided with tools and procedures. An audit was conducted in 2023 in all European countries and country-specific action plans have been developed. These are being implemented.

The Group's policy 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 and storage, as well as the procedures that individuals can follow to exercise their rights.

This cybersecurity policy is based on international standards such as ISO 27001 and industry guidelines from NIST (the National Institute of Standards and Technologies) and the CIS (Center for Internet Security). It includes directives, standards, procedures and companion guides that are enforced in and adapted to all the countries where the Group operates.

## Goals and performance

The security policy addresses the major issues concerning the security of IT systems, particularly data protection, and outlines for each of them the overarching principles that must be applied. It conveys clear goals, best practices and levels of control that are suited to the risks incurred, particularly cyberattack risks.

## Education and training

### Measures implemented

#### Internal IT Charter

Upon the enactment of GDPR (the General Data Protection Regulation), a charter of Acceptable Use of Electronic Communication Technologies was reviewed and rolled out within the Group. This Charter outlines data protection measures as well as security measures. It was revised in 2022 to account for changes in practices and technologies and to continue to strengthen the protection of the IT systems.

#### Employee education and training

Employee training initiatives focus on the principles of data protection and are renewed regularly.

## Keeping our IT systems secure

### Measures implemented

#### Prevention

Elis applies an IT system security risk management process to identify, classify and address data risks. The nature and level of each 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 by "privacy by design" 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.

When it comes to cybersecurity, the Group focuses especially on:

- › ensuring business continuity: the IT system must be ready 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 business against cyber-disruption by managing the backup systems and processes, searching for vulnerable systems, segregating 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.

The Group issues frequent reminders to employees about aspects of cybersecurity. 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 is provided for all the countries where Elis operates.

### Outlook

As part of its continuous improvement process for the system, Elis continues to expand its cybersecurity education and training plan with new content - mainly cyber crisis management testing - tailored to the various business lines and with new e-learning tools. In particular, the e-learning tool being rolled out within the Group will include general content to raise awareness of cybersecurity threats and safer practices for all users, and tailored content for specialised teams such as developers and sales representatives.

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 from customers, suppliers and other partners. Additional mechanisms such as encryption are available where merited.

Mechanisms to assess, process and monitor the vulnerabilities of products are implemented for the Group.

New technologies are also used to increase the security of the Group's work stations and servers. For example, the Group has selected and is rolling out a single EDR (Endpoint Detection & Response) solution to all countries to increase its level of protection, particularly with regard to data leaks.

Elis is strengthening and standardizing the security of its infrastructure to reduce the risk of spread of cyberattacks and guarantee the IT system's availability and integrity, as well as the confidentiality of its services and data.

### Detection

There are established mechanisms and a structure to monitor 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.

The Elis SOC (Security Operation Center) conducts 24/7/365 monitoring of malicious events that occur on both on-premises and cloud Elis systems and enacts that 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

## Respect and security of personal data

### Measures implemented

#### Respect and security of personal data

The current processes designed to keep personal data secure are discussed above in the paragraph "Keeping our IT systems secure." In addition, Group employees are educated about in the concept of "privacy by design" and "privacy by default" so these principles are included from the upstream phases of any project that involves the processing of personal data.

Elis continues to structure 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.

It has clear processes, applied in all countries, for controlling the localization and traceability of personal data.

#### 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

identified sources of risks and has 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 that it will guarantee high security in our transition to the Cloud.

mechanisms inform data subjects and give them an opportunity to question the protection of personal data. If the privacy of a data subject requires action, 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 a log of security incidents are kept. These include the incident reports and areas for improvement that have been pinpointed.

The exercise of rights of access to personal data during the year applies mainly to human resource subjects and are processes in accordance with each local jurisdiction.

### Outlook

Elis continues to implement the necessary measures to protect personal data and actively monitors regulatory changes in the countries where it operates.

## 3.6 APPENDICES

### 3.6.1 Non-financial performance statement

#### Presentation of the business model

The Group's business model is presented in chapter 1, section 1.2 "Strategy" of this Universal Registration Document.

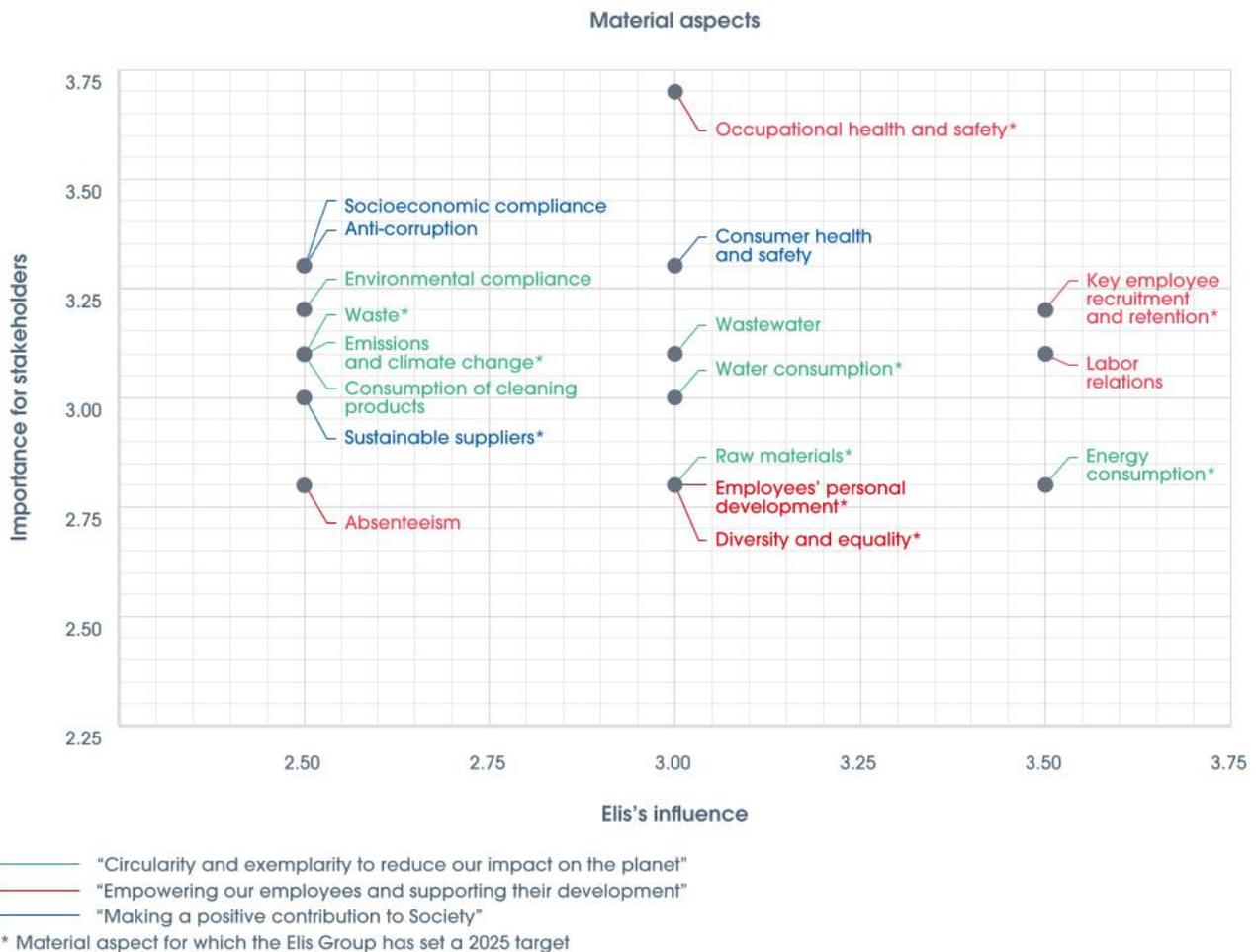
#### Materiality matrix

The Group developed a materiality matrix in 2019 to put CSR considerations and their importance into perspective for the various stakeholders and for the company. This work was especially used when updating its sustainability strategy, presented in section 3.2.3 "Our CSR roadmap: clear and ambitious targets."

Five major categories of stakeholders were considered during this analysis: investors, employees, authorities, direct suppliers and customers. The CSR considerations were then ranked based on two criteria: "Elis's influence" over these aspects and their "importance for stakeholders," measured on a scale of 1 to 4.

The topics covered by the Group's 2025 targets are marked with an asterisk in the materiality matrix below.

#### MATERIALITY MATRIX EXCERPT



To prepare for implementation of the Corporate Sustainability Reporting Directive (CSRD), in 2023 the Group developed a double materiality matrix in accordance with the terms of this regulation. This matrix was presented to the Executive Committee and to the CSR Committee and will be presented at a Supervisory Board meeting in 2024.

## 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 considerations in 2021 to map its risks and opportunities.

This analysis, intended to assess the considerations for both the company and its stakeholders, took into account short-, medium- and long-term considerations in the following areas:

- › the environment;
- › social aspects;
- › societal aspects;
- › respect for human rights and business ethics and the UN guiding principles;
- › customers and product and service users;
- › purchases;
- › governance.

