REGISTRATION DOCUMENT

ANNUAL FINANCIAL REPORT FISCAL 2019-2020

This document is a free translation of the original, which was prepared in French. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions expressed therein, the original language version in French takes precedence over this translation.

Universal Registration Document
Annual Financial Report
Fiscal 2019-2020

***Société anonyme* (French joint-stock corporation)**
Share capital: €1,741,478.23

Registered office:

9-11 allée de l'Arche

92032 Paris La Défense, France

Registered in Nanterre under no. 408 168 003

The original French-language version of this Universal Registration Document (the *Document d'Enregistrement Universel*) was filed on January 12, 2021 with the Autorité des Marchés Financiers (AMF) in its capacity as the competent authority as defined in Regulation (EU) 2017/1129, without prior approval as provided for in Article 9 of said Regulation.

The *Document d'Enregistrement Universel* may be used in support of a public offering of securities or the admission of securities to trading on a regulated market if accompanied by a securities note and, where applicable, a summary and all amendments to the *Document d'Enregistrement Universel* filed since it was first approved. The prospectus formed by these documents must be approved by the AMF in accordance with Regulation (EU) 2017/1129.

Copies of the *Document d'Enregistrement Universel* in French and the English translation thereof (the Universal Registration Document) may be obtained free of charge from Elior Group's registered office, or may be downloaded from the websites of Elior Group (www.eliorgroup.com) and the AMF (www.amf-france.org).

e-accessibility

An e-accessible version of this document is available at www.eliorgroup.com

NOTE

General Information

This universal registration document (hereinafter referred to as the "Universal Registration Document") also constitutes:

- the annual financial report that must be drawn up and published by all listed companies in France within four months of their fiscal year-end, in accordance with Article L. 451-1-2 of the French Monetary and Financial Code and Article 222-3 of the General Regulations of the AMF; and

- the annual management report issued by Elior Group's Board of Directors that must be presented at the Annual General Meeting held to approve the financial statements for the past fiscal year, in accordance with Articles L. 22-10-34 *et seq.* of the French Commercial Code.

In the Universal Registration Document, the term "Company" refers to Elior Group SA, and the terms "Group", "the Elior group" and "Elior" refer to the Company and its consolidated subsidiaries as a whole.

Forward-Looking Statements

This Universal Registration Document contains various forward-looking statements regarding the Group's outlook and growth prospects. Words such as "expect", "anticipate," "assume," "believe," "contemplate," "continue," "estimate," "aim", "forecast," "intend," "likely," "plan," "positioned," "potential," "predict," "project," "remain" and other similar expressions, or future or conditional verbs such as "will", `should", "would" "could", "may", or "might", or their negative equivalents identify certain of these forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. These statements do not reflect historical or present facts or circumstances. They are not guarantees of future performance and they involve uncertainties and assumptions on matters that are difficult to predict. These forward-looking statements are based on information, assumptions and estimates considered reasonable by Group management. They may change or be amended due to uncertainties related to, among other things, the economic, financial, competitive and/or regulatory environment. Forward-looking statements are included in a number of places in this Universal Registration Document, and consist of statements related to the Group's intentions, estimates and objectives concerning, among other things, its markets, strategy, growth, results, financial situation and cash position. The forward-looking statements in this Universal Registration Document are to be understood as at its filing date, and the Group does not accept any obligation to update forward-looking statements to reflect subsequent changes affecting its objectives or any events, conditions or circumstances on which the forward-looking statements are based, except to the extent required by the applicable laws and regulations.

CONTENTS

NB: The sections of this document that constitute the Annual Financial Report are identified by the letters AFR in the contents table (see also cross-reference table in Chapter 6, Section 6.7).

1

THE ELIOR GROUP

1. THE ELIOR GROUP

1.1 INTERVIEW WITH GILLES COJAN, CHAIRMAN OF THE BOARD OF DIRECTORS

The Covid-19 pandemic that has swept the globe over the past several months has left no organization untouched, both from a human and economic perspective. How has Elior dealt with this unprecedented situation?

During this exceptional global crisis, Elior has demonstrated the solidity of its operations teams, the strength of its governance and the power of its values. After a good start to the fiscal year, our business was impacted by the outbreak of the pandemic as from the month of March in all of our host countries. But we swiftly moved into action to adapt to the new reality, with our first priority being to protect the health and safety of our employees, clients and guests. We also immediately took steps to safeguard our financial flexibility and maintain our strict cost discipline, all the while continuing to support our clients.

I would like to take this opportunity to thank all of the Group's teams for the outstanding dedication and commitment they have shown, led by the Executive Committee and fully backed by the Board of Directors. We were able to quickly implement measures designed to ensure our clients could continue their operations, without ever shifting our focus from our fundamental role as a socially responsible caterer, or losing sight of our long-term vision. The crisis has clearly highlighted the expertise of our Services teams, who have displayed an incredible level of resilience, particularly in supporting healthcare workers.

What is your overall view of fiscal 2019-2020?

During these turbulent times, we have demonstrated a strong command of our operations and proved that we made the right strategic choices in 2019 with the launch of the New Elior 2024 plan, spearheaded by Philippe Guillemot. The sale of Areas gave us the resources to face the crisis with a solid financial basis. And thanks to our strict cash management we have remained financially robust despite our revenue being hit by the crisis. Our clients' trust in us is apparent in the many new contracts and contract renewals we won throughout the year, which in turn has reinforced our resilience. And our work on transforming our business, particularly digital transformation, is well under way in all of our markets – Education, Business & Industry, Health & Welfare and Services – and in each of our host countries.

Today, Elior is a group refocused on its core business, with solid fundamentals and the agility to meet the new expectations of its clients and guests. It is concentrated on a long-term vision shaped by the deep-seated changes taking place in its markets. I firmly believe we are very well positioned to emerge from the Covid-19 crisis stronger than ever and prepared for the future.

So what do you think the main challenges will be in 2020-2021?

For 2020-2021, over and above the repercussions of the pandemic, Elior's objective remains unchanged, namely sustainable and profitable growth. To achieve this, our main challenge will be to reinvent each of our businesses by channeling our value proposal even more closely towards our expertise as a caterer dedicated to providing healthy, delicious and environmentally-friendly food. We are convinced that these unprecedented times will accelerate the pace of change in the markets we serve.

For all of these reasons, we have already embarked on putting in place cutting-edge culinary, digital and marketing innovations. Our agility in proposing new offerings that meet the expectations of our clients and guests, combined with our expertise in hygiene and safety, will enable us to rise to the challenges that lie ahead and keep up our growth momentum.

The Board of Directors will fully play its role by supporting the Executive Committee and all of Elior's teams as they implement these transformational changes. And I have every confidence that, together, we will carry them through successfully.

1.2 INTERVIEW WITH PHILIPPE GUILLEMOT, CHIEF EXECUTIVE OFFICER

Last year you presented the New Elior 2024 strategic plan. But that was before the Covid-19 pandemic struck. So is the plan still relevant today?

Yes it is – more than ever in fact. First, because the outbreak of Covid-19 proved we made the right strategic choices in 2018-2019, particularly our sale of Areas, which put us in a strong financial position to weather the crisis. And second, because the pandemic has fast-forwarded the market trends we've been anticipating for the past few years, which were already central to our New Elior 2024 strategy.

I'm convinced we have to remain true to our fundamental values as a socially responsible caterer and services provider if we're going to meet the challenges that lie ahead. In other words, we have to continue to earn the trust of our guests each and every day by serving them healthy, balanced and environmentally-friendly food, and taking care of our clients' sites and work environments through our services business in France. In these unprecedented times, we shouldn't be changing course but, on the contrary, we need to stay firmly *on* course and even step up the pace by making high-impact changes in each of our markets.

How has the Elior group handled the past months marked by the Covid-19 crisis?

I'd like to take this opportunity to pay tribute to all of our people at Elior, whose commitment has been truly amazing. Faced with the pandemic, our Group has not only shown great control, but has also demonstrated its strong sense of responsibility and solidarity – values that are deeply rooted in our DNA.

As from February in Italy, and then in all of our host countries (the United States, India, Spain, the United Kingdom and France), our teams adapted by sharing best practices, and took up their place on the front line alongside our guests, clients and partners. In each of our geographic regions, in both catering and services, in our kitchens, at our sites, or working from home, they moved into action alongside the carers, key workers and organizations who were counting on us to help them continue their activities.

Drawing on our strong regional presence, our teams also showed their commitment by helping local vulnerable communities through numerous support measures. For example, during the lockdown period they organized donations of surplus food and distributed meals to disadvantaged people, the vulnerable elderly and other shielders, as well as schoolchildren from low-income families. I want to personally thank them for their drive and dedication. They are a real credit to us as a socially responsible company.

At the same time, we took great care to offer tailored, scalable solutions, all the while calibrating our organizational structure, catering offerings and services in such a way as to maintain the financial equilibrium that is indispensable for the Group's profitability.

How would you sum up fiscal 2019-2020?

Faced with exceptional circumstances, we swiftly executed a coordinated Group-wide action plan. Our adaptability, flexible organization and strict cost management helped us maintain a high level of liquidity. And thanks to our solid economic and financial fundamentals, expertise in hygiene and food safety, and teams dedicated to the well-being of our clients and guests, we were able to meet the challenges of both the first and second waves of Covid-19.

Business remained brisk in Health & Welfare, Education, and Business & Industry excluding the white-collar sector, both for contract catering and services. In parallel, we stepped up the rollout of new food service offerings, which are more flexible in terms of "when and where" – without compromising on quality – to better serve the needs of businesses in the white-collar sector, which represented 18% of our revenue. Today, Elior is at the forefront of this historic transformation of the catering industry.

What are the key strategic challenges facing Elior in 2020-2021?

The challenge for all of our teams now is to accelerate the execution of the New Elior 2024 plan. Because this will allow us to pull ahead and get back to winning market share when the crisis ends. We've already launched our action plans:

- In Business & Industry, we've totally recrafted our offering. This is now up and running and is aimed at adapting to new working methods, meeting our guests' new demand for flexibility, and enhancing the nutritional quality of our meals.

- In the Education market, we're investing in nutrition to make sure everyone can enjoy our healthy, balanced meals. For example, in September 2020 we introduced the Nutri-Score food rating system in our school canteens in France, making us the first – and only – contract caterer to have done so.

- In Health & Welfare, we have demonstrated the resilience of our services business and have developed ultra-personalized catering solutions focused on individual care, by expanding our home delivery services, for example, and by rolling out senior-specific offerings such as *Nutri-Age* in Italy and *Idequatio* in France.

Going forward, we intend to capitalize on our expertise in food safety and hygiene and focus even more on agility and innovation, notably by fast-tracking our digital transformation.

To conclude, given the current health crisis and the lasting effects it will have, what factors are enabling Elior to look to the future with confidence?

We can't deny that the unprecedented global crisis made 2019-2020 a particularly difficult year for the contract catering industry. Although impacted, Elior has demonstrated its resilience, as well as its ability to take the initiative. The business portfolio we have today means that we are less exposed to the impact of the pandemic and the health and safety measures that authorities have put in place to tackle it – lockdowns for example. During this crisis, we have actually been able to further strengthen ties with our clients thanks to strict financial discipline, rigorous management and contract renegotiations, and the truly outstanding commitment of our teams on the ground. By staying firmly on the course we set ourselves when we launched the New Elior strategic plan, we intend to reinforce our differentiating factors in all of our markets, while accelerating our transformation and the rollout of our new offerings in order to emerge more competitive from the crisis and reaffirm our innovation capacity in all of our operations.

1.3 SELECTED FINANCIAL INFORMATION

1.3.1 KEY PERFORMANCE INDICATORS

Organic growth in consolidated revenue: Growth in consolidated revenue expressed as a percentage and adjusted for the impact of (i) changes in exchange rates, using the calculation method described in Chapter 4, Section 4.2 of this Universal Registration Document, (ii) changes in accounting policies, notably the first-time application of IFRS 15 in 2018-2019, and (iii) changes in scope of consolidation.

Revenue retention rate: Percentage of revenue for the previous fiscal year adjusted for the cumulative annual change in revenue from contracts or sites lost since the beginning of the previous fiscal year.

The method applied for calculating this indicator – which is one of the metrics used to analyze organic growth – was revised in 2019-2020 in order to make it more consistent and facilitate comparisons between the Group and its peers.

Adjusted EBITA[1]: Recurring operating profit including share of profit of equity-accounted investees, adjusted for share-based compensation (stock options and performance shares granted by Group companies) and net amortization of intangible assets recognized on consolidation.

The Group considers that this indicator best reflects the operating performance of its businesses as it includes the depreciation and amortization arising as a result of the capex inherent to its business model. It is also the most commonly used indicator in the industry and therefore enables comparisons between the Group and its peers.

Adjusted EBITA margin: Adjusted EBITA as a percentage of consolidated revenue.

Adjusted earnings per share[1]**:** This indicator is calculated based on net profit from continuing operations attributable to owners of the parent, adjusted to exclude (i) non-recurring income and expenses, (ii) amortization of intangible assets recognized on consolidation, (iii) exceptional impairment of investments in and loans to non-consolidated companies, and (iv) the impacts of gains or losses on disposals of consolidated companies classified as held for sale. All of these adjustments in (i) to (iv) are net of tax.

Operating free cash flow[1]**:** The sum of the following items as defined elsewhere in this Universal Registration Document and recorded either as individual line items or as the sum of several individual line items in the consolidated cash flow statement:

- EBITDA.
- Net capital expenditure (i.e. amounts paid as consideration for property, plant and equipment and intangible assets used in operations less the proceeds received from sales of these types of assets).
- Change in net operating working capital.
- Other cash movements, which primarily comprise cash outflows related to (i) non-recurring items in the income statement and (ii) provisions recorded for liabilities resulting from fair value adjustments recognized on the acquisition of consolidated companies.

This indicator reflects cash generated by operations and is the indicator used internally for the annual performance appraisals of the Group's managers.

Free cash flow[1]**:** The sum of the following items as defined elsewhere in this Universal Registration Document and recorded either as individual line items or as the sum of several individual line items in the consolidated cash flow statement:

- Operating free cash flow, as defined above.

[1] These indicators are not measurements of financial performance under IFRS and should not be considered as alternatives to other indicators of the Group’s operating performance, cash flows or any other measure of performance used in accordance with IFRS. These indicators as presented in this Universal Registration Document are for information purposes only and may differ from and may not be comparable to similarly titled measures used by other companies. Their calculations are based on various assumptions. These amounts have not been, and, in certain cases, cannot be, audited, reviewed or verified by an independent auditor. The information provided is inherently subject to risks and uncertainties and may not give an accurate or complete picture of the financial position and/or results of operations of acquired businesses. The Group presents these indicators because it believes they are helpful to readers of this document for understanding its operating performance. They have limitations as analytical tools and should not be considered as a substitute for an analysis of the Group’s operating results as reported under IFRS.

- Tax paid, which notably includes corporate income tax, the CVAE tax in France the IRAP tax in Italy and State Tax in the United States.

Leverage ratio[1]: The ratio between (i) the Group's net debt (at the given period-end determined based on the definition and covenants in the Senior Facilities Agreement as described in Chapter 4, Section 4.8.2 of this Universal Registration Document: "Senior Facilities Agreement", i.e. excluding unamortized issuance costs and the fair value of derivative instruments) and (ii) adjusted EBITDA (EBITA adjusted to exclude the impact of stock option and performance share plans and depreciation and amortization) calculated on a rolling basis for the twelve months preceding the period-end concerned, further adjusted to exclude the impacts of acquisitions and divestments of consolidated companies during the twelve months preceding said period-end.

1.3.2 KEY FIGURES

€3,967 MILLION

€1,778 MILLION GENERATED BY CONTRACT CATERING & SERVICES – FRANCE	€2,182 MILLION GENERATED BY CONTRACT CATERING & SERVICES – INTERNATIONAL
22,700 RESTAURANTS AND POINTS OF SALE	4 MILLION CUSTOMERS EACH DAY
105,000 EMPLOYEES	OPERATIONS IN 6 COUNTRIES

Income Statement Data

(in € millions)	Year ended September 30 2020	2019
Revenue from continuing operations	**3,967**	**4,923**
Contract Catering & Services	3,960	4,901
- France	1,778	2,212
- International	2,182	2,689
Corporate & Other	7	22
Revenue growth[1]	(19.4)%	0.8%
Organic revenue growth[2]	(19.7)%	(0.8)%
Recurring operating profit/(loss) from continuing operations	**(86)**	**160**
Recurring operating profit margin from continuing operations[3]	**(2.2)%**	**3.3%**
Net profit/(loss) from continuing operations attributable to owners of the parent	**(446)**	**68**
Adjusted attributable net profit/(loss) for the period	**(222)**	**101**
Adjusted earnings per share (in €)[4]	**(1.28)**	**0.57**
Dividend (in €)	-	**0.29**

(1) Revenue growth corresponds to the percentage increase in the Group's consolidated revenue for a given accounting period versus the comparative period of the previous fiscal year.

(2) See definition in Chapter 4, Section 4.2 of this Universal Registration Document.

(3) Recurring operating profit margin from continuing operations corresponds to recurring operating profit/(loss) from continuing operations as a percentage of revenue.

(4) See definition in Section 1.3.1 above.

Balance Sheet Data

(in € millions)	At September 30 2020	2019
Goodwill	1,719	1,851
Cash and cash equivalents	41	83
Equity	1,132	1,670
Gross debt	1,033	618
Net debt[1]	767	539
Leverage ratio (net debt[1]/adjusted EBITDA)	NA[2]	1.80

(1) Based on the definition and covenants in the Senior Facilities Agreement, as described in Chapter 4, Section 4.8.2, "Senior Facilities Agreement" of this Universal Registration Document, i.e. excluding unamortized issuance costs and the fair value of derivative instruments.

(2) Not applicable in view of the covenant holiday obtained until September 30, 2022.

Cash Flow Statement Data

(in € millions)	Year ended September 30	
	2020	2019
EBITDA[1]	**111**	**303**
Net capital expenditure[2]	(89)	(114)
Change in operating working capital[3]	(9)	84
Other cash movements	(17)	(23)
OPERATING FREE CASH-FLOW[4]	**(4)**	**251**
Tax paid	(11)	(24)
FREE CASH FLOW[5]	**(15)**	**227**

(1) (2) (3) (4) (5) See definitions in Section 1.3.1 above.

(2) Net capital expenditure corresponds to amounts paid as consideration for property, plant and equipment and intangible assets used by contract catering and services operations as well as by support and corporate activities, less the proceeds received from sales of these types of assets. This net amount represents the sum of the following items as presented in the consolidated cash flow statement:

- Purchases of property, plant and equipment and intangible assets.
- Proceeds from sale of property, plant and equipment and intangible assets.

(3) Change in operating working capital corresponds to the net change during the period in the cash required for maintaining current assets and liabilities that are used by contract catering and services operations as well as by support and corporate functions. This cash flow is presented in the consolidated cash flow statement and covers the following current assets and liabilities:

- Inventories and work-in-progress.
- Trade receivables.
- Trade payables.
- Employee-related payables and receivables, including accrued income related to the CICE tax credit in France.
- Tax receivables and payables (excluding corporate income tax, deferred taxes and the CVAE and IRAP taxes)

1.4 INFORMATION ABOUT THE GROUP

Company Name

Elior Group

Registration Particulars and Legal Entity Identifier

The Company is registered with the Nanterre Companies Registry under number 408 168 003. Its legal entity identifier (LEI) is 969500LYSYS0E800SQ95.

Date of Incorporation and Term

The Company was incorporated on July 8, 1996 for a term of ninety-nine years from the date of its registration with the Companies Registry, expiring on July 8, 2095 unless said term is extended or the Company is wound up in advance.

Registered Office, Legal Form and Governing Law

The Company's registered office is located at 9-11 allée de l'Arche, 92032 Paris La Défense, France. The telephone number of the registered office is +33 1 71 06 70 00. Elior Group is a French joint-stock corporation (*société anonyme*) with a Board of Directors, and is governed by the laws and regulations applicable in France (notably Book II and Chapter X of the French Commercial Code) as well as the Company's bylaws (hereinafter the "Bylaws").

Website

The Company's website address is www.eliorgroup.com. Other than information specifically incorporated by reference, any information available on the website that is referred to in this Universal Registration Document via hypertext links (www.eliorgroup.com) does not form part of this Universal Registration Document. Consequently, such information has not been either reviewed or approved by the AMF.

History and Development of the Group

Since it was founded in 1991, the Group has grown from a contract caterer with operations only in France to an international group with two core businesses: contract catering and services. It currently operates in six countries.

The Group was co-founded by Francis Markus and Robert Zolade who, together with 300 managers, acquired a 35% stake in Générale de Restauration, the contract catering subsidiary of the Accor group.

In 1993, the Group entered the French concession catering market and became the market leader in 1997. In 1998 it adopted the name "Elior", and in 1999 began accelerating its development in the European contract catering market through acquisitions in the United Kingdom, Spain and Italy.

In 2000, the Company was listed on the Premier Marché of Euronext Paris and shortly afterwards the Group expanded its concession catering business in Spain and Italy through partnerships with MyChef and Areas, and built up its presence in contract catering in Spain through an alliance with Serunion. The Group further diversified its business by entering the services industry in France in 2004 through the acquisition of Hôpital Service, a company that provides services for healthcare establishments (specialized cleaning and hospitality).

In 2006, the Company delisted from Euronext and was taken private by Charterhouse, Chequers and Robert Zolade.

As from the beginning of 2010 the Group engaged in a number of acquisitions in various markets and businesses, beginning in that year with Copra, an Italian contract caterer, as well as Sin&Stes, one of France's leading corporate cleaning services firms, which pushed it up to the position of sixth-largest contract cleaning company in France. In 2011, the Group expanded its contract catering business in Spain by acquiring the Alessa Catering group. In early 2012, the Group consolidated its operations under the "Elior" brand name, which also became its trade name in France, the United Kingdom and Italy. Also in 2012, it acquired two contract catering companies: Gemeaz in Italy (which made it the country's leading contract caterer), and Ansamble in France (which placed it as France's joint leader in the contract catering market). In 2013, the Group entered the US contract catering market by acquiring TrustHouse Services (since renamed Elior North America), a leading player in the education and healthcare sectors in the United States. In October 2014, the Group acquired Lexington, a UK-based contract caterer specialized in high-end catering services in the City of London.

On June 11, 2014, the Company was relisted on the Premier Marché of Euronext Paris.

In 2015, the Group reinforced its position as a global player in the concession catering market by raising its stake in Areas to 100%. It also increased its contract catering presence in the United States by acquiring Starr

Catering Group (since renamed Constellation Culinary Group), a US market leader that offers a full range of premium catering services.

In 2016, THS took on the Group's flagship contract catering brand name, becoming Elior North America. During that year, Elior North America acquired ABL Management, which operates in the university and corrections segments, and Preferred Meals (specialized in contract catering and home deliveries in the education and seniors markets). In the United Kingdom, Elior acquired Waterfall Catering Group, which operates in the growth markets of education and healthcare, and as a result became the UK's fourth-largest contract caterer. The Group also made its entry into Asia in 2016, by simultaneously acquiring two contract caterers in India: MegaBite Food Services and CRCL. Through these two acquisitions, Elior India is now one of the top three players in the Indian contract catering market.

In 2017, the Group pursued the expansion of its contract catering activities in the United States by successively acquiring CBM Managed Services, Lancer Hospitality, Abigail Kirsch, Corporate Chefs, Design Cuisine and Sidekim. The acquisition of Corporate Chefs strengthened Elior North America's positions in the premium corporate catering market and the education sector. Lancer Hospitality provides professional food management services in a variety of settings including cultural venues, leisure attractions, business centers, schools and healthcare facilities. As it is based in Minnesota, the acquisition of Lancer Hospitality enabled the Group to broaden its presence in the US.

In 2018, the Group acquired a new company in the United States – Bateman Community Living – reinforcing Elior North America's position in the seniors catering sector. In total, the Group has carried out 19 acquisitions in the United States in the space of three years.

In 2019, having reviewed the strategic options for its concession catering business, Elior Group sold its subsidiary Areas, opening up a new chapter in its history by refocusing on its long-standing businesses of contract catering and services. At the same time, the Group launched its New Elior strategic plan, which sets out its roadmap up until 2024.

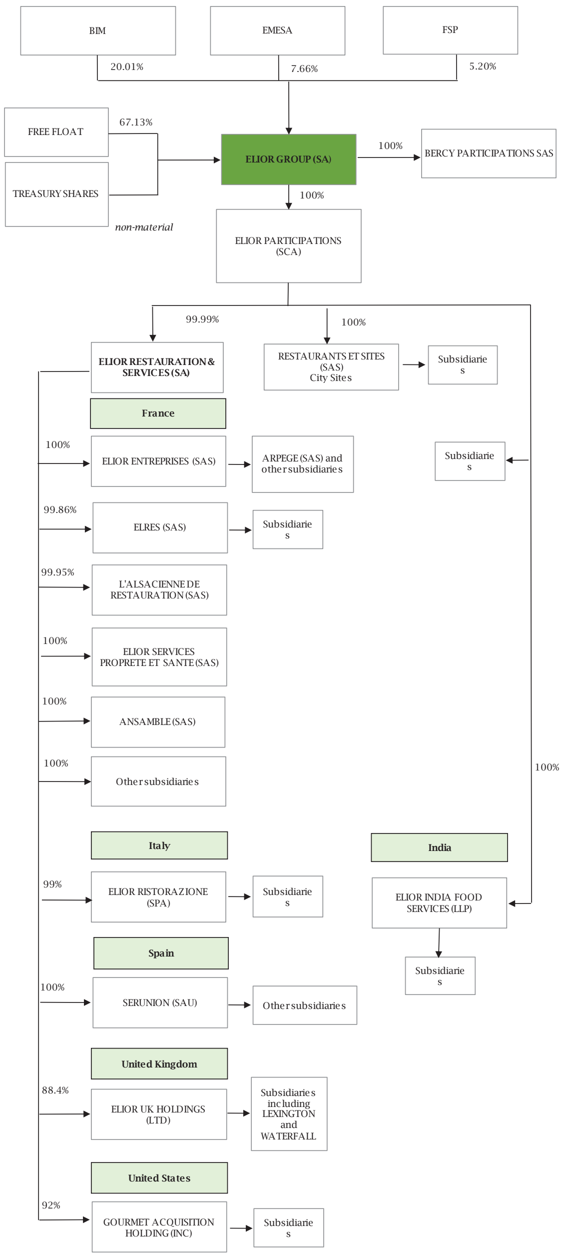
Also in 2019, Elior reinforced its leading position in senior nutrition and community meals in the United States, by creating TRIO Community Meals, bringing together three regional brands.

In the United Kingdom in 2019, then in the United States in 2020, Elior launched Lexington Independents to create a single brand to the serve independent schools. This new brand has strengthened the Group’s presence in the private education market, offering bespoke catering solutions for both pupils and teachers.

For the year ended September 30, 2020, the Group's revenue amounted to €3.967 billion.

1.5 ORGANIZATIONAL STRUCTURE

The simplified organization chart below presents the Group's legal organizational structure at December 31, 2020[1].



[1] The percentage ownership figures stated in this organization chart correspond to the percentage of voting rights held in the Company's direct and indirect subsidiaries.
See the list of consolidated companies in Note 12 to the consolidated financial statements (Chapter 4, Section 4.10).

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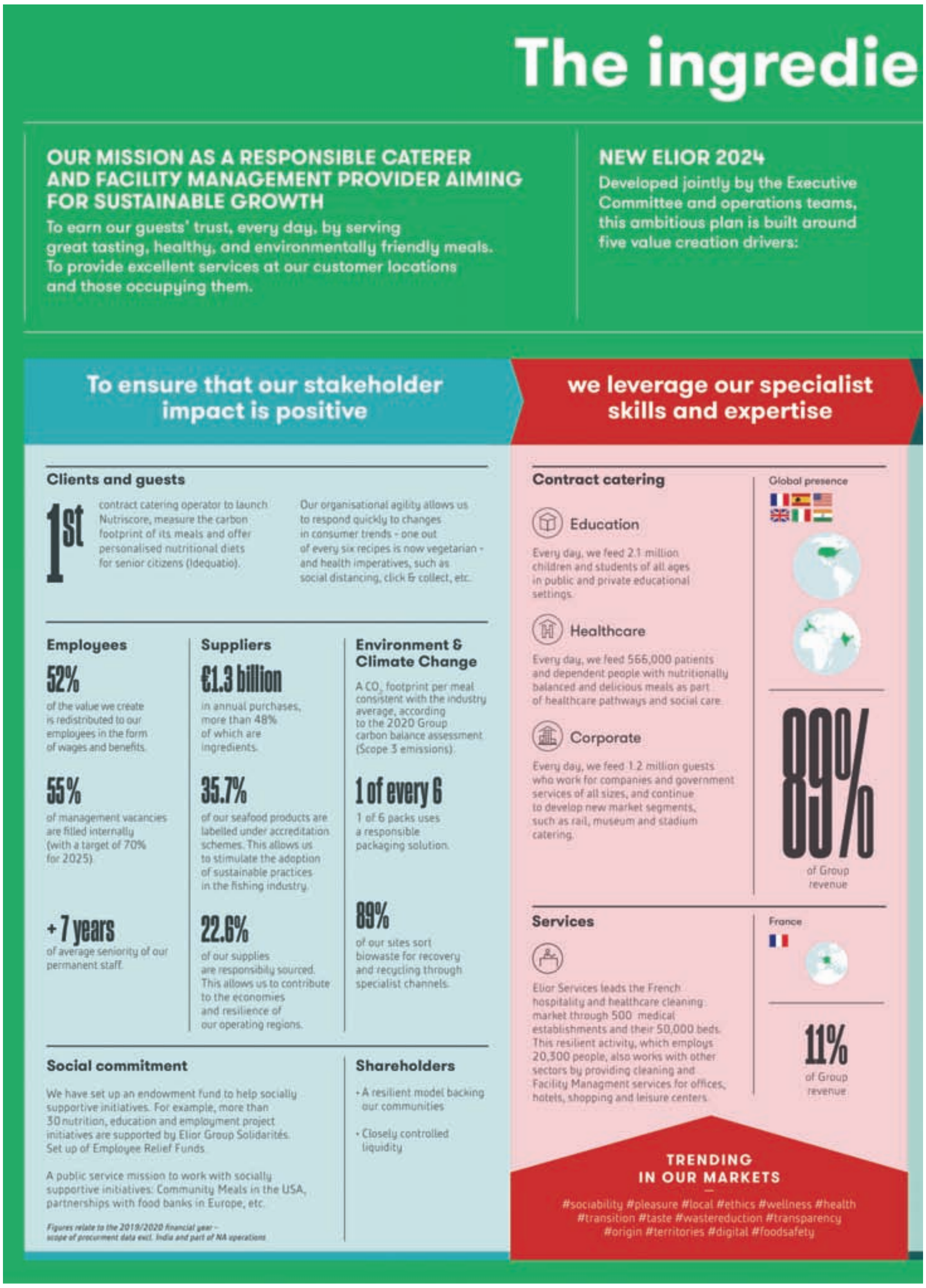
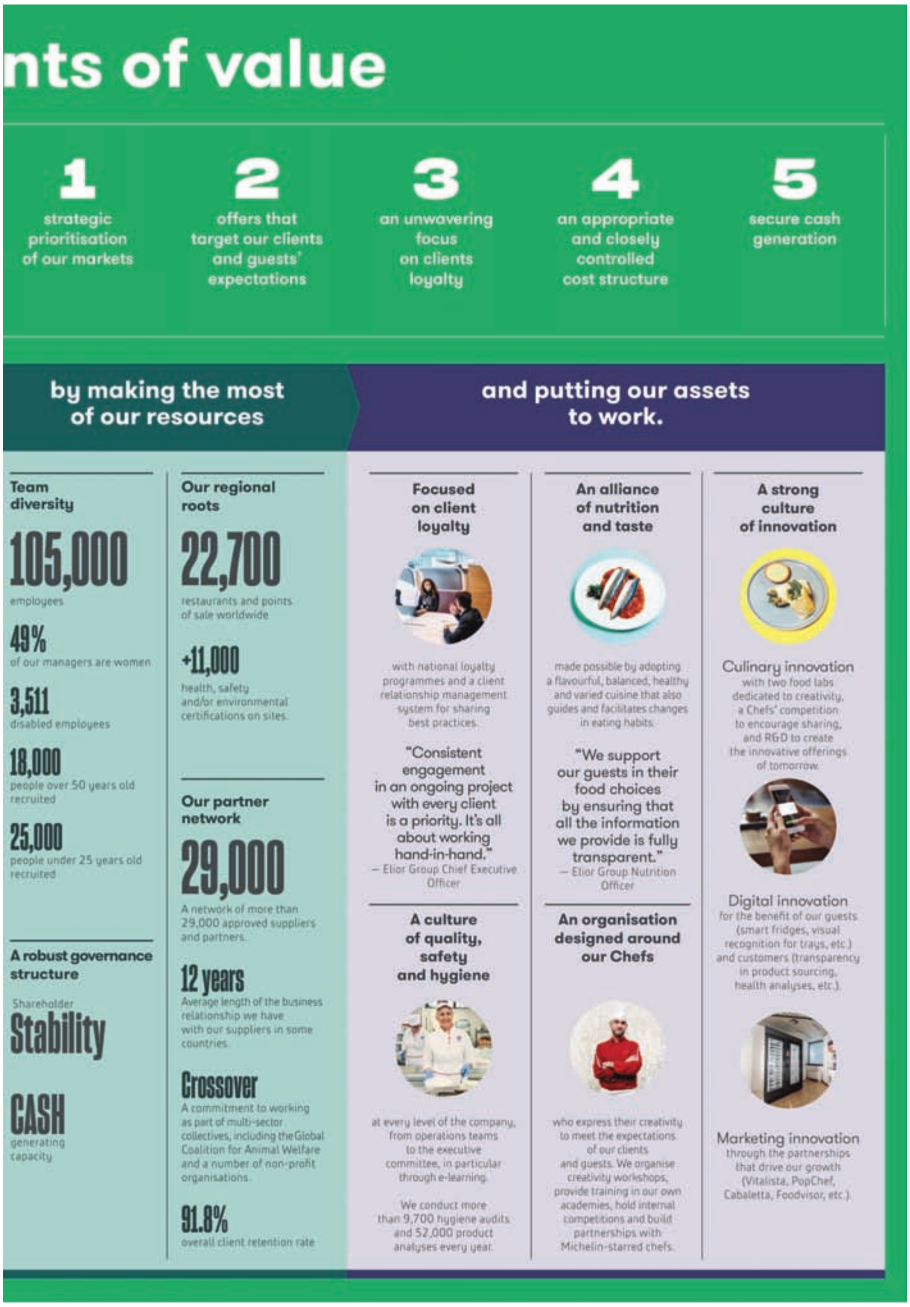
1.6 THE GROUP'S BUSINESS MODEL




nts of value
1
strategic prioritisation of our markets
2
offers that target our clients and guests' expectations
3
an unwavering focus on clients loyalty
4
an appropriate and closely controlled cost structure
5
secure cash generation
by making the most of our resources
and putting our assets to work.
Team diversity
105,000
employees
49%
of our managers are women
3,511
disabled employees
18,000
people over 50 years old recruited
25,000
people under 25 years old recruited
A robust governance structure
Shareholder
Stability
CASH
generating capacity
Our regional roots
22,700
restaurants and points of sale worldwide
+11,000
health, safety and/or environmental certifications on sites.
Our partner network
29,000
A network of more than 29,000 approved suppliers and partners.
12 years
Average length of the business relationship we have with our suppliers in some countries.
Crossover
A commitment to working as part of multi-sector collectives, including the Global Coalition for Animal Welfare and a number of non-profit organisations.
91.8%
overall client retention rate
Focused on client loyalty
with national loyalty programmes and a client relationship management system for sharing best practices.
"Consistent engagement in an ongoing project with every client is a priority. It's all about working hand-in-hand."
– Elior Group Chief Executive Officer
A culture of quality, safety and hygiene
at every level of the company, from operations teams to the executive committee, in particular through e-learning.
We conduct more than 9,700 hygiene audits and 52,000 product analyses every year.
An alliance of nutrition and taste
made possible by adopting a flavourful, balanced, healthy and varied cuisine that also guides and facilitates changes in eating habits.
"We support our guests in their food choices by ensuring that all the information we provide is fully transparent."
– Elior Group Nutrition Officer
An organisation designed around our Chefs
who express their creativity to meet the expectations of our clients and guests. We organise creativity workshops, provide training in our own academies, hold internal competitions and build partnerships with Michelin-starred chefs.
A strong culture of innovation
Culinary innovation
with two food labs dedicated to creativity, a Chefs' competition to encourage sharing, and R&D to create the innovative offerings of tomorrow.
Digital innovation
for the benefit of our guests (smart fridges, visual recognition for trays, etc.) and customers (transparency in product sourcing, health analyses, etc.).
Marketing innovation
through the partnerships that drive our growth (Vitalista, PopChef, Cabaletta, Foodvisor, etc.)

1.7 THE GROUP'S BUSINESSES AND STRATEGIES

1.7.1 BUSINESSES

The Group is an international player in contract catering & services, serving 4 million customers every day at approximately 22,700 restaurants and points of sale across the world, and looking after 2,300 sites for clients in France through its services offerings. It has over 105,000 employees based in 6 main countries, in Europe, North America and Asia.

The Group's contract catering business serves three key client markets: corporate entities and government agencies (Business & Industry), educational establishments (Education), and health and welfare establishments (Health & Welfare). It operates its contract catering activities in its traditional markets of France, Spain, Italy and the United Kingdom as well as in the United States since 2013 and India since 2016.

Based on revenue generated in fiscal 2019-2020, the Group estimates that it is the second-largest pure player in contract catering & services.

The majority of the Group's services business is conducted in France and involves the provision of soft facility management solutions, notably cleaning, reception, concierge, light maintenance and grounds maintenance services. Through this business, the Group provides public and private-sector institutional clients with a wide array of outsourced solutions ranging from cleaning and reception services through to the management of offices, hotels, shopping malls, leisure and vacation parks and office and apartment buildings. The Group estimates that it is the sixth-leading cleaning services provider in France and the number one provider of outsourced cleaning and hospitality services for the French healthcare sector.

In the year ended September 30, 2020, the Group generated total consolidated revenue of €3,967 million and its adjusted EBITA was a negative €69 million.

1.7.1.1 Contract Catering

2019-2020 key figures:

- An operating presence in six main countries: France, Italy, Spain, the United Kingdom, the United States and India
- 22,700 restaurants and points of sale in six main countries
- 4 million guests per day
- 85,000 employees worldwide

The Group's contract catering business addresses three different client markets: Business & Industry (companies and government agencies), Education (private and public educational establishments, from nurseries to higher-education), and Health & Welfare (private, public and not-for-profit healthcare providers and the operators of care homes and welfare establishments). The Group serves all three of these markets in each of the countries in which it has contract catering operations.

Through this business, the Group offers dining services, meal deliveries, vending solutions and foodservices technical support.

1.7.1.1.1 The Business & Industry market

2019-2020 key figures:

- **€1,620 million in revenue** (41% of total consolidated revenue)
- 5,600 restaurants
- 1.2 million guests per day

The Business & Industry market comprises private sector clients in the manufacturing and tertiary industries, including leisure and transport, as well as institutions such as public-sector companies, government agencies, cultural organizations, military bases and corrections facilities. The Group's expertise now also enables it to offer catering services to small and mid-sized enterprises (SMEs), thanks to the development of dedicated technological solutions (mobile apps, smart fridges, etc.).

The Group proposes varied offerings that are specifically targeted to its different market segments and it constantly innovates to create catering solutions that meet the changing needs and expectations of its guests. The ways it achieves these aims include taking inspiration from commercial catering, digitizing certain services and broadening its offerings (in terms of serving times, venues, menus, recipes, etc.).

1.7.1.1.2 The Education market

2019-2020 key figures:

- **€1,149 million in revenue** (29% of total consolidated revenue)
- 14,100 school restaurants
- 2.1 million children and students catered for each day in Europe and the United States

Clients in the Education market include public and private education institutions covering a broad spectrum of ages, ranging from pre-school day-care centers and elementary and secondary schools through to universities and other higher education institutions.

School catering is one of the Group's long-standing markets. Thanks to its network of central kitchens in Europe and the United States, combined with its know-how in managing small sites, and its expertise in food hygiene, safety and traceability, it enjoys a solid leadership position in both the public and private education sector in Europe.

With over 120 central kitchens in France, Spain and Italy, the Group has the largest central kitchen infrastructure in Europe, with a regional network that enables it to combine high productivity with a local presence. It has similar infrastructure in the United States and India, giving it a strong platform for consolidating its leadership in those countries.

Keenly aware of the role it has to play in educating tastes and encouraging healthy eating, the Group pays particular attention to the flavor of the food it serves, as well as to using local and certified food and "homemade" recipes. It also takes care to pass on the message to its young guests about the importance of taking pleasure in eating well.

One of the main challenges in the Education market for Elior, like other caterers, is to demonstrate the quality of its services and make market players aware that quality has a price tag.

1.7.1.1.3 The Health & Welfare market

2019-2020 key figures:

- **€1,198 million in revenue** (30% of total consolidated revenue)
- 3,000 restaurants
- 570,000 guests per day

The Group's main clients in the Health & Welfare market are hospitals, clinics, retirement homes, residential homes and day-care centers for disabled, elderly and dependent people, and non-profit organizations that provide community meal services. Whatever the venue, meals form part of the overall care process in this market, and a good diet contributes to the recovery of patients and the well-being of care home residents.

The Group designs catering offerings for health and welfare establishments that combine nutrition with the enjoyment of eating. In the hospital segment, catering solutions are tailored to each patient's pathology, and the new generation of cafeterias add to the well-being of both staff and visitors. For seniors, the Group draws on its expertise in food hygiene and safety, and has a strong focus on innovation. It specializes in specifically adapted textures and nutrient-rich food for seniors, and has developed solutions for delivering meals to people at home and in congregate settings.

The Group's teams also offer support to clients that are adapting their business models to the increase in outpatient surgery, by providing new services for patients from before they are hospitalized until they go home, including a specially-adapted type of on-site catering.

1.7.1.1.4 Contract catering brands

The Group operates in the contract catering market through several different brands and trade names, which vary depending on the sector, client or country concerned.

France

- Elior
- Arpège
- Ansamble
- L'Alsacienne de Restauration

Spain

- Serunion
- Alessa
- Arce
- Arume
- Hostesa
- Ullasar
- Singularis

India

- Elior
- CRCL
- Megabite

Italy

- Elior
- Elior Servizi
- Gemeaz
- Hospes

United Kingdom

- Elior
- Caterplus
- Edwards & Blake
- Lexington
- Taylor Shaw

United States

- Abigail Kirsch
- Aladdin
- A'viands
- Constellation Culinary Group
- Corporate Chefs
- Cura
- Design Cuisine
- Lancer Hospitality
- Lexington Independents
- Preferred Meals
- Summit
- Traditions
- TRIO Community Meals

1.7.1.2 Services

2019-2020 key figures:

- No.1 for cleaning and hospitality services for the French healthcare sector
- 2,300 sites
- 20,000 employees

Elior Services is a French brand and has three main areas of expertise: cleaning and hospitality services in clinics, hospitals and specialized healthcare establishments; cleaning and hygiene services in offices and industrial premises (including in highly sensitive locations such as white rooms); and facility management (which includes reception, concierge, mail handling and grounds maintenance services).

In the healthcare sector – which has been Elior Services' principal market since the outset and where it is the leader in France – the company offers a wide range of solutions including specialist cleaning services, laundry services, in-room meal services and hospitality services. One of the keys to its success in this sector is its continuous innovation approach.

Elior Services also meets the requirements of a wide range of clients in other sectors including large corporations, high-end hotels, leisure venues (stadiums, museums, movie theaters etc.), schools and sensitive industrial sites, as well as shopping malls, where cleanliness and services are essential for brand image.

Elior Services proposes value-added solutions to help its clients create pleasant working environments. Its corporate concierge services are also proving increasingly popular with companies looking to offer that little extra to attract and retain talent.

Thanks to Elior Services' in-depth expertise in hygiene and disinfection, it was able to expand its offerings in order to swiftly offer responses to the challenges caused by the Covid-19 crisis.

1.7.1.3 Market trends

The Elior group – a worldwide player in contract catering and services – develops and provides catering and services solutions in three key markets – business & industry, education and health & welfare. Since March 2020, the Covid-19 crisis has highlighted two of the fundamentals underlying the Group's business in these three markets:

- First and foremost, food safety, hygiene and traceability in all of the Group's restaurants. Food safety and hygiene are imperative in the contract catering business and involve a range of different issues, including strictly selecting and monitoring suppliers, managing food safety alerts, and drawing up food safety and hygiene standards. In addition to the strict measures it takes to ensure the quality of the meals it serves, Elior has reinforced its usual health and safety standards in light of the current public health emergency.
- The essential role that Elior plays in society by offering healthy, balanced and affordable meals to as many people as possible – both at school and at work. The economic and social situations that have been exposed since the outbreak of Covid-19 have highlighted food inequality. For example, in many areas, the national lockdowns and school closures during the crisis deprived many children of their one full meal of the day.

