

## Section 172(1) Statement

For the year ended 30 September 2020

---

Section 172 of The Companies Act 2006 lays out the duties of company directors, in particular outlining their obligation to act in good faith and to promote the success of their company.

To promote the success of the company, the Elior UK group uses a strategic framework with a clearly defined set of priorities. This framework combines several value creation drivers which focus on - our market positioning, clients and community impacts, customers, cost and cash optimisation. Setting key performance indicators to assess our delivery against this framework ensures we understand and adapt our offer to current demands whilst keeping focused on the positive environmental impact we can have. These strategic priorities support the Elior UK group on being an innovative, socially responsible employer of choice.

As is normal for companies in a large group the governance of this framework is delegated to an executive leadership team; certain financial and strategic thresholds have been set within the business to identify matters requiring Board consideration and approval.

The leadership team meet during various committee meetings where every leadership executive reviews progress against the strategic and operational priorities, as well as the changing scope of the business priorities, coupled with changing external environment. The collaborative approach by the board helps to promote the long-term success of the company.

In order to deliver on strategic priorities, the Elior UK group engages and fosters strong relationships with some of its key stakeholders. For the Elior UK group these stakeholders include:

- ❖ Colleagues
- ❖ Clients and customers
- ❖ Suppliers
- ❖ Communities
- ❖ Shareholder
- ❖ Government and regulators

Specifically, Section 172 requires a director to consider, alongside other matters, the:

- ❖ Likely consequences of any decisions in the long term;
- ❖ Interests of the company's employees;
- ❖ Need to foster the company's business relationships with suppliers, customers and others;
- ❖ Impact of the company's operations on the community and environment;
- ❖ Desirability of the company maintaining a reputation for high standards of business conduct; and
- ❖ Need to act fairly between members of the company.

The views of our stakeholders, and the impact of our activities have on them, are always considered when we make business decisions. While there are cases where the company itself judges that it should engage directly with certain stakeholder groups or on certain issues, the size and nature of the company's stakeholders and the structure of the Elior UK group means that generally stakeholder engagement takes place at a group level as this is generally a more efficient and effective approach.

Below we have set out the details of how the Elior UK group engages with its various stakeholders, as well as the feedback we have received from them regarding our decisions.

## Section 172(1) Statement

For the year ended 30 September 2020

Stakeholder Group	Description	Why do we communicate?	How do we communicate?
Colleagues	Our colleagues are fundamental to our business – we employ almost 10,000 people in the UK.	<p>We rely on colleagues to maintain the highest standards, deliver a truly outstanding customer experience and to continue innovating.</p> <p>Our goal is to create a great place to work, where people can thrive because they are valued, cared for and given everything they need to achieve their potential.</p> <p>We know this generates a happy and more engaged workforce, which leads to improved customer service and increased productivity.</p>	<p><b>Creating rewarding work and a safe environment</b> We have many initiatives to recognise the contribution of our colleagues. These include our ‘You Made a Difference’ scheme; shortlisted for a HR Excellence Award, which recognises and celebrates colleagues who demonstrate our values that go above and beyond their normal duties. We also drive employee wellbeing and have trained mental health ambassadors across our business, who are there to support colleagues.</p> <p><b>Investing in our team</b> We invest in our team, with our award-winning apprenticeships and hundreds of other training opportunities. Their ability to grow with the business is the foundation of success.</p> <p>We engage with our colleagues in a number of ways alongside the regular two-way communication and team meetings/briefings. These include:</p> <ul style="list-style-type: none"> <li>❖ Internal social media and employee apps</li> <li>❖ Colleague surveys – including regular pulse surveys</li> <li>❖ Quarterly newsletters</li> </ul> <p><b>Diversity and Inclusion</b> We recognise the importance of having a diverse workforce from different backgrounds; our inclusive approach helps us to attract top talent and drive business value.</p> <p><b>COVID-19</b> Keeping these channels of communication open has been particularly important throughout the events of the COVID-19 pandemic, where health and safety is essential to mitigate the spread of the virus.</p> <p>We ensured our HR Team were available to support colleagues, we also kept our colleagues up to date with the ever-changing advice issued by the Government. In order to do this, we introduced:</p> <ul style="list-style-type: none"> <li>❖ A dedicated COVID-19 page on our Intranet</li> <li>❖ Weekly update emails</li> <li>❖ Daily leadership team meetings</li> <li>❖ Signposting the team to a dedicated Wellbeing Hub</li> </ul> <p>These steps have gone a long way toward ensuring our colleagues remain safe, well and connected.</p>