Each area was individually analyzed and assessed in terms of its impacts on both companies and stakeholders (financial, strategic, reputational, environmental, health and safety, and local population impacts) and their likelihood of occurring.

This review of the risks and opportunities was based on interviews with key company personnel who are in direct contact with stakeholders, interviews with certain external actors (investors, in particular), an in-depth document review (ESG questionnaires, customer questionnaires, etc.), and the Group materiality matrix developed in 2019 presented above. This matrix of the risks and opportunities was also presented to the Executive Committee, the CSR Committee and the Supervisory Board.

In 2023, this Group risk and opportunity matrix was updated in collaboration with the Group's internal experts to ensure it remains

relevant to recent Group news and developments. Significant work was also done to develop the Group's double materiality matrix (CSR).

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 non-financial performance statement 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-reference between the non-financial performance statement risks and the sections of chapter 3

Elis presents its CSR strategy both to comply with regulatory requirements (such as the non-financial performance statement or taxonomy, for example) and to meet the expectations of its stakeholders. Thus, policies, goals, 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 majors considerations 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 considerations	Key performance indicator and outcomes	Section
Risk of increased stakeholder expectations in terms of contribution to climate change mitigation	The emissions from the Group's activities contribute to climate change. The Group is therefore working to reduce its emissions in its different scopes to contribute to the global effort to limit global warming and meet its stakeholders' expectations.	› Fighting and adapting to climate change	<ul style="list-style-type: none"> <li>› Change in direct and indirect emissions (Scopes 1 &amp; 2 market-based) since 2019</li> <li>› Change in other indirect emissions (Scope 3) since 2019</li> <li>› Change in other indirect emissions (Scope 3 – scope used for the SBTi targets) since 2019</li> <li>› Direct CO<sub>2</sub>eq emissions (Scope 1)</li> <li>› Total indirect CO<sub>2</sub>eq emissions (Scope 2) – location-based</li> <li>› Total indirect CO<sub>2</sub>eq emissions (Scope 2) – market-based</li> <li>› Total other indirect CO<sub>2</sub>eq emissions (Scope 3) (including purchases of products, services and equipment; employee travel; upstream and downstream transport of goods; upstream emissions related to energy; and other emissions sources)</li> <li>› Total other indirect CO<sub>2</sub>eq emissions (Scope 3 – more limited scope used for the SBTi targets)</li> <li>› 2019 emissions for each emissions source (Scope 1, Scope 2 and Scope 3)</li> <li>› CO<sub>2</sub>eq emissions per ton of linen delivered</li> </ul>	3.3

Major risks	Detailed description of the risk	Associated considerations	Key performance indicator and outcomes	Section
Risks related to energy consumption in the operations	<p>The Group mainly uses thermal energy and electricity at its industrial sites, and fuel for its vehicle fleet.</p> <p>Given the growing consideration related to energy (costs, regulations, climate), the Group is exposed to increasing risks in this area.</p> <p>The Group is thus committed to an ambitious approach to reducing energy consumption and to a transition toward less emitting energy in order to contribute to the fight against climate change.</p>	<ul style="list-style-type: none"> <li>› Minimizing our energy consumption</li> <li>› Fighting and adapting to climate change</li> </ul>	<ul style="list-style-type: none"> <li>› Ratio of thermal energy consumption of European plants per kg of linen delivered</li> <li>› % reduction in thermal energy per kg of linen delivered since 2010 (European laundries)</li> </ul>	3.3
Risk of reputation, operation and mismatch with customers' expectations of the group logistic fleet	<p>The Elis Group operates a logistics fleet to provide its services and deliver its products.</p> <p>Given the increasing regulations related to access to certain city centers, reputational concerns and growing customer expectations, there is a risk that the Group's vehicle fleet will prove inadequate.</p>	<ul style="list-style-type: none"> <li>› Minimizing our energy consumption</li> <li>› Fighting and adapting to climate change</li> </ul>	<ul style="list-style-type: none"> <li>› Number of alternative vehicles</li> </ul>	3.3.5
Risk related to business disruption due to pressure on water resources and adaptation to climate change	<p>Water is a strategic global resource and a real sustainability consideration for communities, companies and for Elis in particular.</p> <p>Furthermore, given the effects of climate change, it is possible that some extreme events will become more frequent (for example, storms, floods) or that local climate conditions will be affected over the longer term (rising temperatures, more frequent droughts, depletion of local water resources, etc.). In particular, the Group's business could be affected by the availability of water resources.</p> <p>For Elis, there are two aspects to water resource management:</p> <ul style="list-style-type: none"> <li>› limiting water consumption;</li> <li>› managing the impact of its discharges.</li> </ul> <p>Water supply is crucial to operating an industrial laundry, mainly because of the linen washing activity.</p> <p>Unlike traditional modes of consumption, the rental &amp; 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 &amp; maintenance model is able to substantially reduce water consumption compared to a solution based on purchasing and in-house laundering.</p>	<ul style="list-style-type: none"> <li>› Optimizing our use of resources and minimizing our impact on ecosystems</li> </ul>	<ul style="list-style-type: none"> <li>› Water consumption of European laundries per kg of linen delivered</li> <li>› % reduction in water consumption per kg of linen delivered between 2018 and 2030 (European laundries)</li> </ul>	3.3.3

Major risks	Detailed description of the risk	Associated considerations	Key performance indicator and outcomes	Section
Risk related to the product portfolio not meeting customers' environmental expectations	<p>Given the risks associated with resource consumption, climate change and exceeding 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 their end of life.</p> <p>The Elis Group's business model is based on the circular economy and, as such, offers products and services that have a smaller environmental impact and encourage sustainable product use and a longer product lifespan compared with more traditional approaches.</p> <p>The Group also manages these risks by working on:</p> <ul style="list-style-type: none"> <li>› the eco-design of products (incorporating recycled or alternative materials, design to recycle, etc.);</li> <li>› extending the lifespan of products (linked to circular economy principles);</li> <li>› the ability to recycle products;</li> <li>› the supply chain for its products (production method, sustainability commitments, etc.).</li> </ul>	<ul style="list-style-type: none"> <li>› Eco-designing our products and services</li> <li>› Being a circular economy player</li> <li>› Reducing and properly managing our waste</li> <li>› Working responsibly with third parties</li> </ul>	<ul style="list-style-type: none"> <li>› Share of product families with at least one collection composed of sustainable materials</li> <li>› Share of end-of-life textiles reused or recycled</li> <li>› Share of procurement spend with direct suppliers that have undergone a CSR assessment in the next three years</li> </ul>	3.3 and 3.5.3
Risk of becoming less attractive to and failing to retain employees	The Group could encounter difficulties attracting, recruiting and retaining employees in certain important positions in the context of a competitive global market.	<ul style="list-style-type: none"> <li>› Attracting and developing our employees</li> </ul>	<ul style="list-style-type: none"> <li>› Share of managers promoted internally</li> </ul>	3.4.3
Operational and reputational risk linked to a lack of diversity in our teams	The Group may experience difficulties implementing its strategies and measures for equal opportunities and diversity, which could affect its brand image, its ability to attract employees or have regulatory consequences.	<ul style="list-style-type: none"> <li>› Ensuring non-discrimination and equal opportunities</li> </ul>	<ul style="list-style-type: none"> <li>› Share of women in executive or management roles</li> </ul>	3.4.4
Reputational risk for the Group linked to poor environmental and social practices in the supply chain	The Group aims to comply with environmental and human rights regulations throughout its supply chain. However, if a supplier were to breach these regulations, the Group's reputation could be adversely affected in the long term.	<ul style="list-style-type: none"> <li>› Working responsibly with third parties</li> </ul>	<ul style="list-style-type: none"> <li>› Share of procurement spend with direct suppliers that have undergone a CSR assessment in the last three years</li> </ul>	3.5.3

Tax avoidance, bribery, anti-corruption and human rights are presented in this document in sections 3.4.5 "Respecting human and labor rights" and 3.5.4 "Continuing to integrate ethics into our business practices." However, these matters have not been identified significant risks at the date of this document.

In addition, some topics (food waste, sustainable and responsible food, food insecurity, respect for animal welfare, promotion of physical activity and sports, the use of conflict minerals and *actions*

*to promote the bond between the nation and its armed forces and support engagement in the reserves*) have not been included in this document, as they do not currently represent major concerns for the Group.

Finally, topics 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 regulations<sup>(1)</sup> are a key part of the European Commission's action plan on sustainable finance which aims at reorienting 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 a group that is subject to the requirement to publish non-financial information in accordance with Article 29a of Directive 2013/34/EU, Elis falls within the scope of Article 8 of the EU taxonomy regulation.

(1) Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088; Regulation (EU) 2023/2485 detailing additional climate activities; and Regulation (EU) 2023/2486 on the other taxonomy objectives.