In order to retain its market-leading positions, the Group ensures that it responds to society's new main trends and developments. The outbreak of Covid-19 has accelerated the long-term trends the Group has observed over the past few years. The impact this crisis has had on our various markets – starting with business & industry – has reinforced the need to add even more value to our offerings so they correspond closely to today's new eating habits and meet consumers' high expectations in terms of food quality. Our priority is therefore to step up the pace of the projects in our strategic plan, for all of our operations, with the overall aims of guaranteeing our guests' well-being and respecting the environment, while providing delicious, high-quality food and relaxed and friendly dining experiences.

1.7.1.3.1 Ensuring the well-being of our clients and guests

a) Guaranteeing health and safety

The health and safety of our guests is the number one priority for our teams. The certifications obtained and measures put in place by the Group during the Covid-19 crisis have underscored our expertise in hygiene and safety and our constant quest to progress even further in these areas.

In France, Elior drew up a specific Covid-19 prevention guide in collaboration with Doctor François-Henri Bolnot, who is a veterinary doctor, a doctor in microbiology and a professor of food safety. The content of this guide was also approved by the Group's occupational physician. On their gradual reopening, the Group's restaurants in the business & industry market were audited by external state-recognized laboratories in order to assure the independence of their findings. These audits particularly checked that the restaurants were respecting the following: (i) specific Covid-19 cleaning and disinfection procedures, (ii) the instructions for dining room organization and guest reception (plexiglass screens, guest circulation flows, socially distanced tables, removal of self-service condiments), (iii) the rules on communicating Covid-19 measures to guests, and (iv) the requirement for staff to wear personal protective equipment.

In Spain, Serunion was the first Spanish contract caterer to be certified by AENOR (a leading Spanish standards and certification agency) for its safety and hygiene measures put in place during the Covid-19 crisis.

Proposing catering offerings during a public health emergency sometimes also means that new catering concepts need to be invented. For instance, in the United States, we launched a concept called *Safe Café*, which ensures customers' health and safety, in line with public health guidelines. When customers see the *Safe Café* logo they know that the restaurant staff respect stringent health and safety rules.

Care is also a central focus for Elior Services, which is a benchmark player in France for cleaning services, hospitality services in the healthcare sector and facility management. This is clearly reflected in the company's corporate slogan – "Taking care of your environments and the people in them".

As soon as France's first national lockdown was announced, Elior Services moved into action to design bespoke, easy-to-use disinfection offerings for business & industry clients to use when offices were allowed to open again. These clients have had to put in place exceptionally rigorous measures to provide the safest possible working environments and health and safety conditions for their employees. Elior Services' offerings cover two different types of services: traditional disinfection using a manual process or deep disinfection using a spray technique.

b) Catering for different nutritional needs

Proposing healthy meals to everyone is in our DNA and we play a pioneering role in helping improve overall eating habits. Because we believe that taking care of our guests starts with the food we serve them, we work with our more than 600 expert dietitians and nutritionists to create healthy, balanced menus that respect the main recommendations issued by the public health authorities.

In France, Elior was the first contract caterer to use the Nutri-Score food coding system in its school canteens and corporate restaurants. Designed by the French National Public Health Agency based on research carried out by the team headed by Professor Serge Hercberg (President of the French National Nutrition and Health Program, the PNNS), Nutri-Score provides clear, simple and understandable nutritional information about the dishes the Group proposes and meets the increasing demand from consumers to have the nutritional information they need to make the best food choices. After trialing the system in our corporate restaurants in the fall of 2019, we decided to gradually roll it out as from September 2020 to all of our school canteens. This objective to inform children and their parents about the nutritional values of the meals we offer confirms our pioneering position in educating people about healthy, great tasting food.

Taking care of our guests also means factoring in their specific needs and expectations. We need to make sure that each of our guests can have great-tasting food options that take into account any food intolerances they may have or their moral or religious beliefs. For example, we propose high-quality options for guests who want to reduce their intake of animal proteins. Vegetarian offerings are now available in our corporate restaurants and school canteens, and our specialist teams make sure that the plant-based alternatives we propose provide the best nutritional balance for all ages. The Group intends to increase its proportion of vegetarian recipes by encouraging the sharing of best practices and creativity between its chefs around the whole world via a digital platform.

Another illustration of our nutritional expertise and adaptability is the food services we provide to professional cyclists. Throughout the 2020 sporting season, our chefs catered for the 25 racers in the Total Direct Energie cycling team, and they will be doing the same during the 2021 season. These professional competitors can count on Elior's nutritional and culinary know-how to help them push their performance in each race. Providing healthy food adapted to the specific needs of top-level sport is a challenge in itself and the partnership clearly highlights Elior's best-in-class expertise in food and nutrition.

The pleasure of eating also plays a central role in hospitals and retirement homes, as it is a key factor for the well-being of patients and residents. In all of our host countries, we design menus that are adapted to the different pathologies of our guests in the healthcare and seniors markets. We are real specialists in this domain and our offerings include recipes designed specifically for people who have difficulties with chewing and swallowing. We also offer specially-textured food to help patients, seniors and people with disabilities rediscover the pleasure of eating.

Aware of the need to adapt food services for seniors to their changing needs and increasing dependence as they grow older, in France, Elior created the *Idequatio* concept in 2019-2020. The underlying aim is to help people continue to enjoy eating and to eat unaided for as long as possible, whatever their state of health. This innovative culinary offering is adapted on a case-by-case basis to the health and tastes of each elderly dependent person in order to make it easier for them to eat, facilitate their medical care and contribute to their everyday well-being. Thanks to this concept we can help guests enjoy their food, in total safety, and ease the daily work of care workers.

In care homes in Spain, Serunion likewise works constantly on improving residents' well-being. One of its recent projects involved carrying out studies in four care homes on whetting appetite through smell. The findings showed that sense of smell is an extremely important factor in stimulating elderly people's appetite and therefore plays a key role in their overall dining experience. Consequently, Serunion's catering offerings for care homes now include the possibility of aromatherapy for appetite stimulation.

In the United Kingdom, Elior UK has developed a training program for its chefs called *Dining with Dignity*, which helps them make texture modified food appetizing. Many elderly people suffer from problems with chewing and swallowing that increase with age, as well as losing their independence, all of which lead to risks of malnutrition. To counter these problems, for elderly guests Elior's teams propose food and beverages with specially modified textures and which look appetizing. This program represents an ambitious training path for Elior UK's chefs, strengthening their expertise in preparing and serving menus suited to the needs of guests suffering from dysphagia. It is thanks to this type of initiative – which contributes to our high-quality catering offerings – that we are able to improve the quality of life of residents in retirement homes and care homes.

c) Taking care of vulnerable people

The social and economic context experienced since the outbreak of Covid-19 has underlined the essential role that contract catering plays in all of the Group's host countries. Contract caterers are fundamental to society, offering healthy, balanced and affordable meals to many people, both at school and at work.

In the United States, Elior North America's teams have been mobilized during the crisis to continue to provide community catering services to the most vulnerable members of society. In all, between March and September 2020 the company delivered 51.6 million meals to elderly people, students and other people particularly affected by the crisis. Our teams tirelessly supported these communities, both physically and psychologically, and will continue to do so.

In Spain, Serunion played its part in the combat against food insecurity by catering for 18,000 Andalusian pupils receiving free school meals throughout the lockdown.

Elior Services also takes care of people in healthcare establishments, offering its expertise in managing health risks and healthcare hospitality. Hospital and operating rooms are kept spotlessly clean thanks to specialist cleaning and disinfection protocols adapted to each particular space. And hospitality services – comprising reception and other welcome services as well as meal and snack services – add to patients' comfort and well-being.

At the regional hospital complex in Mulhouse – where one of the first cases of a Covid-19 cluster broke out in France – Elior Services' teams were mobilized day and night during the crisis. Elior Services provides specialist cleaning services for the 120,000 sq.m. that make up this hospital complex, and 130 employees worked on cleaning the entire space, including technical facilities, medical imaging equipment, maternity wards and dialysis units.

The Group has put in place numerous initiatives to meet guests' special nutritional and dietary requirements in healthcare establishments and residential homes for seniors. Our innovative food offerings are tailored to the health and tastes of each person with a view to making it easier for them to eat, facilitating their medical care and contributing to their everyday well-being.

In France, our catering and services teams worked together in 2019-2020 on the renewal of our contract with the Fondation Pauliani retirement and care home for a further five years, with the Group offering many solutions to improve the quality of life of the home's 214 residents. These include the *Bouchées Saveurs* concept (bite-sized portions for people suffering from Alzheimer's) and the innovative culinary offering, *Idéquatio,* which is specifically suited to dependent elderly people. Regional dishes will also be introduced into the overall food offering to give the home a more personalized culinary identity. And lastly, the renewed contract comprises many socially responsible measures, including "eco-friendly disinfection" (using water to clean the floors) and a range of eco-certified and eco-friendly products, as well as helping the home with managing its waste-sorting system.

1.7.1.3.2 Respecting the environment and people

a) Taking care of the planet

Because we believe we can only really take care of our guests if we look after the planet, we take action on a daily basis to limit the impact of our business on the environment. The ways we do this include using sustainable ingredients, taking steps to avoid plastic pollution and implementing initiatives to reduce food waste – all of which are priority areas in the Group's CSR strategy: the Elior Group Positive Foodprint Plan™.

Choosing great-tasting, healthy and sustainable ingredients is of utmost importance to Elior. In order to select the best ingredients, we use premium suppliers and favor local sourcing and seasonal, certified produce. Our teams at the Orange Cesson-Sévigné restaurant in Rennes won the sustainable nutrition prize awarded in March 2020 by *Bleu Blanc Coeur* – a non-profit organization that campaigns for good diets for animals in order to improve the nutritional quality of food. This prize rewards the commitment of both Elior and its client, Orange, to promoting healthy, environmentally-friendly cooking.

In the United Kingdom, 86.1% of the fish served in Elior UK's restaurants is sustainably sourced, helping protect our seas and oceans over the long term.

In France, Elior has teamed up with the *Association d'Organisations de Producteurs Pêches et Abricots de France* to offer guests seasonal peaches and apricots that carry the *Vergers Ecoresponsable* label, certifying that they are grown using production methods that respect the environment. This approach is fully in line with the Group's pledge to develop healthy, balanced, and environmentally-friendly food offerings.

In the Business & Industry market in France, our teams are working on eliminating single-use plastic products that are not recyclable and not recycled in our restaurants. Reducing the use of these products is essential to limit the ecological damage that they cause over the long term. We now offer our clients packaging solutions made from organically-sourced, bio-degradable – and therefore more sustainable – materials, such as wood, cardboard, bagasse (sugarcane pulp), PLA (a plant-based plastic) and polyethylene terephthalate (PET – a highly recyclable plastic resin).

In the Education market, our French teams offer clients ways of making school canteens more environmentally friendly, especially in terms of reducing food waste and general waste. Eight practical measures have been developed with the help of dieticians, nutritionists, CSR managers and developers. Three municipalities – Lognes, Sedan and Mandelieu – agreed to act as pilots for testing these initiatives over a period of two to three months in 2019-2020 and the results were encouraging as there was a 27% reduction in leftovers.

In the United Kingdom, Lexington has launched an anti-food waste program called *TRASHED* to promote recipes utilizing food that is underused and generally ends up being thrown away, such as vegetable juice, stalks and leaves, stale bread, overly ripe fruit and cheese rind. As soon as they were created, the *TRASHED* recipes were heavily promoted to Elior UK's suppliers, clients, guests and teams, and the client sites that have adopted the program in recent months have seen a significant reduction in waste.

The fight against food waste is a priority action area for Elior and our aim is to get people thinking about it from a very early age. In France, we have teamed up with the start-up, Expliceat, to propose anti-waste workshops and training in school canteens, company restaurants and health and welfare establishments. As part of this joint effort, Elior and Expliceat are raising awareness about fighting food waste through cookery workshops creating recipes using uneaten bread, fruit and vegetables.

Another major challenge for future generations is preserving biodiversity. In 2019-2020, our Spanish subsidiary took part in the *Fish4Kids* project to promote sustainable fish consumption. Held in 30 schools in Spain, *Fish4Kids* is about organizing games and fun activities to improve children's knowledge about marine biodiversity and protecting marine animals and fish stocks.

b) Supporting local communities

When we select the producers we work with, we place particular importance on the human relations we have with them and favor those with strong local connections.

In 2013, Elior France set up a policy for purchasing regional products that respect strict specifications. Called "*Selected Products*", these give guests a real taste of France's regions while also raising their awareness about sustainably sourced food that respects nature and people. Despite the difficult economic context prevailing since the outbreak of Covid-19, Elior decided to maintain the awareness-raising events relating to these products in its restaurants, such as proposing French-grown strawberries in the spring of 2020.

We also contribute to environmental initiatives through Elior Group Solidarités – Elior's non-profit organization that supports community-based events and ventures in France and internationally. The organizations supported by Elior Group Solidarités include the Association Française d'Agroforesterie and the Centre de Développement de l'Agroécologie, which seek to protect biodiversity in their regions by promoting agroecology. Both of these organizations work on a regional scale, helping farmers and breeders to change their production and breeding methods. Elior's long-term goal is to be able to offer local and responsible products originating from these projects in the Group's school canteens located in the regions where the organizations work. In so doing we will be able to increase our proportion of local supplies and raise guests' awareness about environmental issues, while at the same time showcasing sustainable farming practices and forging links with local farms.

c) Supporting and valuing our people

Helping our 105,000 employees build their careers and realize their full potential is one of the main pillars of the Group's CSR strategy.

With this in mind we have adopted an ambitious policy aimed at ensuring our people have the best possible opportunities to develop their skills at every stage of their career. This involves risk prevention, setting objectives, internal promotion, access to training and many other aspects. And as a responsible and committed employer, we believe our teams should reflect the diverse society we live in.

One example of the way we help our employees build their careers is through Elior Services University. Designed for service operatives and team leaders, whatever their level of studies, this facility offers employees the possibility of moving up the career ladder through two training programs: "Team Leader" and "Site Manager". Following a final exam, graduates of the programs receive a professional qualification certificate. Elior Services undertakes to offer these graduates a job matching the level of their new qualification within twelve months of receiving their diploma. Each year, 150 operatives apply to become managers and are given training by the Elior Services University to prepare them for their future responsibilities. A wide range of skills are taught, including Client Relations, People Management, Quality, Health & Safety, Sustainable Development, and Business Management.

1.7.1.3.3 Offering delicious meals and moments to savor

a) High-quality ingredients

As a caterer, if we want our guests to enjoy the food we offer, we have to give them high-quality cooking with all the flavors of high-quality ingredients.

Cooking has always been at the heart of Elior's business. In all of the regions where it operates the Group hires chefs and regularly trains them in both traditional and innovative culinary techniques. And wherever they are based, our chefs work with nutritionists to devise recipes that are both tasty and nutritional. For example, in Italy the Group has a Food Academy, which is used as a testing and development center, where chefs and nutritionists share best practices and new recipes as well as carrying out research work. It is a place where our Italian chefs can hone their skills and come up with the best food preparation and cooking techniques to create delicious, balanced recipes. In France, the Group has a food innovation center called the LAB, where new ideas can be tried out to respond to the latest consumer trends and create new offerings.

To offer our guests the very best and stay one ahead of the curve, we apply a highly innovative culinary approach. This approach is the fruit of the know-how of our chefs, who are driven by a desire to excel and who get inspiration by exchanging ideas with colleagues from all of our host countries. In 2019-2020, an event based on vegetarian cuisine was organized for Elior chefs of six different nationalities to come together and share best practices, recipes and new culinary techniques. The overall aim of the event was for French, British, Spanish, Italian and American chefs to find out more about Indian vegetarian cooking.

In addition, every year the Group holds an international chefs competition, where a dozen chefs from six different countries compete against each other in teams. This is an ideal opportunity for the competing chefs to share their food culture and passion for cooking.

Culinary innovation is also the idea behind the partnerships the Group has developed with incubators such as Reimagine Food, SmartFood Paris and United Kitchens, which help us find and support technological and food-related innovations or ideas for new solutions or markets.

b) Friendly, relaxed settings

An enjoyable dining experience is not just about what's on our plate – it's also about the atmosphere of the place we dine in. That is why we always strive to make our restaurants ever more friendly, comfortable and relaxing spaces by continually developing new designs and concepts. In the Business & Industry market, the quality of the corporate catering offer is a sign of how employers value their staff. So it's not just a question of feeding guests but of making sure that meal times are moments to enjoy and savor.

Today's corporate catering concepts equally need to be geared to new work organization methods. In the current era of coworking, dining areas tend to also be used as meeting spaces at any point in the day. Our guests like areas that can be adapted to their pace of work and life in general, and which meet a range of diverse needs. Elior has responded to these changing trends by introducing new concepts and solutions, such as more collaborative spaces, with longer opening hours, which propose customized offerings from breakfast through to dinner.

The Group's expertise in this domain goes beyond dining areas. For instance, thanks to its highly professional hospitality services, Elior Services contributes to the brand image of many high-end hotels in France.

In order to help its clients return to the best possible working conditions following the national lockdown in France in March and April 2020, Elior Services offered to partner them with re-opening their sites, both in terms of cleaning their premises, and putting in place the necessary configurations for social distancing. As part of this support, Elior Services offered goods and equipment handling, plumbing and locksmith services, as well as all of the assistance needed for adapting work environments to make them Covid-19 safe, such as reorganizing work spaces and installing floor markings, plexiglass screens and hand sanitizer stations.

c) More agile and digital catering solutions

With the arrival of generations Y and Z, the catering industry has been shaken up by new behavior patterns and new challenges. These consumers have different eating habits and requirements than their parents' generations and expect to be able to eat when they want, where they want, and how they want. To meet these new needs and hold on to its leading position, the Group needs to constantly adapt and innovate.

The changes are particularly noticeable in corporate catering. With the massive arrival of generation Y in the workplace, combined with the explosion of digital technology and new collaborative working methods, the ways companies are run and their working patterns are evolving. People's attitudes to food are also changing, and eating fresh, healthy and high-quality produce in attractive and relaxing spaces has now become essential. Elior is adapting to these changes by offering new concepts.

Despite its young age, generation Z is similarly making its mark and paving the way for new consumption patterns. So Elior has rolled out numerous initiatives to meet that generation’s needs. In France, Elior has launched the *Weekly Daily* offering – an alternative to traditional self-service catering for high school pupils and students. Aimed at young guests in a post Covid-19 context, this new customizable and responsible offering seeks to provide a state-of-the-art digital catering experience, developed especially to meet new consumer trends among young people. Guests select their menu from a wide variety of recipes that can be ordered on the dedicated app and either eaten on site or taken away.

The Covid-19 pandemic has heightened demand for more flexible, grab & go and digital catering solutions. In all of our host countries, we are fast-tracking our digital transformation process to cater for corporate guests' new eating patterns and give them the foodservice offerings they want. We have developed customized offerings that are compatible with Covid-19 health and safety guidelines to prevent dining areas from becoming too busy while also meeting guests' requirements. The current situation has strengthened our belief that, even more than before, we have to think of new ways of encouraging guests to come or come back to our restaurants, and design new offerings to respond to their new consumption patterns. Guests no longer just come to us automatically; we now have to go and find them, wherever they are. The apps we have developed make our guests' lives easier and make the dining experience relaxed and enjoyable.

In the United Kingdom, Elior UK has deployed an app powered by Dynamify to reinvent its corporate catering operations. Dynamify is a meal pre-order platform that offers a range of services that are proving very popular with corporate guests. Thanks to this simple, intuitive app – which consumers can download and configure in less than a minute – social distancing rules can be respected as queues are virtual and payments can be made through the app. The pre-ordering and pre-payment system means that corporate restaurants can give timeslots for contactless collection of orders, therefore limiting the number of guests in the same place at the same time. This also generates significant productivity gains, as staff can process orders more quickly. On average, pre-ordering saves a guest three minutes and catering staff one minute per order.

In France, as soon as the first lockdown restrictions were lifted in May 2020, Elior helped its clients adapt to the strict new health requirements through new, more flexible catering solutions. For example, the *Chefs and Go* offering allows guests to order fast food in two different ways: click and collect, and click and serve (i.e. delivery within their office building). A total of 120 exclusive recipes have been designed by our chefs for this offering (salads, bowls of food, reheatable dishes etc.). Another concept offered in France is *Le self qui s'emporte*, which offers a selection of starters, mains and desserts to take away, and is available in self-service restaurants with a dedicated check-out.

Elior Italy likewise drew on new technologies when its corporate restaurants re-opened post-lockdown. For example, guests can use the *JoyFood* app – which was developed specially for corporate restaurants – to reserve meals to take away. Payment can also be made through the app, avoiding the use of cash and reducing wait times at the check-out. At the same time, *JoyFood* makes it easier to manage footfall by providing real-time information about the number of people in the restaurant and allowing guests to book timeslots. Elior Italy has had another digital offering in place for several years now, specifically designed for small companies – *Food360*, a self-service system that uses smart fridges. Guests in these companies can now also use the *JoyFood* app to order and pay for their food and collect it in their own time.

In India, Elior India has rolled out the *El Chef* app. Thanks to this pioneering innovation in the Business & Industry market in India, guests can compile their favorite menus, view updates and their order history, discover the dishes of the week and plan their meals according to their own specific needs. *El Chef* will also help our Indian subsidiary to get to know its customers better and therefore to offer them an even better service.

d) Educating tastes

As the pleasure of appreciating food develops from a very early age, the Group is committed to stimulating children's tastes. Our approach to catering for children involves introducing them to new types of foods, proposing varied meals made from high-quality ingredients and serving our food in friendly, modern surroundings.

Our fun approach to nutrition in primary schools was rewarded in the United Kingdom in 2019-2020 when Elior UK's education subsidiary – Taylor Shaw – won the Education Honour at the 2020 Health & Vitality Honours for its *Team FAB4* program, which encourages children to adopt good eating habits. Primary school is the perfect time to get children used to eating healthily, which not only boosts well-being but is also better for the environment. Based around four colorful and educational characters, all with their own superpowers, interests and expertise, Taylor Shaw's *Team FAB4* program makes learning about nutrition fun for children. They can identify with the four characters, which helps get across the program's key messages, including the benefits of eating more fruit and vegetables, having a balanced diet, trying new food and drinking plenty of water.

Elior UK also took part in the *Eat Them to Defeat Them* school catering challenge in 2019-2020, which is aimed at inspiring children to eat more vegetables. Focusing on a different vegetable each week, over a period of two months Elior's teams worked with children to sculpt, decorate and disguise all sorts of vegetables to transform them into funny characters, with food counters sometimes looking like scenes from a cartoon. The overall objective of the campaign was to use humor to get kids to love their veg.

People continue to taste new flavors and try different types of food throughout their lives, and Elior wants to play a role in this ongoing voyage of discovery. So, with a view to surprising and satisfying our guests, we constantly develop new recipes and propose new ways of preparing and cooking ingredients. In the Health & Welfare market in France, Elior organized its eleventh *Tout Chocolat* baking competition in 2019-2020. Each year, teams made up of Elior chefs and disability care home residents and their care workers compete against each other in a friendly challenge. The idea is for the amateur bakers to create an original recipe, working with professional chefs, and the teams are scored on the originality and taste of their final piece.

We work hard to incorporate a wide range of dietary options into our offerings and we give our guests the opportunity to try out vegetarian, dairy-free or gluten-free dishes. For example, one out of six of the Group's recipes is vegetarian.

e) Delicious food for all locations

Bringing enjoyment to people's lives also means being there for them on cultural outings and at important events.

In 2019-2020, Singularis Catering – the Group's subsidiary that specializes in premium catering for prestigious sites in Spain – won a contract to provide all of the catering services for visitors at the famous MNAC, the national museum of Catalan visual art. For a period of three years, Singularis will be responsible for managing the museum's bar, café and gastronomic restaurant. This new contract was awarded thanks to Singularis's expertise and excellent reputation with many other high-profile clients, and because of its commitment to environmental protection.

Also during the year, Elior UK launched Foodsmiths – its new brand specialized in providing food and hospitality services to visitors and guests at celebrated venues and special occasions. The idea behind creating a brand bringing together all of Elior UK's services for owners and operators of stadiums (e.g. Murrayfield in Edinburgh, the Rangers FC Ibrox Stadium in Glasgow and the Emirates Durham International Cricket Ground), attractions, venues and events (e.g. the Royal Institution in London, the National Museum Cardiff, St Albans Cathedral and Aberdeen Art Gallery) is to accelerate Elior's expansion and build its reputation in this very demanding market. The services Foodsmiths proposes in the cafés, bars and restaurants at these sites and the major events held there are based on the three principles of provenance, craft and quality. The food is cooked freshly on site to create a handcrafted, delicious experience.

In the United States, Elior North America's subsidiary, Constellation Culinary, won the catering contract for the California Academy of Sciences, which is one of the ten largest natural history museums in the world. Already present in many museums and prestigious sites on the East Coast of the USA (from New England to Florida), Constellation Culinary was awarded this new contract thanks to the premium, sustainable and regional offering it designed for the museum, and it will now be able to develop its reputation in California.

In Italy, Elior Italia continued to innovate by proposing vacuum-packed dishes to managers of beach huts and cafés that welcomed back holidaymakers after the country's lockdown was lifted. With over 400 recipes available in modified atmosphere packaging to keep the food fresh, this offering helps the managers of seaside resort facilities to cater for holidaymakers in total Covid-19 safety with reduced staff numbers. This allowed the managers of the many beach huts and cafés that line the Italian beaches in the summer season to propose high-quality food while respecting social distancing rules, both in terms of staff numbers in the kitchen and contact with guests.

Elior also manages catering services for train passengers and at airport lounges. Serunion runs the VIP lounges at Spanish airports, Elior UK provides on-board catering for three lines of South Western Railway, and Elior Italia provides on-board catering for Trenitalia trains.

1.7.2 THE GROUP'S STRATEGY

New Elior ambitions

Following the sale of Areas in 2019, the Elior group refocused on its core business of contract catering in six countries, plus services in France. Consequently, we redefined our corporate mission, ambitions and priorities for each of our markets and drew up a strategic plan called New Elior. This plan – which was the outcome of work carried out jointly by the Group's Executive Committee and operations teams – is based on five value-creation drivers:

– Shifting our business mix towards the most attractive segments, in which we can create value for our clients through innovative offerings, and entering new markets, such as on-board catering for trains and meal deliveries to Small and Mid-size Enterprises (SMEs).
– Giving our client-facing teams the resources they need to always adapt our offerings to guests' expectations, by proposing healthy and environmentally-friendly dining options, with concepts heavily inspired by commercial catering and drawing on online digital experience with Food Tech standards.
– Being constantly customer-centric thanks to our high-quality offerings and by systematically applying customer loyalty best practices.
– Optimizing and continuously adapting our cost structure to operational requirements, including procurement, payroll and overhead costs.
– Managing cash in a disciplined way and allocating investments to opportunities that guarantee the best returns.

With its New Elior plan, the Group had already begun its transformation process before the outbreak of Covid-19. The health crisis has accelerated the implementation of the plan but has not affected any of its fundamental principles. Some of the initial assumptions used in the plan have been revisited, however, in view of the current context, particularly the target market segments on which the Group intends to focus its expansion, due to opportunities that have emerged. For instance, outsourcing levels are expected to increase in some Education and Health & Welfare market segments where the in-house management model still dominates in several countries.

It is the Business & Industry market that will experience the most significant and lasting impacts of the crisis, and the Group has therefore accelerated its work on reinventing its offerings in this market in response to new working organizations, drawing on digital assets to achieve best market practices.

Going forward, Elior expects to see a gradual recovery in the economy in the mid-term, with a rebound once the crisis is over and additional revenue generated by its new offerings, which will enable the Group to return to a solid level of growth and improve its pre-Covid margins.

1.7.2.1 Key features of the contract catering market

In the countries and sectors where the Group is present, the contract catering market (also referred to as outsourced catering) represents a potential of €130 billion. As the outsourcing rate is 42% this implies that the market currently represents €55 billion.

The key features of the worldwide contract catering market are as follows:

- It is a market that is expected to continue to grow globally, with different growth rates for the various market segments as some segments will be more affected than others by the Covid-19 crisis. In general, the growth of a given segment depends on:
  1. Changes in the number of meals served.
  2. Inflation and changes in per-meal prices.
  3. Changes in outsourcing rates, i.e. the proportion of clients who outsource their catering services rather than managing them in-house.

- It is a local market with a fairly limited number of multi-country invitations to tender as these do not generate operational synergies.

- It is a specific market, with invitations to tender for catering services rarely combined with other types of services, particularly in Continental Europe, the main exception being in the health & welfare sector.

- Before the Covid-19 crisis it was a market that had low barriers to entry, apart from in the state education sector, where operators in most countries need to invest in central kitchens. The impact of the crisis on the Business & Industry segment has led the Group to speed up its transformation process and the diversification of its offerings. In addition, stricter health and safety protocols will favor large players.

- It is a market with increasingly diverse and mobile service models (click and collect, etc.), driven by the faster penetration of digital technology.

- In most countries the market is structured around four main corporate profiles: international groups, like Elior; large companies with national coverage; regional local players; and players specialized in a particular segment.

- Lastly, it is a market in which guests' expectations change in line with trends in society. The current health crisis has accelerated this underlying movement, with consumers paying increasing attention to sustainability (local sourcing, the fight against food waste, the role of caterers in the community, etc.), nutritional balance and transparency. To meet these expectations, the supply chain and digital technology are indispensable factors, particularly for millennials, who are expected to represent 50% of the new hires taken on by the Group's major corporate clients in 2020.

1.7.2.2 Key features of the services market

Services correspond to the Elior group's second-largest business. Elior Services is a major player in cleaning, healthcare hospitality and facility management (reception, mail and concierge services, etc.) in France.

The outsourced cleaning and related services market in France represents an estimated €30 billion (2017 data), with an outsourcing rate of around 45%.

The key features of this market are as follows:

- Low barriers to entry and low capex requirements.
- High fragmentation: companies generating over €100 million in revenue have a market share of approximately 35%, and 90% of companies in the market had less than 10 employees in 2014 (data source: Xerfi).
- Steady annual growth of around 2% to 3%.
- Very high weighting of payroll costs within the overall cost structure, and therefore sensitivity to changes in tax and social security laws and regulations.

1.7.3 THE GROUP'S COMPETITIVE STRENGTHS

As a leading player in contract catering and services, the Group believes that it has major competitive strengths, which have been reinforced by certain effects of the Covid-19 crisis, particularly in relation to smaller-sized players.

1.7.3.1 An operating presence in growing markets with attractive fundamentals

1.7.3.1.1 Solid competitive positions in Europe, complemented by an operating presence in the buoyant US market

In the six main countries where the Group operates, contract catering is characterized by a highly competitive environment, with a large number of small and mid-size regional or specialized operators competing with a few national or international players. In the Group's markets, critical mass is an essential competitive factor, as it creates the ability to offer prices that match market expectations. At the same time, large players such as Elior are better equipped to compete for major contracts.

Thanks to its assets and financial solidity, the Group believes that it can consolidate its positions in a context where smaller-sized players are less attractive, are struggling financially, and have limited investment capacity to transform and adapt to the post-Covid-19 environment.

Lastly, the higher number of stricter health and safety standards resulting from the crisis requires resources and expertise that larger groups tend to have.

a) In Europe

The addressable contract catering market in the European countries where the Group operates is estimated to represent almost €43 billion, of which only around €21 billion is currently outsourced. In all of the countries and sectors in which the Group operates in Europe, it has been able to reach critical mass and position itself among the main market participants. The Group's leading positions and its emergence as a local or national champion in almost all of its business sectors and host countries in Europe have been made possible due to a decentralized organizational structure that encourages a local entrepreneurial culture while drawing on the support functions provided by the Group (procurement, finance, human resources, communications, innovation, digital and IT). The organizational and operational model for support functions is aimed at aligning best practices in order to deploy them Group-wide and accelerate the implementation of the New Elior plan in response to the current unprecedented health crisis.

Based on revenue for fiscal 2019-2020, the Group estimates that:

- In France it is the leader in contract catering and the leader in cleaning services for the healthcare sector.
- In Spain it is the leader in contract catering.
- In Italy it is the leader in contract catering.
- In the United Kingdom it is the fourth-largest contract caterer.

b) In the United States

The Group has a solid presence in the United States, where it first entered the contract catering market in 2013 via its acquisition of TrustHouse Services (since renamed Elior North America). The US market represents a major growth driver for the Group, thanks to the solid positions it enjoys in the most attractive market segments of the contract catering industry. The Group has consolidated its position as the market's fifth-leading operator, notably as a result of the acquisitions it has carried out over the past three years.

1.7.3.1.2 Market dynamics still promising over the long term for contract catering and services

The Group is present in markets and sectors that tend to have high growth potential. In Europe, it estimates that the addressable contract catering market in which it operates is worth approximately €21 billion. In the United States, the addressable contract catering market in the sectors in which the Group operates is estimated at $92 billion, of which only $36 billion is currently outsourced (corresponding to an outsourcing rate of just 40%). The Education market (particularly in the United Kingdom) and the Health & Welfare market (in the United Kingdom, Spain and Italy) also represent strong growth potential, with outsourcing rates still below 50%. Due to the Covid-19 crisis, the Group expects to see an increase in outsourcing, which it believes will drive growth in the coming years.

In order to create growth drivers, the Group analyzes the trends in each of the contract catering and services markets in which it operates, some of which have accelerated due to the current health crisis. For example, the Group believes that:

- The reorganization of work spaces and ways of working will have a lasting impact on consumption patterns in the Business & Industry market. In the private sector, again in the Business & Industry market, high-street brand and grab and go concepts, which were already popular before the crisis has been a faster pace of development of new services based on digital technology (click & collect and take-away solutions, etc.), enabling catering services to cover wider areas and broader timeslots. The Group intends to make up for its reduced business volumes by increasing the capture rate at its sites and building up these new services.
- In the Education market, the move towards outsourcing will gain speed, in particular for secondary schools and universities, which still have relatively low outsourcing rates, especially in Italy, France and the United Kingdom.
- The Health & Welfare market will continue to grow, notably in France and the United States, due to general population aging, the market's still relatively low outsourcing rates, and the further development of value-added sub-segments, such as home meal deliveries, hospital after-care services, and new services related to an expected trend towards higher-end offerings in elder care facilities.
- The Services business will continue to grow, driven by the combined effect of (i) an increase in outsourcing, as clients seek ways to reduce costs, (ii) constraints related to an ever-stricter and more complex regulatory framework in this sector, and (iii) more stringent health and safety measures.

1.7.3.2 Carefully chosen strategic fit between contract catering and services

1.7.3.2.1 Two businesses with complementary features

The Group's two businesses have different financial models which require different types of management. The New Elior plan was structured using the same framework but independently for each business.

Commercial synergies

Commercial synergies between the contract catering and services businesses in France are generally limited and highly targeted. They mainly concern the health sector, in which joint service offerings can help meet the challenges arising from changes in the ways that hospital care is dispensed, particularly for short stays (e.g., delivered meals which are then served to patients in their rooms).

Sometimes, especially for key accounts, comprehensive catering and hospitality service offerings can help the Group stand out from its competitors, as was the case for the Airbus University in Toulouse.

Operational synergies and shared resources

Operational synergies between the two businesses mainly concern maintenance operations for some technical equipment in kitchens, which can be carried out by Elior Services on an outsourcing basis.

Certain support functions (mainly IT and procurement) are shared between the two businesses.

Financial models

There are also differences in the two businesses' financial models. For instance, the weighting of purchases of equipment and consumables within the cost structure of the services business is much lower than for contract catering. However, they both have low capital intensity (especially services) and low working capital requirement, and therefore a high cash generation profile.

Image and reputation

Lastly, the Group's Elior and Elior Services brand names are growing more powerful in its business sectors and markets, which means that it can capitalize on the reputation for quality and excellence it has built up in certain operations over many years. The strong resilience shown by the Group's services businesses during the health crisis enabled it to maintain high business volumes in the Health & Welfare market.

1.7.3.2.2 Growth opportunities across all of the Group's operations, fueled by higher production capacity and stronger innovation capabilities

In 2019, the New Elior strategic plan allowed the Group to define three growth priorities.

The first of these priorities concerns the most attractive market segments to which Elior had already shifted its focus. As the lasting effects of the Covid-19 crisis will vary from one sector to another, in 2020-2021 the Group will readjust its target growth segments.

The second growth priority entails market segments that are related to the Group's core business. Some of the related segments originally selected in the New Elior plan – such as airline companies, leisure venues and cultural venues – remain heavily impacted by the crisis. The Group is therefore seeking out other related services to act as mid-term growth drivers until business returns to "normal".

The third priority is to develop business with clients who have so far opted for in-house management of their catering and/or cleaning (in France). Due to the Covid-19 crisis, the Group expects to see an increase in demand for outsourced services from these clients, mainly in the Health & Welfare market and some segments of the Education market.

Lastly, as mentioned above, the current health situation and the economic impacts of the crisis will strengthen the competitive positions of large groups like Elior.

On-board train catering (a market worth around €500 million in Europe) is another related service the Group has decided to leverage as part of its business development drive. Having provided the *Itinere* on-board train catering offering for Trenitalia in Italy since 2013, Elior managed to transpose its know-how in this area to the United Kingdom, winning its first multi-year contract in the country, for trains on the East Midlands line operated by its partner, Trenitalia.

The Group's objectives for the related services it has already targeted and that it may target in the future due to the Covid-19 crisis have been set on a local basis for each of its host countries. Their development in terms of their sales pipeline and their weighting in the various subsidiaries' business mixes is being tracked via the Group's CRM systems.

In order to drive profitable growth in these segments the Group has placed innovation at the heart of its operational strategy. Our approach is aimed at mobilizing, training and equipping our managers so as to accelerate our innovation capacity and maximize value creation. It is based on three pillars which will continue to apply in fiscal 2020-2021:

- **"Think"**: staying up to date with the latest innovations thanks to trend intelligence and a digital platform grouping all players and innovative projects in the foodtech services ecosystem; mobilizing leaders and operations managers to devise the offerings and services of tomorrow through working groups using Design Thinking processes and methods; and encouraging information sharing and feedback via events or digital tools in order to capitalize on best practices and accelerate the Group's innovation capacity.

- **"Test"**: continuing to transform our restaurants and client sites into veritable incubators with a view to testing and jointly creating innovations with our clients; and pursuing our intrapreneurship strategy, which values and rewards the creative potential of our teams and gives our people the innovation momentum required for our value creation drivers. A prime example is the project that won the 2019 Innovation Awards: called *Cheatah* and launched by Elior UK, this solution clearly fits with the Group's strategy of diversify catering methods as it offers an online, on-site delivery service at university campuses of pizzas freshly prepared by Elior's chefs.

  At the same time, the Group is continuing to deploy its Open-Transformation strategy, drawing on strategic partnerships to help reinvent itself. For example, Arpège – the Group's premium brand in the French Business & Industry market – has entered into a partnership with the culinary incubator United Kitchens, aimed at developing innovative, responsible and original food. Together, Arpège and United Kitchens are creating virtuous concepts for the future in areas such as working with unprocessed and seasonal produce, fighting food waste and contributing to social inclusion.

- **"Do"**: supporting the deployment of mature projects and cutting-edge concepts; and providing training in the Group's innovation methods and tools and in the practices of commercial catering. In line with this, Elior UK has rolled out a training program at over 400 sites called "Right track", aimed at giving site managers the keys to energize sales and stay up to date with the latest trends.

1.7.3.3 A resilient business model thanks to a loyal client base and long-term contracts

Complementary geographies and markets

The resilience of the Group's business model is mainly due to the wide diversity of its operations in terms of markets and geographies. For example, in contract catering, the Health & Welfare and Education markets are less exposed to economic cycles or the lasting impacts of the Covid-19 crisis than the Business & Industry market. The Group expects that for Business & Industry clients – which mostly manage their catering services in-house – the current health crisis will lead them to accelerate the outsourcing of those services, which would represent a growth driver for Elior.

Seasonal reductions in guest numbers in certain markets (notably Education and Business & Industry) can be partly offset by increases in other sectors for which holiday periods are the high season, such as daycare facilities during school vacations.

Business volumes for Elior Services, on the other hand, are more stable throughout the year as its client contracts are mainly entered into on a flat-fee basis and around half of its revenue is generated in the Health & Welfare segment.

Long-term contractual relations with clients

The Group's business model is also strengthened by the fact that it has a wide and diverse client portfolio. In 2019-2020, its five largest contract catering clients accounted for less than 7% of total consolidated revenue.

Other factors that contribute to the strength and stability of the Group's business model include the structure of the contracts underlying its contract catering operations, as well as the existence of stable and long-lasting relations with a large number of its major clients. The fast response of the Group’s teams to the Covid-19 crisis and their hard work to ensure continued service quality and implementation of the requisite health and safety measures were recognized and highly appreciated by clients, which has further strengthened client relationships. Many of the Group's contract catering contracts include automatic renewal clauses and indexation clauses based on the prices of certain raw materials and labor costs. The Group also has very long-standing relations with a number of large international corporations, such as Airbus, Trenitalia, Seat and Ramsay Santé and major public-sector agencies, such as the Hauts-de-Seine municipal authorities in France. Our teams are building even closer relations with each of their clients in order to understand their challenges, constraints and needs in the current situation and provide bespoke solutions that provide the best possible support with helping to transform their business organizations. For the year ended September 30, 2020, the Group's client retention rate for contract catering operations was 91.8%, or 92.6% excluding voluntary contract exits, mainly in Italy and the reduction in the scope of the Tesco contracts in the United Kingdom.

The Covid-19 crisis has been a period in which the Group has been able to further tighten both the quality and stability of its client relations, by offering them solutions and services tailored to their specific needs during these unprecedented times. These include providing alternatives to on-site production, introducing digital order and payment systems and creating Covid-safe dining spaces.

From the very outset of the crisis, the Group began renegotiating all of its contracts in all of its host countries in order to mitigate the effect on profitability of lower business volumes. The renegotiations were particularly focused on clients taking on residual fixed costs during the lockdowns and the periods when lockdown restrictions were gradually lifted.

The Group’s mid-term objective is to offer its clients not only its traditional catering services, but also a portfolio of alternative offerings and solutions that fully meet the new needs and expectations that have emerged with the crisis, both in terms of health and safety and working from home.

1.7.3.4 A proven capacity to create value, combining organic and acquisition-led growth and a recognized ability to effectively integrate acquired companies

The Group has a strong track record in terms of acquisitions, and since early 2016 the new businesses it has acquired have added some €900 million to annual consolidated revenue.

The success of these acquisitions is due to the profiles of the target companies and their strategic fit with the Group's existing operations. This is illustrated by the latest business combinations carried out both in the United States (which have extended the Group's geographic coverage in that country and strengthened its positions in specific market segments) and in the United Kingdom (resulting in greater coverage of the Health & Welfare and Education markets). The integration process for newly-acquired companies includes plans for leveraging synergies, which are assessed upstream of the transaction and encompass areas such as costs (procurement, IT, support functions, etc.), business development (integrating acquired brands into the Group's portfolio, analyzing client portfolios, capital expenditure projects, etc.), human resources, and management. In most cases the Group keeps the existing management teams in place, in order to ensure continuity and encourage an entrepreneurial culture.

The Group's acquisitions have enabled it to create national champions in each of its main host countries. One illustration of the effectiveness of this strategy is the ramp-up of its contract catering operations in North America. Having first entered the market in 2013 through the acquisition of THS, the Group was the fifth-largest contract caterer in North America at September 30, 2019.

1.7.3.5 Operating excellence resulting from a tightly-controlled supply chain and cost base

The Group's cost base mainly comprises purchases of food products and raw materials, personnel costs and overheads. Faced with reduced footfall in the Business & Industry market due to the impact of new working organizations, and in view of the fact that clients will be seeking cost savings, the Group is working on proposing solutions to agilely manage fluctuations in volumes while maintaining its profitability despite lower business levels.

A tightly-controlled supply chain

Because of the large economies of scale resulting from its size and geographic reach, the Group is able to obtain highly favorable purchasing conditions and significant rebates, therefore increasing its cost efficiency compared with other market players. In addition, it has stable and long-lasting business relations with the majority of its local and global suppliers of foodstuffs, other raw materials and logistics services.

The Group strictly monitors the quality of its supplies, notably by performing quality audits when selecting new suppliers and periodic audits on existing suppliers, and by carrying out regular controls on the raw materials and products that it purchases.

Constant cost control

Cost control and continuously improving on-site operating efficiency are priorities for the Group and key measures of its successful management. As well as implementing upstream procurement policies, the Group has put in place processes to optimize the use of purchased foodstuffs on site in order to minimize waste.

