

ELIS UK

Elis UK Limited Modern Slavery Act Statement for financial year ending 31 December 2020

INTRODUCTION

This statement is made pursuant to section 54 (1) of the Modern Slavery Act 2015 and is the statement of Elis UK Limited (the "**Company**") for the financial year ending 31 December 2020. This statement details the steps taken by the Company to prevent slavery, servitude and forced or compulsory labour; and human trafficking taking place in any part of its business or supply chain.

The Company is part of the Elis group (the "**Group**") owned by Elis SA, a company listed on the Paris stock exchange (the "**Parent Company**"). It operates with full consideration of the need for ethical business practices, including in respect of human rights and decent working conditions.

The Group's commitment to ethical business practices is documented in the Group's Code of Ethics, launched in 2018, and which was implemented in the UK in 2019. In 2020 the roll out continued across all jurisdictions in which the Group operates.

The entire Group is fully aware of, and committed to, its legal and moral obligations to prevent forced, bonded or compulsory labour and human trafficking. The Company (together with the Group) is committed to improving its practices wherever possible in the fight against modern slavery and human trafficking.

ELIS UK BUSINESS

Elis UK Limited provides a complete textile rental and laundry service to customers across a variety of industries. It supports customers by renting and servicing linen, workwear, mats, washroom as well as surgical solutions and cleanroom. The customers served by the Company through its network of laundries and production facilities, are varied and broadly carry out their activities in the following sectors:

- hospitality;
- healthcare;
- industry and commerce; and
- services.

The Company currently has over 4,000 employees within the UK (operating 32 facilities across England, Wales and Scotland).

The Group employs approximately 45,000 employees in 28 countries and posted consolidated revenues of 2.8 billion euros in 2020.

SUPPLY CHAIN

The supply of goods, services and products is managed by the UK procurement and supply chain teams, with support and assistance from the Group's procurement

function. The Group's procurement function leads on corporate social responsibility ("CSR") to assist national subsidiaries with selecting business partners.

Although the Company's main business partners are located in Europe, it sources goods, services and/or product such as textiles from the Indian subcontinent and Asia, including Pakistan, Cambodia, Laos, Vietnam, China and Bangladesh.

The Group continues to work to rationalise its panel of business partners. This rationalisation should facilitate the implementation of the Group's ethics values, including the fight against modern slavery and human trafficking.

ASSESSMENT OF MODERN SLAVERY RISK WITHIN OUR BUSINESS

Elis UK Limited believes the main risks regarding modern slavery relate to its suppliers in higher risk jurisdictions.

A significant part of the Company's supply requirement is procured through the UK supply chain department. Not only does concentrating the procurement of goods and services within a centralised team result in better oversight of the Company's supply chain, it also ensures procurement activities are carried out by a team trained and experienced in ethical and responsible purchasing.

The Company, with the help of the Group's procurement function, ranks, assesses and manages its risks in relation to ethics by focusing on the higher risk countries from which it sources products and textiles. On that basis efforts continue to be concentrated on supply from the Indian subcontinent and Asia.

POLICIES IN RELATION TO SLAVERY AND HUMAN TRAFFICKING

Elis UK Limited has a zero-tolerance policy towards any breach of human rights, including modern slavery and human trafficking.

It is committed to operate in accordance with the law and to promote the highest standards of integrity and share their values with employees and business partners.

The Group's Supplier Code of Conduct, which is available on the Company's website (<https://uk.elis.com/en/group/about-us/our-csr-policy>), sets out expectations for responsible and ethical purchasing, including in respect of human rights.

Business partners are required to commit to the Code of Conduct and, therefore, limit their environmental impact, work towards sustainable development and act ethically.

Specifically, the Code of Conduct requires business partners to:

- recognise and respect the protection of internationally proclaimed human rights;
- comply with the United Nations Global Compact principles on human rights and labour;
- take part in the fight against any kind of corruption including extortion, bribery, influence peddling and facilitation payments;
- ensure the provision of a safe working environment for employees;

- **strictly prohibit the use of child labour or any form of slavery, forced labour and human trafficking;**
- ensure labour conditions are fair, employees are paid a regular salary in accordance with their employment contracts and the law, and all legal requirements are complied with; and,
- prevent any form of discrimination based upon any distinction such as race, gender, age, ethnicity, political opinion and origin.

In addition, the Company encourages employees to report and/or raise concerns internally to the compliance team and to disclose information which the individuals believe highlights or could indicate illegality, unethical behaviour or other serious wrongdoing, including any instances or suspicions of modern slavery. This is reinforced by the availability of an independent whistleblowing tool for employees to use if they are not comfortable raising concerns internally.

DUE DILIGENCE AND MANAGEMENT OF MODERN SLAVERY RISK

Elis UK Limited supports the implementation of the Group policy with its suppliers by carrying out audits, either through the Parent Company or with the help of an independent audit company. These audits are intended to check that business partners are properly applying the Group's ethics principles.

Internal processes are complemented by QIMA, an external expert assurance provider, which provides screening and ongoing audit of compliance. It reports compliance levels and alerts Elis UK Limited to any areas requiring improvement.

In order to improve audit efficiency, the Company has been implementing an audit methodology consistent with that used by the Parent Company. The main elements of the methodology are:

- objective and explicit criteria to assess how strategic a business partner is to the Company;
- an evaluation of the business partners with respect to CSR (through reference to international norms such as ISO26000 or SA8000+ISO14001 or through compliance with international auditing standards such as SEDEX/SMETA, BSCI)

The methodology facilitates optimisation of the partner audit process by defining and prioritising the audit operations.

If, on completion of an audit, a business partner is found to be non-compliant with the Group's ethical principles, it may be given the opportunity to define and implement necessary corrective actions. Alternatively, depending on the severity, the relevant business relationship may be terminated, and/or the relevant partner may be excluded from invitations to tender.

MONITORING EFFECTIVENESS

In 2020, the Company, together with the Parent Company, conducted 12 audits at business partner premises. Those audits did not reveal any serious compliance breach.

No concerns relating to modern slavery were reported through the whistleblowing line or raised through audits in 2020.

TRAINING

It is important that Elis UK Limited staff are aware of and understand the risks of slavery and human trafficking. Staff must be able to identify signs of slavery and human trafficking and be aware of what action to take if such activities are suspected.

The Company has developed an online training module, which was launched towards the end of 2019 following the rollout of the Group Code of Ethics. This training is designed to support ethical compliance across the business. All employees involved in management, purchasing or customer service are required to undertake the training. During 2020 there was a continued push to ensure that all relevant employees undertook the training and it is an established part of the training and induction programme for new joiners.

FURTHER STEPS

Elis UK Limited is aware of the destructive nature of modern slavery and therefore understands that the risk associated with modern slavery must be monitored and managed on a continual basis. Elis UK Limited, together with the Parent Company, will continue to monitor operational practices, review its approach and consider what steps it might reasonably take in the year ahead.

This statement was approved by the Elis UK Limited Board.

Signed

A handwritten signature in black ink, appearing to read 'Mark Franklin', written in a cursive style.

Mark Franklin
Operations Director, UK