Since 2021, the Group has thus disclosed information about how and to what extent its activities are "eligible." Under the EU taxonomy, an "eligible" economic activity means an economic activity that is listed and described in the delegated acts, irrespective of whether that economic activity meets any or all of the "environmental" substantial contribution technical criteria laid down in those delegated acts. The environmental goals defined in the EU taxonomy regulation are as follows: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and reduction, and protection and restoration of biodiversity and ecosystems.

As of 2023, the taxonomy reporting includes alignment of eligible activities for the climate change goals and eligibility for the other four goals. An eligible activity qualifies as "aligned," i.e. classified as environmentally sustainable, if it makes a substantial contribution to one or more of these environmental goals while meeting the criteria for substantial contribution defined by the European Commission in Regulation (EU) 2023/2486. At the same time, this economic activity must do no significant harm to one of the other environmental goals. Furthermore, these economic activities must be carried out in compliance with the minimum safeguards.

### List of eligible activities applicable to the Elis Group

In 2023, the Group worked to identify eligible activities within the meaning of the EU taxonomy for all the goals. The Group thus examined all the taxonomy-eligible economic activities in light of the activities carried out by the Group in its various regions and subsidiaries.

The Climate Delegated Act focuses primarily on the economic sectors and activities that have the greatest potential to contribute to the goal of mitigating climate change, i.e. 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.

The Group is therefore not significantly concerned by the two climate goals.

In 2023, the Group reported taxonomy-eligible revenue linked to the transition to a circular economy goal, as well as capital expenditure (hereinafter "capex") related to eligible revenue-generating activities, or to individually eligible activities performed for Elis's own climate requirements or to procurement of products and services.

The alignment analysis in 2023 covered only climate-related activities, as in 2022.

### Reporting methodology

In order to report and publish information on activities eligible for European taxonomy in 2023 and aligned with the two climate goals, 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.);
- › defined the activities and related requirements in terms of alignment and do not significant harm criteria into operational criteria for the Group's teams;

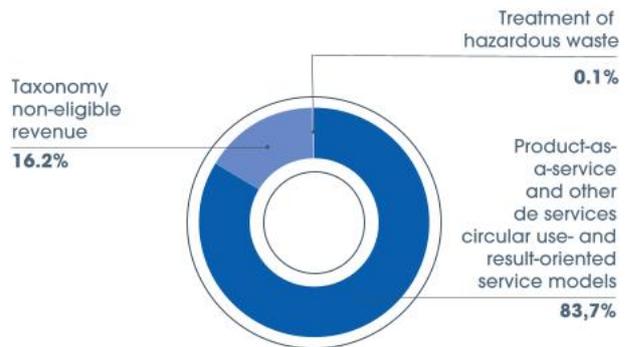
- › reviewed the applicability of minimum safeguards;
- › reviewed its industrial investments, having previously identified the capex relating to eligible activities under the regulation in 2023 (individually eligible capex or capex eligible under eligible revenue-generating activities);
- › conducted training sessions in its main languages with its key contacts in the various regions and subsidiaries;
- › supplied its subsidiaries with a reporting format 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.

### Method for calculating the indicators

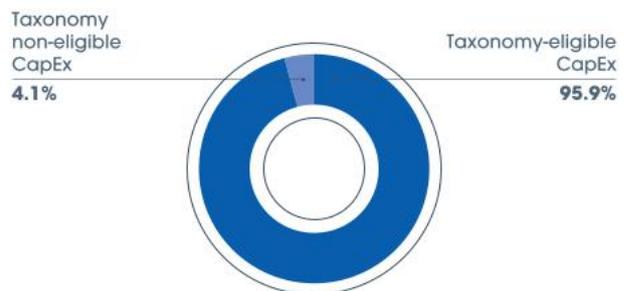
Indicators related to the proportion of taxonomy-eligible activities have been reported in accordance with the provisions set out in Annex 1 of Article 8 of Regulation 2023/2486 supplementing Regulation (EU) 2020/852. In 2023, the Group reported:

- › eligible revenue of 83.8% linked to the transition to a circular economy goal;
- › eligible capex of 95.9% consisting mainly of eligible capex related to Elis's commercial activities;
- › eligible opex is considered non significant.

### SHARE OF ELIGIBLE REVENUE BY ACTIVITY (en attente de la nouvelle infographie en français)



### SHARE OF TAXONOMY-ELIGIBLE CAPEX



## Eligible revenue

The proportion of taxonomy-eligible economic activities in total revenue is calculated as the share of net revenue derived from products and services associated with taxonomy-eligible economic activities (numerator) divided by net revenue (denominator). The revenue denominator is based on consolidated net revenue in accordance with IAS 1.82.

For more details on the accounting policies for consolidated net revenue, see chapter 6, section 6.1, Note 4.1 to the consolidated financial statements of this Universal Registration Document.

2023		Substantial contribution criteria							Do no significant harm criterion					Minimum safeguards		Proportion of aligned (A.1.) or eligible (A.2.) turnover 2022		Category enabling activity		Category transitional activity	
Code	Turnover	Share of turnover, 2023	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Y/N	%	E	T			
Economic activities	In millions of euros	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T			
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																					
<b>A.1. Environmentally sustainable activities (Taxonomy-aligned)</b>																					
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	N	N	N	N	N	N	N	0.0%					
> Of which enabling	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	N	N	N	N	N	N	N	0.0%					
> Of which transitional	0.0	0.0%							N	N	N	N	N	N	N	0.0%					
<b>A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																					
			EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL													
Product-as-a-service and other circular use- and result-oriented service models	CE55	3,606.4	83.7%	N/EL	N/EL	N/EL	N/EL	EL	N/EL							83.3%					
Treatment of hazardous waste	PPC24	3.0	0.1%	N/EL	N/EL	N/EL	EL	N/EL	N/EL							0.1%					
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	3,609.5	83.8%	0.0%	0.0%	0.0%	0.1%	99.9%	0.0%								83.4%					
<b>A. TOTAL TURNOVER OF TAXONOMY-ELIGIBLE ACTIVITIES (A.1 + A.2)</b>	<b>3,609.5</b>	<b>83.8%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.1%</b>	<b>99.9%</b>	<b>0.0%</b>								<b>83.4%</b>					
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																					
Turnover of Taxonomy-non-eligible activities (B)	699.9	16.2%																			
<b>TOTAL (A + B)</b>	<b>4,309.4</b>	<b>100%</b>																			

	Share of revenue/total revenue	
	Aligned for each objective	Eligible for each objective
Climate change mitigation (CCM)	0.0%	0.0%
Climate change adaptation (CCA)	0.0%	0.0%
Water and marine resources (WTR)		0.0%
Circular economy (CE)		83.7%
Pollution (PPC)		0.1%
Biodiversity and ecosystems (BIO)		0.0%

**Explanations and main assumptions relating to revenue**

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 goals, or of minimum safeguards.

In 2023, the Group reported taxonomy-eligible revenue linked to the transition to a circular economy goal related to eligible revenue-generating activities.

The main assumptions made by the Group in its reporting are as follows:

- › for activity 5.5 (transition to a circular economy goal): The Group takes into account revenue related to the rental of its products (flat linen, workwear, hygiene appliances, etc.), excluding consumables (paper products, cups, etc.);
- › the alignment analysis in 2023 covered only climate-related activities, as in 2022.

Capex

		2023		Substantial contribution criteria						Do no significant harm criterion									
Code	Capex	Proportion of capex, 2023	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum safeguards	Proportion of taxonomy-aligned (A.1.) or eligible (A.2.) capex, 2023	Category enabling activity	Category transitional activity	
																			In millions of euros
Economic activities																			
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																			
<b>A.1. Environmentally sustainable activities (Taxonomy-aligned)</b>																			
Electricity generation using solar photovoltaic technology	CCM4.1	0.3	0.0%	Y	NEL									Y	Y	0.0%			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM6.5	3.5	0.4%	Y	NEL									Y	Y	0.2%			
Freight transport services by road	CCM6.6	5.0	0.5%	Y	NEL									Y	Y	0.4%			
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM7.4	0.1	0.0%	Y	NEL									Y	Y	0.1%	E		
Acquisition and ownership of buildings	CCM7.7	0.0	0.0%	N	NEL									Y	Y	0.1%			
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		9.0	0.9%	1.0%	0.0%									Y	Y	0.8%			
> Of which enabling		0.1	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	0.1%	E		
> Of which transitional		0.0	0.0%						N	N	N	N	N	Y	0.0%				
<b>A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Production of heat/cool from bioenergy	CCM 4.24/CCA 4.24/CE 5.5	0.7	0.1%	EL	EL	NEL	NEL	EL	NEL							0.1%			
Production of heat/cool using waste heat	CCM 4.25/CCA 4.25/CE 5.5	3.2	0.3%	EL	EL	NEL	NEL	EL	NEL							0.3%			
Construction, extension and operation of wastewater collection and treatment	CCM5.3	0.0	0.0%	NEL	NEL	NEL	NEL	NEL	NEL							0.3%			
Renewal of wastewater collection and treatment	CCM5.4	0.0	0.0%	NEL	NEL	NEL	NEL	NEL	NEL							0.3%			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5/CCA 6.5/CE 5.5	21.2	2.2%	EL	EL	NEL	NEL	EL	NEL							1.7%			
Freight transport services by road	CCM 6.6/CCA 6.6/CE 5.5	61.6	6.3%	EL	EL	NEL	NEL	EL	NEL							4.8%			
Renovation of existing buildings	CCM 7.2/CCA 7.2/CE 3.2	12.3	1.3%	EL	EL	NEL	NEL	EL	NEL							1.1%			
Installation, maintenance and repair of energy-efficient equipment	CCM 7.3/CCA 7.3/CE 5.5	0.2	0.0%	EL	EL	NEL	NEL	EL	NEL							0.3%			
Construction and real-estate activities	CCM 7.7/CCA 7.7/CE 5.5	70.9	7.3%	EL	EL	NEL	NEL	EL	NEL							5.6%			
Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	757.1	77.6%	NEL	NEL	NEL	NEL	EL	NEL							NA			
Collection and Transport of hazardous waste	PPC2.4	0.2	0.0%	NEL	NEL	NEL	EL	NEL	NEL							NA			
Capex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		927.4	95.0%	18.3%	0.0%	0.0%	0.0%	81.6%	0.0%							14.6%			
<b>A. TOTAL CAPEX OF TAXONOMY-ELIGIBLE ACTIVITIES (A.1 + A.2)</b>		<b>936.4</b>	<b>95.9%</b>	<b>19.1%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>80.9%</b>	<b>0.0%</b>							<b>15.4%</b>			
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																			
Capex of Taxonomy-non-eligible activities (B)		39.6	4.1%																
<b>TOTAL (A + B)</b>		<b>976.0</b>	<b>100%</b>																