In addition, as personnel costs represent the largest proportion of its cost base, the Group closely monitors movements in its overall payroll in order to ensure it keeps up its cost efficiency during local market cycles. During the Covid-19 crisis, the Group worked on making its wage costs more flexible with the aim of improving its agility post-crisis so that it can respond to volatility in demand, which is expected to be ongoing, especially in the Business & Industry market.

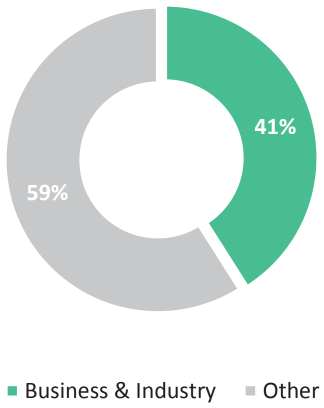
1.7.3.6 Experienced management teams with an entrepreneurial mindset and in-depth knowledge of their markets

The Group's highly decentralized organizational structure means that its managers have a resolutely entrepreneurial mindset. They share the Group's financial objectives and take part in certain strategic initiatives but they remain autonomous from an operational and commercial point of view, which gives the Group a dynamic and agile profile. The New Elior plan – which is structured around five value creation drivers that apply Group-wide, with specific objectives for each country – is a clear illustration of this approach.

1.7.4 THE GROUP'S MAIN OPERATING MARKETS

1.7.4.1 The Business & Industry market

Contribution of the Business & Industry market to the Group's 2019-2020 consolidated revenue



Key Figures

- No. of sites: 3,635
- No. of restaurants and points of sale: 5,633
- No. of guests per day: 1.1 million
- Elior's position in the Business & Industry market in its operating countries (contract catering)

  France: no. 1, Italy: no. 1, UK: no. 4,
  Spain: no. 2, USA: no. 5
- Client base:

Trenitalia, Enel, Hera, Poste Roma, World Food Programme, Seat, La Poste, Amadeus Sophia, Airbus, Renault, California Academy of Sciences, The Carnegie Hall Corporation, Wimbledon Football Club, New York Botanical Garden, Linklaters, BAE Systems, Apollo Global Management, Phoenix Zoo, Sanofi, Bank of England, Scottish Rugby Union Limited, Futbol Club Barcelona, Ashok Leyland, PayPal, etc.

Source: Elior Group

Elior proposes catering services and cleaning services (in France) to businesses in all types of sectors, ranging from manufacturing to financial services, and of all sizes, from SMEs to international corporations, adapting its offerings to their varied and specific needs. The Business & Industry market comprises several segments, which have different levels of exposure to economic cycles and the lasting impacts of the Covid-19 crisis.

Offerings adapted to all business segments

We are keenly aware that the needs and expectations of our clients and guests differ depending on their profiles, for example whether they operate in the manufacturing or services sector. We are agilely adapting our production and service models to accompany the changes in work organization methods that were already happening pre-Covid and are accelerating as a result of the crisis. In addition, as a benchmark player in industrial ultra-cleaning, Elior Services provides cleaning and hygiene services for production areas and highly specific environments such as white rooms.

Specific offerings for government agencies

We also provide services that are tailored to the specific needs of different types of government agencies (e.g. 7/7 and night services), including ministries and regional authorities, as well as military bases and correction facilities.

Eating well, even on the move

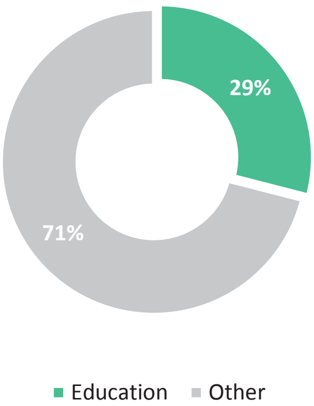
We have built up real expertise in on-board rail catering – starting out in Italy and then in Spain and the United Kingdom – with original offerings made from fresh and seasonal produce. Passengers can sit down to eat or can grab & go, or book a meal online for direct delivery to their seat. An even broader range of services is now available on night trains, including packed meal boxes and bed-making.

Sport and leisure

We offer both sit-down dining and snack options to enjoy at venues such as stadiums (Murrayfield, etc.), zoos, museums and prestigious cultural sites (the Vatican, for example).

1.7.4.2 The Education market

Contribution of the Education market to the Group's 2019-2020 consolidated revenue



Key Figures

- No. of sites: 6,499
- No. of restaurants and points of sale: 14,122
- No. of guests per day: 2.1 million
- Elior's position in the Education market in its operating countries (contract catering)

  France: no. 1, Italy: no. 3, UK: no. 4,
  Spain: no. 1, USA: no. 5
- Client base:

Comune di Pisa, Comune di Genova, Ville d'Issy-les-Moulineaux, Collège Stanislas, Ville de Lyon, London Business School (LBS), University of Roehampton, Conseil départemental des Hauts-de-Seine, Lycée français de Madrid, L'Oréal Madrid, RTVE, Télécom PariTech, Les Petits Chaperons Rouges, Savannah State University, Madison County Schools, Akron Public Schools, etc.

Source: Elior Group

The Education market comprises three main segments (pre-school; elementary, middle and high schools; and higher education) and our clients in this market include both state-run and private establishments.

The central kitchens network – a powerful asset

The Group's historic clients in the Education market are local authorities, which for a long time have outsourced their catering to organizations that can guarantee a high level of food safety and constant production volumes, with the necessary logistics capabilities. With 121 central kitchens in France, Spain and Italy, we have the largest central kitchen infrastructure in Europe, with regional coverage that enables us to combine high productivity with a local presence. These kitchens prepare and deliver several hundred thousand high-quality meals a day. We have recently created a new generation of central kitchens – *Les Pépinières du Goût* – which focus on training and sustainability and are underpinned by three key commitments: taste, service quality and respect for the environment.

Catering solutions for every age

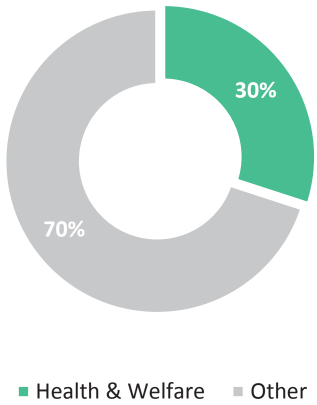
Thanks to the expertise we have honed over the years, we offer innovative catering solutions tailored to the specific needs of each age group, from pre-school right through to university. We offer comprehensive catering solutions to help children make good food choices by themselves. And we are committed to providing transparent information about allergens (e.g. the *Lunchhound* solution in the UK) as well as the origin of the food we serve and its nutritional values (as illustrated by the rollout of the Nutri-Score system in France for example).

Giving children a taste for healthy eating

The ingredients we use are selected by dieticians who ensure that our menus are balanced and varied. In order to help us propose innovative and diverse menus, in France, 10 new recipes are tested every month by a panel of 50 children. We also organize nutritional campaigns and anti-food-waste events to get the healthy and responsible eating message across to children, such as "Let's have breakfast together", which helps children understand how important it is to eat breakfast, and "Vegetable day". During the year we also developed and launched a flexible home meal pack program offering breakfast and lunch for two, three or five days depending on the home-learning schedules of the schools concerned.

1.7.4.3 The Health & Welfare market

Contribution of the Health & Welfare market to the Group's 2019-2020 consolidated revenue



Key Figures

- No. of sites: 2,371
- No. of restaurants and points of sale: 2,972
- Number of guests per day: 0.6 million
- Elior's position in the Health & Welfare market in its operating countries (contract catering)

  France: no. 2, Italy: no. 1, UK: no. 4,
  Spain: no. 1, USA: no. 5
- Client base:

Hôpital Foch, Ramsay Santé, Cancer Campus Gustave Roussy, Ospedale Luigi Sacco, Barts Health NHS Trust, CHU de Toulouse, Allegheny Valley Hospital, Louisiana Department of Health, Association Entraide Universitaire, Hospital Universitario de Burgos, etc.

Source: Elior Group

The Health & Welfare market covers the following main segments: health (public hospitals and groups of private clinics), seniors, residential homes and day-care centers for disabled and/or dependent people, and non-profit organizations that provide community meal services.

Taking care of dependency

Some elderly care home residents and people with disabilities are dependent, which means they have difficulties with basic actions, such as eating or drinking. To help make their everyday lives easier, we have designed specific solutions both for their meals (such as texture-modified foods) and their other needs (Elior Services' hospitality solutions).

Eating well to get better

A healthy, balanced diet is often the first step to getting better. At Elior, we design concepts tailored to each type of patient and resident depending on their specific needs (e.g. for the elderly and people with disabilities) or on their pathology (cancer, Alzheimer's, etc.). We also address the public health problem of malnutrition by creating concepts such as *Énergie Saveurs* in France, which offers specially enriched food, and Elior Italia's *NutriAge* concept. *NutriAge* – which includes an initial nutritional diagnosis, personalized menus and long-term monitoring – has established Elior Italia as a veritable partner for care homes for the elderly and their residents in the fight against malnutrition and weight loss.

Championing autonomy and social inclusion

We partner our clients in health and welfare establishments in designing innovative solutions that help their residents and patients either retain or regain their independence. We also distribute meals for charitable organizations and centers for vulnerable people. And during the Covid-19 crisis, we reacted quickly to help people in need, notably through our TRIO Community Meals brand in the United States.

Fostering synergies between businesses

Health & Welfare is the market that offers the most opportunities for leveraging synergies between catering and services, such as meals served in rooms. Elior Services' offerings comprise many high added-value services, including specialized cleaning and a wide range of hospitality services (concierge services, pre- and post-hospitalization support, etc.).

1.7.5 GEOGRAPHIC MARKETS

1.7.5.1 Contract catering in France

With estimated addressable revenue of over €7.2 billion in 2018 (data source: Gira), and based on external data, the Group believes that it is the leader, in front of Sodexo, in the French contract catering market, holding the leading position in Business & Industry and Education, and second position in Health & Welfare (based on outsourced sales in 2018). The French market is relatively concentrated, with the three largest players accounting for 68% of its overall sales in 2018. The Group's main competitors in the French contract catering market are large multinationals, such as Sodexo and Compass, but it also faces competition from smaller national caterers such as Api Restauration, Dupont and RestAlliance.

The outsourcing rate in France corresponds to approximately 37% of the overall in-house and contract catering market, which the Group estimates was worth approximately €19 billion in 2018, up almost 2% year on year. The French market has experienced sustained growth of 2% a year since 2015.

1.7.5.2 Services in France

France is the Group's principal geographic market for its Services business. The Group estimates that the French cleaning services market generated over €25 billion in revenue in 2017, around €12 billion of which derived from the outsourced segment of the market, representing an outsourcing rate of approximately 48%. It also estimates that sales generated by the outsourced cleaning services market in France are still growing at an annual rate of between 2% and 3%.

On the basis of research carried out by external agencies at the Group's request, the Group considers that specialized cleaning services represented 40% of the overall revenue generated by the cleaning services market in France in 2016, versus 60% for standard and office cleaning services (data source: Le Monde de la Propreté).

The Group believes that the French cleaning services market is highly fragmented, with around 45,000 companies referenced (data source: Le Monde de la Propreté). Players generating less than €100 million in revenue together account for almost 65% of the market's total revenue.

The Group's Services business faces competition from large, multinational providers such as Sodexo and ISS, as well as from smaller, regionally-based service providers.

Key Figures

Market positions

No. 1
in contract catering

No. 1
in cleaning services for the healthcare sector

Elior Services key figures

2,301
sites

20,354
employees

1.7.5.3 International contract catering

In the six main countries where the Group operates (France, Italy, Spain, the United Kingdom, the United States and India), contract catering is characterized by a highly competitive environment, with a large number of small and mid-size regional or specialized operators competing with a few national and international players. In the Group's markets, critical mass is an essential competitive factor, as it creates the ability to offer prices that match market expectations. At the same time, large players such as Elior are better equipped to compete for major contracts.

Key Figures

5
countries
(excluding France)

Market positions

No. 1	No. 3	No. 4	No. 5
in Spain and Italy	in Europe and India	in the United Kingdom	in the United States

1.7.6 LAWS AND REGULATIONS APPLICABLE TO THE GROUP

The Group is subject to various laws and regulations issued by local, national and other government entities in each of the countries in which it operates, as well as at European Union level (the "EU"). Its contract catering business is particularly subject to laws and regulations regarding hygiene, food safety and food labeling.

Additionally, the Group is subject to labor and employment laws and regulations across all of its operations and host countries.

In 2020, new laws and regulations were introduced in the countries where the Group operates as part of the fight to contain the spread of Covid-19. For example, in Italy a temporary governmental decree was published which almost totally prohibited the movement of people throughout the country. A raft of rules and guidelines have also been issued concerning social distancing, wearing face masks and limiting the number of people in the workplace.

In response to the crisis, the Group introduced new health and safety protocols in all of its host countries to ensure a safe environment for its clients and employees. In the United Kingdom, the Group’s Covid-19 safety measures were officially approved by the Cheshire East Primary Authority, and in Italy, Elior developed its Covid-19 safety plan in collaboration with the University of Milan. In France, a Covid-19 prevention guide was drawn up in association with Dr. François Henri Bolnot and its content was approved by the Group’s occupational physician.

The quality of Elior Services’ processes have been certified by MASE and the Group’s procedures in Spain by AENOR.

1.7.6.1 Food safety regulations

Food safety is a fundamental aspect of the Group's business as a food services provider. Serving food that is safe and has been prepared and distributed in accordance with the applicable regulations is an underlying prerequisite for clients and is the foundation for the trust they place in the Group. In its contract catering operations, the Group is subject to extensive laws, regulations and other requirements relating to food safety, hygiene and nutrition standards in each of the countries in which it operates, whether at local, national or EU level (for its operations in the European Union).

1.7.6.1.1 Food safety and hygiene

a) European Union

A set of rules known as the "Hygiene Package" has been applicable in the European Union since January 1, 2006. The introduction of this legislation was aimed at creating a single, transparent hygiene policy applicable to all food and all food operators right through the food chain "from farm to fork", together with effective instruments to manage food safety and any future food crises throughout the food chain.

For its catering operations the Group is subject to five of the Hygiene Package's regulations:

Regulation (EC) No. 178/2002 dated January 28, 2002 (also called the "General Food Law") lays down the general principles of food safety and covers foodstuffs intended for human consumption and animal feed. This Regulation also established the European Food Safety Authority (EFSA) and the Rapid Alert System for Food and Feed (RASFF) in the European Union.

The EFSA assesses and communicates on all risks associated with the food chain in order to provide guidance and clarity for the policies and decision making of food safety risk managers. A large part of the EFSA's work entails issuing scientific opinions on matters that affect food safety. The EFSA uses its expertise in playing an advisory role for European legislation on food safety, deciding whether to approve regulated substances such as pesticides and food additives and developing regulatory frameworks and policies in the field of nutrition.

The RASFF is an alert system that warns each EU country's health authorities whenever a risk is identified for a food product.

The General Food Law establishes general principles (e.g. use of risk analyses by the relevant authorities, the precautionary principle, the principle of transparency and the protection of consumers' interests) and sets out specific obligations for professionals, including traceability, recalling any products that may present a public health risk, and informing the relevant inspection authorities.

In particular, the General Food Law requires food business operators to ensure that businesses under their control satisfy the relevant requirements and to verify that such requirements are met at all stages of production, processing and distribution. It also imposes a mandatory traceability requirement along the entire food chain that applies to all food and all types of operators in the processing, transportation, storage, distribution and retail stages. Each food operator is required to register and retain for a period of five years detailed product information (including the name and address of the producer, the nature of the product and the transaction date) and make such records immediately available to the relevant authorities upon request.

Regulation (EC) No. 852/2004 dated April 29, 2004 on the hygiene of foodstuffs applies to all food businesses (including caterers, primary producers, manufacturers, distributors and retailers).

This Regulation requires, among other things, that food chain players set up procedures based on the principles of Hazard Analysis Critical Control Points (HACCP) which should take account of the seven Codex Alimentarius principles (a program set up jointly by the United Nations Food and Agriculture Organization (FAO) and the World Health Organization). HACCP is a process control system which is used to identify potential food safety hazards and take action to reduce or eliminate the risks related to the various stages of the product manufacturing process, including ensuring the safety of raw materials, validating internal processes, shelf life and end-consumer usage. The Regulation also requires that employees undergo training on food hygiene matters and the application of HACCP principles. In addition, it sets out obligations for meal-delivery firms in terms of declaring and registering food information with the food control authorities and requesting authorizations.

Regulation (EC) No. 853/2004 dated April 29, 2004 includes more stringent requirements for food products of animal origin, such as meat, fish and dairy products, and foods containing such products. European legislation regulates the temperature settings at which these products must be kept as well as the length of time for which they can be displayed.

Regulation (EC) No. 2073/2005 dated November 15, 2005, as amended by regulation (EC) No. 2019/229 dated February 7, 2019, is an implementing regulation covering microbiological criteria for foodstuffs. These criteria are used for assessing the compliance of products when setting the shelf life of products or for health and hygiene controls.

Regulation (EC) No. 2017/2158 dated November 20, 2017, establishing mitigation measures and benchmark levels for the reduction of the presence of acrylamide in food.

b) France

In France, the main food safety regulator is the Agency for Food, the Environment and Occupational Health and Safety (Agence Nationale de Sécurité Sanitaire de l'Alimentation, de l'Environnement et du Travail, or "ANSES"). ANSES is a governmental agency that is overseen by the Ministries of Health, Agriculture, the Environment, Labor and Consumer Protection. It acts as a watchdog and advisory specialist for a wide range of issues related to human and plant health and animal health and welfare, and also carries out research activities in these areas. It applies a holistic approach to health issues by analyzing all of the related risks and benefits. It assesses all of the risks (chemical, biological, physical, etc.) to which an individual may be exposed - voluntarily or involuntarily - at all ages and times of their life, whether at work, when traveling, during leisure time, or through the food they eat.

French food safety regulations incorporate the standards provided for in EU legislation on food safety. They also include the requirements of:

The governmental decree of December 21, 2009 (consolidated version of May 25, 2020) concerning the temperature settings at which animal-derived products must be kept, and specific provisions relating to contract catering establishments (display dishes, the obligation to report to the authorities any suspected cases of food poisoning, procedures for managing unsold food etc.), supplemented by the decree dated October 8, 2013 relating to foodstuffs that are not derived from animal goods.

The governmental decree of February 2, 2015 relating to the definition of the concept of local distribution, implementing Regulation (EC) No. 37/2005 and rescinding the decree dated July 20, 1998 setting the technical and hygiene conditions for food transportation.

The governmental decree of June 8, 2006 concerning health and hygiene ratings for companies that market products of animal origin and foodstuffs containing animal products, as amended by decree on May 19, 2020.

In addition, Elior France is subject to certain provisions of the French Rural Code (*Code rural*) dealing with food safety, epidemiology concerns related to products of animal origin, animal feed, and animal health.

Elior France also has to follow the instructions issued by the French Food Safety Agency ("DGAL"), notably:

- Technical Instruction DGAL/SDSSA 2019--38 dated January 1, 2019, which merges all of the DGAL memoranda relating to the approval procedure provided for in Regulation (EC) No. 853/2004. This instruction particularly specifies the approval procedure to be followed by central kitchens, events caterers and group cooking workshops, as well as the terms and conditions applicable for the Agency's delivery and tracking of health and hygiene certifications.
- Technical Instruction DGAL/SDSSA/2020 – 289, which specifies the health and hygiene regulations applicable to retail trade and the transportation of animal-origin products and foodstuffs containing animal products. It presents the consequence of synchronous amendments to several ministerial decrees, including those of December 21, 2009 and April 12, 2017 defining the foodstuffs that cannot be included in donations to charitable organizations. It also merges and updates information previously included in several separate technical instructions in order to take into account recent regulatory and infra-regulatory developments.
- Technical Instruction DGAL/SDSSA/2019-861, which provides a general description of the resources available to food industry players for determining, validating and verifying the microbiological shelf-life of the foodstuffs they produce and sell.

Lastly, Elior France is subject to Article 50 of the so-called "EGALIM" Act (French Act no. 2018-938 dated October 30, 2018) concerning balanced trade relations in the agricultural sector and access to healthy and sustainable food, which is referred to in the French Safety Agency's Technical Instruction DGAL/SDSSA/2019-555 dated July 30, 2019. This article incorporates one of the basic principles of Regulation (EC) no. 178/2002 in that it introduces a requirement for food operators to immediately inform the competent authorities if, based on their own risk assessment, they consider that a product may be injurious to human or animal health.

c) Italy

In Italy, the main regulatory authority for food safety is the Ministry of Health. Decree no. 123 dated March 3, 1993, transposing into Italian law the European Council Directive 89/397/EEC of June 14, 1989 on harmonizing the official control of foodstuffs in the European Union, covers all stages of the food industry: production, manufacture, processing, storage, transport, distribution and trade. It authorizes the performance of the following operations: inspections, sampling, laboratory analysis of samples taken, verification of staff hygiene, and a review of formal documentation and systems used by companies. Italian food safety regulations incorporate the standards provided for in EU legislation on food safety. (Regulation (EC) No. 852/2004, Regulation (EC) No. 2073/2005 - 1441/2007, Regulation (EC) No. 1935/2004 on materials and articles intended to come into contact with food and repealing Directives 80/590/EEC and 89/109/EEC, and subsequent amendments and additions).

Another major food safety regulation applicable in Italy is legislative decree 193, dated November 6, 2007, which entered into force on November 24, 2007 and concerns the implementation of Directive 2004/41/EC relating to safety controls on foodstuffs and the application of European Community regulations concerning such controls. This legislative decree sets out the sanctions that apply in the event of non-compliance with EU food safety regulations, notably regulations 852/2004 and 853/2004.

The other major food safety regulations applicable in Italy are Regulation no. 1169 of October 2011 relating to labeling, and legislative decree 231 of December 2017 concerning sanctions.

In addition to national and European-level food safety and hygiene regulations, the Group is subject to regional and provincial food safety obligations in Italy.

The main food safety supervisory bodies in Italy are:

- The Ministry of Health, notably through programs set up by the food safety and nutrition department (*Direzione generale per l'igiene e la sicurezza degli alimenti e la nutrizione*).
- The public health institute (*Istituto Superiore di Sanità*).
- The Italian police's food and drug control unit (*Nuclei Antisofisticazione e Sanità (N.A.S.) dei Carabinieri*), whose role is mainly to prevent and sanction.
- The local health authorities (*Aziende Sanitarie Locali*) which have inspection powers.

- The government's veterinary services.

- The Ministry of Agriculture (*Ministero delle politiche agricole alimentari e forestali*).

d) Spain

In Spain, the main food safety regulator is the Spanish Agency for Food Safety and Nutrition (*Agencia Española de Seguridad Alimentaria y Nutrición*, or the "AESAN"). The Group is subject to food safety regulations promulgated and enforced by the AESAN at national level, such as the General Health Act 14/1986, the Consumers and Users Protection Act 1/2007 and the Food Safety and Nutrition Act 17/2011.

As well as being required to hold specific authorizations to conduct business as a food operator in Spain, since the promulgation of Royal Decree 3484/2000 of December 2000 and Royal Decree 126/2015 of February 2015, the Group is also subject to specific hygiene rules for preparing pre-cooked meals as well as requirements to ensure that food handlers are supervised and instructed in food hygiene matters in a way that is commensurate with their professional activities. In addition to national food safety laws and regulations, the Group is also subject to specific obligations under local regulations applicable in the Spanish autonomous regions in which it operates.

e) United Kingdom

In the United Kingdom, the main food safety regulators are the Food Standards Agency (the FSA) for England, Wales and Northern Ireland, and Food Standards Scotland (FSS) for Scotland. The FSA and FSS are responsible for food safety and food hygiene across the United Kingdom. They work with local authorities to enforce food safety regulations and inspect meat plants to check compliance with the applicable regulations. The FSA also commissions research related to food safety. Key laws applying to food safety and hygiene in the UK include the General Food Law Regulation (EC) 178/2002 as well as the Food Safety Act of 1990 and Northern Ireland's Food Safety Order of 1991, as amended to bring them into line with the EU General Food Law.

The four countries of the United Kingdom have their own statutory rules which are detailed in:

- The Food Safety and Hygiene (England) Regulations 2013.
- The Food Safety and Hygiene (Scotland) (Amendment) Regulations 2012.
- The Food Hygiene (Wales) (Amendment) Regulations 2012.
- The Food Hygiene (Northern Ireland) Regulations 2006.

In conjunction with the legislation, the FSA writes guidance when there is a significant risk to food safety within the UK.

In the United Kingdom, the FSA, FSS and local authorities work in partnership to operate three food safety rating schemes: The Food Hygiene Rating System (FHRS) in England and Northern Ireland, the Food Hygiene Rating Act (Wales) 2013 and the Food Hygiene Information Scheme (FHIS) in Scotland. Within the UK, there is a statutory scheme called Primary Authority – established by the Regulatory Enforcement and Sanctions Act 2008 – which allows an eligible business to form a legally recognized partnership with a single local authority in relation to regulatory compliance. Elior UK has a direct partnership with Cheshire East Council, which acts as the company's Primary Authority, giving it authorizations and advice in relation to its management systems for food safety, hygiene and other safety issues.

f) United States

In the United States, food safety regulations are promulgated at the federal, state and local level. State and local agencies issue the regulations to be applied by restaurants and other catering establishments located within their jurisdiction. The US Food and Drug Administration (FDA) publishes the Food Code, a model that assists food control jurisdictions at all levels of government by providing them with a scientifically sound technical and legal basis for regulating food safety within the food services industry. Most States use the FDA Food Code as a model to develop or update their own food safety rules and to be consistent with national food regulatory policy. The FDA regulates all foods and food ingredients introduced into or offered for sale in interstate commerce, with the exception of meat, poultry, and certain processed egg products, which are regulated by the US Department of Agriculture.

For the Group's US operations, hygiene and food safety are principally governed by local and federal rules and regulations. These rules and regulations are adopted by the FDA by way of Title 21 of the Code of Federal Regulations (CFR).

The Group's regulatory compliance measures in the United States include:

i) Outsourcing food safety and hygiene audits to an approved independent organization.
ii) Pest management.
iii) Using the services of an independent inspection company.
iv) Using "safety information sheets" drawn up by a specialized chemical safety services firm.
v) Commissioning an accredited laboratory to carry out tests on meals served.

All of the Group's distributors and suppliers are authorized and approved by local and state regulatory bodies and comply with the 2013 Food Safety Modernization Act (FSMA).

All of the Group's food managers are required to follow a food safety training course and to obtain food manager certification, which needs to be renewed every five years.

The Group operates in 48 different US States, which each have their own food hygiene rules and regulations.

As well as its catering activities, Elior North America has food production and processing operations which must be compliant with HACCP (Hazard and Critical Control Points) and HARPC (Hazard Analysis and Risk-based Preventive Controls) rules.

g) India

In India, food safety regulations are promulgated at federal and state level. At federal level, the main food safety agency is the Food Safety and Standards Authority of India (the FSSAI). The FSSAI regulates all foods proposed for sale, including dairy products and products containing poultry. It also certifies all commercialized food ingredients and products and each operator and vendor must have FSSAI certification, which is renewed annually following a detailed inspection. A state-level liaison officer regularly verifies that the applicable regulations and requirements are complied with. In addition, a regulatory authority carries out compliance inspections at regular intervals, and all operators have to follow a certified food safety training program and have a supervisor who has received training under the Food Safety Training and Certification (FoSTAC) program.

Elior India only deals with suppliers which are FSSAI certified and uses an independent national company for performing prevention checks.

1.7.6.1.2 Food labeling

Prepacked food that the Group sells must comply with European Union labeling requirements, notably European Directive 2000/13/EC of March 20, 2000 relating to the labeling, presentation and advertising of foodstuffs.

The applicable EU Law on the provision of food information to consumers was consolidated and updated by EU Regulation 1169/2011 of October 25, 2011, which has been effective since December 13, 2014. This Regulation makes a distinction between the information that must be given for prepacked food and non-prepacked food, and provides for harmonized and compulsory nutritional information labeling for prepacked food effective December 2016. In its catering activities, the Group is required to provide information on whether its food contains any of the 14 major allergens set out in Annex II of this Regulation.

Other EU regulations concerning food labeling include Regulation (EC) No. 1379/2013, which amends the labeling requirements for fishery and aquaculture products, and Regulation (EC) No. 1337/2013, which amends the labeling requirements for meat from pigs, sheep, poultry and goats.

Local and national authorities may also introduce specific regulations or decrees clarifying particular points in the European regulations.

For example:

In France, the implementing decree 2015/447 dated April 17, 2015 – which has been effective since July 1, 2015 – clarifies the procedures for applying Regulation (EC) No. 1169/2011; decree no. 2002-1465 has regulated the labeling of beef in catering establishments since December 17, 2002; and the government order dated May 5, 2017 sets out the conditions for labeling manufactured nanomaterials in foodstuffs.

In Italy, several documents have been published relating to Regulation (EC) No. 1169/2011, including two memoranda issued by:

- the Ministry of Health on February 6, 2015 related to information on the presence of allergens in food and beverages; and
- the Ministry of Health/Ministry of Economic Development on November 16, 2016 related to foodstuffs that are not subject to nutritional disclosure requirements.

The Italian government has also issued a Legislative Decree related to EC Regulation No. 1169/2011 (decree No. 231 dated December 15, 2017, which came into force on May 9, 2018): "Sanctions applicable in the event of a breach of Regulation (EC) No. 1669/2011 on the provision of food information to consumers, and alignment of national legislation with Regulation (EC) No. 1669/2011 and Directive 2011/91/EU, in accordance with Article 5 of Act no 170-2015 dated August 12, 2016 on European delegation".

These provisions are in line with the following standards of the Codex Alimentarius international food safety standards:

- CODEX STAN 1–1985 (Rev.1-1991), Codex General Standard for the Labelling of Prepackaged Foods, and the subsequent amendments thereto.
- CAC/GL 1-1979 (Rev. 1-1991), General Guidelines on Claims, and the subsequent amendments thereto.
- CAC/GL 2-1985 (Rev. 1-1993), Guidelines on Nutrition Labeling, and the subsequent amendments thereto.
- CAC/GL 23-1997 (Rev. 1-2004), Guidelines for Use of Nutrition and Health Claims, and the subsequent amendments thereto.

In Spain, food labeling is governed at national level by Royal Decree 126/2015, which sets out disclosure requirements concerning ready-to-eat, non-prepacked food.

In the United States, food labeling is generally regulated by the US Department of Agriculture (USDA), the Food and Drug Administration (FDA) and the Federal Trade Commission (FTC).

The Federal Food, Drug and Cosmetic Act (FFDCA) prohibits false and misleading labeling and sets out the labeling requirements for processed and prepacked food.

Prepacked food provided in locations where food is "served for immediate consumption", such as catering establishments, hospitals, schools, cafeterias, bakeries, etc., must comply with sections 101.1 *et seq.* of Title 21 of the Code of Federal Regulations (21 CFR) which state that labels must show the common name of the food item, its ingredients, the name/place of sale, its net quantity and its nutrition claims. In addition, any potential presence of the main food allergens must be stated on the labels (and any other forms of display).

Since May 7, 2018, restaurants and similar retail food establishments that are part of a chain with 20 or more locations, doing business under the same name, and offering for sale substantially the same menu items have also been subject to "menu labeling regulations". These regulations state that such establishments have to provide calorie information for standard menu items and ensure that additional nutrition information is available on request.

1.7.6.1.3 Other food service-related regulations

In recent years, a number of national and local authorities have introduced specific regulations motivated by concerns about public health and environmental protection. These regulations cover, among other things, enhanced nutritional information for foodstuffs, requirements to use recyclable packaging, and additional taxes on food and beverages with high sugar content.

Additionally, the Group's operations in the education sector can be subject to specific regulations concerning the nutritional quality of meals served in school restaurants. This is notably the case in France (Decree 2011--1227 of September 30, 2011). Pursuant to this decree, the Group has a number of obligations it is required to respect in relation to drawing up menus for restaurants in state-run and private schools, in accordance with the recommendations set out in the French National Nutrition and Health Program

(*Programme National Nutrition Santé*) and those issued by the GEMRCEN (a French governmental think-tank specialized in nutritional issues in the contract catering industry).

New food service-related regulations were introduced in France in 2020: Act 2020-105 dated February 10, 2020 concerning the fight against waste and for a circular economy, which includes anti-food waste provisions and provides for ending the sale of single-use plastic packaging; and the related Decree (no. 2020-731 dated June 15, 2020) relating to the VAT exemption on donations of unsold goods to state-recognized social charities.

Restaurant facilities are also subject to regulations promulgated by national, regional and local authorities covering a wide range of matters such as the utilization and maintenance of restaurant sites and equipment and waste storage and disposal.

In addition, for catering sites or points of sale at which the Group serves alcohol, it is required to obtain liquor licenses and is subject to ongoing alcoholic beverage control obligations. Elior UK has developed tailored learning programs to teach its employees about the legislation related to serving alcohol, and in Scotland all employees who handle and serve alcohol are required to follow a two-hour training course beforehand.

In Portugal, Decree Law no. 10/2015 dated January 16, 2015 approved the legal framework for (i) accessing and exercising trade activities and food and beverage services and (ii) accessing trade, services and catering activities (RJACSR).

The Group is also required to comply with anti-smoking laws prohibiting smoking at dining establishments, such as the laws applicable in France since January 1, 2008 and in Italy since January 10, 2005 (Law no. 3/2003 dated January 16, 2003).

1.7.6.2 Labor and employment laws and regulations

In general, labor and employment laws and regulations have a significant impact on the Group's operations because of its large headcount, which, at September 30, 2020, comprised 105,000 employees. The Group is particularly affected by French legislation due to the high proportion of its employees based in France (over 40%).

Specific context of the Covid-19 crisis

In all of the Group’s host countries, the Covid-19 crisis has led to changes in the regulatory framework in two main areas: (i) health and safety protocols to protect employees, guests and clients, and (ii) measures to adapt resources to business volumes in order to limit the impact of the crisis to the extent possible.

The regulatory framework evolved rapidly in 2019-2020 as the crisis advanced and as governmental decisions were taken. The fast-moving changes required all of our teams to be highly reactive and adaptable, not only in the sectors that were initially heavily impacted by reduced activity (Business & Industry and Education) but also in sectors that were stretched for resources, such as Health & Welfare.

In each of its operating countries, the Group implemented all of the measures it could to adjust its resources and organization to the situation. In particular, employees were asked to take paid vacation, internal mobility was encouraged, and short-time working and furlough programs were used.

The Group was often one step ahead concerning health and safety protocols, advising its clients how to define and implement them, which meant it could provide a continuity of service that matched their needs.

A description of the general types of labor and employment laws and regulations that affect the Group's operations is provided below.

1.7.6.2.1 Laws and regulations governing employment contracts

In most of the countries in which the Group operates, the traditional model of employment law is based on an employment contract signed between the employer and employee before or at the time the employee is hired. Fundamentally, the employment contract defines the employee's and employer’s responsibilities, sets out the wage to be paid to the employee in return for his or her services, establishes the employee's working time and is entered into for an indefinite or pre-determined duration. Many features of employment contracts are subject to mandatory provisions of labor laws and regulations as well as to the provisions of collective bargaining agreements.

1.7.6.2.2 Collective bargaining agreements

Under French, Spanish and Italian law, the employer-employee relationship is not only regulated by applicable legislation and the employment contract executed between both parties, but also by industry-wide collective bargaining agreements ("CBAs"). CBAs may exist at national, regional or local level or be specific to a particular company. CBAs are agreements entered into between one or several trade union organizations representing employees, on the one hand, and an employer, or group of employers, on the other hand. National labor laws and CBAs constitute important sources of obligations relating to working conditions and govern the individual and collective relationships between employers and employees for the relevant industry. CBAs typically address (with respect to individual employees) matters such as working conditions and employment-related benefits, pay scales (with an industry specific minimum wage), working time, sickness and maternity leave, professional training, paid vacation, social welfare coverage and retirement fund contributions, year-end bonuses and financial terms of dismissals or retirement.

The scope of each national CBA is defined by reference to a given industry or type of business. Therefore, the applicable CBA for a company depends its principal business activity. Owing to the broad range of the Group's services, from diverse catering services to facility management services, it is subject to several different CBAs. As the terms of CBAs can vary significantly from one activity to another, within the same country the Group may have different responsibilities towards different categories of employees based on the business in which they operate.

All CBAs provide for a minimum wage that varies according to the classification of employees and the applicable pay scale. However, the wage of an employee cannot be below the statutory minimum wage that is set for all employees, regardless of classification, at national level. Trade unions renegotiate the terms of the industry-wide CBAs almost every year, including the terms of any increase in the minimum wage for each employee category. Companies to which the CBAs apply have an obligation to comply with these provisions by granting at least a corresponding salary increase every year, failing which employees may make legal claims for the enforcement of the industry-wide CBAs, back pay and damages.

In France, employers may also enter into company-wide CBAs to address specific matters such as working time, salary levels, and welfare benefits.

1.7.6.2.3 Part-time and temporary work

At September 30, 2020, almost half of the Group's staff were employed on a part-time basis. Part-time employment is subject to specific laws and regulations in some of the countries where the Group operates. For example, under French law, part-time employment contracts must include certain mandatory provisions, such as the number of hours worked per week or per month, the arrangements for communicating the scheduling of hours worked per week or per month, and the maximum number of overtime hours that the employee can work per month. If a company is found not to be in compliance with regulations on part-time employment, the employee concerned may seek to reclassify his or her part-time employment contract as a full-time employment contract, and may also claim back pay and damages.

The Group is likewise restricted in the manner in which it may hire temporary workers. For example, under French law, an employer wishing to take on non-permanent workers may either hire an employee under a fixed-term employment contract or take on a temporary worker through an agency. The use of fixed-term employment contracts/temporary workers must be restricted to the performance of clearly defined and temporary tasks in specific circumstances provided by law (e.g., (i) to replace an employee on a temporary leave of absence or whose employment contract is suspended, (ii) to temporarily fill a position before an employee can be hired under a permanent employment contract or, after a permanent employee has left, before the position is eliminated, or (iii) to cover a temporary increase in the company's business). In particular, the Group may not use fixed-term employment contracts/temporary workers to fill a post on a long-term basis in connection with its ordinary and ongoing business.

1.7.6.2.4 Employee representation

a) Right to representation and trade unions

In the majority of the countries in which the Group operates, its employees have the legal right to elect representatives from among their ranks to act as a liaison between the workforce and management. Such employee representatives are responsible for presenting to the employer all requests and grievances from employees, notably regarding compensation and compliance with applicable labor laws and CBAs. The employer is required to regularly provide the employee representatives with information regarding various matters such as working conditions and the company's financial situation. Depending on the country, employee representatives may also be responsible for notifying the relevant labor regulation enforcement authority of any claims or grievances from employees related to a breach of labor laws or regulations. Employers may also be exposed to the risk of strikes and work stoppages.

In addition, employees may choose to join a trade union to represent their interests. Depending on the country concerned and the size of any given worksite, the Group may be obliged to recognize the trade union and allow employees to unionize. In certain countries, such as France, there is a limited number of nationally-recognized trade unions that are given the legal authority to negotiate national and company-specific CBAs.

b) Works councils – Employee representative bodies

In accordance with EU law, the Group has a European works council in place that serves as a forum for employee representatives to engage in direct discussions with members of Group management. EU law requires any company that has (i) subsidiaries in at least two different EU member states, (ii) at least 1,000 employees in EU or EEA member states, and (iii) a minimum of 150 employees in at least two EU member states, to set up a European works council (an "EWC"). EWCs bring together employee representatives from the different European countries in which a multinational company has operations. During EWC meetings, employee representatives are informed and/or consulted by Group management on transnational issues that concern the Group's employees.

c) National labor laws in most of the countries in which the Group operates also require the establishment of a local Social and Economic Committee (“SEC”) The frequency of SEC meetings, the amount of information that must be provided to its members, and how SEC opinions must be taken into account vary from country to country. In France, certain employer decisions relating to issues such as workforce reductions or changes in the legal and/or financial organization of the company (in particular in the case of a merger or a sale of assets or shares) require a prior information and/or consultation process to be carried out with the relevant SECs (local and/or central and/or European). In such cases, no final decision may be taken before the relevant employee representative body has delivered its formal opinion (whether negative or positive) on the proposed decision.

c) Employee representation on corporate boards

In France, employees may be represented on their company's Board of Directors (or Supervisory Board where applicable). Companies that for the past two consecutive fiscal years have had either (i) 1,000 permanent employees or more on their payroll who work for the company or its direct or indirect subsidiaries with registered offices located in France, or (ii) 5,000 permanent employees or more worldwide who work for the company or its direct or indirect subsidiaries with registered offices located in France and abroad, must appoint at least one – and in certain cases – two Board members representing employees.

Article L. 22-10-7 of the French Commercial Code provides that a holding company whose principal activity is to acquire and manage subsidiaries and affiliates is not subject to this requirement concerning employee representation on its board, if it meets both of the following criteria:

- It is not required to put in place a social and economic committee pursuant to Article L. 2311-2 of the French Labor Code.
- It owns, either directly or indirectly, one or more subsidiaries that are subject to the above requirement.
- Its shares are not traded on a regulated market or at least four-fifths of its shares are held, directly or indirectly, by one person or legal entity, acting alone or in concert.

Consequently, in accordance with the French Commercial Code, at the Annual General Meeting of March 20, 2020, the shareholders approved amendments to the Company's bylaws providing for the appointment of two employee representative members of the Board of Directors.

In addition, for companies whose shares are traded on a regulated market, if at the close of the last fiscal year employees held more than 3% of the share capital, the company's shareholders must appoint one or more employees to the Board of Directors or the Supervisory Board to represent employee shareholders, who are put forward by the shareholders referred to in Article L. 225-102 of the French Commercial Code.

d)Workplace health and safety

The Group is also subject to regulations related to employees' health and safety in the workplace. Such regulations may require companies to put in place operational procedures to ensure that their working practices are safe and to reduce potential workplace hazards.

Occupational health and safety matters are regulated and enforced by a variety of authorities, including the European Agency for Safety and Health at Work, the French *Directions régionales des entreprises, de la concurrence, de la consommation, du travail et de l'emploi* (regional directorates of companies, competition, consumption, labor and employment), the UK Health & Safety Executive, and the US Occupational Safety and Health Agency.

1.8 ELIOR GROUP ON THE STOCK MARKET

1.8.1 FINANCIAL COMMUNICATIONS AND SHAREHOLDER RELATIONS

1.8.1.1 Preparation of financial communications

The Chief Executive Officer and the Chief Financial Officer are responsible for the Group's financial communications.

In application of the Board of Directors' Rules of Procedure, any key data due to be released to the market and any major press releases must be approved in advance by the Board of Directors.

1.8.1.2 Financial communications policy

The Chief Executive Officer, Chief Financial Officer, and the Head of Investor Relations are the Company's sole spokespeople for financial communications.

Information is released either before the opening or after the close of trading on Euronext Paris so as not to influence the share price.

In order to respect the principle of fair access to information, press releases are issued simultaneously to the whole of the financial community and the market authorities.

Additionally, for the purpose of transparency and in accordance with the applicable regulations, Elior Group has drawn up a directors' charter as well as a code of conduct applicable to its directors, officers and employees. These documents cover the procedures to adopt concerning privileged information to prevent conflicts of interest and avoid risks related to insider trading.

All of the Group's directors, officers and employees have a duty of confidentiality and discretion.

The Group's risk prevention measures related to financial information are described in Chapter 3, Section 3.2 of this Universal Registration Document.

1.8.1.3 Regular contacts with shareholders and investors

Elior Group regularly organizes meetings during the year to keep communication channels open at all times with shareholders and the financial community at large. A financial calendar setting out the Company's publications and events for the financial community is available on the Elior Group website.

On May 27, 2020, the Chief Executive Officer and Chief Financial Officer held a conference call during which they presented the Group's results for the first half of fiscal 2019-2020 and answered questions from the financial community.

On November 25, 2020, the Chief Executive Officer and Chief Financial Officer held a conference call during which they presented the Group's results for fiscal 2019-2020 and answered questions from the financial community

The Annual General Meeting is an excellent forum for the Company to exchange information directly with its shareholders. Official notice of the meetings is published in the press and in the French official legal journal (BALO). The Annual General Meeting pack is available on the Elior Group website at least 21 days before the Meeting takes place and is sent to shareholders on request.

The Chief Executive Officer, Chief Financial Officer and Head of Investor Relations regularly participate in roadshows and investor meetings in order to maintain a regular dialog with the financial community.

1.8.1.4 A steady flow of information

In order to ensure information transparency, a "Finance" section is available on the Elior Group website, which enables shareholders, analysts and investors to access at any time all the information required under the applicable regulations. The website serves as a database of the Group's main financial communications and allows investors to keep up to date in real time. The documents available on the website include the Company's Bylaws, the Board of Directors' Rules of Procedure, financial publications calendar, press releases, and financial reports.

The Elior Group share price is also shown in real time.