## Section 172(1) Statement

For the year ended 30 September 2020

Stakeholder Group	Description	Why do we communicate?	How do we communicate?
<p>Clients and customers</p>	<p>Clients include world-leading commercial, professional and financial service companies, renowned and emerging industrial companies, state and independent schools, universities, the care sector, NHS, stadia and heritage and entertainment venues.</p> <p>Our customers also vary – we serve children in primary and secondary schools and young people at university, people at work, the elderly in care homes, and visitors to attractions and events.</p>	<p>We are determined to be the company people can rely on most for great food and service but also for food that is safe, healthy and nutritious, sustainably produced and ethically sourced.</p> <p>By engaging and listening to what this diverse group of clients and customers tell us is important we ensure our offering is tailored to meet both business and consumer objectives.</p> <p>We recognise that as the UK emerges from lockdown and schools, offices, stadia and other public spaces re-open, there will be people who are nervous about returning to normal. It is our responsibility to provide reassurance.</p>	<p>We engage with our clients and customers at all stages of our new business development process to ensure we understand their requirements and develop a proposition that meets their needs.</p> <p>This continues when we are successful in a tender – from point of award through the entire contract lifecycle we focus on building trust and long-lasting relationships with both our clients and customers.</p> <p>We engage with clients and customers in a variety of ways including:</p> <ul style="list-style-type: none"> <li>❖ Face to face engagement</li> <li>❖ Listening to customers via social media</li> <li>❖ Sharing news and information via our café or restaurant websites / microsites</li> <li>❖ Market research</li> <li>❖ Surveys and feedback gathering exercises</li> <li>❖ Regular site visits and meetings</li> </ul> <p>We actively seek to improve the customer experience by sharing market trends and insights with our clients, along with new innovations.</p> <p>During the height of the pandemic we accelerated our digital innovation roadmap, including the introduction of a mobile app; Breaz, which enables us to communicate directly with our end customers, offering a way of ordering safely, engaging with our food and building customer loyalty. This alongside tailored digital offers across some of our other markets is a critical way of engaging with this stakeholder group.</p>

## Section 172(1) Statement

For the year ended 30 September 2020

Stakeholder Group	Description	Why do we communicate?	How do we communicate?
Suppliers	<p>We have hundreds of trusted suppliers and partners that we rely on to deliver the very best quality and increase sustainability.</p> <p>Our suppliers range from large multi-national companies to small independently run businesses.</p>	<p>We focus on building long-term trusted relationships with our suppliers to support our <a href="#">Positive Footprint Plan</a> and wider sustainability goals.</p> <p>Key areas of focus in the supply chain process are food safety and authenticity, integrity and sustainability, and achievement of value through competitive tenders.</p> <p>We recognise our responsibility for ensuring the produce we source and supply to our clients and customers is safe and from reliable, traceable sources, and poses no threat to our clients, customers or staff.</p>	<p>Before working with any new supplier, we provide them with our code of conduct which they are required to adhere to. Any supplier decisions are reviewed to prevent modern slavery and associated practices in any part of our supply chain.</p> <p>Once we have agreed to work with suppliers, we engage regularly to ensure we can fulfil our client commitments, meet our sustainability goals and continue to adhere to the high standards we set.</p> <p>During COVID-19 and Brexit we formed a working group – meetings were held regularly, either weekly or daily, to manage any supply risks and ensure we could continue providing quality service to our clients and customers.</p>

## Section 172(1) Statement

For the year ended 30 September 2020

Stakeholder Group	Description	Why do we communicate?	How do we communicate?
Communities	<p>The people who live and work in the local communities our sites are based in.</p> <p>We are proud to have a wide geographical presence with sites based in all areas of the UK</p>	<p>We consider the people in these communities, and close to our various sites and operations, to be important stakeholders.</p> <p>Not only are they potential customers but also potential employees and partners. Together we can make the communities in which we operate better.</p> <p>Our Corporate Social Responsibility programme is built around four main commitments across our entire value chain: healthy meals, sustainable sourcing, minimizing food waste, and helping our employees fulfil their potential.</p>	<p>Our commitment to our community is embedded throughout the business and reflected in our values.</p> <p>We work hard to build trust and create a positive environment by operating responsibly and sustainably and focus on generating a positive impact in the community, with special attention on supporting local causes and issues.</p> <p>Our CSR Team drive action through our sites and customer/client communication. We also share what we are doing via social media and press to encourage a change in behaviour or people to take positive action.</p> <p>Company-wide initiatives that are supported at a local level include:</p> <ul style="list-style-type: none"> <li>❖ Supporting mental health charity, Heads Together, in a bid to reduce the stigma that surrounds mental health. Not only has the partnership encouraged a wider conversation on mental health within Elior and the communities we operate in, but employees have raised over £73,000</li> <li>❖ In 2020, we partnered with food redistribution company OLIO to donate surplus food to vulnerable local communities and reduce food waste during Covid-19</li> <li>❖ We have recently decided to replace our existing fossil fuel car fleet with all electric as and when the current lease terms expire</li> </ul>

## Section 172(1) Statement

For the year ended 30 September 2020

Stakeholder Group	Description	Why	How
Shareholder	The Elior UK group is owned by Elior Group SA, listed on the Euronext, Paris.	<p>We rely on the support of our shareholder, and their investment is important to the long-term success of our business.</p> <p>We support Elior Group SA with their engagement activities, explaining our financial and operating performance, showcasing innovation and sharing our strategy in order to encourage continued investment.</p>	<p>We maintain regular and ongoing dialogue with our shareholder through group performance reviews, meetings and calls.</p> <p>In addition to this the Elior UK Leadership Team spends significant time engaging with the Elior Group SA board, and are responsible for key deliverables and achievement of UK objectives.</p>
Government and regulators	The UK Government and regulators across the UK set the regulatory environment in which we operate.	<p>Working with hundreds of UK public sector clients, from schools and councils to hospitals, means that Elior UK continually provides input on important matters impacting hospitality services. This include, but are not limited to, the COVID-19 pandemic, Brexit and job creation.</p>	<p>Engagement with Government, both in Westminster and in more local areas, takes many different forms.</p> <p>Members of our Leadership Team have been on committee groups and panels involved in discussion with the Government. We have also been working closely with many industry bodies on policy related issues – these include UK Hospitality and The Business Services Association.</p> <p>Our Operations team delivers all our public sector contracts and services; our priority is fulfilling our responsibilities and delivering an excellent service to our public sector clients and customers.</p>