	Share of capex/total capex	
	Aligned for each objective	Eligible for each objective
Climate change mitigation (CCM)	0.9%	17.4%
Climate change adaptation (CCA)	0.0%	0.0%
Water and marine resources (WTR)		0.0%
Circular economy (CE)		92.4%
Pollution (PPC)		0.0%
Biodiversity and ecosystems (BIO)		0.0%

### Explanations and main assumptions relating to capex

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 goals, or of minimum safeguards.

The main assumptions made by the Group in its reporting relating to capex individually eligible under the climate goals are as follows:

- activity CCM 4.24: investments in eligible facilities that produce heat (particularly from renewable energy) have been taken into account in their entirety, including if they fulfill additional functions (for example, drying linen). 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 CCM 5.3 and CCM 5.4: in 2023, the Group applied a more restrictive interpretation for these activities and did not report investments associated with the renovation or construction of wastewater treatment systems;
- activities CCM 6.5 and CCM 6.6: as far as European vehicle regulations (e.g. Euro 6) are concerned, the Group did not consider equivalence with local regulations for this reporting. As such, the Group does not report aligned capex for these activities for its Central and South American countries;
- activity CCM 7.7: investments associated with new buildings acquired or held by the Group have been included for the eligibility analysis regardless of the energy performance of the building;
- where several eligible activities could have been selected, the expenditure was reported in a 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;
- activities CMM 4.14, CMM 6.15 and CMM 7.6 were no longer reported in 2023, as the Group reported no investments in 2022 and has no plans to invest in these activities at this stage. The Group did not report activities CCM 4.14, CCM 4.21, CCM 4.23, CCM 7.5 and CMM 8.1 as individually eligible in 2023;
- capex eligible under the climate goals is reported only for the mitigation goal in accordance with the FAQs of February 2, 2022;
- capex eligible under activities generating revenue for the transition to a circular economy goal was allocated and distributed based on the revenue eligible for these activities at the Group entity level.

For the substantial contribution criteria and the do no significant harm criteria, for the first two goals of the EU taxonomy, the Group conducted a detailed analysis of the requirements for the most significant or most representative activities: 4.1 "Electricity generation using solar photovoltaic technology," 6.5 "Transport by motorbikes, passenger cars and light commercial vehicles," 6.6 "Freight transport services by road," 7.4 "Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)" and 7.7 "Acquisition and ownership of buildings." The requirements were translated into operational terms and their applicability was reviewed by the operational or local teams.

The alignment analysis in 2023 covered only climate-related activities, as in 2022.

In accordance with the European definitions, the key performance indicator for capex is defined as capex eligible for taxonomy (numerator) divided by total capex (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 property, plant and equipment (IAS 16 – €802.60 million as shown in Note 6.3 to the 2023 consolidated financial statements), to intangible fixed assets (IAS 38 – €26.8 million as shown in Note 6.2 to the 2023 consolidated financial statements) and right-of-use assets (IFRS 16 – €132.6 million as shown in Note 6.4 to the 2023 consolidated financial statements). Additions resulting from business combinations are also included (€13.9 million as shown in Note 2.4 to the 2023 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 opex

In accordance with the European definitions, the key performance indicator for opex is defined as opex eligible for taxonomy divided by total opex. Total opex 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 the premises and production equipment for industrial laundries and distribution vehicles. Maintenance costs for capitalized linen were not included in the taxonomy's definition of opex.

Given the nature of the Group's business, opex that meets the taxonomy's definition is €244.9 million, i.e., less than 7% of the Group's operating expenses. The Group therefore chose to use the exemption provided for in the regulation in light of the low materiality of opex within the meaning of the taxonomy.

2023		Substantial contribution criteria						Do no significant harm criterion						Minimum safeguards			
Code	Opex	Proportion of opex, 2023	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) opex, 2023	Category enabling activity	Category transitional activity
	In millions of euros	%	Y; N; NEL	Y; N; NEL	Y; N; NEL	Y; N; NEL	Y; N; NEL	Y; N; NEL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
<b>Economic activities</b>																	
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																	
<b>A.1. Environmentally sustainable activities (Taxonomy-aligned)</b>																	
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	N	N	N	N	N	N	0.0%		
› Of which enabling	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	N	N	N	N	N	N	0.0%		
› Of which transitional	0.0	0.0%							N	N	N	N	N	N	0.0%		
<b>A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																	
Opex of taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%							0.0%		
<b>A. TOTAL OPEX OF TAXONOMY-ELIGIBLE ACTIVITIES (A.1 + A.2)</b>	<b>0.0</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>									
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																	
Opex of Taxonomy-non-eligible activities (B)	244.9	100.0%															
<b>TOTAL (A + B)</b>	<b>244.9</b>	<b>100.0%</b>															

	Proportion of opex/total opex	
	Aligned for each objective	Eligible for each objective
Climate change mitigation (CCM)	0.0%	0.0%
Climate change adaptation (CCA)	0.0%	0.0%
Water and marine resources (WTR)		0.0%
Circular economy (CE)		0.0%
Pollution (PPC)		0.0%
Biodiversity and ecosystems (BIO)		0.0%

### Explanations and main assumptions relating to opex

Taking a conservative approach, the Group did not consider linen maintenance in its definition of opex in 2023.

### Minimum safeguards

To confirm compliance with the minimum safeguards, the Group relies on the processes in place to ensure compliance with human rights and corruption regulations (Duty of Vigilance, Sapin II, etc.) and with its ethics and tax policy practices. This program represents the minimum reference framework for ethics and is intended to be implemented across all Group entities and activities. These are described in more detail in section 3.5.3

“Working responsibly with third parties” and section 3.5.4 “Continuing to integrate ethics into our business practices.” The metrics defined by the European Commission in its FAQ of June 2023 (2023/C 211/01) are presented in section 3.6.6 “Cross-reference tables: GRI, TCFD, Global Compact, SASB, SFDR.”

In 2023, neither the Group nor its directors were convicted of a criminal offense within the meaning of the minimum safeguards in the countries in which it operates.

## 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 2023:



- › Elis achieved gold in the EcoVadis questionnaire in 2023 and thus maintained its excellent score of 75/100. With this award, the Group confirms its commitment to its customers, partners and employees as well as its rank among the highest-rated companies in its business sector. Elis’s CSR strategy thus meets EcoVadis’s assessment criteria, which are based on international standards and four CSR themes (Environment, Labor & Human Rights, Ethics, Sustainable Procurement).

This medal positions the Group in the top 5% of the approximately 100,000 companies assessed by EcoVadis.



- › The Group achieved an A- on the climate questionnaire conducted by the Carbon Disclosure Project (CDP). The CDP is a non-profit organization that carries out independent assessments (with ratings ranging from D- to A Leadership) 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). In 2023, the Elis Group was on the CDP Supplier Engagement Rating (B score). This rating highlights the Group’s long-term climate efforts and commitment.



- › In 2023, Sustainalytics maintained Elis’s “low risk” rating with a score of 17.



- › In 2023, the MSCI rating agency upgraded the Group’s ESG rating from BBB to A. This move recognizes the Group’s commitment to CSR and its continued progress.



- › In 2023, Elis’s performance was assessed by the EtiFinance ESG Ratings rating agency (formerly Gaïa). The Group improved its score again to 75 (from 73 in 2022) and was thus awarded a gold medal.