All of the Group's statutory documents are available at the Company's headquarters.

The Universal Registration Document as filed with the AMF is posted on both the Elior Group and AMF websites, in French and English.

Provisional financial calendar for fiscal 2020-2021

Thursday, January 28, 2021	Release of first-quarter fiscal 2020-2021 revenue figures
Friday, February 26, 2021	2021 Annual General Meeting
Wednesday, May 20, 2021	Release of first-half fiscal 2020-2021 results
Wednesday, July 28, 2021	Release of third-quarter fiscal 2020-2021 revenue figures
Wednesday, November 24, 2021	Release of full-year fiscal 2020-2021 results

Any changes to this provisional calendar will be posted on Elior Group's website.

Investor Relations Department

+33 (0)1 71 06 70 08

investor@eliorgroup.com

Registered shares

Elior Group's shares are managed by BNP Paribas Securities Services, which can be contacted at the following address:

BNP Paribas Securities Services

Grands Moulins de Pantin

9 rue du Débarcadère

93761 Pantin Cedex, France

Phone: +33 (0)1 57 43 02 30 - open Monday through Friday from 8:45 a.m. to 6:00 p.m. (CET – Paris time)

1.8.2 THE ELIOR GROUP SHARE

Elior Group's shares have been listed on Euronext Paris (Compartment A) since June 11, 2014 under ISIN FR0011950732. Their initial listing price on June 11, 2014 was €14.75 per share.

On March 6, 2015, Elior Group announced that the authority responsible for the various indices of Euronext Paris – the Conseil Scientifique des Indices Euronext Paris – decided to include the Company's shares in the SBF 120 index as from the close of trading on March 20, 2015.

At December 30, 2016, Elior Group's closing share price was €21.72. At December 29, 2017, Elior Group's closing share price was €17.23. At December 28, 2018, Elior Group's closing share price was €13.06. At December 31, 2019, Elior Group's closing share price was €13.10.

At December 31, 2020, Elior Group's closing share price was €5.52.

Elior Group's share performance since the IPO:

Date	Trading volume	End-of-month share price (in €)	Monthly high (in €)	Monthly low (in €)
June 2014[1]	16,959,901	14.83	15.90	14.35
July 2014	3,385,985	14.25	15.30	13.82
August 2014	1,556,537	12.90	14.48	12.41
September 2014	1,943,224	12.92	14.00	12.30
October 2014	2,097,232	12.20	13.13	11.54
November 2014	2,662,405	12.60	13.23	12.26
December 2014	3,225,981	12.30	13.60	11.80
January 2015	3,110,181	13.99	14.50	11.99
February 2015	1,659,455	14.84	14.85	14.04
March 2015	4,038,437	15.99	17.24	14.53
April 2015	3,727,468	16.75	16.92	15.63
May 2015	5,143,079	16.61	17.58	15.48
June 2015	4,907,967	17.97	19.04	16.83
July 2015	3,219,321	17.92	19.84	17.55
August 2015	2,185,856	18.11	18.98	16.52
September 2015	3,328,863	17.10	18.48	16.55
October 2015	4,659,420	17.27	18.03	16.40
November 2015	3,559,746	18.30	18.38	16.55
December 2015	4,960,716	19.30	19.45	17.26
January 2016	5,749,046	18.52	19.28	17.15
February 2016	4,195,169	18.70	18.78	16.65
March 2016	17,787,296	19.27	19.79	18.13
April 2016	5,080,226	18.78	19.48	18.50
May 2016	4,592,084	20.17	20.45	18.22
June 2016	6,808,171	19.63	20.70	18.45
July 2016	5,969,994	19.53	20.28	19.02
August 2016	4,145,441	20.56	20.98	19.29
September 2016	4,127,986	20.38	21.09	20.11
October 2016	3,542,647	20.46	21.00	20.21
November 2016	5,501,429	19.58	20.55	17.90

[1] From June 11, 2014 (the initial listing date of the Company's shares)

Date	Trading volume	End-of-month share price (in €)	Monthly high (in €)	Monthly low (in €)
December 2016	5,772,438	21.72	21.80	18.54
January 2017	4,667,899	20.70	22.11	20.48
February 2017	4,712,714	21.19	21.60	20.67
March 2017	5,045,756	21.27	21.64	20.30
April 2017	6,174,649	22.90	23.12	21.29
May 2017	5,329,098	25.22	25.48	22.92
June 2017	6,936,726	25.44	26.06	24.83
July 2017	8,447,005	22.42	25.87	21.41
August 2017	5,634,454	22.30	23.22	22.03
September 2017	7,107,760	22.40	23.38	22.15
October 2017	6,440,471	24.38	24.42	22.34
November 2017	11,271,362	18.46	24.85	18.17
December 2017	15,640,013	17.23	18.95	15.95
January 2018	10,532,196	18.56	19.71	17.07
February 2018	7,001,194	18.02	18.80	17.54
March 2018	7,205,688	17.66	19.08	16.63
April 2018	6,534,858	16.93	17.58	16.10
May 2018	16,295,847	14.24	17.11	12.52
June 2018	18,219,953	12.36	15.37	11.59
July 2018	8,201,745	14.00	14.67	11.81
August 2018	5,455,600	13.49	14.60	13.33
September 2018	5,887,464	13.34	13.69	12.39
October 2018	7,218,308	12.73	13.62	11.26
November 2018	7,715,313	13.11	13.68	12.31
December 2018	9,170,914	13.06	13.39	11.30
January 2019	9,686,102	12.30	13.74	12.13
February 2019	5,812,262	12.68	13.1	11.91
March 2019	8,412,020	11.93	13.64	11.77
April 2019	6,174,949	12.34	13.06	11.86
May 2019	11,096,300	10.51	12.37	9.605
June 2019	10,145,697	12.09	12.25	10.28
July 2019	8,599,702	11.83	12.33	11.03
August 2019	7,406,694	11.58	11.97	10.94
September 2019	5,344,045	12.19	12.73	11.59
October 2019	4,668,392	11.59	12.23	11.27
November 2019	4,943,267	11.62	12.33	11.31
December 2019	7,728,855	13.10	13.33	10.87
January 2020	8,080,000	12.06	13.16	11.89
February 2020	7,150,000	10.82	12.86	10.61
March 2020	20,700,000	5.72	11.09	3.88
April 2020	10,640,000	6.04	7.20	5.08
May 2020	13,850,000	5.53	6.75	4.80
June 2020	23,880,000	5.07	7.88	5.00
July 2020	16,680,000	4.69	5.47	4.66
August 2020	10,090,000	4.92	5.45	4.43
September 2020	17,500,000	3.96	5.14	3.77

Date	Trading volume	End-of-month share price (in €)	Monthly high (in €)	Monthly low (in €)
October 2020	16,810,000	3.24	4.11	3.06
November 2020	37,350,000	4.80	5.85	3.16
December 2020	18,940,000	5.52	5.98	4.71

The above information was extracted from the Finance section of Elior Group's website at www.eliorgroup.com

Per-share data

	Year ended September 30, 2020
Weighted average number of shares (in millions)	174
Attributable net profit/(loss) (in € millions)	(483)
Earnings/(loss) per share (in €)	(2.78)
Net dividend per share (in €)	-

2

CORPORATE SOCIAL RESPONSIBILITY

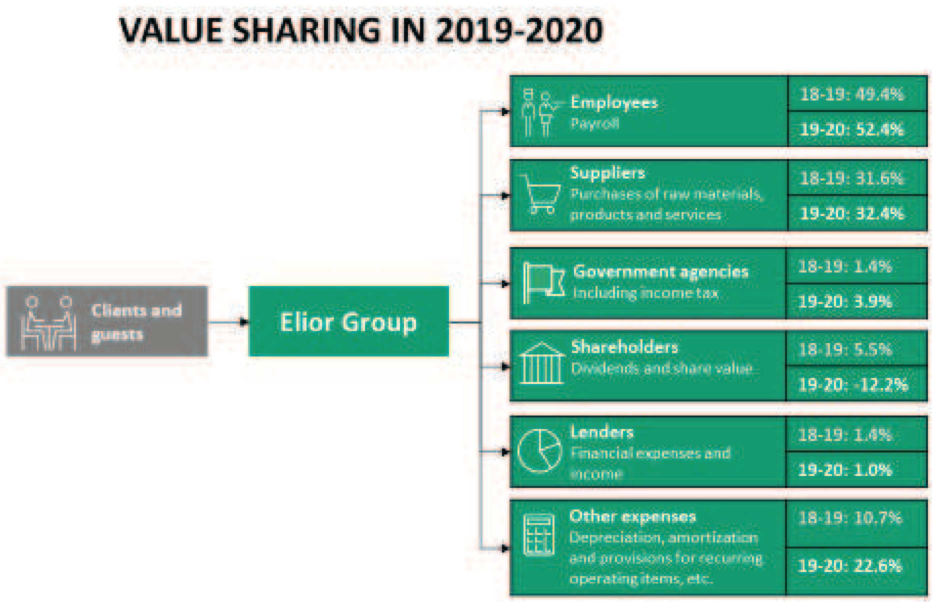
2. CORPORATE SOCIAL RESPONSIBILITY

2.1 CORPORATE SOCIAL RESPONSIBILITY: A VALUE-CREATION DRIVER[1]

With operations in six main countries, the Elior group has more than 105,000 employees who work dedicatedly every day to feeding four million people in 22,700 restaurants in the Education, Business & Industry and Healthcare & Welfare markets. The Group also takes care of 2,300 sites for its clients.

We are deeply committed to the health and well-being of all our guests, the development of all our employees, and the environmental impact of all our businesses. This commitment is clear in the strategy and action plans we have put in place for Corporate Social Responsibility (CSR) for over ten years now. As a signatory of the UN Global Compact since 2004, we firmly believe that our responsibility extends beyond the direct impacts of our business and that we must make a positive contribution to our ecosystem right across our value chain.

We have kept our promise to place sustainable development at the heart of our corporate strategy, as proved by the launch in 2016 of our CSR strategy called "The Elior Group Positive Foodprint Plan[2]". In 2019-2020, Elior generated €4 billion in revenue and this value was shared between its various stakeholders (employees, suppliers, government agencies, shareholders and lenders) as shown in the diagram below.



[1] Tables summarizing the Group's non-financial indicators are appended to this Chapter (see Section 2.7, "Methodological Note") including year-on-year changes (where available).
[2] Referred to as the Positive Foodprint Plan in the rest of this document.

"The launch of the New Elior plan once again demonstrates the Group's objective of putting corporate social responsibility at the heart of everything it does. By publishing this Universal Registration Document and qualifying this CSR chapter as an Advanced-level Communication on Progress (COP), I am pleased to reaffirm our commitment to respecting and promoting the ten fundamental principles of the United Nations Global Compact[1] and to ensuring that these principles will continue to play a central role in the Group's organization and corporate strategy."

Philippe Guillemot, Chief Executive Officer of Elior Group

In June 2019, Philippe Guillemot, Elior's Chief Executive Officer, presented the Group's new strategic plan, called New Elior. Covering the years up to 2024, this plan prioritizes the strong local roots of the Group's contract catering and services activities (see Chapter 1, Section 1.7.3, "The Group's Competitive Strengths"). It also reiterates the central role that sustainable development plays in our everyday work and actions in order to create long-term value not just for the Group but also for all of its stakeholders.

After a good start to fiscal 2019-2020, our Education and Business & Industry markets were hit hard by the lockdown measures put in place in the countries where we operate as well as by an increase in home-working. In response to this unprecedented situation, we have accelerated our transformation process and reaffirm the goals of our New Elior 2024 strategic plan, including the key objective of actioning our CSR priorities across all of our operations. As explained in Chapter 1, Section 1.3.1.3, "Market Trends", this crisis period has also confirmed the importance of our business fundamentals concerning community catering, safety, and food hygiene. It has encouraged us to go even further in focusing on the added value of our offerings in order guarantee the well-being of our guests and respect the environment while providing dining experiences to savor.

2.1.1 FOUR PILLARS OF RESPONSIBILITY

Elior has built its Positive Foodprint strategy around four pillars of responsibility, which were identified based on a materiality analysis performed in 2015:

- Healthy Choices
- Sustainable Ingredients
- Circular Model
- Thriving People and Local Communities

The relevance of these four priority areas was confirmed by the results of the non-financial risk mapping process carried out in 2018 and then updated in 2019 and 2020 (see Section 2.1.3 below, "Non-Financial Risk Map"). In 2019, the Group revised its Positive Foodprint objectives as well as its CSR governance methods (see Section 2.1.2 below, "CSR Governance").

As stated above, due to the Covid-19 crisis, we have accelerated the rollout of our New Elior strategy – including the Positive Foodprint Plan – across all of our operations. Not least because sustainability is central to dealing with the current situation. And by building supply chains focused on safety, security and value we are making our Group more resilient to international crises.

Restated goals

We have defined the objectives for the priority areas set in the Positive Foodprint Plan in order to align them as closely as possible with the reality of our operations. Performance indicators have been put in place to guide the Group's action plans and assess the progress made (see table below).

[1] Further information about the ten principles of the United Nations Global Compact and the disclosures required in an Advanced-level COP are available on the Global Compact website at www.unglobalcompact.org

	OBJECTIVES	KPIs
HEALTHY CHOICES	To prepare tasty, balanced meals, while raising the awareness of our guests about nutrition and public health issues and implementing rigorous food quality and safety standards.	• % purchases of whole-food and plant-based ingredients • % vegetarian recipes • % consolidated revenue generated by entities testing at least one nutritional information tool or system
SUSTAINABLE INGREDIENTS	To take positive action for our ecosystem by selecting high-quality ingredients (seasonal certified, local) and promoting environmentally-friendly agricultural practices in our supplier network.	• % purchases of certified produce • % purchases of local food produce • % purchases of responsible packaging and consumables
THRIVING PEOPLE AND LOCAL COMMUNITIES	To fill 70% of managerial posts through internal promotion by 2025.	• Internal recruitment rate (%)
A CIRCULAR MODEL	To limit food waste; To collect waste for reuse/recycling To reduce our overall carbon footprint	• % of Elior sites collecting waste for reuse/recycling • % consolidated revenue generated by entities testing solutions to reduce food waste • Tonnes of CO_2 equivalent emitted

As a passionate campaigner for the transition to better food habits, we seek to transparently measure and constantly improve the value of our meals in terms of their impact on society, people and the environment. We endeavor to achieve this through offerings that:

- Are healthy and provide guests with transparent nutritional information as well as a wide choice of vegetarian options.
- Respect the environment, with a focus on certified sustainable supplies and measures to reduce food waste.
- Give people enjoyable dining experiences, by carrying out satisfaction surveys and being a "chef-centric" group.

In order to meet these objectives, each Elior Group subsidiary puts in place action plans and develops systems and processes to effectively address the challenges and restrictions of its particular market.

Stronger oversight

The Group assesses all of its non-financial indicators once a year. For some of the Positive Foodprint Plan's key performance indicators, however, we have set up a quarterly tracking process. On an aggregate basis, the Group's non-financial performance indicators cover all of the geographic regions in it operates.
In addition, so as to give a straightforward and transparent overview of the Group's approach, Management has decided to report on some of these non-financial performance indicators when it releases its quarterly financial results. This means that all of its stakeholders can follow developments in the Group's non-financial performance.

Contributing to Sustainable Development Goals

The objectives in the Positive Foodprint Plan are aligned with the United Nations Sustainable Development Goals (SDGs). The Group has chosen to particularly focus on the four SDGs that directly relate to its operations, and particularly its catering business.

Positive Foodprint Plan	Sustainable Development Goals	Description of SDG
Healthy choices	SDG 3: "Good health and well-being"	Ensure healthy lives and promote well-being for all at all ages.
Sustainable ingredients	SDG 2: "Zero hunger"	End hunger, achieve food security and improved nutrition and promote sustainable agriculture.
A circular model	SDG 12: "Responsible consumption and production"	Ensure sustainable consumption and production patterns.
Thriving people and local communities	SDG 8: "Decent work and economic growth"	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

2.1.2 CSR[1] GOVERNANCE

In order to help achieve the objectives in our Positive Foodprint Plan, we have set up a specific CSR governance system. The underlying purpose of this system is for the Group to more effectively factor in its corporate social responsibility across its entire organization, from its management bodies through to its operations teams.

Group CSR Committee

Set up in 2019, the Group CSR Committee is chaired by Elior's Chief Executive Officer, Philippe Guillemot, and its permanent members include the people responsible for each of the Positive Foodprint Plan's priority areas at Group level: the Chief Procurement and Logistics Officer, the Chief Human Resources Officer and the CSR Officer. The Group Chief Communications Officer is also a permanent member of this Committee.

The Committee's role is to validate strategic decisions relating to the Positive Foodprint Plan's priority areas, monitor the Plan's developments and adjust its priorities in line with changes in the Group's operating environment. It meets at least four times a year and, depending on the matters being addressed, may invite other participants to attend, either from within or outside the Group.

Strategy, Investments and CSR Committee

Each year, the headway made by the Group in terms of the Positive Foodprint Plan's objectives is shared with the Board of Directors via the Strategy, Investments and CSR Committee. Comprising four members (see Chapter 3, Section 3.1.1 "Governance Structure"), this Committee advises the Board on strategic and investment decisions. It assesses the Group's CSR values and commitments and helps ensure they are effectively taken into account in the Board's decisions.

Network of CSR officers

The CSR officers are in charge of deploying the Positive Foodprint Plan's commitments in the Group's various operational entities. They are appointed by the entities' CEOs and are tasked with defining and implementing action plans adapted to their respective markets and businesses. In fiscal 2019-2020, 100% of the Group's consolidated revenue was covered by the network of CSR officers.

[1] Corporate Social Responsibility

2.1.3 NON-FINANCIAL RISK MAP

In 2015, Elior created a materiality matrix, which it then used in 2016 as the basis for its first non-financial risk map validated by the Group's governance bodies. A restricted risk universe was mapped out based on the Group's business sectors, geographic locations and main strategic goals, incorporating around twenty risks (identified via the materiality analysis) that could significantly impact the Group's business or its stakeholders. Out of this mapping process twelve main environmental, HR and social risks were identified.

In 2019-2020, we launched a project to integrate these twelve priority non-financial risks into our internal risk management system. This update to the non-financial risk map confirmed that the four pillars of the Positive Foodprint Plan are still highly relevant and did not identify any new CSR risks. Nine of the twelve risks already formed part of the risks regularly monitored by the Group (see Chapter 3, Section 3.2, "Risk Management").

Two further risks have been added to the Group's risk management system: waste management and climate change & environmental pollution (a merger of two risks identified in 2018). The gross criticality of these risks will be assessed using an approach consistent with that applied by the Risk Management Department, based on two criteria: the level of impact if the risk occurs and the probability that the risk will occur. This gross criticality analysis will be supplemented in the future by an analysis of the risks' net criticality following the rollout of the multi-year audit plan (see Chapter 3, Section 3.2, "Risk Management").

Non-financial risks identified in 2018-2019	Integration into an existing risk in the risk management system	Risk management policies	Performance indicators (see Sections 2.7.3, "Summary of environmental and social indicators", and 2.7.4, "Summary of HR indicators"
Unethical practices and lack of transparency	Supply chain and logistics	2.2 Conducting Business Responsibly	• Number of information sessions given about ethical business conduct • Number of employees having participated in a training or awareness-raising session about ethical business conduct
Failure to include CSR criteria in procurement practices	Food safety and menu quality Supply chain and logistics	2.4 Responsible Procurement	• % purchases of certified food produce • % purchases of local food produce • % purchases of organic food produce • % cage-free eggs • % responsibly-sourced seafood • % responsible packaging and consumables used • Number of supplier audits performed
Failure to adapt to guests' new expectations	Food safety and menu quality Loss of key contracts	2.3 Promoting a Tasty, Healthy and Sustainable Diet	• % vegetarian recipes • % consolidated revenue from entities testing at least one nutritional information tool or system • Number of restaurants that carried out at least one satisfaction survey
Poor hygiene and food safety	Food safety and menu quality	2.3 Promoting a Tasty, Healthy and Sustainable Diet	• Number of hygiene audits performed • Number of product analyses performed • Number of supplier audits performed
Poor working conditions	Changes in hygiene, health and safety rules	2.6 Ensuring Employees' Health, Safety and Development	• Frequency rate of workplace accidents • Severity rate
Inequality and discrimination	Changes in legislation	2.6 Ensuring Employees' Health, Safety and Development	• Breakdown of workforce by gender • % of employees with a disability

Failure to attract and retain talent	Key personnel	2.6 Ensuring Employees' Health, Safety and Development	• Average seniority (permanent workforce) • % internal recruitment for managerial posts
Failure to include CSR criteria in pay structures			
Failure to protect employees' health and safety in the workplace	Changes in hygiene, health and safety rules	2.6 Ensuring Employees' Health, Safety and Development	• Frequency rate of workplace accidents • Severity rate
Poor resource and waste management	Waste management	2.5 A Circular Model	• % sites collecting organic waste for reuse/recycling • % used cooking oils reused/recycled • % consolidated revenue from entities testing solutions to reduce food waste
Environmental pollution (water, air)	Climate and pollution	2.5 A Circular Model	• Water use • Electricity use • Carbon footprint assessment (scopes 1, 2 & 3)
Poor use of water and energy	Climate and pollution	2.5 A Circular Model	• Water use • Electricity use • Carbon Footprint assessment (scopes 1, 2 & 3)

2.2 CONDUCTING BUSINESS RESPONSIBLY[1]

At Elior we make sure that all of our business activities are conducted in compliance with ethical principles and the applicable national laws and regulations. In France, since the introduction of the anti-corruption provisions of the "Sapin II" Act and the new Duty of Vigilance Act, companies are required to set up structured systems for overseeing measures related to combating corruption, human rights breaches and environmental damage, as well as health and safety issues.

2.2.1 THE ELIOR GROUP ETHICAL PRINCIPLES

All Elior employees are required to comply with the laws and regulations in force in the countries in which we operate and must always respect the Group's Ethical Principles.

Issued in June 2016, the Elior Group Ethical Principles are aimed at creating a shared framework for all Group employees in their daily working lives. They are a clear illustration of our proactive strategy to support and promote the main international ethics standards and guidelines that we have adopted, namely:

- The Universal Declaration of Human Rights.
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work.
- The United Nations Global Compact (see Section 2.1 above, "Corporate Social Responsibility: A Value-Creation Driver").
- The United Nations Sustainable Development Goals (see Section 2.1 above, "Corporate Social Responsibility: A Value-Creation Driver").

These Ethical Principles have been rolled out to all of the Group's operating entities and are applied in accordance with local laws and regulations.

In order to be fully understood and taken on board by all of our people, the Elior Group Ethical Principles have been translated into five languages[2]. The French and English versions are available on the Group's corporate website at www.eliorgroup.com

2.2.2 FIGHTING CORRUPTION

As a member of the United Nations Global Compact, Elior upholds and promotes the fight against all forms of corruption. In 2019-2020, the proportion of the Group's revenue generated in countries that have a high risk of corruption based on Transparency International's Corruption Perceptions Index (score below 60/100) was just over 10%.

Overseen by the Chief Compliance Officer – a post created in September 2018 – the Group's anti-corruption system was strengthened in 2018-2019 following the entry into force on June 1, 2017 of the anti-corruption provisions contained in France's "Sapin II" Act on transparency, the prevention of corruption and the modernization of the economy[3].

Risk mapping

The Group's corruption risks are assessed on an annual basis using a risk mapping procedure specifically targeting these issues (see Chapter 3, Section 3.2, "Risk Management"). In September 2019, we completed an update of this risk map, reducing the number of risks to 15 and revising their names and descriptions. In accordance with the applicable legal requirements, the update process was carried out in all of the Group's geographic regions using the Governance, Risk and Compliance (GRC) system and adjusting granularity on a case-by-case basis. A new mapping process for corruption risks is planned for the first half of 2020-2021.

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[1] Tables summarizing the Group's non-financial indicators are appended to this Chapter (see Section 2.7, "Methodological Note") including year-on-year changes (where available).
[2] The Elior Group Ethical Principles are available in French, English, Spanish, Portuguese and Italian.
[3] Elior Group and all of its subsidiaries (as defined in Article L 233-1 of the French Commercial Code) and the companies controlled by Elior Group (as defined in Article L 233-3 of said Code) are subject to the provisions of the Sapin II Act.

Internal anti-corruption system

In order to facilitate employees' take-up of the Elior Group Ethical Principles, in the second half of 2018 the Group published an Integrity Guide. Available in five languages (French, English, Spanish, Italian and Portuguese), the aim of this guide is to provide clear rules as well as theoretical and practical information so that everyone can be compliant with the relevant laws and the Group's Ethical Principles. The document is split into five parts:

1. Organizational and responsibility-related rules applicable within the Elior group concerning the prevention of corruption.

2. Definitions of key corruption-related terms and concepts.

3. Anti-corruption rules.

4. Practical recommendations.

5. Practical information.

The Integrity Guide is supplemented by anti-corruption policies that explain how the general rules should be applied, especially for:

- Gifts and invitations offered and received.
- Relations with intermediaries.
- Corporate sponsorship and philanthropy.
- Conflicts of interest.

These policies are the same for the Group as a whole but may sometimes incorporate specific local factors.

The Group also has a whistle-blowing system, which has been in place since 2018. Accessible by email or telephone in all of Elior's countries of operation, this system enables employees to raise the alarm in the event of any breach of the Integrity Guide. A whistle-blowing charter specifying the terms and conditions for using the system has been published. Also available in five languages (French, English, Spanish, Italian and Portuguese), this charter guarantees that any information provided via the whistle-blowing system will remain strictly confidential at all times. The Group undertakes to protect whistle blowers from any negative consequences, provided they have acted in good faith and the information they give is based on verifiable facts.

Additionally, the Group has launched a website specifically dedicated to integrity: https://integrity.eliorgroup.net Open to everyone and available in four languages (French, English, Spanish and Italian), this site sets out all of our integrity commitments as well as the corresponding documentation (Ethical Principles, Integrity Guide, the main anti-corruption policies specific to each company, and the whistle-blowing charter). It also offers explanatory videos and quizzes so that employees can test their own knowledge about integrity and their understanding of what the Group expects of them. This site was remodeled in January 2020, with new content added, including a video message from the Chief Executive Officer, Philippe Guillemot.

Employee training

In 2017-2018, all of our employees in France in charge of relations with public authorities were given training on the lobbying provisions contained in the French Sapin II Act.

In 2018-2019 and 2019-2020, we reinforced our anti-corruption awareness-raising program and gave training courses (mainly face-to-face) in nearly all of our host countries to over 1,000 employees identified as potentially exposed to situations of corruption. These employees – who were identified through the risk mapping process – were mainly members of the Group's regional management committees, purchasers, business developers, sales people, operations directors and regional directors. The training sessions are led by the Group's compliance teams. In 2019-2020, 24 information sessions on business ethics were held, with 247 employees participating. The plan was to extend this program to other employee categories but this was halted by the outbreak of the Covid-19 pandemic. However, during the pandemic we tried out remote training.

An online learning course open to all employees has also been launched in the United Kingdom, and we are currently looking into the possibility of extending it to our other host countries and all categories of employees.

Since October 1, 2020, in a number of the Group's host countries its employment contracts include a compliance clause which requires all new employees to visit the Group's dedicated integrity website and familiarize themselves with its policies on business ethics.

Fiscal responsibility

As a responsible enterprise, Elior believes that paying its taxes is a civic duty that helps to support the regions where it operates. We therefore make sure that all of our entities respect the applicable national and international tax rules and regulations and that they pay their taxes in each jurisdiction. Altogether, the Group paid €11.3 million in corporate income tax in 2019-2020.

2.2.3 DUTY OF VIGILANCE

As a signatory of the United Nations Global Compact, Elior is committed to promoting and respecting, human rights principles and international labor and environmental standards along its entire value chain (see Section 2.1 above, "Corporate Social Responsibility: A Value Creation Driver"). It also ensures that it is not complicit in any breach of these principles or standards. All of these commitments are reiterated in the Elior Group Ethical Principles (see Section 2.2.1 above).

Over the years the Group has put in place procedures and systems that allow it to identify, assess and control its risks (see Chapter 3, Section 3.2. "Risk Management"). For example, since 2012 Elior France has had a Responsible Procurement Charter, which formally documents what the Group expects from its suppliers in several areas, such as quality, food safety, environmental protection, ethics and labor standards. This Charter – which all of our suppliers are asked to sign – was updated in 2017 to incorporate the Elior Group Ethical Principles and focus more strongly on the notion of vigilance in relation to the value chain. We also send a questionnaire to our main suppliers so we can assess their degree of corporate responsibility maturity, notably in terms of how they address their supply chain risks.

In order to reduce the environmental and social risks arising from our operations – particularly our supply chain – we have set ourselves the objective of gradually increasing the proportion of certified food and non-food items that we purchase (see Section 2.4 below, "Responsible Procurement"). Certifications act as a guarantee that international or local environmental and/or social standards have been respected. In 2020, 13% of the Group's purchases were certified products.

In order to ensure that we are fully tax compliant, in 2018 we created a new post of Group Chief Tax Officer and drew up a tax policy which focuses in priority on combating tax evasion and has been relayed to all of the Group's operating entities. In addition, in accordance with the applicable regulatory requirements, the Group has performed a country-by-country reporting process, disclosing a breakdown of its earnings, income tax and operating activities by tax jurisdiction.

The procurement risk map

In 2017, a new Duty of Vigilance Act was introduced in France, which requires companies over a certain size to draw up a "Vigilance Plan" in order to identify and prevent social and environmental risks along their entire value chain (including for suppliers and sub-contractors). The companies concerned are also required to report on their implementation of the Vigilance Plan, notably in their annual management report.

In line with this new Act, in 2018 we set up a multi-disciplinary steering committee (comprising representatives from the procurement, audit, CSR and quality departments etc.) to draw up the Group's first risk map for its main procurement categories (both food and non-food) in France.

The main risks related to Elior France's supply chain were identified and hierarchized following a four-step process, which involved:

- Identifying risks by procurement category.
- Identifying suppliers' home countries and country risks.
- Conducting interviews (internally and with an external panel) and additional bibliographic research in order to hierarchize the identified risks.
- Mapping the risks and putting in place an action plan.

Our 12 main procurement categories in France (seafood, fruit and vegetables, cleaning products, etc.) – representing over 30,000 food and non-food items – were analyzed and the following risk categories were identified:

- Working conditions: pay, forced labor, child labor, etc.

- Health and safety of workers and consumers.
- Communities and regional development: living and housing conditions, land and property rights and access to natural resources.
- The environment: use of resources, biodiversity, pollution, waste and climate change.
- Animal welfare: breeding and slaughter conditions.

Based on the results of this risk mapping process and the responses to the above-mentioned supplier questionnaires, in 2019 we began a process to map our main supplier risks at all levels in order to classify the risks in terms of the probability of their occurrence and their severity. This is a long and complex process in view of the number and diversity of our suppliers and sub-contractors but it will enable the Group to achieve compliance with the first level of France's statutory requirements concerning the duty of vigilance. As a second stage we will extend the supplier mapping process to all of our subsidiaries based outside France as well as to our clients and sub-contractors. Once all of the risk maps have been completed, in the following two fiscal years we will draw up precise and detailed action plans aimed at reducing the identified risks and will put in place the resources necessary for tracking those risks.

In addition to this risk-mapping, a process is currently under way to select a system that will allow the Group to analyze its supplier portfolio and rapidly detect those suppliers whose past behavior may pose a risk. This process – which was launched in 2018-2019 – has been significantly delayed by the Covid-19 pandemic.

The solution we opt for will need to be able to comprehensively manage the supplier assessment process (i.e. sending questionnaires, analyzing the responses and archiving and updating the related data). It may also be used in the future to analyze our B2B client portfolio in order to meet the requirements of the Sapin II Act.

2.3 PROMOTING A TASTY, HEALTHY AND SUSTAINABLE DIET[1]

Elior feeds four million guests every day in the Business & Industry, Education, and Health & Welfare markets. Our mission is to offer great-tasting, healthy and sustainable food at all times and all stages of life, to improve people's health and well-being and minimize the environmental impact of our operations.

In order to develop a worldwide nutrition and health strategy to be applied in all our geographic regions, and propose the great-tasting, healthy and sustainable food that our clients and guests expect, in 2019 we decided to create the post of Chief Nutrition Officer.

Drawing on a network of local nutrition officers based in the Group's operating entities, the Chief Nutrition Officer's work is focused on three main areas: selecting products, designing menus and raising guests' awareness about making the right nutritional choices.

By offering our guests healthy and sustainable choices, we are actively contributing to the UN's Sustainable Development Goal 3[2]: "Good health and well-being".

In view of the worldwide Covid-19 pandemic, and the food inequalities that it has exposed and sometimes deepened, our responsibility as a community caterer is more than ever to guarantee a healthy, balanced diet for everyone. The current health crisis has clearly shown the major importance of this pillar in the Group's strategy and the responsibility that goes with it.

2.3.1 DESIGNING GREAT-TASTING, HEALTHY AND SUSTAINABLE OFFERINGS

In all of our host countries, we take care to devise great-tasting, balanced menus that are tailored to each client and guest profile. So as to provide affordable solutions that satisfy everyone's nutritional requirements, we draw on the nutrition recommendations issued by internationally-recognized bodies (such as the World Health Organization) as well as national standards specific to the countries where we operate (such as the PNNS, France's National Nutrition and Health Program).

Based on work carried out in prior years by the Nutrition Department, the Group has set itself the objective of gradually increasing, year after year, the proportion of whole-food and plant-based products in its purchases as well as the proportion of vegetarian menus.

Focusing on the taste and nutritional quality of ingredients

Elior strives to enhance the nutritional profile of its recipes while at the same time reducing the impact of its procurement process on the planet's ecosystems. We carefully select and put together the ingredients we use in our recipes and develop offerings that are suited to guests' new expectations. In designing our offerings, we draw on the expertise of our 571 nutritionists.

The guidelines issued by leading nutrition organizations recommend increasing the proportions of plant-based produce in our diets, such as beans and pulses (chick peas, lentils, etc.), fruit and vegetables, seeds (sesame, chia, etc.) and nuts. We are therefore developing our use of those types of ingredients, both in terms of range and quantity. We want to diversify the sources of protein in our offerings by focusing on plant-based produce and we place particular importance on using seasonal fruit and vegetables (see the paragraph on seasonal produce in Section 2.4.1 below, "Prioritizing Products from Sustainable Agriculture").

In 2019-2020, whole-food and plant-based ingredients represented 17.0% of the Group's total food purchases. This was slightly less than the previous year, as there were fewer guests per restaurant which meant we had to close some stands – including some offering vegetarian menus – in order to adapt production volumes to the operating context.

[1] Tables summarizing the Group's non-financial indicators are appended to this Chapter (see Section 2.7, "Methodological Note") including year-on-year changes (where available).
[2] SDG 3: "Good health and well-being": Ensure healthy lives and promote well-being for all at all ages.

Since 2019 we have prioritized increasing the proportion of vegetarian recipes we offer in our menus. A recipe is considered to be vegetarian when it does not include any meat or fish. However, it does need to contain other sources of protein, which can be plant-based (beans, pulses, seeds, etc.), dairy (milk, cream, cheese) or egg-based. A plant-rich diet (including fruit, vegetables, beans and pulses, wholegrain cereals etc.) with less animal-based products is better not only for people's health but also for the environment.

Elior France's Business & Industry division therefore offers its guests at least one vegetarian option for every meal. And the Education division offers a full-course vegetarian option once a week.

As at September 30, 2020, the Group's operating entities had over 80,000 recipes, of which 19.3% were vegetarian – almost 4 percentage points more than the previous year.

Performance indicator	2019-2020	2018-2019
% vegetarian recipes	19.3%	15.5%

Nutritional offerings tailored to specific needs

To help improve the well-being of guests in health & welfare establishments (hospitals, retirement homes, etc.), we offer innovative solutions specially adapted to the pathologies that affect patients' or residents' ability to absorb nutrients (e.g., malnutrition, age-related illnesses or multiple disabilities). We regularly forge partnerships with clients, nutritionists, doctors and chefs to develop service offerings tailored to the specific needs of those guests.

Examples of offerings*

Country	Name of offering	Description
United States	*BeWell*	The *BeWell* offering encourages guests to make the best possible nutritional choices. Adapted to all of Elior North America's market sectors and all of its guests' age ranges, *BeWell* focuses on high-quality, nutritious foods in order to provide guests with healthy choices and transparent nutritional information.
France	*Idequatio*	An offering for seniors, tailored to each guest's degree of dependence so they can continue to enjoy mealtimes.
France	*Les plaisirs sains*	An offering developed by Elior Entreprises to respond to consumer trends,
Italy	*NutriAge*	An offering that meets the individual nutritional requirements of seniors, *NutriAge* is structured around three separate but inter-related phases: - *Nutriscreen*: carrying out a personalized nutritional diagnosis for the guest - *Nutriplan*: drawing up a nutritional program specific to each guest - *Nutrifood*: implementing the plan together with the guest.
United Kingdom	*Texture Modified Food*	People who have dysphagia (swallowing difficulties) and are therefore at risk of choking need texture modified food. As part of Elior UK's Texture Modified Food offering, a speech therapist assesses each guest's swallowing problems and prescribes the appropriate type of texture modified food. Elior has been recognized for its innovative approach to Texture Modified Food by the Alzheimer's Society in being shortlisted in the Trailblazer of the Year category at the Dementia Friendly Awards. In addition, one of its chef mentors won the Best Care Home Chef Mentor Award for her passionate work in the care sector developing the standards and training around Texture Modified Foods.

* Non-exhaustive list.

2.3.2 PROMOTING GOOD EATING HABITS

Our overriding aim is to provide nutritious food and make mealtimes moments to enjoy. And this is underpinned by our driving force of offering every one of our four million guests not only great food but also food that meets the highest standards in terms of health and nutrition (see Section 2.3.1 above, “Designing Great-Tasting, Healthy and Sustainable Offerings”).

Ensuring nutritional transparency

More and more of today's consumers want to see clear and straightforward information about what they're eating. We meet this demand by going above and beyond simply following local regulations.

Due to the diversity of our guests, clients and host regions, each of our entities designs their own communication campaigns and events to guide guests in their food choices. Awareness-raising events on good eating habits are also regularly organized in our restaurants. Led by the Group’s in-house nutritionists or external nutrition specialists, these events are intended to help guests understand the importance of eating well, such as by choosing seasonal fruit and vegetables.

In 2019, we went even further by launching Nutri-Score in France. This traffic-light color-coded labeling system, which is used on front-of-packs in supermarkets, allows guests to see nutritional information at a glance, therefore helping them make healthier food choices. Having piloted Nutri-Score at several sites and studied the findings in conjunction with the teams of Professor Hercberg – Nutri-Score’s creator – the Group now plans to roll out this system to as many of its French school canteens and corporate restaurants as possible. Since September 2020, the Nutri-Score system has been tested in four high schools and we are planning to launch it for elementary and middle schools.

Ultimately, we would like to use Nutri-Score to rate and improve all of our recipes before proposing them to guests. In 2019-2020, 89.4% of the Group’s revenue was generated by entities that are testing at least one nutritional information tool or system.

Developing specific tools for communicating with children

Many of our entities are school caterers and our teams devise menus specifically adapted to children's nutritional needs, as well as designing educational programs about healthy eating habits. We seek to improve children’s knowledge about different foods and their properties, as well as about the food chain and sourcing, to help them make responsible food choices and compile their own menus.

Examples of concepts*

Country	Concept	Description
France	*Weeky Daily*	*Weeky Daily* is a new offering designed by Elior France's Education division for the students and teachers of high schools, colleges and universities. It is an app that guests can use to pre-order menus comprising a main course (sandwich, salad or a hot dish), a seasonal fruit and a dessert (a home-made pastry or *fromage blanc*), and therefore responds to young people's new eating trends while respecting Covid-19 social distancing rules.
Italy	*Mangiare al ritmo della natura*[1]	Elior Italy's *Mangiare al ritmo della natura* program is intended to encourage children to adopt healthy eating habits and learn the importance of eating seasonal produce, all through fun activities and events.
Spain	*Nutrifriends*	The *Nutrifriends* program was devised by Serunion to help school children make healthy food choices on a daily basis. Developed in partnership with a master chef, it encourages good eating habits and a healthy lifestyle.
United States	*BeWell*	Elior North America has started to introduce its *BeWell* offering into the schools it caters for to encourage children to eat more fresh, seasonal fruit and vegetables (*Fresh Picks*) and discover new ingredients (*Food for Thought*). *BeWell* for school children includes a monthly nutrition newsletter (*Nutrition News*) as well as nutrition programs taught in classes and communication campaigns in school canteens.

* Non-exhaustive list.

Attuned to guests' needs

At Elior, we place great importance on understanding and anticipating the changing needs and habits of our guests so we can adapt our food offerings and the environments of our restaurants and points of sale accordingly. We use numerous different tools for this purpose (satisfaction surveys, mystery guests, etc.) as well as digital solutions – notably dedicated apps such as *TimeChef* (France), *El Chef* (India) and *Joyfood* (Italy) – all designed to ensure we are always attuned to guests' needs and give them the information they want.

In 2019-2020, some 4,000 Group sites carried out at least one guest satisfaction survey. This figure is lower than in 2018-2019 due to the Covid-19 crisis and lockdowns, which meant that some of our restaurants could not conduct satisfaction surveys.

2.3.3 GUARANTEEING THE HIGHEST FOOD QUALITY AND SAFETY LEVELS

The health, safety and well-being of our four million daily guests are a key priority for us. Aware that zero risk does not exist, we apply the highest recognized standards and have put in place safety and security systems along our entire production chain.

Controls adapted to the Covid-19 crisis

Our number one priority response to the crisis was ensuring the health and safety of our employees, clients and guests. For all of the Group's entities this entailed creating additional controls. Elior Italy, for example, asked the independent firm that carries out its hygiene audits and micro-biological tests to add specific Covid-19 analyses to its list of controls.

[1] Eating at nature's pace.

And in France, Elior Services Santé created over 40 protocols to be used by its healthcare hospitality services during the Covid-19 pandemic. These protocols were sent out to 500 health and welfare establishments to help control public health risks and avoid the risk of the virus spreading at any of Elior Services' sites.

Strict organizational procedures and regular controls

It is the responsibility of each operating entity's CEO to ensure that the ingredients and products they use fully comply with the laws, regulations and industry standards in force in their particular country as well as with the Group's own food safety rules.

To guarantee that the highest safety levels for clients and guests are met on a daily basis, we have deployed rigorous organizational procedures that enable us to strictly control food safety. In particular, we use the HACCP (Hazard Analysis Critical Control Point) method, which allows us to identify, assess and control significant food safety hazards. Dedicated training sessions are given to employees to ensure compliance with HACCP principles and best hygiene practices.

Over 17,000 employees in Elior subsidiaries in Italy, Spain, Portugal, the UK and India received hygiene training in 2019-2020.

In addition, hygiene audits and product analyses are regularly conducted by either internal or external auditors to check that the products used in the meals we prepare are fully compliant and that we meet the relevant food safety and hygiene standards. These audits and analyses are also a way for us to check other factors such as the cleanliness of premises and equipment, operating agents' practices, and compliance with cold chain standards.

In 2019-2020, Elior carried out over 9,700 hygiene audits worldwide and more than 52,800 product analyses. Both of these figures were lower than in the previous year, for two main reasons. First, the Covid-19 lockdowns led to the closure of some of our restaurants which meant that no audits could be carried out. And second, many of the sites where our restaurants are located implemented strict rules about third parties coming onto their premises so in some cases the auditors were not authorized to enter the restaurants.

Certification of procedures and policies

Some Group entities have voluntarily had their sites audited by independent certification bodies in order to demonstrate their high levels of quality and food safety. At September 30, 2020, Elior France, Elior Italy, Elior India and Serunion Spain had 42 sites with ISO 22000 certification – the benchmark international standard on food safety management.

In France, Elior Services created a specific certification program in 2019-2020 called *Label Mesures sanitaires COVID-19*. Designed in conjunction with Afnor Certification – France's leading certification body – the program comprises an independent audit guaranteeing that the Covid-19 measures deployed at client sites meet the required health and safety standards and that Elior Services can therefore continue to operate at those sites. Once certification has been obtained for a particular client site the official certificate can then be displayed.

Anticipating risks and identifying emerging issues

The quality and food safety teams at all of the Group's entities have an ongoing oversight procedure in place (scientific, technological and regulatory) so they can adapt their control policies and processes where necessary. These teams are responsible for determining food safety standards and methods.

To help anticipate risks and regulatory developments relating to food safety, for many years now, the Group has had a Scientific Committee in France, comprising independent specialists (including nutritionists, pediatricians, toxicologists and microbiologists) as well as members of the Group's teams (food quality, safety, procurement etc.). This committee issues recommendations about nutrition, health and product traceability. However, due to the Covid-19 restrictions imposed in the first half of 2020, it could only meet once during 2019-2020.