## 3.6.4 Details of Group performance

### Summary of environmental information

	Unit	Group 2023	Group 2022	Group 2021
<b>Scope</b>				
Gross revenue of sites within the scope	Millions of euros	3,915.2	3,469.1	3,047.6
Number of sites included in the scope	Number of sites	466	434	425
Product-as-a-service share of the Group's revenue	%	84	83	
<i>Of which flat linen</i>	%	41		
<i>Of which workwear, cleanroom</i>	%	31		
<i>Of which washroom</i>	%	4		
<i>Of which beverages</i>	%	1		
<i>Of which floor protection</i>	%	6		
<i>Of which Industrial wiping, medical waste management</i>	%	1		
<b>General environmental policy</b>				
ISO 50001 certified sites	Number of sites	28	27	78
ISO 14001 certified sites	Number of sites	162	146	141
% of industrial sites that are ISO 14001-certified <sup>(c)</sup>	%	46	39	39
Amount of expenses for work to achieve compliance	Millions of euros	7.5	8.7	8.1
Amount of environmental provisions and guarantees	Millions of euros	77.8	73.4	71.2
Amount of compensation paid for environmental litigation	Millions of euros	0	0	0
<b>Pollution prevention and waste management</b>				
Total amount of waste generated	Tons	48,243	41,390	37,925
Share of waste recovered	%	69	63	60
Amount of hazardous waste generated	Tons	6,891	7,173	6,766
Amount of hazardous waste in tons per million euros	Tons/millions of euros <sup>(c)</sup>	1.60		
Hazardous waste as a share of total waste	%	14	17	18
Proportion of hazardous waste recovered	%	68	71	42
Amount of non-hazardous waste generated	Tons	41,352	34,217	31,159
Proportion of non-hazardous waste recovered	%	69	62	64
<b>Sustainable use of resources</b>				
Total volume of water consumed	Millions of m <sup>3</sup>	16.7	15.8	14.4
Water consumption per kg of linen delivered (all Group sites)	L/kg	8.3	8.5	9.0
Water consumption in liters per euro	L/€ <sup>(c)</sup>	3.87		
Proportion of water from a public source	%	49	48	47
Proportion of groundwater	%	49	50	51
Proportion of surface water	%	2	2	2
Volume of industrial effluents discharged	Millions of m <sup>3</sup>	14.4	13.7	12.3
Volume of industrial effluents treated	Millions of m <sup>3</sup>	14.4	13.7	12.3
Proportion of industrial effluents treated in municipal treatment facilities	%	90	90	90
Proportion of industrial effluents treated in-house before discharge into the natural environment	%	10	10	10
Total energy consumption (excluding vehicles)	MWh (HHV)	2,878,967	2,664,806	2,433,931
Total consumption of energy from fossil sources	MWh	2,674,427		
Total consumption of energy from nuclear sources	MWh	97,701		
Electricity consumption (sites and vehicles)	MWh	362,737	330,936	300,357
Consumption of renewable energy (thermal)	MWh (HHV)	475,557	488,671	497,458
Consumption of natural gas/propane/butane	MWh (HHV)	1,968,555	1,770,962	1,555,254
Consumption of fuel oil (excluding fuel for vehicles)	MWh (HHV)	47,194	39,514	43,497
Consumption of other energy sources	MWh (HHV)	29,748	33,986	40,471
Total fuel consumption for vehicles (deliveries and services)	Thousands of liters	51,371.6	47,810.8	43,560.7
Gasoline consumption	Thousands of liters	2,588.1	1,317.2	933.0

	Unit	Group 2023	Group 2022	Group 2021
Diesel consumption	Thousands of liters	48,308.7	45,962.9	42,178.0
Thermal energy consumption per kg of linen delivered (all Group sites)	kWh/kg	1.25	1.25	1.34
Generation of non-renewable energy	MWh	12,715		
Generation of renewable energy	MWh	1,556		
<b>Fight against climate change</b>				
Direct GHG emissions – Scope 1	ktCO <sub>2</sub> eq	498.9	450.3	413.8
Indirect GHG emissions – Scope 2 (location-based)	ktCO <sub>2</sub> eq	67.2	53.8	54.3
Indirect GHG emissions – Scope 2 (market-based)	ktCO <sub>2</sub> eq	108.2	86.8 <sup>(e)</sup>	76.5
Indirect GHG emissions – Scope 3 Baseline 2019: 1,403.8 ktCO <sub>2</sub> eq	ktCO <sub>2</sub> eq	1,370.5	1,340.9	1,500 <sup>(b)</sup>
Indirect GHG emissions – Scope 3 (for the scope used for the SBTi targets) Baseline 2019: 1,010.9 ktCO <sub>2</sub> eq	ktCO <sub>2</sub> eq	974.6	1,035.8	
Total GHG emissions – Scope 1 and 2 (location-based)	ktCO <sub>2</sub> eq	566.1	504.1	468.2
Total GHG emissions – Scope 1 and 2 (market-based) Baseline 2019: 711.3 ktCO <sub>2</sub> eq <sup>(c)</sup>	ktCO <sub>2</sub> eq	607.1	537.1 <sup>(e)</sup>	
Total GHG emissions – Scope 1, 2 (market-based) and 3	ktCO <sub>2</sub> eq	1,977.6	1,877.8 <sup>(e)</sup>	
Total GHG emissions – Scope 1, 2 (location-based) and 3	ktCO <sub>2</sub> eq	1,936.6	1,845.0	
Change in direct and indirect emissions (Scopes 1 & 2 market-based) since 2019	%	-15%	-15% <sup>(e)</sup>	
Change in other indirect emissions (Scope 3) since 2019	%	-2%	-0.29%	
Change in other indirect emissions (Scope 3; for the scope used for the SBTi targets) since 2019	%	-3.6%	10%	
CO <sub>2</sub> eq intensity (Scopes 1, 2 (location-based) and 3) per euro of revenue	tCO <sub>2</sub> eq/€ <sup>(d)</sup>	0.00045	0.00048	
CO <sub>2</sub> eq intensity (Scopes 1, 2 (market-based) and 3) per euro of revenue	tCO <sub>2</sub> eq/€ <sup>(d)</sup>	0.00046	0.00049	

(a) Industrial sites are defined as production or manufacturing sites.

(b) Scope 3 emissions were estimated in 2021 based on the carbon footprint for France. In 2022, significant work was done on all sources and across the entire scope of the Group to define Scope 3 emissions for 2019 and 2022 and establish a methodology for subsequent years.

(c) Emissions for 2019 have been recalculated to account for some recent acquisitions.

(d) The Group's financial information is detailed in section 5.2.3 "Income statement analysis for the financial year ended December 31, 2023."

(e) Data modified in 2023 due to adjustments to the 2022 emissions factors.

In 2023, the calculation methodology for product-as-a-service revenue was revised to align with the taxonomy regulation. Certain activities and the consumables for certain products were therefore not included.

## Summary of social information

	Unit	Group 2023	Group 2022	Group 2021
<b>Total workforce</b>	<b>Number of employees</b>	<b>55,770</b>	<b>51,343</b>	<b>48,738</b>
<b>Permanent workforce</b>		<b>49,510</b>	<b>45,126</b>	<b>42,292</b>
Permanent female workforce		25,508	23,428	22,292
Permanent male workforce		24,002	21,698	20,000
Permanent executives or managers		4,100	3,718	3,592
Permanent female executives or managers		1,426	1,262	1,213
<b>Non-permanent workforce</b>		<b>6,260</b>	<b>6,217</b>	<b>6,446</b>
Non-permanent female workforce		3,072		
Non-permanent male workforce		3,188		
Total workforce – France		13,145	12,994	12,385
Total workforce – Europe (excluding France)		27,044	26,148	24,135
Total workforce – Latin America		15,581	12,201	12,218
Permanent workforce aged 17 or under as at December 31		19	33	45
Permanent workforce aged 18-29 as at December 31		8,982	7,542	7,114
Permanent workforce aged 30-49 as at December 31		24,277	22,526	21,294
Permanent workforce aged 50 years and over as at December 31		16,232	15,025	13,839
<i>Based on the social reporting scope</i>				
<b>Number of new permanent hires</b>		<b>15,997</b>	<b>15,728</b>	<b>13,070</b>
Hiring rate in the permanent workforce <i>New permanent hires as a proportion of workforce as at December 31</i>	%	32	30.6	26.8
New permanent female hires	Number of employees	7,381	6,959	5,786
New permanent male hires	Number of employees	8,615	8,769	7,284
New permanent hires aged 17 years or under	Number of employees	32	46	157
New permanent hires aged 18-29 years	Number of employees	5,993	6,005	5,424
New permanent hires aged 30-49 years	Number of employees	7,754	7,558	5,970
New permanent hires aged 50 and over as at December 31	Number of employees	2,218	2,119	1,519
New permanent hires in France	Number of employees	2,981	2,956	1,764
New permanent hires in Europe (excl. France)	Number of employees	6,942	7,745	5,458
New permanent hires in Latin America	Number of employees	6,074	5,027	5,848
Number of departures in the permanent workforce <i>Permanent employee(s) who leave the organization voluntarily</i>	Number of employees	7,753	6,863	6,436
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>	%	16.4	16.1	10.4
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>	%	19.6	20.5	17.5
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>	%	30.2	29.7	34.7
Departures in the permanent workforce in France	Number of employees	1,282	1,220	817
Departures in the permanent workforce in Europe (excluding France)	Number of employees	3,315	2,997	2,998
Departures in the permanent workforce in Latin America	Number of employees	3,156	2,646	2,621
Departure rate <i>Departures of employees who leave voluntarily as a proportion of the workforce as at December 31</i>	%	13.9	13.4	13.21

	Unit	Group 2023	Group 2022	Group 2021
<b>Compensation</b>				
	<b>Euros</b>			
Fixed and variable compensation, collective and individual		1,060,169,577 <sup>(a)</sup>	1,052,976,326	897,722,964
Of which individual and collective bonuses and discretionary profit-sharing		24,907,212	19,375,983	15,463,972
<b>Organization of work</b>				
	%			
Proportion of full-time permanent employees		94.9	94.4	93.50
<b>Proportion of part-time permanent employees</b>				
Absenteeism rate		5.1	5.6	6.50
Number of absences shorter than seven days (paid or unpaid)	Number	123,695	185,988	106,561
Average number of training days per employee				
Number of training days in proportion to the permanent and non-permanent workforce	Number	1.85	1.44	1
<b>Workplace accidents</b>				
Number of fatal accidents		0 <sup>(b)</sup>	0	0 <sup>(b)</sup>
Number of lost-time accidents		1582	1,580	1,370
Frequency rate				
<i>[Number of lost-time accidents (excluding commuting accidents) relative to the number of hours worked during the year] x 1,000,000</i>		14.97	17.02	15.84
Frequency rate in Europe (including France)		16.34	19.36	17.97
Frequency rate in Latin America		11.59 <sup>(c)</sup>	9.68	10.24
Accident severity rate				
<i>[Number of calendar days off related to lost-time accidents with more than one day off (excluding commuting accidents) relative to the number of hours worked during the year] x 1,000</i>		0.67	0.72	0.67
Severity rate in Europe (including France)		0.86	0.88	0.85
Severity rate in Latin America		0.19 <sup>(d)</sup>	0.22	0.20

(a) Data excluding the United Kingdom.

(b) In 2021, a Group employee regrettably passed away after falling ill during a work break. In 2023, a Group employee regrettably passed away after falling ill.

(c) In 2023, the performance included recent acquisitions (e.g., Mexico).

(d) In 2023, the performance included recent acquisitions (e.g., Mexico).

## 3.6.5 Methodology note

### Reporting period

The reporting period covered by this Universal Registration Document is January 1 to December 31, 2023.

### General information

The Group's non-financial performance indicators have been defined on the basis of its activities and its social, societal and environmental considerations. They are used to monitor the Group's operational performance and its progress in each area. Their definition is based on current standards, whenever possible, or on the Group's industrial practices (e.g., performance on the basis of a kg of linen delivered).

The CSR Department is responsible for coordinating the quantitative and qualitative reporting with its various internal stakeholders, updating the non-financial performance statement, and coordinating the independent third party responsible for the verification work. It ensures the overall consistency of the reporting and compliance with the related regulations. CSR indicator reporting is led by a network of internal contributors who may call on their local experts.

To the extent possible, the indicators are presented with two years of historical data to make it easier for stakeholders to understand and analyze the performance.

The Group prefers quantitative data based on actual data, but estimates may be made, if necessary, to fill in missing information (e.g., a missing invoice).

### Organization of reporting and internal control

The reporting protocol, which is updated every year, details and clarifies the collection, calculation and consolidation rules. This document is shared with the main contributors and covers the organization, methodology, risk analysis, structure and scope of the CSR reporting data. Specific protocols may be developed by theme or indicator, as is the case for the environment and for social topics.

The calculation, measurement and analysis methods comply with the appropriate national and international frameworks and standards, where applicable. In particular, the Group uses the GHG Protocol as its reference for climate-related indicators.

### Social reporting

The human resources reporting protocol defines all the social indicators and their method of calculation. It is distributed to the contributors in the countries that carry out the reporting using a dedicated group tool. Internal controls are performed at the country and Group level to make sure the data are reliable, and include consistency and/or variation checks. Analyses are conducted to investigate any significant discrepancies. The Group human resources teams consolidate the qualitative data and information collected and update the relevant sections of the Universal Registration Document in close collaboration with the CSR Department.

### Environment reporting

The environment reporting protocol defines all the environmental indicators and their method of calculation, and describes the main controls performed. It is distributed to the Group's sites in the countries that carry out the reporting using a dedicated internal tool. Internal controls are performed at the site, country and Group level to make sure the data are reliable, and include consistency and/or variation checks. Analyses are conducted to investigate any significant discrepancies. The environment team also relies on

industrial and operational data from other business lines (logistics, WECO, etc.) to prepare its reporting. These data are subject to specific controls by these business line teams. The environment team consolidates the main quantitative data and qualitative information collected and updates the relevant sections of the Universal Registration Document in close collaboration with the CSR Department.

The emissions factors related to energy consumption are those provided by ADEME, the International Energy Agency or the Association of Issuing Bodies (AIB) and are revised every year.

For scope 3, the Group uses a tool developed by a specialized consulting firm using ADEME's emissions factors, as well as other large databases (e.g., Ecolnvent). The CSR Department reports, consolidates and reviews the data using data communicated by the countries and the business line contributors or that it has extracted from the Group's information systems. The Group prefers physical data to monetary data in order to ensure greater accuracy in calculating emissions. However, some data are extrapolated in order to cover all of the Group's scopes. In the coming years, the Group will work to specify these data to reduce their inherent uncertainty.

### Other indicators

Other indicators may be collected from internal contributors for the CSR reporting. These data may be collected with specific tools used to monitor operational performance (industrial, commercial, and health and safety performance, among others) or with Excel tools.

With regard to the goal of offering at least one collection composed of sustainable materials for each product family, the Group considers certified materials (e.g. Cradle-to-Cradle, EU Ecolabel, GOTS, BCI, Max Havelaar/Fairtrade, GRS, etc.) and alternative materials (recycled, or listed as preferred options by Textile Exchange) to be sustainable materials. For the Pest control activity, the activity or the service is included in the indicator when it is nature-based (e.g., predation), if the container is made from recycled, natural or alternative materials or, lastly, if the product does not contain chemicals or biocides, or is accepted in organic agriculture.

### Indicator reporting scope

The non-financial performance statement applies to all of Elis's business, including all of its subsidiaries in all countries of operation.

Entities acquired or formed in 2023 (Center Lav Servicio de Lavandería in Brazil, Lavendarias Monica in Portugal, Systema Ambiente and Gruppo Indaco in Italy, Compañía de Tratamientos Levante in Spain, PEVI and Terrana in the Czech Republic, Servicetex and Miettex in Germany, Herr Entrematta in Sweden, and the following seven companies in France: SOS Termites, 3D - Désinfection, Dératisation et Désinsectisation, Alpes 3D, Ain Anti-nuisibles, Haute-Savoie Anti-nuisibles, Savoie Anti-nuisibles, and Bio Pest Services) are excluded from the 2023 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 2025 reporting at the latest to ensure the integration of the acquired entities, the implementation of the reporting processes and the collection of reliable data.

Where applicable, new entities have been included in the 2023 reporting scope due to acquisitions made in previous years, as is the case for Mexico. The environmental and HR data therefore include the entities in Mexico in 2023. In that case, the Group's emissions in 2019, the baseline year for its climate-related goals, are recalculated.

A few minor logistics sites have been excluded from the scope of environmental reporting, as they have no staff and no vehicles.

### 3.6.6 Cross-reference tables: GRI, TCFD, Global Compact, SASB, SFDR

Chapter 3 of the Universal Registration Document follows the guidelines and main recommendations of the 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.

In addition, for 2023 the Elis Group is publishing a cross-reference table with information required under the SFDR (Sustainable Finance Disclosure Regulation).

Detailed cross-reference tables are presented on the following pages to meet the growing expectations of the Group's stakeholders.

#### GRI cross-reference table

The Group complies with the core option of the Global Reporting Initiative (GRI) framework<sup>(1)</sup>.

To illustrate compliance and demonstrate that this report has been prepared in accordance with the GRI, the cross-reference table below includes the general and specific disclosures related to the Group's most material aspects and provides references to the appropriate chapters or sections of the document.