Rigorously selected suppliers and products

At Elior we work closely with all of our value-chain participants, especially suppliers, in order to offer our guests healthy, safe and high-quality products (see Section 2.4 below, "Responsible Procurement"). We ensure strict traceability of the ingredients included in our menus and carry out audits to verify the quality of our supplies.

Suppliers are audited using specific scoring charts that vary depending on the type of product and supplier concerned. These charts focus on the key food safety issues affecting each particular profession (e.g., distributor, manufacturer, artisan, abattoir, milk producer, importer) and the audits are performed based on a full traceability test, starting from when the raw materials are received through to the Group's distribution of the end product. In France, recommended areas of improvement and the supplier's corresponding undertakings are set out in a written post-audit report, and in its following audit, the Group checks that its recommendations have been implemented.

Tests are also regularly carried out to ensure the quality of the ingredients delivered to the Group's restaurants by its suppliers.

In the same vein, as part of its *Impacts+* CSR strategy, Elior Services prioritizes the use of eco-certified and concentrated products through its “100% Responsible” range. All of its client sites are supplied with detergents that do not contain any products classified as CMR (carcinogenic, mutagenic or toxic for reproduction) or endocrine disruptors, and which are plant-based (made from sugar beet, corn, bran, wheat, etc.) and 100% bio-degradable. It also offers VOC-free products, which are odorless and do not pose any health risk for employees, patients or clients.

2.4 RESPONSIBLE PROCUREMENT[1]

As a caterer, Elior firmly believes it has a key role to play in promoting and developing sustainable agriculture which forms the basis for healthy, balanced eating.

Because our environmental impact is primarily related to the raw materials directly or indirectly used in our meals (see Section 2.5 below, “A Circular Model”), we have decided to focus our efforts on building a sustainable supply chain. In this way, we are actively contributing to the UN’s Sustainable Development Goal 2[2]: “Zero hunger”. In order to develop our procurement in line with our nutritional policy (see Section 2.3 above, “Promoting a Tasty, Healthy and Sustainable Diet”) and minimize our impact on ecosystems and the climate, we have set ourselves two major objectives:

- Increase the proportion of our responsible supplies by prioritizing local, seasonal and certified produce.
- Increase the proportion of responsible packaging and consumables (knives and forks, glasses, food containers, etc.).

In addition to these two major objectives, we are actively working on the issues of responsible fishing and animal welfare, as well as the impact that certain product categories can have on biodiversity and forests (palm oil and soy).

We are especially attentive to the relations we have with our suppliers in order to ensure that they deliver us high-quality products and that they apply best social and environmental practices. The Group regularly carries out supplier audits to control the quality of their operations and the quality and traceability of their products. A total 282 supplier audits were performed in 2019-2020. This figure was lower than in 2018-2019 because of the lockdowns imposed in the countries where the Group operates. Also, the Covid-19 safety measures introduced by suppliers meant that in some cases external parties were not able to come onto their sites.

The Covid-19 crisis has highlighted the Group’s increased dependence on international supply chains and revealed a crucial need for us to rethink our procurement processes in order to create a supply chain from producer to consumer that is centered on safety and value rather than just on price. Not only will this benefit our guests, but it also represents a strategic necessity for the Group’s business. At Elior, creating value for our ecosystem covers a wide range of issues including product diversity, unfaltering food safety, preservation of land and resources, fair and equal treatment of farmers, and great tasting food. The combination of these factors is moving our Group towards even more local and seasonal supplies.

2.4.1 PRIORITIZING PRODUCTS FROM SUSTAINABLE AGRICULTURE

One of the objectives we have set ourselves is to increase the proportion of seasonal, certified, local and/or organic produce within our overall purchases. The underlying aim of this approach is not only to prioritize products grown using eco-friendly farming practices but also to make a sustainable contribution to the economic development of the regions in which we operate.

During 2019-2020, our proportion of local food purchases was lower than the previous year. This was because Covid-19 forced us to temporarily adapt our food offerings in all of our markets and segments. We therefore had to use sourcing solutions that are more suited to public health crises and which minimize waste, such as ready-made, dry and/or frozen products. The resulting changes in the procurement mix had a negative effect on the proportion of local purchases, as these mostly comprise fresh and ultra-fresh produce.

Some Group entities have gone a step further in their drive to support sustainable agriculture and applied for certification for some of their sites. Since 2016, two of Serunion's central kitchens (in Malaga and Almeria) have been certified as 100% organic meal production centers by the CAAE, Spain's leading organic food certification body. Serunion was also the first contract caterer in Spain to receive, for two of its restaurants, the “sustainable restaurant” certification from AENOR (the Spanish Association for Standardization and Certification). This certification covers a number of different areas including nutrition, responsible procurement, waste management and raising guests’ awareness about sustainable development.

In France, Elior has teamed up with organizations such as the *Vergers écoresponsables* (“responsible orchards”) program, which was initially just for apples but now covers peaches, nectarines, apricots and pears.

[1] Tables summarizing the Group’s non-financial indicators are appended to this Chapter (see Section 2.7, “Methodological Note”) including year-on-year changes (where available).
[2] SDG 2: "Zero hunger". End hunger, achieve food security and improved nutrition and promote sustainable agriculture.

By partnering this program, we are helping to protect bees and other pollinators and bio-diversity in general, as well as supporting the fruit-growing industry's ecological transition. Lastly, we are in the process of transforming our ingredient supplies and are sourcing a good proportion of our products from suppliers that are certified for their quality and/or sustainability, such as *RUP* bananas, *HVE* carrots in France, *Vergers écoresponsables* apples and pears, and *GlobalG.A.P* melons and oranges.

Performance indicators	2019-2020
% purchases of certified food produce[1][2]	13.7%
% purchases of local food produce[1]	12.7%
% purchases of organic food produce[1]	3.2%[3]

[1] In value terms [2] Excluding Elior North America [3] Excluding Elior India (see Section 2.7.1 below, "Non-Financial Reporting Process")

Animal welfare

In 2017 Elior published a position statement on animal welfare, based on the five freedoms for farm animals issued by the UK Farm Animal Welfare Council:

- Freedom from hunger or thirst by ready access to fresh water and a diet to maintain full health and vigour.
- Freedom from discomfort by providing an appropriate environment including shelter and a comfortable resting area.
- Freedom from pain, injury or disease by prevention or rapid diagnosis and treatment.
- Freedom to express (most) normal behaviour by providing sufficient space, proper facilities and company of the animal's own kind.
- Freedom from fear and distress by ensuring conditions and treatment which avoid mental suffering.

Available in French, English, Spanish and Italian, this position statement – which was sent to all of the Group's entities – is the benchmark for all of its countries and markets. It sets out the priority animal welfare action areas identified by Elior: traceability, reasonable use of antibiotics, welfare during transport, etc.

We are, however, keenly aware that we cannot improve animal welfare along the entire supply chain by acting alone, which is why in 2018 the Group became one of the founding members of the Global Coalition for Animal Welfare (GCAW). GCAW is a global platform bringing together major food companies and animal welfare experts with the aim of improving animal welfare standards. GCAW's members have identified five priority work streams: cage-free policies, improved broiler chicken welfare, farmed fish welfare, antimicrobial resistance, and global standards for transportation and slaughter.

The Group's overall animal welfare commitments are rounded out by local undertakings given by its entities on an individual basis. For instance, Elior UK has issued its own animal welfare policy and supports the UK government's Live Transport Welfare initiative, which works towards improving animal transport conditions. In addition, all of its UK-based meat and dairy suppliers have to carry the Red Tractor label, certifying that their practices meet high health and environmental standards.

In France, Elior joined forces with Compassion in World Farming (CIWF) in 2017 in order to formally document its animal welfare requirements vis à vis its suppliers and create systems and processes that can be adapted to the needs of each business (such as audit checklists and specific policies). An animal welfare section has therefore been added to the supplier audit checklist and the Group clearly informs its suppliers about its animal welfare policy.

In 2020, Elior maintained its score of 3 (out of 6) in the Business Benchmark on Farm Animal Welfare (BBFAW) published by the CIWF. An internationally recognized standard, the BBFAW is a global measure of company performance on farm animal welfare covering the world's 150 largest food companies.

Cage-free eggs

As part of our commitment to animal welfare, we have undertaken to increase the proportion of egg purchases (whole/shell and liquid eggs) and egg-based products (powder, omelets, egg whites, etc.) from hens bred in cage-free conditions (i.e. barn-laid, free-range or organic eggs).

In 2019-2020, 9.2%[1] of the eggs purchased by the Group came from cage-free sources.
Certain Group entities particularly stand out in this area, such as Elior UK and Elior Italy, whose cage-free eggs accounted for 40.5% and 28.7% of their total egg purchases respectively in 2019-2020.

Responsibly sourced seafood

For over ten years now, we have deployed a responsible procurement policy designed to protect marine biodiversity. And going forward we want to further increase our purchases of seafood products that carry labels given by organizations such as the Marine Stewardship Council (MSC). These labels guarantee that the seafood has been fished sustainably, leaving enough fish in the oceans and respecting marine habitats. In 2019-2020, 35.7% of the seafood purchased by the Group (in volume terms) was responsibly sourced. This percentage figure is more than five points higher than in 2018-2019, clearly demonstrating the Group's overall commitment and the individual actions undertaken by its entities to offer a higher proportion of responsible seafood.

Performance indicator	2019-2020	2018-2019
% responsibly sourced seafood[(1)]	35.7%[(2)]	29.4%

[(1)] In volume terms [(2)] Excluding Elior India (see Section 2.7.1 below, "Non-Financial Reporting Process").

At the same time, several Group entities have teamed up with national and/or international specialists to improve their seafood sourcing practices.

Elior UK follows the Marine Conservation Society's Good Fish Guide, which ensures that 'At Risk' and 'Endangered' species never appear on its menus. This means that the fish it uses always comes from sustainable stocks, playing a key role in guaranteeing the future of marine wildlife.

Seasonal produce

Today's consumers are increasingly attentive to whether the fruit and vegetables they eat are in season. Our procurement team has therefore developed a tool that tracks the Group's purchases of seasonal fruit and vegetables. This tool is currently being used at Elior France, Elior Italy and Serunion (in both Spain and Portugal) and our aim is to roll it out to the Group's other subsidiaries.

Elior's teams can use the tool to obtain data and ultimately change their procurement behavior by making more information-driven choices. In 2019-2020, 88% of the fruit and vegetables used by Elior Italy were seasonal. In France the high season for cherries is in June – over 99% of the cherries used by Elior France are consumed in June and the rest in July.

2.4.2 ELIMINATING PRODUCTS FROM THE SUPPLY CHAIN THAT CONTRIBUTE TO DEFORESTATION

Safeguarding the world's forests is something we take very seriously, which is why we seek to eliminate from our supply chain any products that directly or indirectly contribute to deforestation, particularly palm oil and soy.

Palm oil

We endeavor to minimize our use of non-sustainable palm oil. However, in their meal preparation process some of our entities do sometimes use food oils that contain palm oil. The Group therefore ensures that the palm oil it uses directly is certified as sustainable. These certifications from organizations such as the RSPO (Roundtable on Sustainable Palm Oil) guarantee (i) traceability of the palm oil, (ii) that no new primary forest or any other area of high conservation value is cleared for new plantations and that the living conditions of workers, smallholders and local populations are respected.

In 2019-2020, 100% of the palm oil purchased by Elior UK was certified as sustainable (by the RSPO, GreenPalm or another recognized certification body).

[1] Excluding Elior India (see Section 2.7.1 below, "Non-Financial Reporting Process").

Soy

We are also particularly vigilant about the environmental impact of soybean production and have clearly identified the risks of deforestation related to the feed given to animals whose meat is sourced for use in our restaurants.

Soy is the leading cause of forest conversion and deforestation imported into France and Europe in general. In the space of just a few years, this raw material has become one of the world's largest crops by cultivated area (123 million hectares worldwide[1]), resulting in the devastating effects of forests and savannas being converted into agricultural land and depleting natural ecosystems, particularly in South America and the United States which account for over 66% of the world's soy production.

Elior France calculated that for fiscal 2019-2020 its indirect soy footprint – i.e. the consumption of soy deriving from animal-based products (meat, eggs and dairy) that the entity purchases – amounted to 10,930 tonnes.
In 2018, Elior Group in France joined an initiative launched by the World Wildlife Fund (WWF) to create a working group made up of representatives from several major players in the retail, food and contract catering sectors. Supported by the Alliance for the Preservation of Forests, the Duralim platform for sustainable animal feed and the EarthWorm Foundation, this working group defined their shared vision of responsible soy production and drew up a joint action plan aimed at creating soy supply chains that avoid the conversion of natural ecosystems.

In 2020, Elior France joined the Duralim association in order to participate in the joint preparation of specifications and traceability methods in the animal feed sector as well as measures the sector can take with respect to intermediaries. In this way, Elior is also raising awareness within its sphere of influence and among its stakeholders about the consequences of imported deforestation which concerns, particularly in the value chain, soy used for animal feed in France.

Furthermore, in order to meet its clients' specifications, Elior France purchases meat bearing a wide range of labels attesting to the quality of the animal feed used (organic, *Label Rouge*, etc.). And since 2005, Elior France's approved product list has included produce certified by the Bleu-Blanc-Coeur association, which encourages the use of plants that are natural sources of Omega 3 in animal feed (such as linen), which reduce the proportion of soy.

2.4.3 PROMOTING THE USE OF RESPONSIBLE PACKAGING AND CONSUMABLES

Developing a circular model means changing our guests' consumption habits so as to minimize waste, particularly plastics.

To reduce the need for fossil fuels and minimize the amount of waste generated by our business, we have set ourselves the objective of increasing our proportion of reusable and/or recyclable packaging and consumables (knives and forks, glasses, food containers, straws, etc.) that are reusable and/or recyclable. The plastic equivalents used can be bio-based (made from polylactic acid, corn, sugarcane, bamboo pulp, etc.), compostable or biodegradable.

In 2019-2020, 17.3% of the packaging and consumables used by the Group were classified as responsible. This represents nearly a three percentage-point rise compared with 2018-2019, clearly illustrating how we are working towards our goal of increasing the proportion of responsible packaging and consumables we use.

Performance indicator	2019-2020	2018-2019
% responsible packaging and consumables used[(1)]	17.3%	14.4%

[(1)] In value terms

When the use of plastic is unavoidable for technical reasons (such as plastic straws required for therapeutic purposes), we strive to maintain our circular model by optimizing the materials used and prioritizing reusable and/or recyclable products. For further details about our approach to developing a circular model, see Section 2.5 below, "A Circular Model".

[1] http://www.fao.org/faostat/en/#home

2.5 A CIRCULAR MODEL[1]

The Group is actively helping to develop a circular economy and is committed to fighting all forms of waste – notably food waste – as well as to reusing waste in order to convert it into resources and give it a second life.

All of our actions in this area contribute to achieving the UN's Sustainable Development Goal 12[2]: Ensure sustainable consumption and production patterns.

2.5.1 REDUCING FOOD WASTE

As a caterer, fighting food waste is a key priority for Elior and we are trying to reduce it across the value chain, from the supply chain through to kitchens and restaurants. We are also working at the end of the value chain to redistribute unsold meals and reuse food waste.

An in-house workshop on finding practical and operational solutions for reducing waste was organized in October 2019, attended by representatives from many of the Group's professions, functions and countries. This anti-waste CSR round-table was also an opportunity to raise awareness among all of our stakeholders about how to reduce food waste.

High-quality supplies and menus

To minimize our environmental impact and at the same time offer guests healthy, balanced menus, we have undertaken to prioritize purchases of products from sustainable agriculture (see Section 2.4, "Responsible Procurement") and to increase the proportion of our vegetarian offerings (see Section 2.3.1, "Designing Great-Tasting, Healthy and Sustainable Offerings").

The way we design our menus is one of our best arms in the fight against food waste. To make sure guests are offered the food they want and therefore help prevent waste, we remain closely attuned to their needs, regularly conducting satisfaction surveys (see Section 2.3.2, "Promoting Good Eating Habits"). The tests we carry out to ensure the quality of our menus likewise help to minimize waste.

In order to identify which recipes guests prefer, Elior France's Education division has set up a Taste Observatory whose teams carry out assessments every day at selected sites to identify which food items tend to be left on the plate and which recipes are the most and least popular.

Waste-reduction solutions

An essential aspect of our efforts to reduce waste in our kitchens is training employees in effectively managing raw materials inventories and producing just the right quantities so as to avoid perished, surplus or unsold products. In 2019-2020, 85% of the Group's revenue was generated by entities that are testing at least one waste-reduction solution.

Another key element in fighting waste is the emergence of specialized digital systems, such as diagnostic tools for measuring and analyzing different sources of waste. Several Group entities have entered into partnerships in this domain. For example, Elior UK has put in place a program called *OLIO Food Waste Heroes*, through which surplus food can be donated and safely redistributed. OLIO organizes the collection and distribution of the donated food among local communities. To date, Elior UK and its subsidiaries have donated over 8,000 kg of food under this program, representing the equivalent of more than 19,000 meals. Another of Elior UK's initiatives – launched through its Lexington brand – is *Trashed*, which entails the creation of recipes using leftovers. This concept was a finalist in the *Footprint Awards* in November 2019.

Since February 2019, Elior has joined forces with *Too Good To Go,* so as to reduce food wastage in its corporate restaurants. Through this program, Business & Industry guests can buy a "surprise food basket" made up of the leftovers from that day. They can order their basket at a cut price on the free *Too Good To Go* app and then pick it up after lunch or at the end of the day. This concept means that neither the work of our teams nor any food that is still edible goes to waste. It has been rolled out in France and Spain at several pilot sites, and is already saving hundreds of meals a month from being thrown away.

[1] Tables summarizing the Group's non-financial indicators are appended to this Chapter (see Section 2.7, "Methodological Note") including year-on-year changes (where available).
[2] SDG 12: "Ensure sustainable consumption and production patterns".

Teaching guests to be eco-friendly

Part of food waste is what's left on people's plates when they have finished eating. That is why we organize events and campaigns to encourage our guests to waste less food. And we are also changing the way we distribute and serve food. In our self-service restaurants, for example, we might put the bread basket at the end of the serving line rather than at the start, or offer choices between small or larger-sized dishes. We believe we have a responsibility to raise our guests' awareness about what food waste entails so they too can help drive the change we are trying to achieve.With this in mind, the Group's various entities regularly organize events in their restaurants as well as communication campaigns adapted to the specific characteristics of their markets, so that both adults and children can actively take part in the fight against food waste, whether in a school canteen, corporate restaurant or at home.

Another example of our efforts in this area is the more than 30 anti-waste workshops we held in 2019-2020 in association with Expliceat, a firm specialized in combating food waste. Unfortunately, the momentum of this program was halted when schools had to close due to France's national lockdown. The Group is currently looking into other ways of continuing this educational approach with young people.

Redistributing unsold meals

Highly aware of society's inequalities when it comes to access to food, we help fight against food insecurity by redistributing unsold meals through non-profit organizations or specialist companies, whenever permitted under local legislation.

We have been a partner of the French Food Bank Federation (FFBA) since 2004, donating surplus food from our central kitchens. In 2019-2020, our central kitchens in France donated over 16 tonnes of food to our partner non-profit organizations.

2.5.2 MINIMIZING THE GROUP'S ENVIRONMENTAL FOOTPRINT

Aware of the environmental impact of our business, we seek to reduce our footprint at every stage of our value chain. Although most of our business is carried out at client sites, which we do not own, each of our entities implements measures adapted to their own specific characteristics aimed at reusing more waste, reducing their use of energy and water and narrowing their carbon footprint.

Raising guests' awareness about the importance of sorting waste

Reducing waste and increasing the practices of reusing and recycling largely depends on how effectively guests sort their waste at the end of their meals. Whenever possible the Group puts in place waste-management facilities to make it easier for guests to sort and recycle.

Helping clients and guests to be more eco-friendly is a key priority for our entities, which for the past several years have implemented measures to help them reduce food waste (see "Teaching guests to be eco-friendly" in Section 2.5.1 above) and manage waste in general.

Reusing and recycling organic waste

We have set ourselves the target of collecting organic waste for reuse/recycling at all of the sites where we are contractually responsible for waste management.

At September 30, 2020, 89.0% of our sites[1] collected their organic waste for reuse or recycling.

Waste collection and recycling is organized at site level and differs depending on the type of waste concerned. Pick-up and processing are always outsourced to specialist service providers.

We have established partnerships with recycling professionals to provide our clients with the best solutions. In France for example, Elior has teamed up with Moulinot, which specializes in recycling food waste into biogas or compost. A total 630 tonnes of organic waste has been collected from 89 sites since January 1, 2019 thanks to this partnership.

[1] Sites at which the Group is contractually responsible for waste management.

Performance indicators	2019-2020	2018-2019
% sites collecting organic waste for reuse/recycling[1]	89.0%	83.2%
% used cooking oils reused/recycled[2]	81.0%	84.0%

[1] Sites for which the Group is contractually responsible for waste management. Excluding Elior Italy.
[2] Notably in the form of bio-fuel.

Reducing single-use packaging and products

As the best type of waste is waste that never existed in the first place, we want to reduce, or in some cases totally eliminate, single-use plastic packaging and products. However, as the safety and well-being of our guests are our number one priority, the Covid-19 pandemic in 2019-2020 meant that we had to temporarily adjust some of our offerings, and in some cases this involved incorporating single-use packaging. The reasons for this were:

- To limit contact between our employees and guests.
- To limit footfall in restaurants by proposing take-away solutions.

Otherwise, our underlying aim of reducing single-use packaging and products is the same as before. A prime example is Elior UK's restaurants, which eliminated plastic straws and stirrers back in 2018.

In France, Elior Entreprises now offers its Business & Industry clients a range of sustainable products made from organically sourced and bio-degradable materials such as wood, cardboard, bagasse (sugarcane pulp), PLA (a plant-based plastic substitute) and rPET (recycled polyethylene terephthalate).

In connection with our commitment to increase the proportion of responsible packaging and consumables we buy (see Section 2.4.3, "Promoting the Use of Responsible Packaging and Consumables"), our entities enter into partnerships with specialist firms. For example, Elior North America and Elior UK have teamed up with *Vegware*, a company that makes single-use packaging out of recycled and renewable materials that have a lower carbon footprint than plastics. When the Covid-19 pandemic broke out, Elior UK quickly created a new takeaway offer called *Good to go,* and chose *Vegware* for the packaging solution.

When it is difficult to avoid a particular type of waste, the best solution is to recycle it. For instance, Arpège – an Elior France subsidiary – is currently working with other food industry players to develop a large-scale system for recycling PLA plastic yogurt pots in France.

Energy saving measures

At Elior, we are committed to reducing our energy consumption. Although most of our business is carried out at our clients' premises, we take action to improve on-site energy efficiency, such as by installing eco-efficient equipment and developing the production of renewable energy from organic waste.

Several Group entities have been awarded certifications attesting to the quality of the energy management and/or energy efficiency at their sites.

We also train our teams about adopting environmentally-friendly practices to cut down on energy use at our sites (systematically closing cold-storage room doors, switching off unused equipment, etc.) through awareness-raising campaigns.

In order to identify the main sources of energy use, and in accordance with the applicable regulations, the Group carried out energy audits (electricity, gas, heating oil, and fuel for company vehicles) within all of its French entities in 2019-2020. Thanks to these audits, action plans have been drawn up to reduce energy use in our school canteens in France.

Measuring greenhouse gas emissions

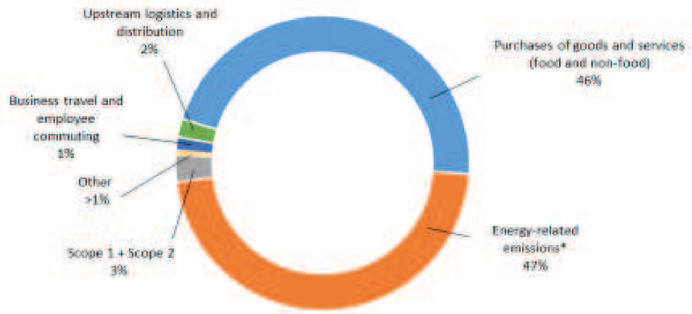
In 2019, the Group performed its first carbon footprint assessment[1] covering its full scope of responsibility, based on the three categories of emissions (Scopes 1, 2 and 3) defined in the World Resources Institute's GHG Protocol:

- Scope 1: direct emissions related to the combustion of fossil fuels (oil, gas etc.) used by the sites for which the Group holds the energy contract as well as those generated by leaks of refrigerants from owned or controlled equipment. This scope also includes emissions from the Group's vehicle fleet.
- Scope 2: indirect emissions related to purchased or acquired electricity, heat and cooling.
- Scope 3: other indirect emissions (notably from purchases of raw materials, energy-related emissions from sites for which the Group does not hold the energy contract, upstream logistics, downstream distribution and employee commuting).

For 2019-2020, the calculation of the Group's carbon footprint was fine-tuned in relation to Scope 3, particularly for purchases of food raw materials. This allowed us to identify the categories of ingredients that cause the highest level of emissions, which meant we were able to pinpoint action areas for improvement for 46% of our emissions. During the year we also able to fine-tune our methodology for calculating energy-related emissions thanks to the wider coverage of reporting on energy used at each Elior site. We therefore now have a robust methodology underpinning our work on continuing to reduce the Group's greenhouse gas emissions.

In 2019-2020, Elior's total emissions for its scope of responsibility – covering Scopes 1, 2 and 3 – amounted to 3.2 million tonnes of CO_2 equivalent ($TeqCO_2$). Scope 3 accounted for the largest amount of this (97%) followed by Scope 1 (2.2%) and then Scope 2 (less than 1%).

In view of the above methodology changes and the slowdown in business caused by Covid-19, year-on-year comparisons of Elior's total emissions are not meaningful. However, thanks to our improved calculation methods, we can now track average greenhouse gas emissions by meal. In 2019-2020, an average of 3.9 kg of CO_2 equivalent was emitted per meal[2].



* Sites for which Elior Group is not contractually responsible for energy supply

Energy-related emissions from sites where Elior is not contractually responsible for energy supply (gas and electricity) represent the Group's largest source of emissions (47% of total emissions), followed by emissions related to purchases of goods and services (46%). The other significant sources for the Group (>7%) are the use of energy at sites where Elior holds the energy contract and the use of refrigerants at sites (managed and not managed by Elior), freight (upstream and downstream) and business travel and employee commuting.

[1] The emissions calculated for performing the Group's *bilan carbone* carbon footprint assessment for its extended scope of responsibility (Scopes 1, 2 and 3) are based on data relating to its business activities and emissions factors. Extrapolations were performed when data was not available for certain geographic regions.
[2] Elior Services was not included in this calculation as it does not produce meals.

	2019-2020	
Scope 1 – Direct emissions	**2.2%**	
• o/w refrigerants		48.2%
• o/w energy for vehicles		21.0%
• o/w on-site fuel combustion		30.8%
Scope 2 – Indirect emissions	**0.6%**	
• o/w electricity		100.0%
Scope 3 – Other indirect emissions	**97.2%**	
• o/w purchases of goods and services		47.8%
• o/w other energy-related emissions		48.1%
• o/w upstream transport and distribution		2.1%
• o/w employee commuting		1.5%
• o/w fixed assets		0.3%
• o/w waste		0.2%
• o/w business travel		0.1%
• o/w sold products' end-of-life		0.1%

Since 2012, we have measured the greenhouse gas (GHG) emissions of our restaurants in France using a GHG measurement system based on the *Bilan Carbone®* method created by the French National Agency for the Environment and Energy Management (ADEME). This system has been specifically adapted to our contract catering business and it can be used by each individual restaurant to measure its own GHG emissions.

Elior Services also has a version of the system, tailored to its activities.

We can now also track GHG emissions per meal. In September 2020, Ansamble – an Elior France subsidiary – launched a carbon rating project at several sites, based on a methodology proposed by external consultants. Each meal is given a carbon performance rating from A to E, making guests visually aware of the carbon footprint of the meal they choose.

Further demonstrating our commitment to fighting climate change, and in tune with our stakeholders' expectations, in 2019-2020 we enhanced our environmental disclosures by taking part in the CDP climate change assessment. The CDP (formerly the Carbon Disclosure Project) scores companies based on their climate policies. This assessment will enable us to more effectively structure our approach to reducing GHG emissions, managing climate risks and adapting to climate change.

Water saving measures

Using water sustainably is a major objective for the Group as we consume large amounts of this resource either directly (at our sites) or indirectly (through our supply chain). To help meet this objective, we put in place innovative solutions across our sites to reduce their use of water and control the quality of the waste water they produce.

The measures we have undertaken include installing water-saving equipment, raising awareness among employees and clients about eco-friendly practices, and processing waste water to ensure its quality and reduce its impact on the environment.

2.6 ENSURING EMPLOYEES' HEALTH, SAFETY AND DEVELOPMENT[1]

Because we believe that happy employees make happy guests, we want all of our 105,000 people to fulfill their potential. With this in mind we offer an attractive business model and take care to properly reward employees' work and engagement.

Placing HR at the very heart of our business, we apply a subsidiarity principle for many HR aspects of our organization. For example, a number of wide-ranging decisions and initiatives are taken directly in the Group's host countries (while remaining in line with its corporate strategy) so that they can match the local needs and expectations of its activities and employees. As part of this overarching policy, and with a view to implementing Group-wide measures that will drive the execution of its overall strategic plan, the Group Human Resources Department has set the following priority action areas:

- Protecting employees' health, safety and well-being.
- Building employee skillsets.
- Encouraging promotions, mobility and internal career development.
- Promoting diversity and inclusion.

By acting as a responsible employer, the Group is contributing to the UN's Sustainable Development Goal 8[2]: "Decent work and economic growth".

The Covid-19 crisis has had a major impact on Elior, as national lockdowns and new health restrictions resulted in many of our sites having to close and reduced activity for those that did stay open. The Group therefore used short-time working and furlough schemes for much of its workforce and also had to lay off staff. Wherever possible, employees were asked to work from home. And when the rules allowed people to come back to work, strict health and safety measures were put in place to protect both our employees and our guests.

2.6.1 EMPLOYEE DATA

At September 30, 2020, the Group had over 105,000 employees based in six main countries: France, India, Italy, Spain, the United Kingdom and the United States.

We are committed to improving our employees' quality of life and offering them career development opportunities as we believe that these two factors are essential for motivating and retaining our people. At September 30, 2020, the average seniority of Group employees on a permanent contract was seven years.

Employees by country[(a)]	Number	%
France	43,781	41.6%
Spain	19,625	18.6%
United States	15,597	14.8%
United Kingdom	11,086	10.5%
Italy	10,345	9.8%
India	4,434	4.2%
Portugal	301	0.3%
Société Monégasque de Restauration[(b)]	50	>0.1%
Group total[(c)]	**105,219**	**100.0%**

Total workforce (permanent and non-permanent employees) on the payroll at September 30, 2020 [(b)] SMR was included in Elior France in 2018-2019 [(c)] Excluding Elior Luxembourg

Hires and departures		2019-2020
Total new hires*	Number	92,453
Breakdown by type of contract: permanent/non-permanent	%	21.6%/78.4%
Total departures*	Number	95,422
Breakdown by type of contract: permanent/non-permanent	%	25.5%/74.5%

*Excluding transfers and changes of operator

[1] Tables summarizing the Group's non-financial indicators are appended to this Chapter (see Section 2.7, "Methodological Note") including year-on-year changes (where available).
[2]Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

2.6.2 GUARANTEEING EMPLOYEE HEALTH AND SAFETY

At Elior we are committed to providing our people with optimal working conditions and consider employee health and safety an absolute priority. And we always strive to ensure that we protect not only our employees but also our sub-contractors and guests.

Vigilance at the highest level of the Group

Data related to employee health and safety (frequency and severity of workplace accidents, etc.) is constantly monitored within the Group. Executive Management is particularly involved in this monitoring process, tracking the information on a monthly basis as part of its performance reviews of each Group entity. During the performance review meetings examples are presented of situations that can cause accidents and the remedial measures put in place.

The right equipment for the right job

As a Group we make sure we have all of the requisite resources for implementing a range of risk prevention measures. Elior's entities provide all of their employees with the protective equipment they need for their jobs (safety shoes, heatproof gloves, safety cutters, etc.).

Training and awareness-raising

In 2019, the Group launched a Workplace Safety Charter This charter sets out all of Elior's workplace safety commitments and has been issued in all of our host countries.

Training courses on health and safety are among the most well attended within the Group. In 2019-2020, over 40,000 employees attended at least one health and safety training session in Italy, the UK, Spain, Portugal and India.

The teams in each entity design specific programs adapted to their particular markets and requirements. In France, for example, the supply teams worked on a project to reduce the size of packages received and lessening the loads handled by staff.

As well as face-to-face training courses, the Group also has online learning programs. For instance, in 2019 an online module was deployed to help everyone more easily identify the underlying causes of workplace accidents and put in place the necessary remedial measures.

All of these actions and initiatives illustrate the utmost importance that Elior places on the health and safety of its people, and contributed to improving workplace accident and severity rates in 2019-2020.

Performance indicators	2019-2020	2018-2019
Frequency rate of workplace accidents[a] [b]	23.30	28.34[d]
Severity rate[c]	1.35	1.52[d]

[a] Total workforce (permanent and non-permanent employees, casual workers and seasonal staff).
[b] Number of accidents with at least one day's lost time per million hours worked.
[c] Number of days' lost time due to workplace accidents (with at least one day's lost time) per 1,000 hours worked.
[d] Figure updated following a change in the calculation method used by Elior Services to align it with the Elior Group protocol. Under the new method, lost time not classified by the French social security authorities as due to a workplace accident is no longer taken into account (the figure originally reported for 2018-2019 was 1.65).

No fatal workplace accidents occurred in the Group in 2019-2020.

Elior UK set up a network of Mental Health First Aiders during the year. In the first phase of the project, 12 employees followed training sessions about psychological risks in the workplace. The next phase will entail a communication campaign within the company about mental health and the role of the Mental Health First Aiders so their colleagues will know what they do and how to contact them.

Working time organization

The organization of employees' working time varies depending on the local context of each entity and the markets in which they operate.

To ensure that our employees have a good work-life balance, we make sure we offer attractive and flexible working arrangements (part-time work, working from home, etc.). The Group's entities regularly sign collective agreements on this issue as we know it plays a major role in employee efficiency and motivation (see Section 2.6.5 below, "Labor Relations and Compensation Policy").

At September 30, 2020, part-time employees accounted for 50.7% of the total workforce.

2.6.3 BUILDING EMPLOYEE SKILLSETS AND ENCOURAGING INTERNAL MOBILITY AND CAREER DEVELOPMENT

At Elior, we place great importance on building the skillsets and employability of our people. The Group's career development measures are structured around three key objectives: strengthening the skills-building culture, encouraging internal mobility and career development, and training.

Strengthening the skills-building culture

In 2019-2020, we focused on implementing our talent management processes in order to strengthen the skills-building culture Group-wide.

Performance and skills development meetings were held and talent reviews organized in all entities and targeted at a wide range of employees so as to:

- Give employees a better understanding of the Group's corporate strategy and ensure that individual objectives are aligned with that strategy and formally documented, along with each employee's actual performance.
- Identify employees' satisfaction levels in relation to their job and the Group as well as their career development aims and skills-building requirements.
- Anticipate job changes and identify and prepare successors.

All of the Group's operating countries now have the same talent management process and use the same system.

Encouraging internal mobility and career development

We encourage our people to evolve within the Group and consider internal mobility and career development as a priority. The Group has set itself the objective of filling 70% of managerial posts through internal mobility by 2025, and the importance we place on this indicator can be seen in the fact that the internal recruitment rate is one of the performance criteria underlying the Chief Executive Officer's variable compensation (see Chapter 3, Section 3.1.6.4, "Tables summarizing the compensation of the Company's directors and officers for fiscal 2019-2020 based on the AMF template").

Employees are informed of vacant posts and there is a special IT system that collates all the Group's job offers in France and the UK. Mobility committees have been set up in several countries, and an in-house applicant will always be selected over an external candidate when both have the same skills and abilities. During 2020, due to the unprecedented situation caused by the Covid-19 pandemic and its effect on the Group's business levels, we focused on transferring employees to different posts or sites in order to protect as many jobs as possible.

In 2019-2020, the internal recruitment rate for managerial positions was 55.0%.

Building employee skillsets

As part of our career development strategy, we offer our people career-move training programs so they can either upskill in their existing job or learn new skills for another job.

Our training catalogs are regularly updated to factor in new market trends, and the training programs cover a wide range of topics such as food hygiene, workplace health and safety and managerial skills-building. The formats proposed vary depending on the subject matter, target audience and end-purpose of the training and the sessions may take the form of face-to-face learning or online learning and may be organized in groups or one-on-one.

For example, Elior UK has created *the Chef School* to address the shortage of experienced chefs in the labor market. This nine-month program is split into modules that take place on site and in the classroom and over 50 chefs have been trained since it was launched five years ago. On completing the course, participants obtain the Professional Cookery Level 2 diploma qualifying them to manage the operations side of a restaurant. In 2019-2020, 10 students in Scotland and 14 in the south of England took part in the program. In France, Elior continued its partnership with the prestigious *Sciences Po* university in Paris, launching the third training course for site managers wanting to move up to the position of sector manager.

We had to postpone some face-to-face training in 2020 due to the Covid-19 situation and related lockdowns, but we continued to develop our employees' skillsets through remote training. In March 2020, the French contract catering business deployed a new online training platform – *L'Ac@démie by Elior* – which all of its employees can access. And Elior North America designed and rolled out four training models concerning the management of Covid-19, each of which was followed by several thousand employees. In Spain, a major online training plan was launched during the country's lockdown, with almost 18,000 online modules followed by the Group's Spanish employees, representing over 50,000 hours of online training. In addition, nearly 15,000 employees in Spain participated in online training about Covid-19 safety measures.

2.6.4 PROMOTING DIVERSITY AND INCLUSION

At Elior we are convinced that the diversity of our teams is a real asset, driving our performance and innovation capacity.

In order to attract and retain talent from all backgrounds, our operating entities develop tools and programs to encourage gender equality, diversity of generations and backgrounds, and inclusion of people with disabilities.

Women in top management

At September 30, 2020, women accounted for over two thirds of the Group's overall workforce and almost half of its managers.

Attracting more women to top management positions is one of the Group's priorities and 55% of the managers hired in 2019-2020 were women. Going forward, we intend to continue our initiatives to promote gender balance in top management positions.

In early 2020, a working group was set up, comprising representatives from Elior's different countries and businesses, in order to look into ways of improving gender parity within the Group. A steering committee was then formed, chaired by Philippe Guillemot and bringing together 10 leaders from a broad spectrum of domains, to draw up gender parity objectives and action plans, based on the findings of the working group. A particular objective is to increase the proportion of women on the Group's management bodies (Group Executive Committee, country-level Executive Committees, Leaders Committee), raising it to between 30% and 40% by 2025 and then 40% to 60% by 2030.

Breakdown of employees by gender (Women/Men)	September 30, 2020
Board of Directors[a]	4 women/5 men
Executive Committee[a]	3 women/10 men
Leaders Committee[a]	19 women/85 men
Managers	49%/51%
Non-managers	71%/29%
Elior Group	**68%/32%**

[a]Absolute values

We believe that all of our businesses act as real drivers of social integration and we seek to give everyone a chance. In line with this, in 2019-2020 the Group hired over 25,000 people aged under 25 and more than 18,000 over-50s.

The breakdown of the Group's permanent employees by age group was more or less the same year on year.

Breakdown of employees by age group[a]	September 30, 2020
Under 30	13.6%
30-39	19.5%
40-49	26.6%
50-59	30.4%
60 and over	9.9%
Group total	100.0%

[a] Employees on permanent contracts at September 30, 2020

We run many programs to help our employees integrate within the Group and build their skills. These include numerous training sessions in our different fields of business, as well as training on a particular issue or in a specific domain.

Helping people with disabilities

Giving employment opportunities to people with disabilities is an ongoing objective for Elior. At September 30, 2020, the Group had 3,511 disabled employees (representing 3.3% of the total workforce).

Our operating entities set up special programs to support the specific needs of employees with disabilities.

In 2019, as part of European Disability Employment Week, the employees at our Tour Egée headquarters building in France were given the opportunity to take part in quizzes, workshops and information sessions to find out more about hearing and visual disabilities as well as invisible disabilities.

Elior France has created a job retention unit which helps prevent employees having to be laid off if they are declared medically unfit to perform their jobs. In 2019-2020, the unit provided assistance and advice to 177 employees. Elior France also works with companies in the sheltered sector (*Esat*[1], *entreprise adaptée*[2], etc.) and in 2019-2020, over €500,000 worth of its revenue was generated through projects with the social economy sector.

2.6.5 LABOR RELATIONS AND COMPENSATION POLICY

Labor relations

Elior ensures that the International Labor Organization's fundamental principles and rights at work are respected in all of its operating entities:

- Freedom of association and the effective recognition of the right to collective bargaining.
- Elimination of all forms of forced or compulsory labor.
- Effective abolition of child labor.
- Elimination of discrimination in respect of employment and occupation.

In view of the diversity of its operations and geographic locations, the Group's labor relations with employee representative bodies are managed at national level or at the level of each individual entity.

In 2005, the Group set up a European Works Council (EWC) covering all of its subsidiaries located in the European Union. The EWC is informed annually about the Group's financial position, business operations, strategic objectives and HR situation.

To improve employees' working conditions and efficiency within the Group, collective agreements are regularly signed by the Group's entities on matters such as working time organization and employee compensation and benefits. Further collective agreements were signed within the Group's various entities in 2019-2020 and numerous multi-year agreements signed in previous years are still in force.

Compensation policy

Elior's compensation policy is designed to ensure that compensation and benefits packages are fair across the Group and that mobility is encouraged between its various businesses. No form of discrimination is tolerated. Compensation surveys are regularly conducted by each operating entity in order to identify market practices and offer attractive packages to employees and job candidates.

[1] *Établissement et service d'aide par le travail* (assistance-through-work entities).
[2] Sheltered work associations that enable people with disabilities to have a salaried job in conditions adapted to their specific needs. At least 80% of the production staff employed by these associations in France are disabled.

2.6.6 HAVING A POSITIVE IMPACT ON LOCAL COMMUNITIES

In line with our aim of helping develop the regions where we operate, one of our key objectives is to provide job opportunities for people who struggle to find employment. To this end we work with local partners (job agencies, not-for-profit organizations etc.) when hiring new employees and reject all forms of discrimination (see Section 2.6.4 above, "Promoting Diversity and Inclusion").

Providing support during the Covid-19 crisis

The Covid-19 crisis and resulting lockdowns exacerbated the difficulties suffered by many already fragile households. Elior Italy donated some 5,000 pre-packed meals – cooked at its *Zola Predosa* central kitchen – to vulnerable families and people over 65 who were unable to leave their homes. Carried out in collaboration with the Casalecchio di Reno municipal authorities, the aim of this project was to help the town and the not-for-profit organizations working in the region with their aid and support programs for people struggling to make ends meet.

Another example of our support efforts during these difficult times was in France, where Elior, Ansamble and l'Alsacienne de Restauration donated meals to the French Red Cross, a charity that helps people in difficulty both in France and abroad. Some 3,000 cold meals were given to help people in Paris, Lyon, Strasbourg, Marseille, Bordeaux and Rennes. Produced by six central kitchens spread across France, the meals were specially prepared to meet the Red Cross's demand. We were able to rapidly put these actions into place thanks to the agility and commitment of our teams. In Spain, Serunion delivered more than 6,000 kg of food to local charities.

Elior Group Solidarités

Set up in 2017, Elior Group Solidarités is a not-for-profit organization tasked with funding, supporting and promoting our solidarity initiatives in the areas of nutrition, social and professional inclusion, and education.

Chaired by Philippe Guillemot, the Group's Chief Executive Officer, Elior Group Solidarités' main action areas comprise:

- Funding solidarity projects proposed by Group employees.
- Allocating education grants.
- Providing financial aid, equipment and volunteer workers to not-for-profit organizations.
- Supporting environmental projects.

Every year Elior Group Solidarités launches a call for projects in aid of not-for-profit organizations supported by the Group's employees. Since it was created Elior Group Solidarités has supported over 40 projects in the United States, France, India, Italy and the United Kingdom. One of the projects it supported in 2019-2020 was the Carolina Farm Trust, which helps community farmers and urban farmers in the Charlotte Metro area in the United States. The financial support provided by Elior Group Solidarités will go to the Aldersgate urban farm. This 6.7-acre farm will not only give residents of East Charlotte access to local, fresh and healthy food but will also serve as a hub for community engagement, providing opportunities for people to learn about where their food comes from as well as creating local jobs.. In France, one particular area of Elior Group Solidarités' support work is helping disadvantaged young people. During the 2019-2020 academic year, for instance, it gave grants to 20 students of the *Ecole de Paris des Métiers de la Table* cookery school to help them buy the equipment needed for their courses such as cooking utensils and workwear.