The Group's most material aspects (presented in 3.6.1 "Non-financial performance statement") are thus cross-referenced with the GRI's specific disclosures:

Major risks	Cross-referencing with specific GRI elements
Risks related to climate change	Emissions (305)
Risks related to energy consumption (including the vehicle fleet)	Energy (302)
Risks related to water resources	Water and effluents (303)
Risks related to the product portfolio	Materials (301)
Risks related to human resources (attraction and retention)	Employee recruitment and retention (401)
Risks linked to human resources (diversity)	Diversity and equal opportunities (405)
Risks related to the value chain	Procurement practices (204), Supplier Environmental Assessment (308) and Supplier Social Assessment (414)

(1) Most recent version available at [www.globalreporting.org](http://www.globalreporting.org)

## GENERAL INFORMATION

GRI Source	Topic	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	Geographical locations of the business sites	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 workforce	3.1
102-9	Organization 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	Supplier Code of Conduct, Code of Ethics, CSR policy, QHSE policy
102-13	Membership of national or international associations	3.3.1
102-14	Statement from senior decision-maker about the relevance of sustainability to the organization and its strategy	3.1
102-16	Values, principles, standards, and norms of behavior in the organization, such as Codes of Conduct and Ethics Codes	1.1; 3.1; 3.2; 3.5.3; 3.5.4
102-18	Governance structure of the organization, including committees of the highest governance body	1.4, 3.2.1
102-40	List of stakeholder groups with which the organization is in dialog	3.2.2
102-41	Percentage of total employees covered by collective bargaining agreements	3.4.1
102-42	Basis for identifying and selecting stakeholders with whom to establish dialog	3.2.2
102-43	Approach to stakeholder engagement	3.2.2
102-44	Key considerations and concerns raised	3.2.2
102-45	Entities included in the consolidated financial statements, including reasons for exclusion	3.6.5; 6.1.7 (Notes 2 and 11)
102-46	Defining report content and aspect boundaries	3.6.6
102-47	List of material aspects	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, 2023 to December 31, 2023
102-51	Date of most recent report published, where applicable	2022
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report or its content	sustainability@elis.com
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	Topic	Reference
<b>204 - Procurement Practices</b>		
204-1	Proportion of local purchases (where local means Europe)	3.5.5; 3.5.3
<b>301 - Materials</b>		
301-3	Products and packaging materials recovered	3.3.1; 3.3.4
<b>302 - Energy</b>		
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
<b>303 - Water and Effluents</b>		
303-1	Interactions with water as a shared resource	3.3.3
<b>305 - Emissions</b>		
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
<b>308 - Supplier Environmental Assessment</b>		
308-1	New suppliers that were screened using environmental criteria	3.5.3
<b>401 - Employee recruitment and retention</b>		
401-1	New employee hires and employee turnover	3.4.3, 3.6.4
<b>405 - Diversity and Equal Opportunity</b>		
405-1	Diversity of governance bodies and employees	1.4, 2.1.2, 3.4.4
<b>414 - Supplier Social Assessment</b>		
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<sup>(1)</sup> recommendations is presented below. This document, and section 3.3.6 "Fighting and adapting to climate change" in particular, is meant to cover key elements of these recommendations. Elis also communicates on how the Group is addressing climate considerations by responding to the Carbon Disclosure Project (CDP), a platform aligned with both best practices in climate reporting and the Task Force on Climate-related Financial Disclosure's (TCFD) recommendations.

In 2023, the Elis Group received an A- rating on the CDP's climate questionnaire. In 2024, the Group will continue to improve its reporting to more effectively meet the recommendations of the TCFD.

The Elis Group's response to the CDP also gives more detail on some of the items.

Themes	Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)	Status	Cross-reference
<b>Governance</b>	Describe the board's oversight of climate-related risks and opportunities	Level 2	3.3.6
	Describe management's role in assessing and managing climate-related risks and opportunities	Level 3	3.3.6
<b>Strategy</b>	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Level 2	3.3.6
	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Level 1	3.3.6
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Level 1	3.3.6
<b>Risk management</b>	Describe the organization's processes for identifying and assessing climate-related risks	Level 2	3.3.6, 3.6.1
	Describe the organization's processes for managing climate-related risks	Level 1	3.3.6
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Level 2	3.3.6
<b>Performance and goals</b>	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Level 1	3.3.6, 3.6.1
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Level 3	3.3.6
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Level 3	3.3.6

Level 1: achieved and to be further developed in the coming years <-> Level 3: advanced.

### Table for cross-referencing with the United Nations Global Compact

The Group has been a signatory of the Global Compact for more than 10 years. As such, the Group issues a Communication on Progress (CoP) each year, which is published<sup>(2)</sup> on the United Nations website. Since 2023, the Group's Communication on Progress has been aligned with the United Nations' new reporting requirements, which aim to

provide a better understanding of companies' performance and progress on each commitment. A cross-reference table is presented below, however, to reconcile the major categories for aspects with the sections of this report.

Category	Principles of the United Nations Global Compact	Sections
<b>Human Rights</b>	1 Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence.	3.4.5, 3.5.3, 3.5.4
	2 Businesses should make sure that they are not complicit in human rights abuses.	3.4.5, 3.5.3, 3.5.4
<b>Labor</b>	3 Businesses 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, 3.5.4
	4 Businesses should uphold the elimination of all forms of forced and compulsory labor.	3.4.5, 3.5.3, 3.5.4
	5 Businesses should uphold the effective abolition of child labor.	3.4.5, 3.5.3, 3.5.4
	6 Businesses should uphold the elimination of discrimination in respect of employment and occupation.	3.4.4, 3.4.5, 3.5.3, 3.5.4
<b>Environment</b>	7 Businesses 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 sustainable technologies.	3.3
<b>Anti-corruption</b>	10 Businesses should work against corruption in all its forms, including extortion and bribery.	3.5.3, 3.5.4

(1) Recommendations available at <https://www.fsb-tcfid.org/recommendations/>  
 (2) <https://www.unglobalcompact.org/what-is-gc/participants/4327>

### SASB cross-reference table

The Group provides a cross-reference table for the Sustainable Accounting Standards Board (SASB) reporting framework to meet the growing demands of its stakeholders. Because of the specific nature of the Group's activities, based on the circular business model, the Group does not fit into any specific category defined by the SASB<sup>(1)</sup>. The Group has therefore chosen the following two sectors as the most representative:

- › apparel, accessories & footwear;
- › household personal products.

The cross-reference table between the SASB reporting requirements and the reporting in this chapter is presented below. The Group will continue to work in the coming years to publish additional information, in particular in relation to revenue from certain types of product rentals:

Aspect (SASB)	Topic (SASB)	Indicator (SASB)	Code	Section
<b>Water &amp; wastewater management</b>	Water management	(1) Total water withdrawn, (2) total water consumed, percentage of each 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	3.3.3 Optimizing our use of resources and minimizing our impact on ecosystems
<b>Product Quality and Safety</b>	Management of chemical substances in products	Discussion of processes to ensure compliance with the regulations on restricted substances	CG-AA-250a.1	The Group conducts regular monitoring through its teams and professional associations.
		Discussion of processes for the assessment and management of risks and/or hazards associated with chemicals contained in products	CG-AA-250a.2	3.2; 3.3.1 Furthermore, the Supplier Code of Conduct applies to all Group suppliers (direct, indirect and industrial), whether new or existing partners. In addition, the master 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.
	Product environmental, health, and safety performance	Revenue from products that contain REACH substances of very high concern (SVHC)	CG-HP-250a.1	Commitment from third parties to comply with REACH and to not use substances of very high concern (SVHC), mainly by signing the Code of Conduct and a specific appendix
		Revenue from products that contain substances on the California DTSC Candidate Chemicals List	CG-HP-250a.2	Not applicable (not operating on the US market)
		Discussion of 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
		Revenue from products designed with green chemistry principles	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
<b>Product Design &amp; Lifecycle Management</b>	Packaging lifecycle management	(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 throughout its lifecycle	CG-HP-410a.2	3.3.1; 3.3.2; 3.3.3

(1) Standard available at <https://www.sasb.org/standards/download/>

Aspect (SASB)	Topic (SASB)	Indicator (SASB)	Code	Section
<b>Supply chain management</b>	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 agreement	CG-AA-430a.1	The percentage of procurement spend with direct suppliers that have undergone a CSR assessment is shown in section 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 from the Sustainable Apparel Coalition (SAC) or an equivalent environmental data assessment	CG-AA-430a.2	The percentage of procurement spend with direct suppliers that have undergone a CSR assessment is shown in section 3.5.3
	Labor conditions in the supply chain	Percentage of (1) Tier 1 supplier facilities and (2) supplier facilities beyond Tier 1 that have been audited to a Labor Code of Conduct, (3) percentage of total audits conducted by a third-party auditor	CG-AA-430b.1	The percentage of procurement spend with direct suppliers that have undergone a CSR assessment is shown in section 3.5.3
		Priority non-compliance rate and associated corrective measures rate for suppliers' Labor Code of Conduct audits	CG-AA-430b.2	The percentage of procurement spend with direct suppliers that have undergone a CSR assessment is shown in section 3.5.3
		Description of the greatest (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; 3.5.4; 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
<b>Raw materials sourcing &amp; Performance</b>	Raw materials sourcing	Description of environmental and social risks associated with sourcing priority raw materials	CG-AA-440a.1	3.3.2; 3.3.3; 3.5.3; 3.5.4
		Percentage of raw materials third-party certified to an environmental and/or social sustainability standard, 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

### Cross-reference table with the information required under the SFDR (Sustainable Finance Disclosure Regulation).

For 2023, the Elis Group is providing the first cross-reference table for some of the information required under the SFDR regulation. With the sustainability report required by the CSRD, more topics will be covered in the coming years.