Helping to drive ecological transition is another area that Elior Group Solidarités is involved in, supporting two not-for-profit organizations specialized in agroecology. The concept of agroecology is to make agricultural models more environmentally friendly, which can therefore make a positive impact on Elior's carbon footprint. The aim of the projects led by the two agroecological organizations supported by Elior Group Solidarités is to reduce pressure on the environment (such as by lowering greenhouse gas emissions and using fewer chemicals), and strengthening the role of biodiversity as a production factor.

Also in 2019-2020, over 300 employees in the Group's French, Spanish, UK, US and Italian entities got involved in the Challenge Against Hunger. This event – organized by the NGO Action Against Hunger – raised funds to improve access to water and sanitation services in Jordan.

Lastly, a support fund was set up during the year for the Elior employees most affected by the Covid-19 crisis. Highly aware of the damaging impacts this crisis could have, Elior decided to set up this fund to provide financial assistance to employees suffering from personal or medical difficulties as a result of the Covid-19 situation.

2.7 METHODOLOGICAL NOTE

2.7.1 NON-FINANCIAL REPORTING PROCESS

Data collection

In order to ensure that the indicators used across its reporting scope are consistent, Elior Group sends a protocol to all of its operating entities that contains the definitions of all of its non-financial indicators (HR, environmental and social indicators) and the related calculation methods. Updated annually, this document also serves as the basis for the annual review work carried out by the independent third party appointed by the Group to verify its non-financial information. It is available on request from the Company.

The main participants in the Group's non-financial reporting process are:

- The Group CSR Department, which is in charge of the non-financial reporting process at Group level (defining indicators, collecting data from the operating entities, consolidating the data, etc.). The Group CSR Department ensures that the data is consistent and is the main point of contact for the external auditors.
- Network of local CSR officers. The data collected from the operating entities is tracked by these CSR officers who make sure it is controlled and consistent. If any major differences are identified an analysis is carried out to explain the difference or make the necessary adjustments.

Reporting tools

The Group's non-financial indicators published in this document were compiled based on several different data collection systems. However, all of the data required for CSR reporting is transmitted to the CSR Department via a single dedicated platform. The data is then consolidated using this platform.

The reported HR data for France is collected from a single reporting tool based on information from a shared payroll system used by the majority of the Group's French subsidiaries (Pléiades). For international subsidiaries and for French companies that do not use Pléiades, HR data is collected via the subsidiaries' own information systems and is reported to the Group CSR Department using a standard reporting template.

After carrying out consistency checks, the Group CSR Department consolidates all of the HR data provided by the companies concerned.

Reporting scope and coverage rate

All of the Group's entities are included in the non-financial reporting scope. However, in order to ensure the quality and reliability of the reported data, the Group may decide not to include certain entities for some or all of the indicators. This is notably the case for newly-acquired companies. When an indicator is calculated for a restricted scope, the coverage rate is stated.

The rules for including and excluding companies from the non-financial reporting scope are as follows:

- Scope exclusions: companies that were removed from the Group's financial scope of consolidation during a given fiscal year (before September 30) are excluded from the non-financial reporting scope.
- Scope inclusions: companies that were newly consolidated during the fiscal year (newly-formed or acquired companies) are included in the non-financial reporting scope within a maximum of one year. Contract catering and services sites whose contract with the Group was entered into during the fiscal year are also included in the non-financial reporting scope. In these cases, the reporting period starts from the date on which the contract for the site concerned entered into force.

HR, environmental and social data has been consolidated for all of the Group's entities except for Société Monégasque de Restauration and Elior Luxembourg.

Unless otherwise indicated, the reported data covers the fiscal year from October 1, 2019 to September 30, 2020. Depending on the indicators, the reported figure either represents an annual consolidation of data for the fiscal year as a whole (October 1, 2019 to September 30, 2020) or a snap-shot figure at the end of the fiscal year (September 30, 2020). For Elior North America, the period covered is aligned with the local financial reporting period, i.e. from September 28, 2019 to October 2, 2020.

The reporting scope for HR indicators in 2019-2020 covers 99.9% of the Group’s total workforce, i.e. 105,219 employees. It does not include Elior Luxembourg (70 employees).

The reporting scope for environmental and social indicators for 2019-2020 covers 99.8% of the Group’s total workforce and represents 99.8% of its consolidated revenue. It does not include Société Monégasque de Restauration (50 employees) or Elior Luxembourg (70 employees).

Specific methodology for certain indicators

Due to the geographic diversity of the Group's activities and the high number of its restaurants and points of sale (over 22,700), some indicators may not be exhaustive, notably because of the difficulty in collecting the data concerned. The methods used have therefore been adapted to take into account this situation.

HR indicators

Managers

For a Group employee to be classified as a manager, he or she must be responsible for a team (i.e. manage one or more other employees) and/or be responsible for a budget.

In France, employees classified as “*cadres*” and “*agents de maîtrise*” are classified as managers.

Training

All of the Group’s employees, whether managers or non-managers or on permanent or non-permanent contracts, are included in the training indicators.

The types of training taken into account for the purpose of calculating these indicators are as follows:

- Face-to-face learning and online learning.
- Training given by training centers.
- Training given by external trainers.
- Induction training when employees begin a new job.
- Statutory training courses (e.g. on safety).
- Training given by employees (both qualified and non-qualified trainers) that meets all the following criteria: use of formal training material; duration of more than one hour; training content aimed at building professional skills.

Only the training hours actually completed by employees are counted and not the number of training hours for which employees sign up. For example, only four days will be counted for an employee who signs up to a five-day training course but only attends for four days.

Internal mobility

The Group considers internal professional mobility to be:

- A promotion, i.e. a new level of responsibility, such as a non-manager on a permanent contract who moves up to a managerial position.
- A job move (i.e. a new post or department), with or without a new level of responsibility.

The internal recruitment rate corresponds to the proportion of permanent-contract managerial posts filled via an internal mobility move between July 1, 2019 and June 30, 2020. This indicator is calculated by dividing (i) the number of managers who have changed posts and/or duties (including through a promotion) during the period by (ii) the total number of managerial posts filled during the period through both internal mobility and external recruitment. Since 2019, non-managers who have been promoted from within the Group to a managerial post have been taken into account for the purpose of calculating this indicator.

Workplace accidents

Elior defines a workplace accident as any accident (including fatal accidents) that (i) occurs suddenly during working hours, (ii) causes a bodily injury and (iii) results in at least one calendar day of lost time. All of the Group's employees are included in the calculation of workplace accidents, i.e. employees on permanent and non-permanent contracts, casual workers and interns. Only temporary workers are not included.

The workplace accident frequency rate corresponds to the number of accidents with at least one day's lost time that occurred during a given fiscal period per million hours worked.

The severity rate corresponds to the number of calendar days of absence caused by workplace accidents (excluding days of absence for relapses) per thousand hours worked.

Absenteeism

Elior considers absenteeism as all unplanned hours of absence (paid or unpaid) for managers and non-managers on permanent contracts.

The leave days taken due to governmental restrictions imposed during the Covid-19 crisis are not included in this indicator. However, in some of Elior's operating countries, such as France, sick leave was granted to parents who had to look after young children who were not at school. These absences have been included in the indicator.

Types of absences included:

- Workplace accidents with lost time (at least one day).
- General illnesses.
- Occupational illnesses.
- All unauthorized absences.

Environmental and social indicators

Certified products

Elior considers "certified products" to be all food and non-food products that carry a label or certification from an organization such as the FSC, PEFC, MSC (*Marine Stewardship Council*), Max Havelaar, Rainforest Alliance, EU Ecolabel, CMR, Oeko-Tex, Ecocert, Red Tractor, etc.

The term also includes products that are certified as organic, fair trade, protected designation of origin (PDO), AOC (*Appellation d'origine contrôlée*) and PGI (protected geographical indication).

Local food produce

The Group operates in various geographic regions and the definition of local food produce differs depending on the country concerned. The term is defined as follows in the following countries:

- France: produce made in France and consumed no more than 200 km from its place of production.
- Spain/Portugal: all produce grown or made in Spain or Portugal, irrespective of how far from the place where it is consumed.
- Italy: all produce grown, produced or processed in Italy and consumed no more than 150 km from its place of production.
- India: all produce (fruit and vegetables, meat, etc. produced/reared/slaughtered in India, irrespective of where it is consumed.
- United Kingdom: all food produce made in the UK, which may contain raw materials from foreign countries.
- United States: all produce consumed less than 200 miles from its place of production.

Sustainable seafood, organic produce and cage-free eggs for Elior India

In order to reflect the expectations of Elior India's external stakeholders (clients, guests and society in general), this entity is not included in the reporting scope for these indicators. This is because to date, none of Elior India's clients have made any requests for organic food, sustainable seafood or cage-free eggs. In addition, the maturity of the Indian supply chain in relation to these issues reflects the current low level of general demand in Indian society.

Water and energy use

Elior operates at many different client sites in France and abroad, where data on water and energy use is often not available. It is therefore difficult for the Group to reliably and globally measure its water and energy use at client sites.

Water use

The method used to calculate this indicator was changed in 2019-2020 to make it more accurate. The water volumes taken into account now only correspond to the water used by central kitchens that is billed directly to the Group. Previously the water used by all sites managed by Elior under a contract were taken into account.

As a result of this change, year-on-year comparisons of water use are not meaningful.

Energy use

The electricity volumes taken into account for this indicator only correspond to the electricity used at Group sites that is billed directly to the Group.

GHG emissions – Carbon footprint assessment

The Group disclosed its GHG emissions indicators for the first time in 2018-2019 and they were subject to an in-depth review in 2019-2020. The emissions included in the Group's carbon footprint assessment were calculated in accordance with the Greenhouse Gas Protocol. The calculations were performed based on data relating to the Group's operations and emissions factors, and extrapolations were carried out when data was not available for certain geographic regions.

"Scope 1" corresponds to direct emissions related to the combustion of fossil fuels (oil, gas, etc.) used at Group sites as well as those generated by leaks of refrigerants from owned or controlled equipment. For emissions related to the use of gas, only the sites for which the Group holds the energy contract are included. Scope 1 also includes emissions from the Group's vehicle fleet.

"Scope 2" corresponds to indirect emissions related to purchased or acquired electricity.

"Scope 3" corresponds to other indirect emissions (notably from purchases of raw materials, upstream and downstream transport and employee travel). Emissions from the use of electricity and gas at sites where the Group does not hold the energy contract are included in this Scope.

2.7.2 CROSS-REFERENCE TABLE – NON-FINANCIAL PERFORMANCE STATEMENT (NFPS)

INFORMATION REQUIRED IN THE NFPS*	SECTION(S) OF THE NFPS
A description of the Group's business model	1.6, "The Group's Business Model" 2.1, "Corporate Social Responsibility: A Value Creation Driver"
A description of the main non-financial risks related to the Group's operations	2.1.3, "Non-Financial Risk Map"
The consequences on climate change of the Group's operations and use of the goods and services the Group produces	2.5.2, "Minimizing the Group's Environmental Footprint"
The Group's CSR undertakings in terms of:	
– sustainable development	2.1, "Corporate Social Responsibility: A Value Creation Driver"
– the circular economy	2.5, "A Circular Model"
– the fight against food waste and food insecurity	2.5.1, "Reducing Food Waste"
– animal welfare	2.4.1, "Prioritizing Products from Sustainable
– responsible, fair and sustainable foodstuffs	2.3, "Promoting a Tasty, Healthy and Sustainable Diet" 2.4, "Responsible Procurement"
Collective agreements entered into within the Group and their impact on its financial performance as well as on employees' working conditions	2.6.5, "Labor Relations and Compensation Policy"
Information on actions aimed at:	
– combating discrimination and promoting diversity	2.6.4, "Promoting Diversity and Inclusion"
– encouraging the integration of people with disabilities	2.6.4, "Promoting Diversity and Inclusion"
– preventing corruption and tax evasion	2.2.2, "Fighting Corruption"
– promoting the respect of human rights	2.2, "Conducting Business Responsibly"

2.7.3 SUMMARY OF ENVIRONMENTAL AND SOCIAL INDICATORS

SUSTAINABLE INGREDIENTS		2019-2020	2018-2019
% purchases of organic food produce	%	3.2%[1]	3.7%
% purchases of certified food produce[2]	%	13.7%	12.9%[3]
% purchases of local food produce	%	12.7%[4]	20.0%[5]
% cage-free eggs	%	9.2%[1]	9.9%
% responsibly sourced seafood	%	35.7%[1]	29.4%
% responsible packaging and consumables used	%	17.3%	14.4%[6]
Number of supplier audits performed*	Number	282	399

* During the fiscal year concerned

HEALTHY CHOICES		2019-2020	2018-2019
% purchases of whole-food and plant-based ingredients[7]	%	17.0%	18.9%
% vegetarian recipes	%	19.3%	15.5%
Number of sites that carried out at least one guest satisfaction survey*	Number	4,041	5,960
Number of nutrition specialists	Number	571	629
Number of hygiene audits performed*	Number	9,747	22,374
Number of product analyses performed*	Number	52,889	76,941
% consolidated revenue from entities testing at least one nutritional information tool or system[8]	%	89%	-

* During the fiscal year concerned

A CIRCULAR MODEL		2019-2020	2018-2019
% sites collecting organic waste for reuse/recycling*	%	89.0%[9]	83.2%[9]
% used cooking oils reused/recycled[10]	%	81.0%	84.0%
Water use[11]	cu.m.	471,823	-
Electricity use[12]	kWh	79,909,587[13]	69,865,663[14]
Total CO_2 emissions (scopes 1, 2 and 3)**	TeqCO_2	3.23 million TeqCO_2	-
% consolidated revenue from entities testing solutions to reduce food waste[15]	%	85%	-

* Sites at which the Group is contractually responsible for waste management.
** The year-on-year comparison with 2018-2019 is not meaningful due to a change in the methodology used to determine this figure (see Section 2.5.2 above, “Minimizing the Group’s Environmental Footprint”.

[1] Excluding Elior India (see Section 2.7.1,“Non-Financial Reporting Process”).
[2] Excluding Elior North America. This indicator was redefined in 2019-2020 and now only includes food purchases.
[3] Data restated following the update to the definition of the KPI (see footnote 2).
[4] Excluding Elior Portugal.
[5] Excluding Elior North America and Elior Portugal.
[6] Excluding Elior Italy.
[7] Excluding Elior India.
[8] Newly-created indicator in 2019-2020.
[9] Excluding Elior Italy.
[10] Excluding Elior North America.
[11] Definition changed: central kitchens for which the Group is contractually responsible for water supply.
[12] Sites at which the Group is contractually responsible for electricity supply.
[13] Excluding Elior India.
[14] Excluding Elior NA and Elior India.
[15] Newly-created indicator in 2019-2020.

ETHICAL BUSINESS CONDUCT[1]		2019-2020	2018-2019
Number of information sessions given about ethical business conduct	Number	24	-
Number of employees having participated in a training or awareness-raising session about ethical business conduct	Number	247	-

2.7.4 SUMMARY OF HR INDICATORS

EMPLOYEE NUMBERS		2019-2020	2018-2019
Total workforce at September 30	Number	105,219[2]	110,267[3]
Breakdown of total workforce by:			
Type of contract (permanent/non-permanent)	%	86.5%/13.5%	86.7%/13.3%
Category (managers/non-managers)		13.0%/87.0%	13.0%/87.0%
Gender:			
Total workforce (women/men)	%	68.0%/32.0%	68.0%/32.0%
Managers (women/men)	%	48.8%/51.2%	48.9%/51.1%
Breakdown of permanent workforce by age:			
Under 30	%	13.6%	15.9%
30-39	%	19.5%	20.1%
40-49	%	26.6%	26.4%
50-59	%	30.4%	28.9%
60 and over	%	9.9%	8.7%
Full time/Part time	%	49.3%/50.7%	47.5%/52.5%
Average seniority (permanent workforce)	Number	7 years	7 years
Breakdown of total workforce by country:			
France	%	41.6%	40.8%
Spain	%	18.7%	17.7%
United States	%	14.8%	16.6%
United Kingdom	%	10.5%	11.1%
Italy	%	9.8%	9.3%
India	%	4.2%	4.2%
Portugal	%	0.3%	0.3%
Société Monégasque de Restauration (SMR)	%	>0.1%	>0.1%
Total	%	100.0%	100.0%

[1] New indicators
[2] Excluding Elior Luxembourg
[3] Excluding Elior Luxembourg.

NEW HIRES		2019-2020	2018-2019
Total new hires*	Number	92,453	119,901
Breakdown of new hires by:			
Type of contract (permanent/non-permanent)*	%	21.6%/78.4%	23.1%/76.9%
Category (managers/non-managers)*	%	3.0%/97.0%	2.9%/97.1%1
Gender (women/men)*	%	74.1%/25.9%	74.2%/25.8%
% women in new hires of managers*	%	54.7%/45.3%	53.5%/46.5%
Age			
New hires aged under 25*	Number	25,264	29,034
New hires aged over 50*	Number	18,468	19,270
Total number of new employees due to transfers or changes of operator	Number	4,591	6,964

*Excluding transfers and changes of operator

DEPARTURES		2019-2020	2018-2019
Total departures*	Number	95,422	118,472
Breakdown of departures by:			
Type of contract (permanent/non-permanent)*	%	25.5%/74.5%	23.9%/76.1%
Reason for departures of employees on permanent contracts*			
% voluntary departures		61.1%	65.8%
% involuntary departures		31%	25.2%
% departures for other reasons2		7.9%	9.0%
Reason for departures of employees on non-permanent contracts*			
% voluntary departures	%	2.8%	3.1%
% involuntary departures	%	1.0%	1.0%
% departures for other reasons2	%	96.2%	95.9%
Number of departures due to transfers or changes of operator	Number	5,348	7,921

*Excluding transfers and changes of operator

WORKPLACE HEALTH AND SAFETY	2019-2020	2018-2019
Frequency rate of workplace accidents with lost time3	23.30	28.34*
Severity rate4	1.35	1.52*

* Figure updated following a change in the calculation method used by Elior Services to align it with the Elior Group protocol. Under the new method, lost time not classified by the French social security authorities as due to a workplace accident is no longer taken into account (the figure originally reported for 2018-2019 was 1.65).

[1] Figure restated due to an error identified in the methodology used.
[2] Departures agreed between the employee and employer (e.g. agreed contract terminations in France) and end of non-permanent contracts.
[3] Number of accidents with a least one day's lost time per million hours worked, for the Group's total workforce (employees on permanent and non-permanent contracts, casual workers and seasonal workers).
[4]Number of days' lost time due to workplace accidents (with at least one day's lost time) per 1,000 hours worked (employees on permanent and non-permanent contracts).

ABSENTEEISM		2019-2020	2018-2019
Absentee rate (total workforce on permanent contracts)1	%	6.5%	5.5%
Absentee rate by employee category (managers/non-managers)	%	3.8%/7.0%	3.0%/6.1%

TRAINING		2019-2020	2018-20192
Number of employees attending at least one training course during the fiscal year	Number	59,6293	48,801
Average number of training hours:			
Per employee		4.24	4.7
By employee category (managers/non-managers)		5.2/4.04	11.7/3.7

Career development		2019-2020	2018-2019
% internal recruitment for managerial posts5	%	55.0%	54.9%

DISABLED EMPLOYEES6		2019-2020	2018-2019
% employees with a disability at the fiscal year-end	%	3.3%	3.9%
Number of employees with a disability hired during the fiscal year	Number	396	1,607

[1] [Hours of absence of the permanent workforce (for workplace accidents with lost time, general illnesses and occupational illnesses]/[Theoretical number of hours worked by the permanent workforce].
[2] Excluding Elior North America.
[3] Excluding Elior North America, SMR and Elior France.
[4] Excluding Elior France and SMR.
[5] Excluding SMR
[6] Excluding SMR

2.7.5 REPORT BY THE INDEPENDENT THIRD PARTY ON THE CONSOLIDATED NON-FINANCIAL PERFORMANCE STATEMENT IN THE MANAGEMENT REPORT

This is a free translation into English of the Statutory Auditor's report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

For the year ended September 30, 2020

To the Shareholders,

In our capacity as Statutory Auditor of Elior Group, appointed as independent third party and accredited by COFRAC under number 3-1048 (scope of accreditation available at www.cofrac.fr), we hereby report to you on the consolidated non-financial statement for the year ended September 30, 2020 (hereinafter the "Statement"), presented in the group management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

Company's responsibility

The Board of Directors is responsible for preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main extra-financial risks, a presentation of the policies implemented with respect to these risks as well as the results of these policies, including key performance indicators. The Statement has been prepared by applying the company's procedures (hereinafter the "Guidelines"), summarized in the Statement and available on request from its headquarters.

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics for Statutory Auditors (*Code de déontologie*). In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with the ethical requirements, French professional standards and applicable legal and regulatory requirements.

Responsibility of the statutory auditor appointed as independent third party

Based on our work, our responsibility is to express a limited assurance conclusion on:

- the compliance of the Statement with the requirements of article R. 225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information."

However, it is not our responsibility to provide any conclusion on the company's compliance with other applicable legal and regulatory provisions, particularly with regard to the duty of vigilance, anti-corruption and taxation nor on the compliance of products and services with the applicable regulations.

Nature and scope of procedures

We performed our work in accordance with Articles A. 225-1 *et seq.* of the French Commercial Code defining the conditions under which the independent third party performs its engagement and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this engagement and with ISAE 3000 (*Assurance engagements other than audits or reviews of historical financial information).*

We conducted procedures in order to assess the Statement's compliance with regulatory provisions, and the fairness of the Information:

- We familiarized ourselves with the Group's business activity and the description of the principal risks associated.
- We assessed the suitability of the Guidelines with respect to their relevance, completeness, reliability, neutrality and clarity, taking into account, where appropriate, best practices within the sector.
- We verified that the Statement covers each category of information stipulated in section III of Article L. 225-102-1 governing social and environmental affairs, the respect for human rights and the fight against corruption and tax evasion.
- We verified that the Statement provides the information required under article R. 225-105 II of the French Commercial Code, where relevant with respect

to the principal risks, and includes, where applicable, an explanation for the absence of the information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code.

- We verified that the Statement presents the business model and a description of principal risks associated with all the entity's activities, including where relevant and proportionate, the risks associated with its business relationships, its products or services, as well as its policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks.

- We referred to documentary sources and conducted interviews to
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important[1] and for which our work was carried out on the consolidating entity.

- We verified that the Statement covers the consolidated scope, i.e. all companies within the consolidation scope in accordance with Article L. 233-16, with the limits specified in the Statement.

- We obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information.

- We carried out, for the key performance indicators and other quantitative outcomes[2] that in our judgment were of most significance:
  - analytical procedures that consisted in verifying the correct consolidation of collected data as well as the consistency of changes thereto;
  - substantive tests, on a sampling basis, that consisted in verifying the proper application of definitions and procedures and reconciling data with supporting documents. These procedures were conducted for a selection of contributing entities[3] and covered between 19% and 87% of the consolidated data for the key performance indicators and outcomes selected for these tests.

- We assessed the overall consistency of the Statement in relation to our knowledge of the company.

We believe that the procedures we have performed, based on our professional judgment, are sufficient to provide a basis for a limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Means and resources

Our work engaged the skills of five people between May and December 2020.

To assist us in conducting our work, we referred to our corporate social responsibility and sustainable development experts. We conducted around twenty interviews with people responsible for preparing the Statement.

Conclusion

Based on our work, nothing has come to our attention that cause us to believe that the non-financial statement does not comply with the applicable regulatory provisions and that the Information, taken as a whole, is not fairly presented in accordance with the Guidelines.

Comments

Without qualifying the conclusion expressed above and in accordance with Article A. 225-3 of the French Commercial Code, we make the following comments:

- The reporting scope is not consistent across all the social, societal and environmental indicators as certain entities are excluded. In particular, the reporting scope for energy consumption is limited to

[11] Qualitative information selected: Elior Services' CSR Policy *Impacts+*; Elior France partnerships with sector approaches; Actions undertaken to design quality menus in line with guest expectations; Internal career development and mobility policy.

[2] Social quantitative information: Total headcount as of September 30, 2020 (split by gender and age); Part/full-time employees, Total number of arrivals; Total number of departures (split by reason); Absenteeism rate; Work-related accident with lost time frequency rate; Work-related accident severity rate; Internal hiring rate for managerial positions.

Environmental quantitative information: Total CO_2 emissions (scopes 1, 2 and 3); Percentage of sites sorting bio-waste.

Societal quantitative information: Number of hygiene audits conducted; Percentage of organic food products; Percentage of sustainable disposable packaging; Percentage of plant-based and vegetarian recipes.

[3] Selected entities: Elior France and Elior North America (United States).

sites for which the Group is directly invoiced by energy suppliers.

Furthermore, the financial and non-financial scopes are not formally reconciled by the Group.

- Without impacting the fairness of the published performance, the reporting periods differ from the Group's fiscal year for the internal hiring rate for managerial positions (3-month gap) and the Elior North America entity (2-day gap).
- Certain policies are presented exclusively at local level and the related improvement goals are not sufficiently described, which hinders the understanding of the Group's initiatives and commitments.
- The following indicators present uncertainties that are inherent to the various reporting tools and the configuration methods used within the Group:
  - Accident and absenteeism rates at Elior Services, particularly the assessed number of work-related accidents with lost time, the number of days lost due to work-related accidents and the number of hours of absenteeism.
  - Internal hiring rate for managerial positions at Elior North America, particularly the assessed number of external hirings and the number of internal transfers.
  - Percentage of organic food products at Elior North America, particularly organic food expenditure for the fiscal year.
  - Percentage of vegetarian recipes at Elior India, particularly the total number of recipes and sub-recipes.
- The method of presenting departures differs between Elior Services and Elior Restauration Collective (inclusion of departures as of September 30) and Elior India (no split by reason).
- The process for collecting supporting documents for work-related accidents with lost time (Elior Restauration Collective and Elior Services) and vegetarian recipes (Elior France and Elior North America) needs further improvement.

Paris-La Défense, January 8, 2021
One of the Statutory Auditors,

Deloitte & Associés

Frédéric Gourd
Partner, Audit

Catherine Saire
Director, Sustainability Services

3

CORPORATE GOVERNANCE

3. CORPORATE GOVERNANCE – AFR

Board of Directors' Report on Corporate Governance

In application of Article L.225-37 of the French Commercial Code, the main purpose of the Board of Directors' report on corporate governance is to provide information on the following:

- The membership of and conditions for preparing and organizing the work of the Board of Directors and the Board Committees.
- The restrictions on the powers of the Chief Executive Officer.
- The compensation of the Company's directors and officers that will be submitted for shareholders' approval at the Annual General Meeting of February 26, 2021, notably the compensation policies for fiscal 2020-2021 and the components of the compensation and benefits paid during or awarded for fiscal 2019-2020.

This report was drawn up by the Board of Directors after consulting the members of the Executive Committee and representatives of the Group's various corporate functions. It was reviewed by the Audit Committee on November 23, 2020, presented to the Board of Directors on December 16, 2020 and approved by the Board on January 8, 2021. It will be presented to the Company's shareholders at the next Annual General Meeting on February 26, 2021.

For all corporate governance matters, the Company refers to the AFEP-MEDEF Corporate Governance Code for listed companies, as revised in January 2020[1] (the "AFEP-MEDEF Code"), and to the recommendations issued by France's securities regulator, the Autorité des Marchés Financiers (AMF). In accordance with the "Comply or Explain" rule provided for in Article L. 22-10-10 of the French Commercial Code and referred to in Article 27 of the AFEP-MEDEF Code, the Company hereby states that it believes its corporate governance practices comply with the recommendations contained in the AFEP-MEDEF Code[2].

The Company's Bylaws (the "Bylaws") and the Board of Directors' Rules of Procedure (the "Rules of Procedure") are available on the Company's website[3].

3.1 ADMINISTRATIVE AND MANAGEMENT BODIES

3.1.1 GOVERNANCE STRUCTURE

3.1.1.1 Management structure

The Company is a French *société anonyme* (joint-stock company) with a Board of Directors. The two roles of Chairman and Chief Executive Officer have been separated since November 1, 2017 with a view to enabling the Company's corporate governance bodies to function more effectively.

As at the date of this Universal Registration Document, Gilles Cojan holds the position of Chairman of the Board of Directors and Philippe Guillemot is Chief Executive Officer.

Best corporate governance practices are reflected in the Board's membership structure and operating procedures, the skills and ethics of the Board's members and the active role that the Board and its committees play in determining the Group's strategy and approving major decisions, as illustrated by the following:

- Over 50% of the Board's members are independent directors (excluding the employee representative directors), in accordance with the commitments given by the Company and the recommendations of the AFEP-MEDEF Code.

- Two thirds of the members of the Audit Committee, including its chair, are independent directors and none of its members are executive directors.

- The majority of the members of the Nominations Committee (excluding the employee representative

[1] Code available on the AFEP and MEDEF websites.
[2] Exceptions are set out in Section 3.1.4 of this chapter, "Corporate Governance Code".
[3] https://www.eliorgroup.com/elior-group/governance/board-directors

director) are independent directors, including its chair.

- All of the members of the Compensation Committee, including its chair, are independent directors. An employee representative director also sits on this Committee.

  As at the date of this Universal Registration Document the non-voting member of the Board of Directors – Célia Cornu – is invited to attend all meetings of the Compensation Committee in a consultative, non-voting capacity.

- The Strategy, Investments and CSR Committee has four members, two of whom are independent directors. This Committee also benefits from the experience and knowledge of the Company's founder and Honorary Chairman, Robert Zolade, who acts as its chair in his capacity as permanent representative of Sofibim. An employee representative director is invited to attend all meetings of the Strategy, Investments and CSR Committee in a consultative, non-voting capacity.

  Meetings of the Strategy, Investments and CSR Committee may be attended by any director who so wishes, but in a non-voting capacity.

- Relations between the Group's executives and the Board of Directors are organized in a balanced way, based on:

  (i) restrictions placed on the Chief Executive Officer's powers (see Section 3.1.5 below) in relation to significant transactions (particularly the Group budget and major transactions, as well as any acquisitions, investments and commitments and guarantees that exceed pre-defined thresholds); and

  (ii) the fact that executives regularly report to the Board on the Group's strategy, business activities, significant events and economic and financial indicators.

- The Board and its committees had a high workload in 2019-2020, meeting 37 times to discuss the major issues and challenges facing the Group.
- An annual review is carried out of the Company's corporate governance practices and the operating procedures of the Board and its committees in order to regularly identify priorities and areas for improvement.

The main provisions of the Company's Bylaws and the Board of Directors' Rules of Procedure – particularly relating to the Board's operating procedures and powers – are summarized in Chapter 5 of this Universal Registration Document, "Information about the Company and its Share Capital".

The Company's governance system, the members of the Board of Directors and the Board committees, as well as their operating procedures and work, are described in detail below, in compliance with the requirements of paragraph 1 of Article L. 22-10-10 of the French Commercial Code.

3.1.1.2 Chairman of the Board of Directors

Gilles Cojan – Chairman of the Board of Directors – organizes and leads the Board's work and reports to shareholders on this work at the Annual General Meeting. He also ensures that the Company's governance structures function effectively and that directors are in a position to fulfil their duties.

The Chairman is regularly informed by the Chief Executive Officer about strategic developments, organizational changes, capital expenditure projects and other significant events in the life of the Group.

The Chairman, in coordination with the Chief Executive Officer, is also responsible for ensuring that good relations are maintained with the shareholders who are members of the Board of Directors, notably concerning corporate governance matters.

3.1.1.3 Vice Chairman

The Board may appoint a Vice Chairman, for a period that may not exceed his term of office as a director. He may be reappointed and may be removed from office at any time by the Board of Directors.

The Vice Chairman replaces the Chairman of the Board of Directors if the Chairman is temporarily unable to perform his duties or in the event of his death. The Vice Chairman fulfils this role until the Chairman is able to resume his duties, or in the event of the Chairman's death, until a new Chairman is appointed.

Like the Chairman, the Vice Chairman's roles and responsibilities include the following:

- He is informed of major events that occur within the course of the Group's operations, during regular meetings with the Chief Executive Officer.

- He may meet with key Group executives and make site visits in order to act on a fully-informed basis.

- He may meet with shareholders at their request, and passes on to the Board any concerns they may have concerning the Company's governance.

As at the date of this Universal Registration Document, the Board does not have a Vice Chairman.

3.1.1.4 Senior Independent Director

Based on the recommendation of the Nominations Committee, the Board may appoint a Senior Independent Director from among the independent directors who have been a member of the Board for at least one year.

The Senior Independent Director is appointed for a period that may not exceed his term of office as a director. His term as Senior Independent Director may be renewed based on the recommendation of the Nominations Committee and he may be removed from office at any time by the Board.

The Senior Independent Director's main role is to ensure that the Company's governance structures function effectively. To this end, he is responsible for:

- Preventing conflicts of interest by raising awareness about facts or circumstances that could lead to such conflicts, and managing any conflicts of interest that may occur. He is informed by each director of any actual or potential conflicts of interest that arise and relays this information to the Board of Directors. He also informs the Board of any actual or potential conflicts of interest that he may have identified himself.
- Overseeing the periodic assessments of the Board of Directors' operating procedures.

As part of his work, the Senior Independent Director may suggest to the Chairman of the Board of Directors:

- that additional points be included in a Board meeting agenda; and/or
- that the Board of Directors meet to discuss a pre-defined agenda concerning an important or urgent matter requiring an extraordinary Board meeting.

The Senior Independent Director ensures that the directors have the possibility of meeting the Group's executive managers and Statutory Auditors, in accordance with the provisions of the Rules of Procedure.

More generally, the Senior Independent Director ensures that the directors receive all the information they need to exercise their duties in the best possible conditions, as stipulated in the Rules of Procedure.

Once a year, the Senior Independent Director reports to the Board of Directors on his work.

As at the date of this Universal Registration Document, Gilles Auffret is the Company's Senior Independent Director.

3.1.1.5 Chief Executive Officer

The Board felt that Philippe Guillemot's demonstrated ability to strengthen organizations and motivate teams around clear objectives and his capacity to pursue the transformation process already begun would be essential assets for Elior Group, and that his experience in major decentralized and international corporations would be particularly useful for continuing to accelerate the Group's international expansion drive.

Philippe Guillemot – Elior Group's Chief Executive Officer and a director of the Company – is required to exercise his powers within the scope of the corporate purpose and subject to the powers that are directly vested by law in shareholders and the Board of Directors.

The Chief Executive Officer represents the Company in its dealings with third parties, and all of his actions are binding on the Company, even when they fall outside the scope of the corporate purpose, unless the Company can prove that the third party was aware – or under the circumstances could not have been unaware – that the Chief Executive Officer was acting outside the scope of the corporate purpose. Publication of the Bylaws does not, in itself, constitute adequate proof thereof.

Decisions taken by the Board of Directors that restrict the Chief Executive Officer's powers (see Section 3.1.5 below) are not binding on third parties.

The Chief Executive Officer's work is based on objectives set within the framework of the strategic roadmap as well as on goals established by the Board of Directors. He actively participates in all meetings of the Board of Directors (except for the meeting he does not attend in accordance with the AFEP-MEDEF Code recommendations) and reports regularly to the Board on the Company's operational management and on significant events in the life of the Group. As part of this role he is involved in defining and adjusting the Group's overall strategy.

3.1.1.6 Deputy Chief Executive Officer

On the recommendation of the Chief Executive Officer, the Board of Directors may appoint one or more Deputy Chief Executive Officer(s), who must be individuals rather than legal entities, to assist the Chief Executive Officer in his work.

In agreement with the Chief Executive Officer, the Board of Directors determines the scope and duration of the powers vested in the Deputy Chief Executive Officer(s). A Deputy Chief Executive Officer has the same powers as the Chief Executive Officer in dealings with third parties.

As at the date of this Universal Registration Document the Company does not have a Deputy Chief Executive Officer.

3.1.1.7 Honorary Chairman

At its meeting on June 11, 2014, the Board of Directors appointed Robert Zolade as Honorary Chairman.

Mr. Zolade attends Board meetings in an advisory, non-voting capacity in his role as Honorary Chairman (but he currently also has a voting right in his capacity as the permanent representative of a corporate director).

3.1.1.8 Non-voting directors

In application of Article 19 of the Bylaws, the shareholders in an Ordinary General Meeting may elect one or more non-voting directors for a term of up to four years, who may or may not be shareholders. Non-voting directors are called to Board meetings which they attend in a purely advisory capacity.

As at the date of this Universal Registration Document, the Board has one non-voting director: Célia Cornu. Ms. Cornu was elected on March 9, 2018 for a four-year term expiring at the close of the Annual General Meeting to be held in 2022 to approve the financial statements for the year ending September 30, 2021. Ms. Cornu is very regularly consulted due to her experience and her knowledge of the Group and its businesses.

Having a non-voting director on the Board can also be used as a way of enabling a future directorship candidate to attend Board meetings before he or she is put forward for election at the Annual General Meeting.

3.1.1.9 Group Executive Committee

In accordance with the Rules of Procedure, the Group has put in place an Executive Committee, which is chaired by Philippe Guillemot and comprises the Group's key executives. As at the date of this Universal Registration Document, the Executive Committee has the following thirteen members, three of whom are women:

Name	Position
1. Rosario Ambrosino	Chief Executive Officer of Elior Italia
2. Bernard Duverneuil	Group Chief Information and Digital Officer
3. Jean-Yves Fontaine	Chief Executive Officer of Elior France
4. Esther Gaide	Group Chief Financial Officer
5. Philippe Guillemot	Group Chief Executive Officer
6. Ruxandra Ispas	Group Chief Procurement and Logistics Officer
7. Sanjay Kumar	Chief Executive Officer of Elior India
8. Antonio Llorens	Chief Executive Officer of Serunion
9. Ludovic Oster	Group Chief Human Resources Officer
10. Olivier Poirot	Chief Executive Officer of Elior North America
11. Gilles Rafin	President of Elior Services
12. Damien Rebourg	Group Chief Communications Officer
13. Catherine Roe	Chief Executive Officer of Elior UK

Apart from Philippe Guillemot, none of the members of the Executive Committee are directors of the Company.

The Executive Committee reviews and authorizes significant projects concerning:

- Major operating contracts under negotiation in France and in international markets, and the related capital expenditure projects.
- Proposed acquisitions and divestments of assets and interests in companies, strategic partnerships and, more generally, any planned acquisitions of contract portfolios or businesses.
- The preparation, execution and follow-up of the execution of the "New Elior" strategic plan announced by the Chief Executive Officer in late June 2019.

The Executive Committee also examines the Group's operating and sales performance on a monthly basis and shares the information resulting from its division-by-division performance reviews. It initiates and oversees cross-functional programs involving the sales and marketing, human resources, financial and management control, compliance and purchasing functions, as well as programs to optimize productivity and the cost base.

The Executive Committee meets at monthly intervals or more frequently when required.

In accordance with Articles 1.7 and 7 of the AFEP-MEDEF Code, the Group places particular importance on ensuring that there is balanced representation of men and women on its governing bodies. As at the date of this Universal Registration Document, 23% of the Executive Committee's members are women. The Group intends to continue to implement measures to promote gender parity for top management posts.[1]

3.1.1.10 Group Corporate Committee

The Group also has a Corporate Committee, which is chaired by Philippe Guillemot and comprises the heads of its principal corporate functions.

As at the date of this Universal Registration Document, the Corporate Committee has the following eight members, two of whom are women:

Name	Position
1. Jean-Pascal Dragon	Head of Group Strategic Planning and Business Development
2. Bernard Duverneuil	Group Chief Information and Digital Officer
3. Esther Gaide	Group Chief Financial Officer
4. Philippe Guillemot	Group Chief Executive Officer
5. Ruxandra Ispas	Group Chief Procurement and Logistics Officer
6. Ludovic Oster	Group Chief Human Resources Officer
7. Damien Rebourg	Group Chief Communications Officer
8. Thierry Thonnier	Group Chief Legal and Compliance Officer

Apart from Philippe Guillemot, none of the members of the Corporate Committee are directors of the Company.

The roles and responsibilities of the Corporate Committee notably include:

- Overseeing the Group's action plans regarding corporate and cross-business matters.
- Reviewing the main initiatives launched by the Group's corporate functions.
- Sharing feedback from front-line teams.

The Corporate Committee meets twice a month or more frequently when required.

In accordance with Articles 1.7 and 7 of the AFEP-MEDEF Code, the Group places particular importance on ensuring that there is balanced representation of men and women on the Corporate Committee. As at the date of this Universal Registration Document, 25% of the Corporate Committee's members are women.[1]

[1] See Chapter 2, Section 2.6.4, "*Promoting Diversity and Inclusion*", of this Universal Registration Document.

3.1.2 EXECUTIVE MANAGEMENT

The Company's executive management is placed under the responsibility of Philippe Guillemot, who has been the Group’s Chief Executive Officer since December 5, 2017. His term of office as Chief Executive Officer ends at the same time as his term of office as a director.

Philippe Guillemot has also been a director of the Company since March 9, 2018. A profile of Mr. Guillemot is provided in Section 3.1.3.1.2 below.

3.1.3 BOARD OF DIRECTORS

3.1.3.1 Members of the Board of Directors

The Company strives to ensure that the members of its Board of Directors have a wide diversity of skills and that there is a balanced representation of men and women, in accordance with the applicable legal requirements.

As at the date of this Universal Registration Document, the Board comprises eleven directors, five of whom are independent, four of whom are women and two of whom are employee representatives. Directors are generally elected for four-year terms, but in order to stagger the directors’ terms the shareholders in a General Meeting can elect some directors for a shorter term or reduce the terms of one or more directors. In accordance with the French Commercial Code and the AFEP-MEDEF Code, the employee representative directors are not included in the calculation of the proportion of independent directors on the Board or its gender ratio.

In addition, 22% of the Board’s members (excluding the employee representative directors) are non-French nationals (American and Spanish).

As at the date of this Universal Registration Document, Elior Group's Board of Directors comprises the following eleven members:

	Personal information			Information about the member's directorship					
	Age	Gender (M/F)	Number of Elior Group shares held at Nov. 30, 2020	Independent director	Number of directorships held in other listed companies	Date first elected/appointed	End of current term of office	No. of years on the Board	Membership of Board committees
Company officers									
Gilles Cojan, *Chairman of the Board* *French nationality*	66	M	156,050	x	0	Nov. 1, 2017	2023 AGM	3	*Audit and SI&CSR*
Philippe Guillemot, *Chief Executive Officer* *French nationality*	61	M	18,718	x	1	March 9, 2018	2022 AGM	2	x
Honorary Chairman									
Sofibim[1] Represented by Robert Zolade *French nationality*	80	M	1,000	x	0	March 20, 2020	2024 AGM	1	*NC and SI&CSR (Chair)*
Senior Independent Director									
Gilles Auffret *French nationality*	73	M	65,673	√	0	June 11, 2014	2022 AGM	6	*NC (Chair) and CC*
Directors qualified as independent by the Board of Directors (excluding the employee representative directors)									
Anne Busquet *Dual French and American nationality*	70	F	2,370	√	3	March 11, 2016	2022 AGM	4	*NC and CC*
Emesa Corporacion Empresarial Represented by Vanessa Llopart *Dual Spanish and American nationality*	45	F	13,339,519	√	0	March 11, 2016	2024 AGM	4	*Audit Committee and SI&CSR*
Fonds Stratégique de Participations Represented by Virginie Duperat-Vergne *French nationality*	45	F	9,050,000	√	1	March 9, 2018	2022 AGM	2	*Audit Committee (Chair) and SI&CSR*
Bernard Gault *French nationality*	62	M	4,000	√	0	March 9, 2018	2022 AGM	2	*NC and CC (Chair)*
Employee representative directors									
Rosa Maria Alves *Portuguese nationality*	55	F	0	N/A	0	Nov. 24, 2020	Nov. 24, 2024		*CC*
Luc Lebaupin *French nationality*	41	M	0	N/A	0	Nov. 24, 2020	Nov. 24, 2024		x
Director									
Servinvest Represented by Sophie Javary *French nationality*	61	F	1,000	x	1	March 11, 2016	2024 AGM	4	x

SI&CSR: Strategy, Investments and CSR Committee
NC: Nominations Committee
CC: Compensation Committee

[1] Sofibim was elected as a director at the Annual General Meeting of March 20, 2020, subject to the resignation of BIM, which had been a member of the Board since June 11, 2014 and whose permanent representative was also Robert Zolade.

The main posts held by the directors outside the Company and their profiles are provided in Section 3.1.3.1.2 below.

The table below provides a summary of the movements in the Board's membership structure in the fiscal year ended September 30, 2020 and up until the date of this Universal Registration Document.

Date of decision	Description	Effective date	Expiration date of term
March 22, 2020 (AGM)	Resignation of Bim	March 20, 2020	N/A
	Election of Sofibim		AGM to be held in 2024 to approve the financial statements for the year ending Sept. 30, 2023
	Re-election of Anne Busquet		AGM to be held in 2022 to approve the financial statements for the year ending Sept. 30, 2021
	Re-election of Serinvest		AGM to be held in 2024 to approve the financial statements for the year ending Sept. 30, 2023
	Re-election of Emesa		AGM to be held in 2024 to approve the financial statements for the year ending Sept. 30, 2023
April 28, 2020 (Board of Directors' meeting)	Resignation of CDPQ	April 15, 2020	N/A
Nov. 24, 2020 (Board of Directors' meeting)	Appointment of Rosa Maria Alves as an employee representative director	Nov. 24, 2020	November 24, 2024
	Appointment of Luc Lebaupin as an employee representative director	Nov. 24, 2020	November 24, 2024

As at the date of this Universal Registration Document, five of the Board's eleven members (excluding the employee representative directors) are independent directors, which complies with the proportion recommended in the AFEP-MEDEF Code for companies that do not have controlling shareholders.

Elior Group also places particular importance on ensuring that women make up a significant proportion of its Board members. As 44% of its directors (excluding the employee representative directors), either directly or as representatives of corporate directors, are women, female representation on the Company's Board is above the threshold provided for by law.

In accordance with the AFEP-MEDEF Code, the following table sets out the diversity policy applied within the Company's Board of Directors (excluding the employee representative directors), showing the criteria taken into account, the objectives set, the implementation procedures and the results achieved in fiscal 2019-2020.

Criteria used	Objectives	Implementation procedures and results achieved in fiscal 2019-2020
Membership structure of the Board of Directors	Gender parity on the Board	**Proportion of women:** Gradual increase: - 22.22% at the March 10, 2015 AGM - 44.44% at the March 11, 2016 and March 10, 2017 AGMs - 55.5% at the close of the October 31, 2017 Board meeting - 40% at the March 9, 2018 and March 22, 2019 AGMs - 50% at the March 20, 2020 AGM As at the date of this Universal Registration Document, 44% of the Board's members (excluding the employee representative directors) are women, a proportion that will be unchanged at the close of the AGM to be held on February 26, 2021.
	Review of what is required to ensure the best possible balance in terms of complementary profiles (international background and diversity)	**Non-French directors**: As at the date of this Universal Registration Document, 22% of the Board's members (excluding the employee representative directors) are non-French, a proportion that will be unchanged at the close of the AGM to be held on February 26, 2021.
		Experience: - Business organization/HR: Gilles Auffret, Philippe Guillemot, Sofibim (represented by Robert Zolade), Anne Busquet, Bernard Gault - Knowledge of the industry: Sofibim (represented by Robert Zolade), Gilles Cojan, Philippe Guillemot - Strategy: Gilles Cojan, Philippe Guillemot, Bernard Gault, Gilles Auffret, Emesa (represented by Vanessa Llopart), Sofibim (represented by Robert Zolade), FSP (represented by Virginie Duperat Vergne) - Economy/Finance: Gilles Cojan, FSP (represented by Virginie Duperat Vergne), Bernard Gault, Servinvest (represented by Sophie Javary), Emesa (represented by Vanessa Llopart) - Marketing/consumer behavior: Anne Busquet - Innovation and digital: Anne Busquet, Philippe Guillemot - International: Gilles Cojan, Philippe Guillemot, Anne Busquet, Emesa (represented by Vanessa Llopart) - Governance: Gilles Auffret, Bernard Gault, Sofibim (represented by Robert Zolade), Gilles Cojan, Anne Busquet
Director independence	Reach a proportion of at least 50% independent directors (see Article 9.3 of the AFEP-MEDEF Code and Article 2.1 of the Board's Rules of Procedure)	As at the date of this Universal Registration Document, over 55% of the Board's members (excluding the employee representative directors) qualify as independent based on the criteria set in the AFEP-MEDEF Code and used by the Company. This proportion will be unchanged at the close of the AGM to be held on February 26, 2021.
Age of directors	No more than 1/3 of the Company's directors over 80 years old (see Article 15.3 of the Bylaws).	Objective met.

3.1.3.1.1 Director independence

As for other corporate governance matters, the Company refers to the AFEP-MEDEF Code for determining whether directors qualify as independent. A director is deemed to be independent when he or she has no relationship of any kind with the Company, the Group or the management of either that may affect his or her judgment or create a conflict of interests between the director and the Company, the Group or the management of either. The independence criteria specified in the Board of Directors' Rules of Procedure are based on those in the AFEP-MEDEF Code.

When the five independent directors were elected, the criteria set out below were examined and considered as being fulfilled. These criteria are also examined by the Board on an annual basis. Therefore, in accordance with the AFEP-MEDEF Code and the Board's Rules of Procedure, for Elior Group an independent director is a director who:

- Is not, and has not been in any of the past five years:
  - an employee or executive director of the Company or any other Group entity;
  - an employee or director of a shareholder that holds (directly or indirectly) over 10% of the Company's capital or voting rights;
  - an employee or executive or non-executive director of an entity that the Company consolidates;
  - an employee or executive or non-executive director of the parent of the Company or an entity consolidated by the Company's parent.
- Is not an officer of an entity in which the Company holds a directorship, directly or indirectly, or in which an employee or officer of the Company (currently in office or who has held such office in the past five years) is a director.
- Is not, and does not have any direct or indirect ties with, a customer, supplier, commercial banker, investment banker or consultant:
  - that is material for the Company or for the Group; or
  - for which the Company or the Group represents a substantial proportion of its business.

  The assessment of whether or not any relationship that a director may have with the Company or Group is significant is debated by the Board of Directors and the quantifiable and qualitative criteria used for this assessment must be explicitly set out in the corporate governance report.

In addition, an independent director must not:

- Have close family ties with a director or officer of the Company or the Group or with a shareholder that owns (directly or indirectly) over 10% of the Company's capital or voting rights.
- Have served as a statutory auditor of the Company or another Group entity at any time in the past five years.
- Have served as a director of the Company for more than twelve years.
- Receive, or have received, material compensation from the Company or the Group (other than directors' remuneration), including all forms of share-based payments and all other forms of performance-related compensation.

The Rules of Procedure stipulate that the decision to qualify a director as independent must be discussed annually by the Nominations Committee, which prepares a report on the issue for the Board of Directors. Each year, prior to the publication of the Annual Report, the Board of Directors assesses each director's situation in relation to the independence criteria, based on the Nominations Committee's report. The Board's conclusions are presented to shareholders in the corporate governance report.

The situation of each director in relation to the independence criteria set out in the Board's Rules of Procedure based on the AFEP-MEDEF Code was reviewed by the Nominations Committee at its meeting on November 23, 2020, and its findings were then reported to the Board of Directors. At its meeting on November 24, 2020, the Board qualified the following five of its members (excluding the employee representative directors) as independent:

1. Gilles Auffret
2. Anne Busquet
3. Emesa (represented by Vanessa Llopart)
4. FSP (represented by Virginie Duperat-Vergne)
5. Bernard Gault

For fiscal 2019-2020, these five directors all fulfilled the independence criteria in the AFEP-MEDEF Code and, in particular, the criterion of not having any business relations with the Company or the Group. In addition, the Company does not have any business relations with any entity or group with which these independent directors have ties. Based on the Nominations Committee's analysis, the Board considered that the 7.66% and 5.20% ownership interests held in Elior Group by Emesa and FSP respectively do not affect these corporate directors' judgment or create any conflict of interests.

Since March 2016, the Board of Directors has applied the recommendation issued by France's Haut Comité de Gouvernement d'Entreprise (High Committee of Corporate Governance) concerning the proportion of independent directors on corporate boards, which is now higher than the recommendations contained in the AFEP-MEDEF Code.

The Board of Directors and the Nominations Committee use the following evaluation matrix for their annual assessment of directors' independence and whenever directors are appointed, elected or re-elected.

Evaluation grid used for assessing the independence of directors and permanent representatives of corporate directors *(excluding the employee representative directors)*

	G. Cojan	P. Guillemot	Sofibim (R. Zolade)	FSP (V. Duperat-Vergne)	Servinvest (S. Javary)	B. Gault	A. Busquet	Emesa (V. Llopart)	G. Auffret
Is not, and has not been in any of the past five years: - an employee or executive director of the Company; - an employee or director of a shareholder that holds (directly or indirectly) over 10% of the Company's capital or voting rights; - an employee or executive or non-executive director of an entity that the Company consolidates; - an employee or executive or non-executive director of the parent of the Company or an entity consolidated by the Company's parent.	x	x	x	O	o	o	o	o	o
Is not an officer of an entity in which the Company holds a directorship, directly or indirectly, or in which an employee or officer of the Company (currently in office or who has held such office in the past five years) is a director.	o	x	o	O	o	o	o	o	o
Is not, and does not have any direct or indirect ties with, a customer, supplier, commercial banker, investment banker or consultant that is material for the Company or for the Group, or for which the Company or the Group represents a substantial proportion of its business.	o	o	o	O	o	o	o	o	o
Does not have close family ties with a director or officer of the Company or the Group or with a shareholder that owns (directly or indirectly) over 10% of the Company's capital or voting rights.	o	o	x	O	x	o	o	o	o
Has not served as a statutory auditor of the Company or another Group entity at any time in the past five years	o	o	o	O	o	o	o	o	o
Has not served as a director of the Company for more than twelve years	o	o	x	O	o	o	o	o	o
Does not receive, and has not received, material compensation from the Company or the Group (other than directors' remuneration), including all forms of share-based payments and all other forms of performance-related compensation.	x	x	o	O	o	o	o	o	o
Result of the review: director qualified as independent	x	x	x	O	x	o	o	o	o

o = independence criterion met. x = independence criterion not met

3.1.3.1.2 Profiles of the Members of the Board of Directors as at the date of this Universal Registration Document

Age: 66

Nationality: French
Business address: 9-11 allée de l'Arche 92032 Paris La Défense (France)

Number of Elior Group shares held at November 30, 2020: 156,050

Gilles Cojan
Chairman of the Board of Directors

Gilles Cojan graduated from ESSEC business school in 1977. He joined Elior in 1992, first as Chief Financial Officer before going on to become CEO of Elior International. Throughout this time, he also held the position of Chief Strategy Officer for the Elior group. In 2007, Mr. Cojan was appointed as a member of Elior's Supervisory Board, sitting alongside Robert Zolade and representatives of Charterhouse, and has served on the Board of Directors since the Company was re-listed in June 2014. He is also a member of Elior Group's Audit Committee and the Strategy, Investments and CSR Committee and has been the Chairman of the Board of Directors since November 1, 2017.
Acting alongside Elior's founders – Robert Zolade and Francis Markus – Mr. Cojan ensured the success of the Company's first MBO organized in 1992 and completed in 1996. Then, again with the founders, he organized two successive LBOs for the contract catering and concession catering businesses, which resulted in the creation of the Elior group in 1997. As from that date he directly led the Group's internationalization strategy, enabling it to successively enter the UK, Spanish and Italian markets.
Gilles Cojan was the driving force behind a number of the major partnerships that stepped up the pace of the Group's growth, including the partnership set up in 2001 with the Spanish company Areas, which helped the Group strengthen its leadership position in concession catering, and subsequently the alliance forged in 2013 with the founder of THS, which underpinned Elior's rapid development strategy in the United States. In 2000, he oversaw Elior's IPO and then in 2006, with Robert Zolade, he organized the Company's voluntary stock market de-listing followed by a new LBO carried out with the aim of accelerating the Group's development. In 2010, he was behind the idea of creating a "services" business, which has now become an integral part of the Group.
Since 2007, Mr. Cojan has also been the CEO of Sofibim – the parent company of BIM, which is Elior Group's main shareholder – where he implemented a diversification strategy that led to the creation of three major players in the outdoor hospitality, Parisian hotels and healthcare education sectors. Before joining Elior, in 1990 Mr. Cojan took on the position of head of the Financing and Treasury department at Valeo. Prior to that he worked at Banque Translatlantique where he was CEO of its subsidiary, GTI Finance, having previously served between 1978 and 1986 as Treasurer for the pharmaceutical group Servier.

Gilles Cojan is currently Chairman of Elior Group's Board of Directors. He is also Chief Executive Officer of Sofibim and BIM.

Member of Elior Group Board committee(s): Audit Committee and Strategy, Investments and CSR Committee

Independent director: No

Other directorships and positions held at September 30, 2020 (outside the Elior group):

- Chief Executive Officer of Sofibim SAS (France, unlisted company)
- Chief Executive Officer of BIM SAS (France, unlisted company)
- Chairman of Artalor SAS (France, unlisted company)
- Chairman of Ori Invest SAS (France, unlisted company)
- Chairman and member of the Strategy Committee of N Développement SAS (France, unlisted company)

Directorships and positions held during the past five years which have expired

- Director of Gourmet Acquisition Holdings, Inc. (Elior group – United States)
- Director of Gourmet Acquisition Inc. (Elior group – United States)
- Director of THS Group Inc. (Elior group – United States)
- Manager of THS Holdings LLC (Elior group – United States)
- Member of the Supervisory Board of Elior Finance SCA (Elior group – Luxembourg)
- Permanent representative of BIM SAS as a director of El Rancho SA (France)

Sofibim
Corporate director represented by Robert Zolade, Honorary Chairman of Elior Group's Board of Directors

Information about Sofibim:
Sofibim is a holding company that exercises exclusive control over BIM.
Sofibim holds 1,000 Elior Group shares.

Membership of Elior Group Board committee(s): Nominations Committee, and Strategy, Investments and CSR Committee (Chair)

Independent director: No

Registered office:
54 avenue Marceau – 75008 Paris (France)

Registration number:
508 292 083 RCS Paris

Number of Elior Group shares held at November 30, 2020:
1,000

Other directorships and positions held at September 30, 2020 (outside the Elior group):

- Chairman of BIM SAS (France, unlisted company)
- President of CHB Invest II SAS (France, unlisted company)

Directorships and positions held during the past five years which have expired

- Director of Sophia Publications (France, unlisted company)

Information about Robert Zolade
Permanent representative of Sofibim and Honorary Chairman of Elior Group's Board of Directors

Age: 80

Nationality:
French

Business address:
54 avenue Marceau – 75008 Paris (France)

Number of Elior Group shares held at
November 30, 2020:
0

Robert Zolade is the Chairman and controlling shareholder of Sofibim, which in turn exercises exclusive control over BIM (Elior Group's main shareholder). He is the co-founder of the Elior group and served as its Co-Chairman and then Chairman from its creation in 1991 until 2010. Prior to that, he held various senior management positions within the Accor group, including Chairman and Chief Executive Officer of Société Générale de Restauration in 1990, and Chief Executive Officer of Compagnie Internationale des Wagons-Lits et de Tourisme from 1990 to 1992. Robert Zolade is a graduate of Institut d'Etudes Politiques de Paris (IEP) and also holds a law degree and a post-graduate degree in economics.

Main professional activity: **permanent representative of Sofibim on Elior Group's Board of Directors and Honorary Chairman of Elior Group's Board of Directors.** He is also Chairman of Sofibim.

Other directorships and positions held at September 30, 2020 (outside the Elior group):

- Chairman of the Board of Directors of Sofibim SA (Luxembourg, unlisted company)
- Chairman of Sofibim SAS (France, unlisted company)
- Legal Manager of Servinvest SARL (France, unlisted company)
- Legal Manager of Bérulle Art SARL (France, unlisted company)
- Legal Manager of LMDB SC (France, unlisted company)
- Legal Manager of MBOB SC (France, unlisted company)

Directorships and positions held during the past five years which have expired

- Chairman of the Board of Directors of BIM Luxembourg (Luxembourg)
- Vice Chairman of the Supervisory Board of Sparring Capital SA (France)

Age: 61

Nationality:
French

Business address:
9-11 allée de l'Arche
92032 Paris La Défense
(France)

Number of Elior Group shares held at November 30, 2020:
18,718

Philippe Guillemot
Chief Executive Officer and a director

Between 2013 and 2016, Philippe Guillemot was Chief Operating Officer at Alcatel-Lucent, a global company with significant exposure to the US market and at the heart of the digital revolution. He was brought into the company to draw up a business recovery and transformation plan and subsequently oversaw Alcatel-Lucent's integration into Nokia. From 2010 through 2012, he was CEO and a Board member at Europcar, where he modernized the company's brand image and offerings to make them more appealing and more suited to customer expectations. During his time with Europcar he also launched a large-scale plan to improve operating efficiency in very challenging market conditions. From 2004 through 2010, Mr. Guillemot served as Chairman and CEO of Areva Transmission and Distribution (T&D), which subsequently became a division of Alstom, and was a member of Areva's Executive Committee. In this role he successfully implemented two strategic plans to turn around the business and significantly boost its profitability. During the six years he was with Areva T&D, the entity extensively enlarged its international footprint, doubled its revenue and increased its value fourfold.

Before joining Areva T&D, Mr. Guillemot was a member of the Executive Committees at the automotive suppliers Faurecia (2001-2003) and Valeo (1998-2000). At both of these companies he oversaw the global expansion of divisions with revenue of several billion euros. Prior to that he held executive posts at Michelin (1993-1998 and 1983-1989), where he was appointed to his first Executive Committee position at the age of thirty-six. Alongside Edouard Michelin he was the architect behind the product line-based organization structure that enabled Michelin to pursue a profitable growth trajectory. Philippe Guillemot holds an MBA from Harvard University and is a graduate of the French engineering school, École des Mines de Nancy. He is also a knight of the French National Order of Merit.

Philippe Guillemot has been Elior Group's Chief Executive Officer since December 5, 2017.

Membership of Elior Group Board committee(s): No

Independent director: No

Other directorships and positions held at September 30, 2020 (outside the Elior group):

- Director of Sonoco (United States, listed company)

Directorships and positions held during the past five years which have expired

- Chairman of Captain Bidco (France)
- Director of Constellium (United States, listed company)

Age: 73

Nationality:
French

Business address:
9-11 allée de l'Arche
92032 Paris La Défense
(France)

Number of Elior Group shares held at November 30, 2020:
65,703

Gilles Auffret
Senior Independent Director

Gilles Auffret is currently Chairman of the Board of Directors of Terreal and a member of the Supervisory Board of Seqens. Between 1999 and 2013, he held various executive positions within the Solvay Rhodia group, including Chief Operating Officer (2001-2012), Chief Executive Officer (2013) and member of the Rhodia Executive Committee (2013). From September 2011 to the end of 2013, he was also a member of the Solvay Executive Committee. Between 1982 and 1999, Mr. Auffret held various executive positions within the Pechiney group, including Vice President of the Aluminium Metal Division and Chief Executive Officer of Aluminium Pechiney from 1994 to 1999. Prior to that, he served as an auditor with the French national audit office (*Cour des Comptes*) from 1975 to 1978 and as a project manager in the French Industry Ministry between 1978 and 1982. Gilles Auffret is a graduate of Ecole Polytechnique, Institut d'Etudes Politiques de Paris, Ecole Nationale de la Statistique et de l'Administration Économique and École Nationale d'Administration.

Member of Elior Group Board committee(s): Nominations Committee (Chair) and Compensation Committee

Independent director: Yes

Other directorships and positions held at September 30, 2020 (outside the Elior group):

- Chairman of the Board of Directors of Terreal (France, unlisted company)
- Member of the Supervisory Board of Seqens (France, unlisted company)

Directorships and positions held during the past five years which have expired

- Chairman of the Supervisory Board of Azulis (France, unlisted company)

Age: 70

Nationality:
French and American

Business address:
1080 5th Ave, New York, NY, 10128 (United States)

Number of Elior Group shares held at November 30, 2020:
2,370

Anne Busquet
Independent director

Anne Busquet has been principal at AMB Advisors LLC in New York since 2006. She began her career in 1973 at Hilton International before joining the American Express group in 1978, where she remained until 2001, occupying several executive posts. She then served as President of AMB Advisors LLC from 2001 to 2003, when she joined InterActiveCorp as President of Travel Services and was subsequently appointed CEO of Local and Media Services.

Member of Elior Group Board committee(s): Nominations Committee and Compensation Committee

Independent director: Yes

Other directorships and positions held at September 30, 2020 (outside the Elior group):

- Managing Director of Golden Seeds, Inc. (United States, unlisted company)
- Director of Pitney Bowes, Inc (United States, listed company)
- Director of Intercontinental Hotels Group PLC (United Kingdom, listed company)
- Director of Medical Transcription Billing, Corp (United States, listed company)

Directorships and positions held during the past five years which have expired

None

Registered office:
579-587 avenida Diagonal, planta 10, 08014, Barcelona (Spain)

Registration number:
B58138512

Number of Elior Group shares held at November 30, 2020
13,339,519

Emesa Corporacion Empresarial (Emesa)
Independent corporate director, represented by Vanessa Llopart

Information about Emesa:
Emesa holds 13,339,519 Elior Group shares, representing 7.66% of the Company's capital

Member of Elior Group Board committee(s): Strategy, Investments and CSR Committee and Audit Committee

Independent director: Yes

Other directorships and positions held at September 30, 2020 (outside the Elior group):

- Director of Devicare, S.L. (Spain, unlisted company)
- Director of Cofiber Financiera Establecimiento Financiero de Crédito, S.A. (Spain, unlisted company)

Directorships and positions held during the past five years which have expired

- Director of Metropolis Inmobiliarias y Restauraciones, S.L. (Spain)
- Director of Sunroad, S.L. (Spain, unlisted company)

Information about Vanessa Llopart
Permanent representative of Emesa

Age: **45**

Nationality:
Spanish and American

Business address:
579-587 avenida Diagonal, planta 10, 08014, Barcelona (Spain)

Number of Elior Group shares held at November 30, 2020:
0

Vanessa Llopart is a graduate of the ESADE business school. She began her career at Roland Berger where she spent six years, first as a strategy consultant and then a project manager.
In 2003, she became a freelance strategy consultant, working on assignments in Barcelona and Madrid for companies including Europraxis and Kubiwireless.
In 2008, she joined Llopart Euroconsejo where she developed M&A projects and managed various corporate client files.
From 2009 until July 2019, she was a member of the Board of Directors of the Zeta group.
Vanessa Llopart is currently a partner and member of the Board of Directors of Talenta Gestion, a financial services firm specialized in wealth planning and portfolio management that provides advice about corporate finance and M&As. She has also been CEO of Emesa Corporacion Empresarial since 2018.

Other directorships and positions held at September 30, 2020 (outside the Elior group):

- Director of Salad Market, S.L. (Spain, unlisted company)
- Director of Look the Box, S.L. (Spain, unlisted company)
- Sole director of Emesa Real Estate, S.L.U. (Spain, unlisted company)
- Sole director of Emesa Capital, S.L.U. (Spain, unlisted company)
- Sole director of Emesa Global Asset Management, S.A.U. (Spain, unlisted company)
- Sole director of Empordà Golf & Leisure, S.L.U. (Spain, unlisted company)
- Associate Manager of Diagonal 191, S.L. (Spain, unlisted company)
- Associate Manager of Fezz Inso Immobiliara, S.L. (Spain, unlisted company)

Directorships and positions held during the past five years which have expired

- Advisor at Grupo Zeta
- Project Manager at Llopart Euroconsejo S.L.

Fonds Stratégique de Participations (FSP)
Independent corporate director, represented by Virginie Duperat-Vergne

Registered office:
47, rue du Faubourg Saint-Honoré, 75008 Paris (France)

Registration number:
753 519 891 R.C.S. Paris

Number of Elior Group shares held at November 30, 2020
9,050,000

Information about FSP:
FSP holds 9,050,000 Elior Group shares, representing 5.20% of the Company's capital.

Membership of Elior Group Board committee(s): Audit Committee (Chair) and Strategy, Investments and CSR Committee

Independent director: Yes

Other directorships and positions held at September 30, 2020 (outside the Elior group):

- Director of Arkema (France, listed company)
- Director of Groupe Seb (France, listed company)
- Director of Eutelsat Telecommunications (France, listed company)
- Director of Tikehau Capital (France, listed company) and its holding company, Tikehau Capital Advisor (France, unlisted company)
- Director of Safran (listed company), indirectly via a joint venture set up in partnership with another major Safran shareholder
- Director of Neoen (France, listed company)
- Director of Valeo (France, listed company)

Directorships and positions held during the past five years which have expired

- Director of Zodiac Aerospace (France, unlisted company)

Information about Virginie Duperat-Vergne
Permanent representative of FSP

Age: **45**

Nationality:
French

Business address:
9-11 allée de l'Arche
92032 Paris La Défense (France)

Number of Elior Group shares held at November 30, 2020:
0

Virginie Duperat-Vergne is Chief Financial Officer and a member of the Executive Board at the Arcadis group. From December 2017 through March 2019, she was Chief Financial Officer at the Gemalto group, prior to which she was Deputy Chief Financial Officer and a member of the Senior Leadership Team at TechnipFMC. During the seven years she spent with the TechnipFMC group, she held various leadership positions in the executive finance team.

Virginie Duperat-Vergne began her career as an external auditor and spent more than ten years at Arthur Andersen, then Ernst & Young (now EY) before joining the Canal + Group as Compliance Officer for Accounting Standards. She holds a master's degree in management from Toulouse Business School.

Other directorships and positions held at September 30, 2020 (outside the Elior group):

Member of the Executive Board of the Arcadis group (France, listed company)
Director on one of the Advisory Boards of BPI France's Accélérateur ETI 2018/2019 program

Directorships and positions held during the past five years which have expired

- Director of several subsidiaries of the Technip and TechnipFMC groups, including Technip France
- Chair of Gemalto Treasury Services, a Gemalto group subsidiary

Age: 62

Nationality: French

Business address: 9-11 allée de l'Arche 92032 Paris La Défense (France)

Number of Elior Group shares held at November 30, 2020: 4,000

Bernard Gault
Independent director

Bernard Gault is an investment banker and investor and is the founding partner of the investment firm Barville & Co, formed in 2016. He is also a founding partner of Perella Weinberg Partners, a global financial services firm set up in 2006 offering financial advisory and asset management services. He began his career in 1982 at Compagnie Financière de Suez before joining Morgan Stanley in 1988 where he went on to serve as Managing Director until 2006.

Bernard Gault holds degrees from Ecole Centrale Paris and Institut d'Etudes Politiques de Paris.

Membership of Elior Group Board committee(s): Nominations Committee, and Compensation Committee (Chair)

Independent director: Yes

Other directorships and positions held at September 30, 2020 (outside the Elior group):

- Chairman of Prime Vineyards Partners (Luxembourg, unlisted company)
- Director of OVH Groupe (France, unlisted company)
- Director of Balmain S.A. (France, unlisted company)
- Director of FFP Investment UK (United Kingdom, unlisted company)
- Senior Advisor at Perella Weinberg Partners (United States, unlisted company)
- Legal Manager of SCEA Domaine de la Vigne aux Dames (France, unlisted company)
- Legal Manager of SCI du Mas de la Foux (France, unlisted company)
- Legal Manager of SCI de la Vigne aux Dames (France, unlisted company)
- Director of Fondation de l'Orchestre de Paris (France, unlisted company)
- Director of Fondation Centrale Supélec (France, unlisted company)
- Director of Fonds Saint Michel (France, unlisted company)
- Member of the Supervisory Board of Château Olivier (France, unlisted company)
- Member of the Supervisory Board of Domaine Bethmann (France, unlisted company)

Directorships and positions held during the past five years which have expired

- Chairman of A.S.H.S. Ltd (Anya Hindmarch)
- Chairman of Wild Spirits
- Legal Manager of SCI de la Troika

Serinvest
Corporate director, represented by Sophie Javary

Information about Servinvest:
Servinvest is a company whose legal manager is Robert Zolade

Membership of Elior Group Board committee(s): No

Independent director: No

Registered office:
54 avenue Marceau – 75008 Paris (France)

Registration number:
383 811 536 RCS Paris

Number of Elior Group shares held at November 30, 2020:
1,000

Other directorships and positions held at September 30, 2020 (outside the Elior group):	**Directorships and positions held during the past five years which have expired**
None	None

Information about Sophie Javary
Permanent representative of Servinvest

Age: **61**

Nationality:
French

Business address:
37, place du Marché Saint Honoré, 75001 Paris (France)

Number of Elior Group shares held at November 30, 2020:
0

A graduate of HEC business school, Sophie Javary began her career in 1981 at the Bank of America in Paris before moving to Indosuez. In 1994 she joined Rothschild as head of ECM origination. Between 2000 and 2007, Ms. Javary headed up ABN-AMRO Rothschild in France on behalf of Rothschild. In January 2002 she was appointed Managing Partner at Rothschild, where she co-managed the financing and European restructuring business between 2008 and 2010. In February 2011, she joined BNP Paribas as Consultant Banker for a portfolio of key accounts for which she has managed their global relations with the bank ever since. Between January 2014 and October 2018, she headed up all of BNP Paribas' corporate finance activities (M&A and primary equity market advisory services) for the Europe, Middle East and Africa region (EMEA). Since October 2018, she has served as Vice-Chairman CIB EMEA at BNP Paris, devoting all of her time to business development and strategy advisory services for major corporate and private equity clients. She is a member of BNP Paribas' G100 group of its top 100 executives.

In 2013, Sophie Javary became a Knight of the French Legion of Honor.

Other directorships and positions held at September 30, 2020 (outside the Elior group):

- Director of Adevinta (parent company of the Bon coin, Norway, listed company)
- Director of Euroclear (France, unlisted company)
- Director of Europa Nova (NGO, France)
- Lecturer at HEC

Directorships and positions held during the past five years which have expired

- Member of the Supervisory Board of Altamir

Age: 55

Nationality:
Portuguese

Business address:
1 bld du Général Delambre
95870 Bezons
(France)

Number of Elior Group shares held at November 30, 2020:
0

Rosa Maria Alves
Employee representative director

Rosa Maria Alves is currently an Operations Director within the Elior group. She first joined Elior as a project manager in the Health & Welfare sector and subsequently became a team leader in that sector.

She was appointed as an employee representative director on Elior Group's Board of Directors at the plenary meeting of the Group Works Council held on November 16, 2020.

Membership of Elior Group Board committee(s): Compensation Committee

Other directorships and positions held at September 30, 2020 (outside the Elior group):

None

Directorships and positions held during the past five years which have expired

None

Age: 41

Nationality:
French

Business address:
9-11 allée de l'Arche
92032 Paris La Défense
(France)

Number of Elior Group shares held at November 30, 2020:
0

Luc Lebaupin
Employee representative director

Luc Lebaupin has been Head of Key External Relations Projects within the Elior group since 2019. He began his career at Sodexo, where he worked as a manager in the Education sector from 2005 through 2007. He joined the Elior group in 2009 as Key Account Development Manager for Elior Santé before serving in the same position for Elior Entreprises from 2014 to 2019.

He was appointed as an employee representative director on Elior Group's Board of Directors at the plenary meeting of the Group Works Council held on November 16, 2020.

Membership of Elior Group Board committee(s): No

Other directorships and positions held at September 30, 2020 (outside the Elior group):

None

Directorships and positions held during the past five years which have expired

None

Age: 40

Nationality: French

Business address: 43 avenue Marceau – 75116 Paris (France)

Number of Elior Group shares held at November 30, 2020: 0

Célia Cornu
Non-voting director

Célia Cornu is Chief Executive Officer of Collection Bagatel and a member of Sofibim's Strategy Committee. She began her career in the marketing departments of the Printemps and Galeries Lafayette groups before moving into financial investment at Pragma Capital and Advent International. She joined BIM in 2009.

Célia Cornu holds a masters in Management from Kedge Business School, France (2002) and an MBA in Finance and Strategy from Boston University in the United States (2009).

She is invited to attend all of the meetings of Elior Group's Compensation Committee.

Other directorships and positions held at September 30, 2020 (outside the Elior group):

- Director of Sofibim SA (Luxembourg, unlisted company)
- CEO of Collection Bagatel SAS (France, unlisted company)

Directorships and positions held during the past five years which have expired

None

3.1.3.1.3 Shareholding requirements and prevention of conflicts of interests

The Rules of Procedure stipulate that each of the Company's non-executive directors, apart from the employee representative directors, must hold at least 1,000 Elior Group shares. Individuals appointed as permanent representatives of corporate directors on the Company's Board are not required to hold any shares in their own name.

As far as the Company is aware there are no family relationships between the members of the Board of Directors and the members of the Company's executive management.

To the best of the Company's knowledge, in the past five years, none of the members of its Board of Directors or executive management have been:

- Convicted of a fraudulent offense.
- Associated with a bankruptcy, receivership or liquidation when serving as a member of a company's administrative, management or supervisory body.
- Subject to an official public incrimination and/or sanction by any statutory or regulatory authorities (including designated professional bodies).
- Disqualified by a court from acting as a member of the administrative, management or supervisory body of an issuer or from acting in the management or conduct of the affairs of any issuer.

As far as the Company is aware, there are no potential conflicts of interest that have been identified between (i) the duties owed to the Company by any member of the Company's Board of Directors or executive management, and (ii) their personal interests and/or (iii) any other duties they may have.

Sofibim and Servinvest do not have any business or commercial relations with the Group. Sofibim's business involves running premium hospitality venues and private higher-education establishments and Servinvest is a real estate investment company. The Group does not provide any catering or other services to any of the establishments owned by either of these companies.

To the best of the Company's knowledge, there are no arrangements or agreements in place with its main shareholders or with any clients, suppliers or other parties pursuant to which any member of the Company's Board of Directors or executive management has been selected to serve as a member of an administrative, management or supervisory body or of an executive management team.

To the best of the Company's knowledge, no member of the Board of Directors or executive management has agreed to any restrictions concerning the sale, within a given timeframe, of the shares in the Company that said member owns, except for the holding requirements for members of the Board of Directors set out above concerning the members of the Board of Directors and in Section 3.1.6.2.3 concerning the Chief Executive Officer's long-term variable compensation.

3.1.3.1.4 Service contracts

As far as the Company is aware, as at the date of this Universal Registration Document, no director or officer of the Company receives benefits pursuant to a service contract entered into with the Company or any of its subsidiaries.

3.1.3.1.5 Procedure for identifying related-party agreements

Under French corporate law, related-party agreements are subject to a specific approval procedure unless they qualify as routine agreements entered into on arm's length terms. In accordance with Article L. 22-10-12, paragraph 2, of the French Commercial Code, the Board of Directors has set up a procedure for regularly assessing routine agreements entered into on arm's length terms in order to ensure that they meet the two qualification criteria, and a set of internal rules that formally documents the procedure for identifying related-party agreements was approved by the Board of Directors on December 3, 2019. This identification procedure is applied (i) prior to the signature of any agreement that could qualify as a related-party agreement and (ii) on the amendment, renewal or termination of such agreements, even if they were considered not to be subject to the related-party approval procedure when they were originally signed.

3.1.3.2 Operating procedures of the Board of Directors

3.1.3.2.1 Powers of the Board of Directors

The Company is governed by a Board of Directors which determines the Company's business strategy and oversees its implementation, examines all issues that concern the efficient operation of the business and makes decisions on all matters concerning the Company.

The Board of Directors is, and will remain, a collegiate body that collectively represents all shareholders and acts at all times in the Company's best interests.

The Board of Directors examines all issues that fall within its scope of responsibility under the applicable laws and regulations. In particular it examines and approves all major decisions concerning the business, human resources, environmental, financial and technological strategies of the Company and the Group and oversees their implementation by management. It also:

- Examines and approves the reports of the Board of Directors and the Board committees for inclusion in the Annual Report.
- Examines and approves, based on the recommendation of the Nominations Committee, the directors' profiles to be included in the Annual Report, including the list of independent directors and the independence criteria applied.
- Appoints directors, if necessary, and proposes directors for re-election at the Annual General Meeting.
- Sets Company officers' compensation, based on the recommendation of the Compensation Committee, and allocates directors' remuneration in accordance with the conditions provided for in the applicable regulations.
- Decides whether to set up stock option and performance share plans and determines the Group's policy concerning discretionary profit-sharing plans, based on the recommendation of the Compensation Committee.
- Oversees the quality of the information disclosed to shareholders and the market in the financial statements and in connection with major transactions, notably by controlling the Group's financial information.
- Assesses the Group's operating performance at least once a year.
- Regularly meets with the executives of the Group's main entities.
- Approves the management report and the sections of the Annual Report describing the Company's corporate governance and its compensation policy.
- Examines all issues that concern the efficient operation of the Company and the Group. The Board of Directors has sole authority to amend the Rules of Procedure, which are regularly reviewed and, where necessary, added to or amended in line with changes in the applicable regulations.
- Decides on the recruitment, appointment, dismissal or removal of the Group's key executives as defined in the Rules of Procedure.

Additionally, in application of the recommendations of the AFEP-MEDEF Code, which the Company has voluntarily adopted as its corporate governance framework, the Board places particular importance on:

- Promoting long-term value creation by the Company, taking into account the social and environmental impacts of its activities. In line with this objective it proposes changes to the Bylaws whenever it deems fit.
- Regularly examining – based on the business strategy it has defined – the opportunities available to the Group and the risks it faces, such as financial, legal, operational, social and environmental risks, as well as the measures taken to mitigate those risks. To this end, the Board of Directors is given all of the information required to fulfill its duties, notably by the executive directors.
- Verifying that a system is in place for preventing and detecting corruption and influence peddling (the Board receives all necessary information for this purpose).
- Ensuring that the executive directors implement a diversity and non-discrimination policy, notably in terms of gender parity on the Group's management bodies.

3.1.3.2.2 Preparation and organization of the work of the Board of Directors

a) Work of the Board of Directors

The preparation and organization of the Board's work are governed by the legal and regulatory provisions applicable to *sociétés anonymes*, as well as by the Company's Bylaws and the Board's Rules of Procedure, which also describe the operating procedures of the Board committees.

The Chairman provides the directors with the information and documents required for them to fulfil their duties and prepare the Board's decisions, notably concerning the Company's financial position, cash position and commitments.

Board meetings are called with at least five days' notice, by e-mail and/or via a secure IT platform. The notices of meeting include the meeting agenda. Board members are generally given an information pack at least five days before the meeting date, and are also provided with any updates to the information prior to the meeting. All of these Board documents are available for download from the secure IT platform at any time. Furthermore, for emergency meetings or meetings to discuss extremely confidential matters, directors may be given additional information after the meeting has been called or once it commences.

In addition to documents dealing with specific agenda items, the meeting pack includes the draft minutes of the previous meeting and selected analyses of the Group's business and financial performance.

Between two Board meetings, specific information memos, research, analysts' memos, economic and financial data and press releases published in France are also provided to the directors through the secure IT platform.

Directors have an obligation not to disclose any confidential information communicated to them. This non-disclosure rule is set out in Article 3.6 of the Rules of Procedure.

At the time of their appointment, the directors received an information pack containing all the documents required to understand the Company, its organization and business and the accounting, financial and operational issues that are specific to it. They were also invited to an induction day during which they were able to meet and talk with the Group's key operations managers. The documents provided to the directors on their appointment are updated regularly and can be consulted at all times via a dedicated, secure IT platform.

b) Board of Directors' activity report

The Board of Directors met seventeen times in fiscal 2019-2020, including eleven times since the March 20, 2020 Annual General Meeting. It met four times between October 1, 2020 and the date of this report. Notices of the meetings along with the related agenda were sent to the directors by e-mail and made available on a secure IT platform several days ahead of each meeting. Between meetings, the members of the Board were kept regularly informed of significant events and transactions involving the Company and received copies of all the major press releases published by the Company.

The duration of routine Board meetings averaged two hours and the attendance rate at Board meetings was 99%.

As well as performing the duties assigned to it under French law and the Company's Bylaws, the Board of Directors regularly received all of the information necessary for implementing measures to manage the Covid-19 crisis and executing the New Elior strategic plan as well as information about the Group's CSR policy, results, general business activity and significant projects and transactions (notably acquisitions and capital expenditure projects).

At each meeting, the Group Chief Executive Officer and Chief Financial Officer respectively gave presentations to the Board on the Group's business performance and financial position, and the CEOs of the operating entities concerned gave status reports on the implementation of the Group's strategy as well as on acquisitions and capital expenditure projects. Several Board meetings were devoted to (i) the measures taken to mitigate the impact of the Covid-19 crisis on the Group’s business and profitability, (ii) the New Elior strategic plan, and (iii) analyzing the Group's operating and financial performance. The Board was also consulted on numerous occasions about transactions and decisions that were significant for the Company or which required the Board's prior authorization pursuant to the Rules of Procedure, particularly acquisitions, capital expenditure projects and performance share plans for Group employees.

In accordance with the recommendations of the AFEP-MEDEF Code, in 2019-2020, the Board met several times without the Chief Executive Officer being present. In addition, as is the case every year, an independent directors’ meeting was held in 2019-2020, on September 24, 2020, led by the Senior Independent Director. During this meeting, the independent directors notably addressed issues relating to the Board’s operating procedures, organizational structure, work and membership, as well as its potential changes and developments.

Attendance rates at Board meetings held in 2019-2020:

Director	Number of meetings taken into account	Attendance rate
Gilles Cojan	17	100%
Sofibim – Represented by Robert Zolade	10*	100%
Philippe Guillemot	17	100%
Gilles Auffret	17	100%
Anne Busquet	17	100%
Emesa – Represented by Vanessa Llopart	17	100 %
FSP – Represented by Virginie Duperat Vergne	17	100%
Bernard Gault	17	100%
Servinvest – Represented by Sophie Javary	16	94%
BIM – Represented by Robert Zolade	7*	100%
CDPQ – Represented by Elisabeth Van Damme	10*	100%

* Number of meetings calculated on a proportionate basis as from the date of the Board member's election as a director or until the Board member's resignation. N.B: (i) Sofibim was elected as a director at the AGM of March 20, 2020, (ii) BIM resigned as a director on March 20, 2020, and (iii) CDPQ resigned as a director on April 15, 2020.

3.1.3.3 Assessment of the Board's operating procedures

In accordance with its Rules of Procedure, the Board of Directors includes an assessment of its operating procedures on the agenda of at least one Board meeting per year.

Additionally, in application of the recommendations of the AFEP-MEDEF Code, which the Company has voluntarily adopted as its corporate governance framework, every three years the Board commissions an external consultant to conduct a formal assessment of its operating procedures. The most recent formal assessment of the operating procedures of the Board and its committees was carried out in 2019[1].

The work performed on assessing the operating procedures of the Board once again confirmed that separating the roles of the Chairman of the Board and the Chief Executive Officer has proved effective and that there is a very good balance between the powers of the Chairman of the Board, the Chief Executive Officer and the Senior Independent Director. The directors' responses to the assessment questionnaire showed that, overall, they feel positively about the Board's membership structure and operating procedures and the balance of relations between the Chief Executive Officer and the Chairman. They believe that during the year the Senior Independent Director was able to effectively fulfill his role of coordinator between the Chief Executive Officer, the Chairman and the independent directors. And they consider that the Board committees perform their duties in a professional way and that their respective chairs report effectively on the work carried out by their committees.

The main priority areas for improvement identified in the assessment were to continue with:

- The work undertaken on the succession plans for the Group's Chief Executive Officer and its other executives.
- The thought process concerning changes to the membership structure of the Board of Directors and its committees;
- The efforts made to optimize meetings of the Board of Directors and its committees.
- The frequency of meetings held with operations management teams.
- The frequency of meetings devoted to reviewing operational performance, the risk management and control environment, and changes to the business model.

In order to further enhance the Group's governance, the Board has created the position of Senior Independent Director, which is currently held by Gilles Auffret. The Senior Independent Director's role is to assist the Chairman of the Board with organizing the Board's work and to act as a liaison with the other directors (particularly the independent directors) and coordinate their work.

[1] See Section 3.1.3.3 of the 2018-2019 Universal Registration Document.

3.1.3.4 Board committees

The Board of Directors' work and discussions in some areas are prepared by specialized committees made up of directors appointed by the Board for a period corresponding to their term as director.

At its meeting on March 20, 2020, acting on the recommendation of the Nominations and Compensation Committee, the Board of Directors decided to split the Nominations and Compensation Committee into two separate committees – a Nominations Committee and a Compensation Committee. Since that date the Board has had the following four specialized committees:

- The Audit Committee
- The Nominations Committee
- The Compensation Committee
- The Strategy, Investments and CSR Committee.

The main organization and operating procedures of the Board committees are described in the Bylaws and the Rules of Procedure.

The Board of Directors chooses one of the members of each committee as that committee's chair, based on the recommendation of the Nominations Committee. The Audit Committee, the Nominations Committee and the Compensation Committee are chaired by independent directors.

3.1.3.4.1 The Audit Committee

a) Committee members

The table below lists the members of the Audit Committee from October 1, 2019 until the date of this Universal Registration Document.

Members of the Audit Committee		Independent director
From March 9, 2018 through April 15, 2020	FSP, represented by Virginie Duperat Vergne *(Committee Chair)*	√
	Gilles Cojan	x
	CDPQ, represented by Elisabeth Van Damme	√
Since April 15, 2020	FSP, represented by Virginie Duperat Vergne *(Committee Chair)*	√
	Gilles Cojan	x
	Emesa, represented by Vanessa Llopart	√

The symbol √ indicates compliance with the applicable independence criteria.