Themes	Indicators (PAIs)	Performance indicators	Section
<b>Greenhouse gases (GHG)</b>	GHG emissions	<ul style="list-style-type: none"> <li>Direct CO<sub>2</sub>eq emissions (Scope 1) (ktCO<sub>2</sub>eq)</li> <li>Indirect CO<sub>2</sub>eq emissions (Scope 2) (ktCO<sub>2</sub>eq) – location-based</li> <li>Indirect CO<sub>2</sub>eq emissions (Scope 2) (ktCO<sub>2</sub>eq) – market-based</li> <li>Other indirect CO<sub>2</sub>eq emissions (Scope 3) (ktCO<sub>2</sub>eq)</li> </ul>	3.3.6 Fighting and adapting to climate change 3.6.4 Details of Group performance
	Carbon footprint	<ul style="list-style-type: none"> <li>Total CO<sub>2</sub>eq emissions (Scopes 1, 2 and 3)</li> </ul>	3.3.6 Fighting and adapting to climate change 3.6.4 Details of Group performance
	GHG intensity	<ul style="list-style-type: none"> <li>CO<sub>2</sub>eq intensity (Scopes 1, 2 (location-based) and 3) per euro of revenue</li> <li>CO<sub>2</sub>eq intensity (Scopes 1, 2 (market-based) and 3) per euro of revenue</li> </ul>	3.3.6 Fighting and adapting to climate change 3.6.4 Details of Group performance
	Exposure to companies active in the fossil fuel sector	Not applicable	
	Share of non-renewable energy consumption and production	<ul style="list-style-type: none"> <li>Total consumption of energy from fossil sources</li> <li>Total consumption of energy from nuclear sources</li> <li>Generation of non-renewable energy</li> </ul>	3.3.5 Minimizing our energy consumption 3.6.4 Details of Group performance
	Energy consumption intensity per high-impact climate sector	The Elis Group does not report revenue related to a high-impact climate sector	
<b>Water</b>	Water consumption	Water consumption in liters per euro	3.3.3 Optimizing our use of resources and minimizing our impact on ecosystems 3.6.4 Details of Group performance
<b>Waste</b>	Hazardous waste ratio	Amount of hazardous waste in tons per million euros	3.3.4 Reducing and properly managing our waste 3.6.4 Details of Group performance
<b>Social, human rights and anti-corruption indicators</b>	Violations of UN Global Compact principles and Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises	No violations	3.5.3 Working responsibly with third parties 3.5.4 Continuing to integrate ethics into our business practices 6.1.7 (Note 7.2 Contingent liabilities)
	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	<ul style="list-style-type: none"> <li>Whistleblowing system</li> <li>Vigilance plan</li> <li>Global compliance program and related procedures (anti-corruption and compliance)</li> <li>Group Code of Ethics</li> </ul>	3.5.4 Continuing to integrate ethics into our business practices 4.2 Elis Group's internal control and risk management system 4.4 Vigilance plan
	Unadjusted gender pay gap	<ul style="list-style-type: none"> <li>No controversies or violations identified</li> </ul>	3.4 Our people
	Board gender diversity	40% women on the Supervisory Board	2.1 Governance
	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Not applicable	

## 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

### (For the year ended December 31, 2023)

In our capacity as the Statutory Auditor of Elis (the "Company") appointed as an independent third party, the "third party", and accredited by Cofrac (Cofrac Inspection Accreditation No. 3-1862, Rev. 1, the scope of which is available at [www.cofrac.fr](http://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, prepared in accordance with the Company's procedures (the "Reporting Framework"), for the financial year ended December 31, 2023 (the "Disclosures" and the "Statement" respectively), 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

Management's role is 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 the disclosures required under Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- › prepare the Statement by applying the Company's aforementioned Reporting Framework; and
- › 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 the Management Board.

### 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 (reported or extrapolated) made pursuant to Article R. 225-105(I)(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 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 avoidance);
- › 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, in particular the technical opinion of the French Association of Statutory Auditors, *Engagement of the Statutory Auditors – Engagement of the Independent Third Party – Non-financial performance statement*, in lieu of an audit program, and international standard ISAE 3000 (revised) – *Assurance engagements other than audits or reviews of historical financial information*.

### Independence and quality control

Our independence is defined by the provisions of Article L. 821-28 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 December 2023 and February 2024 over a total engagement period of seven weeks.

We were assisted in our work by our specialists in sustainability and corporate social responsibility. We conducted 18 interviews with the persons responsible for preparing the Statement, who were mainly from the CSR; Human Resources; Environment; Purchasing; and Water, Energy and Chemical (WECO) Engineering departments.

## Our 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

3

### 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 avoidance and includes, where applicable, an explanation of the reasons for not including the information required by the second paragraph of Article L. 225-102-1 (III);
- › we verified that the Statement contains the information required under Article R. 225-105 (II) where relevant in view of the main risks;
- › 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 which we performed our work at the level of the parent company;
- › 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, where applicable with the limits specified in the Statement;
- › 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 at the level of the parent company and on a selection of contributing entities, namely the Nîmes plant (France), the Bordeaux plant (France) and the Helsingborg plant (Sweden), and covers between 25% and 27% 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 6, 2024

One of the Statutory Auditors

**PricewaterhouseCoopers Audit**

Bardadi Benzeghadi  
Partner

Aurélie Castellino  
Sustainability Reporting Partner

**Appendix: List of CSR information that we considered to be the most material****Key performance indicators and other quantitative results for the financial year ended December 31, 2023**

- › Change in direct and indirect emissions (Scopes 1 & 2 market-based) since 2019;
- › Change in other indirect emissions (Scope 3) since 2019;
- › Change in other indirect emissions (Scope 3 – scope used for the SBTi targets) since 2019;
- › Total direct CO<sub>2</sub>eq emissions (Scope 1);
- › Total indirect CO<sub>2</sub>eq emissions (Scope 2) – location-based and market-based;
- › Total Scope 3 indirect emissions (tCO<sub>2</sub>eq) in 2023 (including the following categories: purchased goods and services, capital goods, employee commuting, business travel, upstream transportation and distribution, fuel and energy related activities (not including Scope 1&2), waste generated in operations, use of sold products, end-of-life treatment of sold products and downstream leased products);
- › 2019 emissions reassessed for each Scope 1, Scope 2 and Scope 3 emissions source (tCO<sub>2</sub>eq);
- › CO<sub>2</sub>eq emissions per ton of linen delivered (tCO<sub>2</sub>eq/ton) in 2023;
- › Renewable energy consumption (MWh);
- › Electricity consumption (MWh);
- › Share of renewable electricity (%);
- › Ratio of thermal energy consumption of European plants per kg of linen delivered;
- › Percentage reduction in thermal energy per kg of linen delivered since 2010 (European laundries);
- › Total fuel consumption (thousands of liters);
- › Number of alternative vehicles;
- › Consumption of natural gas/propane/butane (MWh);
- › Percentage of wastewater treated before being discharged into the natural environment;
- › Water consumption (millions of m<sup>3</sup>) of European laundries per kg of linen delivered;
- › Percentage reduction in water consumption per kg of linen delivered between 2018 and 2023 (European laundries);

- › Total amount of waste generated (tons);
- › Share of product families with at least one collection composed of sustainable materials;
- › Share of end-of-life textiles reused or recycled;
- › Share of procurement spend with direct suppliers that have undergone a CSR assessment in the next three years;
- › Share of young people in hires;
- › Number of training days per employee;
- › Share of managers promoted internally;
- › Share of employees with disabilities (France);
- › Share of women in managerial roles within the total workforce;
- › Number of on-site CSR audits conducted during the year.

**Qualitative information (actions and outcomes)**

- › Water fountain bottle pick-up in 2023 during delivery trips for return to water suppliers for reuse;
- › Existence of monitoring of the improvement in energy performance;
- › Group awarded funding from ADEME in 2023 to purchase 75 additional electric heavy trucks;
- › Sessions regularly organized by the WECO teams to train the on-site teams on best practices for water and energy consumption;
- › The development of new cleaning technologies that reduce water and energy consumption during the washing processes, or the identification and development of recycling channels for its end-of-life products;
- › Elis Spain was identified as one of the 100 best places to work in the country by Forbes magazine, and Elis Sweden was named the most attractive employer of the year by The Career Companies;
- › Courses for foreign employees in the host country's language to help them integrate within the Elis teams and the local community;
- › Significant non-conformities (social audits) are subject to a corrective action plans and close monitoring by Elis.



BIENVENUE

efs

efs

Reproduction prohibited. Actual products may differ from those in photographs – Photo credits: Elis – Shutterstock



[elis.com](https://www.elis.com)