The symbol x indicates non-compliance with the applicable independence criteria

The Audit Committee currently comprises three members, two of whom are independent directors. This membership structure complies with the AFEP-MEDEF Code which recommends that at least two thirds of companies' audit committees should be made up of independent directors. No executive directors sit on the Audit Committee.

The Committee's members have the necessary technical skills for performing their duties (see Section 3.1.3.1.2 above, "Profiles of the Members of the Board of Directors"). The Audit Committee is chaired by FSP, represented by Virginie Duperat-Vergne, an independent director.

b) Main roles and responsibilities

The Audit Committee assists the Board of Directors in its tasks of overseeing and verifying the preparation of the financial statements of the Company and the Group, and the information communicated to shareholders and the market. It pays particular attention to the relevance and quality of the Company's financial communications. It also obtains assurance concerning the effectiveness of the internal control and risk management systems and is responsible for overseeing issues relating to the preparation and verification of accounting, financial and non-financial information and the statutory audit of the accounts.

The Committee's members all have recognized financial, accounting and/or statutory audit expertise, as evidenced by their professional backgrounds (see Section 3.1.3.1.2 above, "Profiles of the Members of the Board of Directors").

The Committee's main roles and responsibilities, as defined and described in Article 4.5.3 of the Rules of Procedure, are to:

- Oversee the process for the preparation of financial information and, where appropriate, draw up recommendations for ensuring the integrity of this information.
- Monitor the effectiveness of the internal control, risk management and internal audit systems covering the procedures for preparing and processing financial, accounting and non-financial information.
- Issue recommendations on the Statutory Auditors to be put forward for appointment at the Annual General Meeting in accordance with the conditions provided for by the applicable laws and regulations.
- Oversee the audit work carried out by the Company's Statutory Auditors on the consolidated and parent company financial statements, taking into account the rules and recommendations issued by the Haut Conseil du Commissariat aux Comptes (the French audit regulator).
- Monitor the amount of fees paid to the Statutory Auditors for engagements other than statutory audits.
- Verify that the Statutory Auditors comply with the applicable independence criteria.
- Approve the Statutory Auditors' provision of services other than certifying financial statements, as referred to in Article L. 822-11-2 of the French Commercial Code.
- Ensure the relevance and quality of the Company's financial communications.

Audit Committee meetings are called by the Committee Chair or Secretary. Members may attend meetings either in person or by conference call or videoconference, in accordance with the same conditions as applicable to Board meetings. Decisions may only be adopted if the meeting is attended by at least half of the Committee's members.

Audit Committee decisions are adopted by a majority vote of the members participating in the meeting, with each member having one vote.

Other than in exceptional cases, the Audit Committee meets two days before the Board of Directors' meeting at which it reports to the Board on its work. The Committee's activity reports enable the directors to be fully informed and help to improve the quality of Board decisions.

c) Audit Committee activity report

The Audit Committee met six times in fiscal 2019-2020 and once between October 1, 2020 and the date of this report. The attendance rate at the meetings was 96%.

The Statutory Auditors attended all of these meetings as well as the Group Chief Financial Officer and, where required, the Accounting and Consolidation Director, the Chief Compliance Officer and the Heads of the Internal Control and Internal Audit Departments.

At its meetings, the Committee prepared the Board of Directors' review of the half-yearly and annual financial statements, and reviewed the draft financial press releases. It also examined the principles underlying the publication of the financial statements and financial communications, as well as the information contained in the fiscal 2019-2020 Universal Registration Document.

At its meeting on November 23, 2020 the Committee reviewed the financial statements of the Company and the Group as well as the management report on the financial statements ("Management's Discussion and Analysis"). During the fiscal year, the Committee was also regularly given presentations by representatives from the Group Internal Control and Internal Audit Departments, notably concerning the Group's risk map and related action plans, as well as work both completed and still under way in relation to risk management – including for social and environmental risks – and internal control.

The Audit Committee devoted a meeting (on May 20, 2020) to reviewing the Group's operating and financial performance.

Attendance rates at Audit Committee meetings held in 2019-2020:

Members	Number of meetings taken into account	Attendance rate
FSP, represented by Virginie Duperat-Vergne *(Committee Chair)*	6	100%
Gilles Cojan	5	83.33%
Emesa, represented by Vanessa Llopart	2*	100%
CDPQ, represented by Elisabeth Van Damme	4*	100%

* Number of meetings calculated proportionately as from the date of the Committee member's appointment or until the Committee member's resignation. NB: (i) CDPQ resigned as a director on April 15, 2020 and (ii) Emesa was appointed as a member of the Audit Committee on that date.

3.1.3.4.2 The Nominations and Compensation Committee

a) Committee members

The table below lists the members of the Nominations and Compensation Committee from October 1, 2019 through March 20, 2020, when the Board of Directors decided to split it into two separate committees – a Nominations Committee and a Compensation Committee.

Members of the Nominations and Compensation Committee		Independent director
From September 24, 2019 through March 20, 2020	Gilles Auffret *(Committee Chair)*	√
	Anne Busquet	√
	Bernard Gault	√
	BIM, represented by Robert Zolade	x

The symbol √ indicates compliance with the applicable independence criteria
The symbol x indicates non-compliance with the applicable independence criteria

The Nominations and Compensation Committee comprised four members, including three independent directors. This membership structure complied with the AFEP-MEDEF Code, which recommends that independent directors should make up the majority of a nominations and compensation committee and that no executive directors should sit on such a committee.

The Nominations and Compensation Committee was chaired by Gilles Auffret, the Senior Independent Director.

The overall role of this Committee was to assist the Board of Directors in its tasks of (i) appointing the members of the administrative and management bodies of the Company and Group and (ii) determining and regularly reviewing the compensation and benefits packages of the Company's officers and the Group's key executives, including all forms of deferred compensation plans and termination benefits.

b) Main roles and responsibilities

The Committee's main roles and responsibilities were to:

- Put forward candidates (i) as members of the Board of Directors, (ii) for the role of Company officer, and (iii) as members of the Board committees.
- Draw up and update the succession plan for the Company's officers and the Group's key executives.
- Perform annual assessments of directors' independence.
- Review and make recommendations to the Board of Directors concerning the compensation packages and related conditions for the Company's officers and the Group's key executives.
- Review the Group's human resources challenges and strategy.
- Review and make recommendations to the Board of Directors concerning the method of allocating directors' remuneration.

The Committee was also consulted by the Board of Directors about any exceptional compensation that the Board may have wished to award to certain of its members for undertaking special assignments.

Nominations and Compensation Committee meetings were called by the Committee Chair or Secretary by any method, including verbally, and the notice of meeting had to include an agenda. Members were able to attend meetings either in person or by conference call or videoconference, in accordance with the same conditions as applicable to Board meetings. Decisions could only be adopted if the meeting was attended by at least half of the Committee's members.

Decisions by the Nominations and Compensation Committee (corresponding to the opinions and recommendations that it issued) were adopted by a majority vote of the members taking part in the meeting, with each member having one vote. The Committee Chair, who was an independent director, did not have a casting vote and in the event of a tied vote, the decision was ultimately taken by the Board of Directors.

The Nominations and Compensation Committee met as often as required, but at least once a year prior to the Board meeting held to assess directors' independence based on the independence criteria adopted by the Company. The Committee also met prior to any Board meeting held to set executive compensation or to approve the allocation of directors' remuneration.

c) Nominations and Compensation Committee activity report

The Nominations and Compensation Committee met five times between October 1, 2019 and March 20, 2020. The attendance rate at the meetings was 100%.

In addition to its habitual work concerning the recruitment, compensation packages and incentive systems of the Group's key executives, the Nominations and Compensation Committee devoted several meetings to the Company's governance.

The Committee also issued recommendations to the Board concerning:

- The compensation of the Chairman of the Board of Directors.
- The compensation package of the Chief Executive Officer.
- The compensation packages of the Group's key non-director executives.
- The stock option and performance share plans in force.
- The allocation of directors' remuneration for fiscal 2018-2019 (paid in 2019-2020).
- Succession plans.
- The Company's policy on diversity, equal pay, and equality in the workplace.

Attendance rates at Nominations and Compensation Committee meetings held in 2019-2020:

Members	Number of meetings taken into account	Attendance rate
Gilles Auffret *(Committee Chair)*	5	100%
Anne Busquet	5	100%
Bernard Gault	5	100%
BIM, represented by Robert Zolade	5	100%

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3.1.3.4.3 The Nominations Committee

a) Committee members

The table below lists the members of the Nominations Committee from March 20, 2020 (the date on which the Board of Directors decided to split the Nominations and Compensation Committee into two separate committees – a Nominations Committee and a Compensation Committee) until the date of this Universal Registration Document.

Members of the Nominations Committee		Independent director
Since March 20, 2020	Gilles Auffret *(Committee Chair)*	√
	Anne Busquet	√
	Bernard Gault	√
	Sofibim, represented by Robert Zolade	x

The symbol √ indicates compliance with the applicable independence criteria
The symbol x indicates non-compliance with the applicable independence criteria

The Nominations Committee currently comprises four members, three of whom are independent directors. This membership structure complies with the AFEP-MEDEF Code, which recommends that independent directors should make up the majority of a nominations committee and that no executive directors should sit on such a committee.

The Nominations Committee is chaired by Gilles Auffret, the Senior Independent Director.

The overall mission of the Nominations Committee is to assist the Board of Directors in its task of appointing the members of the administrative and management bodies of the Company and the Group.

b) Main roles and responsibilities

The Committee's main roles and responsibilities, as defined and described in Article 4.6.3 of the Rules of Procedure, are to:

- Put forward candidates (i) as members of the Board of Directors, (ii) for the role of Company officer, and (iii) as members of the Board committees.
- Draw up and update the succession plan for the Company's officers and the Group's key executives.
- Perform annual assessments of directors' independence.
- Review the Group's human resources challenges and strategy.

Nominations Committee meetings are called by the Committee's Chairman or Secretary by any method, including verbally, and the notice of meeting must include an agenda. Members may attend meetings either in person or by conference call or videoconference, in accordance with the same conditions as applicable to Board meetings. Decisions may only be adopted if the meeting is attended by at least half of the Committee's members.

Decisions by the Nominations Committee (corresponding to the opinions and recommendations that it issues) are adopted by a majority vote of the members taking part in the meeting, with each member having one vote. The Committee Chair, who is an independent director, does not have a casting vote and in the event of a tied vote, the decision is ultimately taken by the Board of Directors.

The Nominations Committee meets as often as required, but at least once a year prior to the Board of Directors' meeting held to assess directors' independence based on the independence criteria adopted by the Company.

c) Nominations Committee activity report

The Nominations Committee met twice between March 1 and September 30, 2020 – including once in a joint committee meeting with the Compensation Committee on July 23, 2020 – and twice between October 1, 2020 and the date of this report. The attendance rate at the meetings was 100%.

In addition to its habitual work concerning recruitment, of the Group's key executives, the Nominations Committee devoted a large amount of its work to the Company's governance.

The Committee also issued recommendations to the Board concerning:

- The continuity plan for the Company's governance bodies in view of the Covid-19 situation.
- Succession plans.
- The Company's policy on diversity, equal pay, and equality in the workplace.

During the fiscal year the Nominations Committee also oversaw the self-assessment process for the operating procedures of the Board and its committees for 2019-2020.

Lastly, on January 8, 2021, the Committee devoted a meeting to the succession plan for the Group's key executives.

Attendance rates at Nominations Committee meetings held in 2019-2020:

Members	Number of meetings taken into account	Attendance rate
Gilles Auffret *(Committee Chair)*	2	100%
Anne Busquet	2	100%
Bernard Gault	2	100%
Sofibim – Represented by Robert Zolade	2	100%

3.1.3.4.4 The Compensation Committee

a) Committee members

The table below lists the members of the Compensation Committee from March 20, 2020 (the date on which the Board of Directors decided to split the Nominations and Compensation Committee into two separate committees – a Nominations Committee and a Compensation Committee) until the date of this Universal Registration Document.

Members of the Compensation Committee		Independent director
From March 20, 2020 through November 16, 2020	Bernard Gault *(Committee Chair)*	√
	Gilles Auffret	√
	Anne Busquet	√
	Célia Cornu*	**N/A**
Since December 16, 2020	Bernard Gault *(Committee Chair)*	√
	Gilles Auffret	√
	Anne Busquet	√
	Rosa Maria Alves *(Employee representative director)*	**N/A**
	Célia Cornu*	**N/A**

** Invited to all Compensation Committee meetings*
The symbol √ indicates compliance with the applicable independence criteria
The symbol x indicates non-compliance with the applicable independence criteria

The Compensation Committee currently comprises four members, including three independent directors and one employee representative director. This membership structure complies with the AFEP-MEDEF Code, which recommends that (i) independent directors should make up the majority of a compensation committee, (ii) no executive directors should sit on a compensation committee, and (iii) a compensation committee's members should include an employee representative director.

The Compensation Committee is chaired by Bernard Gault, the Senior Independent Director.

The overall mission of this Committee is to assist the Board of Directors in its task of regularly reviewing the compensation and benefits packages of the Company's officers and the Group's key executives, including all forms of deferred compensation plans and termination benefits.

b)Main roles and responsibilities

The Committee's main roles and responsibilities, as defined and described in Article 4.7.3 of the Rules of Procedure, are to:

- Review and make recommendations to the Board of Directors concerning the compensation packages and related conditions for the Company's officers and the Group's key executives.

- Review and make recommendations to the Board of Directors concerning the compensation policy for all of the Company's directors and officers.

- Review and make recommendations to the Board of Directors concerning the method of allocating directors' remuneration.

The Compensation Committee is also consulted by the Board of Directors about any exceptional compensation that the Board may wish to award to certain of its members for undertaking special assignments.

Compensation Committee meetings are called by the Committee's Chairman or Secretary by any method, including verbally, and the notice of meeting must include an agenda. Members may attend meetings either in person or by conference call or videoconference, in accordance with the same conditions as applicable to Board meetings. Decisions may only be adopted if the meeting is attended by at least half of the Committee's members.

Decisions by the Compensation Committee (corresponding to the opinions and recommendations that it issues) are adopted by a majority vote of the members taking part in the meeting, with each member having one vote. The Committee Chair, who is an independent director, does not have a casting vote and in the event of a tied vote, the decision is ultimately taken by the Board of Directors.

The Compensation Committee meets as often as required, but at least once a year prior to the Board meeting held to set executives' compensation and/or allocate directors' remuneration.

c) Compensation Committee activity report

The Compensation Committee met three times between March 20 and September 30, 2020 – including once in a joint committee meeting with the Nominations Committee on July 23, 2020 – and three times between October 1, 2020 and the date of this report. The attendance rate at the meetings was 100%.

In addition to its habitual work concerning the compensation packages and incentive systems of the Group's key executives, the Compensation Committee devoted a large amount of its work to the Company's governance.

The Committee also issued recommendations to the Board concerning:

- The compensation of the Chairman of the Board of Directors.
- The compensation package of the Chief Executive Officer.
- The compensation packages of the Group's key non-director executives.
- Reducing the compensation of directors and officers and Executive Committee members in view of the Covid-19 crisis.
- The stock option and performance share plans in force.
- The allocation of directors' remuneration for fiscal 2019-2020.
- The compensation policy for directors and officers, to be submitted for approval at the Annual General Meeting of February 26, 2021.

Attendance rates at Compensation Committee meetings held in 2019-2020:

Members	Number of meetings taken into account	Attendance rate
Bernard Gault *(Committee Chair)*	3	100%
Gilles Auffret	3	100%
Anne Busquet	3	100%

3.1.3.4.5 Strategy, Investments and CSR Committee

a) Committee members

The table below lists the members of the Strategy, Investments and CSR Committee in fiscal 2018-2019 and 2019-2020:

Members of the Strategy, Investments and CSR Committee		Independent director
From March 9, 2018 through March 20, 2020	BIM, represented by Robert Zolade *(Committee Chair)*	x
	Gilles Auffret	√
	Gilles Cojan	x
	Bernard Gault	√
Since March 20, 2020	Sofibim, represented by Robert Zolade *(Committee Chair)*	x
	Gilles Cojan	x
	Emesa, represented by Vanessa Llopart	√
	FSP, represented by Virginie Duperat-Vergne	√

The symbol √ indicates compliance with the applicable independence criteria
The symbol x indicates non-compliance with the applicable independence criteria

The Strategy, Investments and CSR Committee currently has four members, two of whom are independent directors (i.e. 50% of the Committee).

This Committee is chaired by Sofibim, represented by Robert Zolade, and its meetings are attended by the Group Chief Executive Officer, as well as by Luc Lebaupin, employee representative director, in a non-voting capacity.

With a view to creating a stronger, balanced governance structure, any directors who are not members of the Strategy, Investments and CSR Committee may attend meetings of the Committee in a non-voting capacity in order to help the Board with its information-exchange, decision-making and review processes.

b) Main roles and responsibilities

The Strategy, Investments and CSR Committee advises the Board of Directors on its decisions concerning the Group's strategy, investments and significant acquisition and divestment projects. It assesses the Company's values and undertakings in the field of sustainability and corporate social responsibility and helps to ensure that they are reflected in the Board's decisions.

The Committee is particularly responsible for:

- Giving its opinion to the Board on (i) the Group's main strategic goals and their economic, financial and social implications, and (ii) the Group's development policy.

- Advising the Board on which of the Group's operating entities should be classified as strategic.

- Reviewing and issuing an opinion to the Board on the Group's annual investment budget and its investment allocation strategy.

- Issuing recommendations to the Board on minimum expected returns on investments.

- Drawing up and putting forward to the Board appropriate financial indicators to be used for taking decisions about external growth and capital expenditure.

- Advising on significant acquisition and divestment projects requiring the Board's prior approval.

- Examining the Company's CSR policies and sustainability undertakings and the resources allocated to these issues.

The Committee's roles and responsibilities are defined and described in Article 4.8.3 of the Rules of Procedure.

Meetings held by the Strategy, Investments and CSR Committee are called by the Committee Chair or Secretary by any method, including verbally, and the notice of meeting must include an agenda. Members may attend meetings either in person or by conference call or videoconference, in accordance with the same conditions as applicable to Board meetings. Decisions may only be adopted if the meeting is attended by at least half of the Committee's members.

Committee decisions are adopted by a majority vote of the members taking part in the meeting, with each member having one vote. In the event of a split vote, the Committee Chairman does not have a casting vote and the matter concerned is referred to the Board of Directors for a final decision.

The Strategy, Investments and CSR Committee meets as often as required, but at least once a year.

c) Strategy, Investments and CSR Committee activity report

The Strategy, Investments and CSR Committee met three times in fiscal 2019-2020 and once between October 1, 2020 and the date of this report. The attendance rate at the meetings was 100%. The Committee’s work program was significantly impacted by the consequences of the Covid-19 crisis on the Group’s activities, particularly in terms of capital expenditure and acquisitions.

During the fiscal year, the Committee particularly focused on:

- The execution of the New Elior 2024 strategic plan by the Group’s executive teams, especially concerning the enhancement of nutritional elements, the Nutriscore system, and the progress made in terms of client retention.
- A review of the action plans and measures put in place to manage the consequences of the Covid-19 crisis and prepare for emerging from the crisis. The Committee also analyzed the impacts of the Covid-19 crisis on the execution of the strategic plan and on the Group’s budget.
- A review of the Group's annual budget for 2021.
- The Group's CSR goals, ensuring that they are fully aligned with Elior's overall strategy.
- Significant capital expenditure projects.

The Committee also put forward recommendations to the Board on the review of the Universal Registration Document, restructuring operations and, more generally, all matters of major importance to the Group.

Attendance rates at Strategy, Investments and CSR Committee meetings held in 2019-2020:

Members	Number of meetings taken into account	Attendance rate
Sofibim, represented by Robert Zolade *(Committee Chair)*	1*	100%
Gilles Cojan	3	100%
Emesa, represented by Vanessa Llopart	1*	100%
FSP, represented by Virginie Duperat-Vergne	1*	100%
Gilles Auffret	2*	100%
Bernard Gault	2*	100%
BIM, represented by Robert Zolade	2*	100%

* Number of meetings calculated proportionately as from the date of the Committee member’s appointment or until the Committee member’s resignation. N.B.: Sofibim, Emesa and FSP were appointed as members of the Strategy, Investments and CSR Committee on April 20, 2020, replacing Gilles Auffret, Bernard Gault and BIM.

3.1.4 CORPORATE GOVERNANCE CODE

The Company uses as its corporate governance framework the AFEP-MEDEF Corporate Governance Code for listed companies, as revised in January 2020, except for the following recommendations:

AFEP-MEDEF Code recommendation and Article number	Company practice/Explanation
An individual director or the permanent representative of a corporate director should be a shareholder personally and hold a minimum number of shares, which should be significant in comparison to the amount of directors' remuneration allocated to that particular director or permanent representative (Article 20).	The Company's shareholders do not wish to impose a minimum shareholding obligation on the permanent representatives of its corporate directors. The Company has decided not to apply this recommendation of the AFEP-MEDEF Code because most of the corporate directors are significant shareholders of the Company. In addition, although it is preferable for directors to participate in the Company's shareholders' meetings, the shareholders have decided not to make this a requirement for all directors.

The AFEP-MEDEF Code to which the Company refers for corporate governance matters can be downloaded from the internet[1]. In addition, the Company holds copies of the Code that the members of its governance bodies can obtain at any time on request.

The operating procedures of the Board of Directors are set out in the Rules of Procedure.

Lastly, the directors are required to comply with the principles of good conduct defined in a director's charter and a code of conduct (appended to the Rules of Procedure) which describes their duties of diligence, discretion and confidentiality, as well as the rules applicable to any transactions they may carry out in relation to the Company's securities.

[1] https://ecgi.global/node/8445

3.1.5 RESTRICTIONS ON THE CHIEF EXECUTIVE OFFICER'S POWERS

In accordance with Appendix 3 of the Rules of Procedure – as updated on March 20, 2020 – the following decisions are subject to the prior approval of the Board of Directors and may only be implemented by the Chief Executive Officer after receiving the formal prior consent of a straight majority of the directors[1]:

(a) Approval of the consolidated annual budget of the Company and Strategic Subsidiaries. In addition to containing the usual budget items, each annual budget must include:

i. For operating entities (including headquarters), details of any capex projects of over two million euros (€2,000,000), as identified at the date the budget is drawn up.

ii. For the Group, a breakdown of operating profit and cash flows and a detailed report of the Group's financial position and financing methods.

(b) Approval of any long-term strategic plan for the Group and/or its entities as well as any significant amendments to such plans.

(c) The acquisition by any method (including through the acquisition of securities or other assets, a merger or a capital contribution) of over 50% of an Entity, enterprise or business (including through a joint venture agreement or the writing or exercise of a call option over all or part of the Entity, enterprise or business) with a total enterprise value of more than ten million euros (€10,000,000). This does not, however, include acquisitions resulting from irrevocable purchase commitments (such as written put options or purchase contracts) already authorized by the Group and executed in accordance with the terms of said commitment(s).

(d) The acquisition by any method (including through the acquisition of securities or other assets, a merger or a capital contribution) of 50% or less of an Entity, enterprise or business (including through a joint venture agreement or the writing or exercise of a call option over all or part of the Entity, enterprise or business) for a unit amount equaling or exceeding one million euros (€1,000,000) in absolute value terms, it being specified that the aggregate amount of any such transactions carried out in a given fiscal year may not represent more than three million euros (€3,000,000), irrespective of the unit amount of each individual transaction.

(e) The sale or transfer by any permitted method of (i) any asset(s) (other than securities) or minority interest(s) for a price of more than two million euros (€2,000,000) or (ii) any majority interest in an Entity, enterprise or business with an enterprise value in excess of ten million euros (€10,000,000) except where the transaction results from irrevocable commitments (such as written call options or sale contracts) already authorized by the Group and executed in accordance with the terms of said commitments.

(f) Any public offering of securities by the Company and the admission to trading on a regulated market or public offer of all or some of the shares of an Elior Group subsidiary.

(g) Any amendment to the shareholders' agreements concerning the Ducasse companies and the group headed by Gourmet Acquisition Holding.

(h) The settlement of any litigation or dispute resulting in the payment by the Company or a Subsidiary of an amount in excess of five million euros (€5,000,000).

(i) Any budgeted or unbudgeted investment (other than an acquisition) representing more than five million euros (€5,000,000), and any decision setting the required minimum return on investment.

(j) Any unbudgeted investment (other than an acquisition) representing a unit amount of more than two million euros (€2,000,000), it being specified that the total aggregate amount of any such transactions carried out in a given fiscal year may not represent more than ten million euros (€10,000,000), irrespective of the unit amount of each individual investment.

(k) The signature, amendment or renewal of any contract related to the Group's business (such as service contracts for contract catering operations) entered into by the Company or a Subsidiary with a client when the contract's total revenue (calculated over the remaining term of the contract) exceeds one hundred million euros (€100,000,000) for contract catering contracts.

(l) The signature, amendment or renewal of any purchase contract or contract other than those referred to in (k) above entered into by the Company or a Subsidiary with a supplier or another party when the value of such contract (calculated by multiplying the purchase volume or revenue concerned by the remaining term of the contract) exceeds one hundred million euros (€100,000,000).

[1] The terms that are capitalized in this list are defined in the Rules of Procedure, available on Elior Group's website at https://www.eliorgroup.com/elior-group/governance/board-directors

(m) The signature, amendment or renewal of any contract entered into by the Company or a Subsidiary with a client, supplier or another party which commits the Group to paying any sum, of any type (royalties, rent or other), the minimum amount of which exceeds two million euros (€2,000,000) per year.

(n) Guarantees, endorsements or collateral granted by the Company or its Subsidiaries in connection with the Group's activities which represent a unit amount in excess of thirty million euros (€30,000,000), it being specified that the aggregate annual amount of such guarantees, endorsements or collateral must not represent more than three hundred and fifty million euros (€350,000,000).

(o) Revenue and results press releases and any communications to the market that could have a significant effect on the Company's share price or the Group's overall image.

(p) The Group's financing strategy and interest rate and currency hedging policies as well as the signature or amendment of loan agreements representing over 20% of the Group's net debt or the early repayment of borrowings exceeding 20% of the Group's net debt.

(q) The amount set for the gross annual compensation (fixed and variable) of officers of the Company and Key Executives as defined in the Rules of Procedure.

(r) The signature, amendment or termination of the employment contracts of the Key Executives of Strategic Subsidiaries.

The transactions subject to prior approval do not include any transactions referred to in paragraphs c, d and e above carried out between Subsidiaries that are wholly-controlled, directly or indirectly, by Elior Group or Gourmet Acquisition Holding.

3.1.6 COMPENSATION POLICIES

3.1.6.1 Key performance indicators used for calculating the compensation of the Company's officers

Adjusted EBITA: Recurring operating profit reported under IFRS, including share of profit of equity-accounted investees, adjusted for share-based compensation (stock options and performance shares granted by Group companies) and net amortization of intangible assets recognized on consolidation.

The Group considers that this indicator best reflects the operating performance of its businesses as it includes the depreciation and amortization arising as a result of the capex inherent to its business model. It is also the most commonly used indicator in the industry and therefore enables comparisons between the Group and its peers.

Adjusted EBITA margin: Adjusted EBITA as a percentage of consolidated revenue.

Adjusted EBITDA: EBITDA adjusted for share-based compensation (stock options and performance shares granted by Group companies).

Organic growth in consolidated revenue: Growth in consolidated revenue expressed as a percentage and adjusted for the impact of (i) changes in exchange rates, using the calculation method described in Chapter 4, Section 4.2 of this Universal Registration Document, and (ii) changes in accounting policies, notably the first-time application of IFRS 15 in 2018-2019, and (iii) changes in scope of consolidation.

Operating free cash flow: The sum of the following items as defined elsewhere in this Universal Registration Document and recorded either as individual line items or as the sum of several individual line items in the consolidated cash flow statement:

- EBITDA.
- Net capital expenditure (i.e. amounts paid as consideration for property, plant and equipment and intangible assets used in operations less the proceeds received from sales of these types of assets).
- Change in net operating working capital.
- Other cash movements, which primarily comprise cash outflows related to (i) non-recurring items in the income statement and (ii) provisions recorded for liabilities resulting from fair value adjustments recognized on the acquisition of consolidated companies.

This indicator reflects cash generated by operations and is the indicator used internally for the annual performance appraisals of the Group's managers.

Simplified operating cash flow: The sum of the following items as defined elsewhere in this Universal Registration Document and recorded either as individual line items or as the sum of several individual line items in the consolidated cash flow statement:

- EBITDA.
- Net capital expenditure (i.e. amounts paid as consideration for property, plant and equipment and intangible assets used in operations less the proceeds received from sales of these types of assets).

DSO: Days Sales Outstanding, measuring the average number of days that it takes to collect payment after a sale has been made. At Elior, the DSO is calculated according to the count back method.

Adjusted earnings per share (or AEPS): This indicator is calculated based on net profit from continuing operations attributable to owners of the parent, adjusted to exclude (i) non-recurring income and expenses, (ii) amortization of intangible assets recognized on consolidation, (iii) exceptional impairment of investments in and loans to non-consolidated companies, and (iv) the impacts of gains or losses on disposals of consolidated companies classified as held for sale. All of these adjustments in (i) to (iv) are net of tax.

Total Shareholder Return (TSR): The total return on the Elior Group share for an investor for a given period, corresponding to the gains that would be received on the sale of the share and the dividends received.

Elior North America Value (ENA Value): The value, at the end of a given twelve-month fiscal year, calculated as follows: (i) 8.5 times ENA's EBITDA for that fiscal year, less (ii) ENA's net debt at the given fiscal year-end. For the purposes of calculating this indicator, "ENA Value 2018" means the ENA Value at September 30, 2018 and "ENA Value 2021" means the ENA Value at September 30, 2021.

Compounded annual growth rate (CAGR): The compounded annual growth rate of the ENA Value, as defined above, calculated for the period from October 1, 2018 through October 1, 2021 using the following formula: $(\text{ENA Value 2021}/\text{ENA Value 2018})^{1/3} - 1$

3.1.6.2 Compensation policies for the Company's directors and officers to be submitted for approval at the February 26, 2021 Annual General Meeting

The durations of the terms of office of the Company's directors and officers are set out in Chapter 5, Section 5.1.3 of this Universal Registration Document.

The Board of Directors is responsible for determining, reviewing and implementing the compensation policies for the Company's directors and officers, based on the recommendations of the Compensation Committee. Elior Group's Chief Executive Officer does not take part in the Board discussions or vote on matters relating to his own compensation. The compensation policies for the Company's directors and officers are in the Company's best interests, contribute to its longevity and are in line with its overall business strategy as described in Chapter 1, Sections 1.1, 1.2 and 1.7.2 of this Universal Registration Document.

When determining and reviewing the directors' and officers' compensation policies in 2019-2020, the Compensation Committee and the Board of Directors took into account the pay and employment conditions of the Company's employees (particularly as part of the review of the pay equity ratios disclosed in accordance with Article L. 22-10-9 of the French Commercial Code).

In application of Article L. 22-10-8 of the French Commercial Code, the compensation policies of the Company's directors and officers will be submitted for shareholder approval at the Annual General Meeting of February 26, 2021 with separate resolutions put forward for (i) the Chairman, (ii) the Chief Executive Officer, and (iii) the directors.

No components of compensation, of any kind, may be set, allocated or paid by the Company, and no commitments concerning compensation may be made by the Company if they do not comply with the compensation policies approved by the shareholders, or if no such policies have been approved, with the existing compensation packages and/or practices in place within the Company.

If there is a change in governance, the compensation policies will be applied to the Company's new directors and/or officers, subject to any necessary adaptations. In the event that the roles of the Chief Executive Officer and the Chairman of the Board of Directors are combined, the Chief Executive Officer's compensation policy will be applied to the Chairman and Chief Executive Officer. If a Deputy Chief Executive Officer is appointed, the Chief Executive Officer's compensation policy would be applied to him or her.

The compensation policies for the Company's officers must be competitive, aligned with the Company's overall strategy, and structured in a way that promotes the Company's performance and competitiveness over the mid- and long-term.

Compliance
The compensation policy for the Company's officers is determined by reference to the AFEP-MEDEF Code, which states that compensation packages should be comprehensive, comparable, consistent and proportionate, that a balance should be achieved between the various components of the compensation and that the rules applied should be clearly understandable.

Comprehensive and balanced compensation packages
All of the components of the compensation packages of the Company's officers are analyzed in a comprehensive manner, in line with the Company's strategy.

Alignment of interests and transparency
While the compensation packages of the Company's officers are set taking into account the need for the Company to be able to attract, motivate and retain the best talents, they also take into consideration shareholders' interests, particularly in terms of transparency and the Company's performance.

Proportionality and comparability
Compensation amounts are set taking into account the responsibilities entrusted to each officer as well as market practices. The performance targets used must be high, correspond to the Company's key growth factors and be aligned with its short- and long-term objectives.

3.1.6.2.1 Compensation policy for the Chairman of the Board of Directors to be submitted for approval at the February 26, 2021 Annual General Meeting

The Chairman of the Board of Directors receives annual fixed compensation paid in cash as well as directors' remuneration (formerly referred to as "directors' fees"). In accordance with the AFEP-MEDEF Code, he does not receive any annual or multi-annual variable compensation and is not a beneficiary of any long-term incentive plan involving stock options or performance shares.

At its meeting on January 8, 2021, having consulted with the Compensation Committee, the Board of Directors set the annual fixed compensation of the Chairman of the Board of Directors at a gross amount of €300,000 for fiscal 2020-2021.

The directors' remuneration awarded to the Chairman of the Board for his directorship duties will be allocated in accordance with the rules applicable to all directors.

At the February 26, 2021 Annual General Meeting, shareholders will be asked to approve the compensation policy for the Chairman of the Board of Directors for fiscal 2020-2021.

Subsequently, at the 2022 Annual General Meeting, shareholders will be asked to approve the components of the compensation paid during or awarded for 2020-2021 to the Chairman of the Board of Directors, although the payment of his fixed compensation for that fiscal year is not contingent on a favorable shareholder vote.

3.1.6.2.2 Compensation policy for the members of the Board of Directors to be submitted for approval at the February 26, 2021 Annual General Meeting

At its meeting on November 24, 2020, having consulted with the Compensation Committee, the Board of Directors decided that at the Annual General Meeting it would recommend keeping unchanged, at €600,000, the maximum total amount of directors' remuneration to be divided between the Board members for their directorship duties.

The annual amount of directors' remuneration awarded to each Board member for their duties during 2020-2021 will comprise the following components:

- For the chairs of the Board committees who are independent directors: an annual fixed remuneration for their role as committee chair, the amount of which cannot exceed 15% of the aggregate amount of his or her annual directors' remuneration (including both the variable and fixed portions).
- For the independent directors (including Board committee chairs) and non-independent directors: variable remuneration based on their actual attendance at Board and committee meetings.

The employee representative directors receive directors' remuneration for their directorship duties, set in accordance with the same terms and conditions as the other directors. They also hold permanent employment contracts with the Company or another Group entity, which include notice and termination terms and conditions that comply with the applicable laws and pursuant to which they receive a salary.

3.1.6.2.3 Compensation policy for the Chief Executive Officer to be submitted for approval at the February 26, 2021 Annual General Meeting

The Chief Executive Officer's compensation package – which is determined in a balanced way and is consistent with the Company's strategy – comprises three main components:

1. Annual fixed compensation.
2. Short-term variable compensation based on annual financial and non-financial performance criteria.
3. Long-term variable compensation based on the Company's internal and external financial performance and non-financial performance, measured over several years[1].

[1] The Chief Executive Officer has undertaken that throughout his term of office he will not hedge any of the performance units granted to him as long-term variable compensation.

Components of the Chief Executive Officer's compensation package	Purpose and strategic objective	Description (see Section 3.1.6.1 above for the definitions of the key performance indicators)	Weighting (% of gross annual fixed compensation)
1. FIXED	To retain and motivate the CEO	Set taking into account, among other things, the CEO's experience and market practices.	**N/A**
2. SHORT-TERM VARIABLE (ANNUAL)	To encourage the achievement of the Company's annual financial and non-financial performance objectives	Set based on the Company's financial and non-financial priorities and objectives for the fiscal year.	- **Minimum amount: 0%** - **Target amount: 100%** - **Maximum amount: 150%**
		Quantifiable criteria (which determine the majority of the variable compensation): structured, in view of the Covid-19 crisis, to ensure the Group can maintain its liquidity, deleverage, and rapidly return to growth.	- **Target amount: 75%**
		Qualitative criteria: structured to take into account initiatives put in place during the year to drive long-term profitable growth.	- **Target amount: 25%**
3. LONG-TERM VARIABLE (MULTI-ANNUAL)	To encourage internal and external financial performance and non-financial performance over the long-term, and reward over-performance	**1.** Annual award of performance units Subject to (i) a continued presence condition, and (ii) exacting performance criteria related to the Company's internal and external financial performance and non-financial performance as measured over a period of three years (the "Vesting Period"), based on indicators such as: • Adjusted earnings per share (AEPS) • Total shareholder return (TSR) • Improvement in CSR criteria such as the frequency rate of workplace accidents, diversity and the Group's carbon footprint. Requirement to convert 50% of his net-of-tax gains realized at the end of the Vesting Period into Elior Group shares and to hold those shares for the entire duration of his term of office as CEO. This requirement ceases to apply once the number of his Elior Group shares represents a total amount equal to six times his annual fixed compensation.	- Target face value: 240% - Maximum face value: 311% (converted based on the Elior Group share price on the award date of the performance units). The number of performance units that vest varies between 0% and 100% of the maximum number of performance units initially awarded depending on the achievement of future performance criteria. This amount includes an exceptional award of performance units due to the significant impact of the Covid-19 crisis on the performance criteria applicable to the 2019 and 2020 plans.
		2. Award and payment, at the end of a three-year period and subject to a continued presence condition, of a multi-annual cash compensation equal to the average of the CEO's annual variable compensation paid for the previous three fiscal years.	- Minimum amount: 0% - Target amount: 100% - Maximum amount: 150%
		3. Award of share price over-performance options **3.1** Award of share price over-performance options with a three-year vesting period (from 2021 to 2023) Subject to (i) a continued presence condition and (ii) an exacting over-performance condition related to over-performance of the Elior Group share price as measured over a period of three years. **3.2.** Award of share price over-performance options with a four-year vesting period (from 2021 to 2024) Subject to (i) a continued presence condition and (ii) an exacting over-performance condition related to over-performance of the Elior Group share price as measured over a period of four years. For all of the share price over-performance options to vest and be exercisable, the CEO must still be in his post at the vesting date and the Elior Group share price must have increased by at least (i) 25% compared with the share price at the close of the February 26, 2021 AGM for the options with a three-year vesting period and (ii) 50% compared with the share price at the close of the February 26, 2021 AGM for the options with a four-year vesting period. The cash amount paid for the share price over-performance options that vest will be equal to the number of vested share price over-performance options multiplied by the positive difference between the weighted average of the prices quoted for the Elior Group share (i) over the twenty trading days following the publication of the annual financial statements immediately preceding the end of the three- or four-year vesting period, depending on the options concerned and (ii) over the twenty trading days following the February 26, 2021 AGM (a) plus 25% for the share price over-performance options with a three-year vesting period and (b) plus 50% for the share price over-performance options with a four-year vesting period	Based on an Elior Group share price of €12 and a potential target face value of €4,092,000, the share price over-performance options with a three-year vesting period represent 455% of the CEO's fixed compensation. Based on an Elior Group share price of €12 and a potential target face value of €2,728,000, the share price over-performance options with a four-year vesting period represent 303% of the CEO's fixed compensation.

The components of the Chief Executive Officer's compensation package for fiscal 2020-2021 were analyzed, examined, debated and approved by the Compensation Committee and the Board of Directors at their meetings held in November and December 2020 (November 23 and 24 and December 16 and 28) and January 2021 (January 7 and 8), in line with the compensation policy defined for the Chief Executive Officer by the Board of Directors which will be submitted for shareholder approval at the February 26, 2021 Annual General Meeting. These components notably into account the following:

- The CEO’s level of responsibilities.
- Market practices.
- The general economic context, and particularly the Group’s situation and challenges resulting from the Covid-19 crisis.
- The adverse impacts of the Covid-19 crisis that affect the long-term compensation awarded to the Chief Executive Officer for fiscal 2017-2018, 2018-2019 and 2019-2020, and the consequent need to put in place new long-term incentive instruments.

The Board took care to verify that the structure of the CEO's compensation package and its components and amounts reflect the best interests of the Company and its shareholders, as well as market practices and the performance levels expected from him. In particular, the Board verified that the proposed compensation structure is suitably adapted to the Company's operations and economic and competitive environment and is in line with French and international market practices. It was also careful to ensure that (i) the package includes a long-term variable portion to encourage stability at the head of the Group's executive management team, which is a particularly important factor for the execution of the New Elior strategic plan, and (ii) the performance criteria used to set the variable portion of the CEO's compensation reflect the Group's short-, mid- and long-term objectives for its operating and financial performance.

1. Annual fixed compensation.

At its meetings held on December 16, 2020 and January 8, 2021, having consulted the Compensation Committee, the Board of Directors set the CEO's annual fixed compensation at a gross amount of €900,000 for fiscal 2020-2021, unchanged from the previous fiscal years.

2. Short-term variable compensation (annual)

The Board of Directors set the target amount of the CEO's short-term variable compensation at 100% of his fixed compensation (with 75% based on quantifiable criteria and 25% on qualitative criteria). The amount of this variable compensation may vary from 0% to 150% of his fixed compensation depending on the extent to which the applicable quantifiable and qualitative performance criteria are achieved (unchanged from 2019-2020).

The tables below show the principles for calculating the CEO's short-term variable compensation for fiscal 2020-2021 including the applicable performance criteria and their weightings (the trigger thresholds for the performance criteria related to this short-term variable compensation are not disclosed for confidentiality reasons).

Performance criteria applicable to the CEO's annual variable compensation and reasons for applying the criteria*

Type of criteria	Performance criteria	Reasons for applying the criteria
Quantifiable	Simplified operating cash flow (in absolute value terms), assessed on a quarterly basis	When determining the conditions for the CEO's variable compensation, the Compensation Committee considered that in view of the Covid-19 crisis, the quantifiable criteria should be assessed on a quarterly basis in order to (i) measure as closely as possible the performance levels achieved, (ii) be able to rapidly adapt expected performance levels in line with the uncertain and fast-changing public health and economic situations, and (iii) incentivize performance. The Compensation Committee felt that the generation of simplified operating cash flow and DSO are particularly suitable criteria for maintaining the Group's liquidity, helping it to deleverage and enabling it to rapidly return to profitable growth.
	Days Sales Outstanding (DSO), assessed on a quarterly basis	
Qualitative	Improvement in the "accident frequency rate" CSR indicator for 2020-2021 (audited annually)	The Compensation Committee considered that because the Group's business principally relies on its human capital, preventing workplace accidents is a priority and a key area for value creation.
	Formalization, approval and launch of the new 2021-2026 strategic plan	The formalization, approval and launch of the new 2021-2026 strategic plan are aimed at enabling the Group to return to revenue of €5 billion with margins higher than pre-Covid.

* See Section 3.1.6.1 above for the definitions of the key performance indicators.

Short-term variable compensation (annual) – Performance criteria and objectives*

Type of criteria	Objectives		Min.	Target	Max.
Quantifiable criteria: **¾ of variable compensation** (75% of fixed compensation)	Simplified operating cash flow (in absolute value terms)	As a % of fixed compensation	0%	60%	**90%**
	DSO	As a % of fixed compensation	0%	15%	**22.5%**
	Total contingent on quantifiable objectives		**0%**	**75%**	**112.5%**
Qualitative criteria: **¼ of variable compensation** (25% of fixed compensation)	Improvement in the "accident frequency rate" CSR indicator for 2020-2021 (audited annually)	As a % of fixed compensation	**0%**	10%	**15%**
	Formalization, approval and launch of the new 2021-2026 strategic plan	As a % of fixed compensation	**0%**	15%	**22.5%**
	Total contingent on quantitative objectives		**0%**	**25%**	**37.5%**
Total contingent on quantifiable and qualitative objectives			**0%**	**100%**	**150%**

* See Section 3.1.6.1 above for the definitions of the key performance indicators.

In accordance with the conditions set out below, the Board of Directors has the discretionary power, in line with the policy applicable for the Chief Executive's annual variable compensation, to ensure that this compensation accurately reflects the Group's performance. Consequently, if any new circumstances or events arise during the course of a fiscal year that could not be foreseen when the compensation policy was determined and which have a significant positive or negative impact on the achievement of the performance criteria underlying annual variable compensation, the Board of Directors may decide, on the Compensation Committee's recommendation, to use this discretionary power provided that (i) it continues to respect the principles set in the compensation policy, and (ii) gives the shareholders a clear, precise and full explanation for its decisions. This discretionary power would only affect the Chief Executive Officer's annual variable compensation and/or long-term compensation and could be used to adjust for the negative consequences of events such as the Covid-19 crisis or similar events, or the continuation of such events. The changes made can consist of amending, adjusting, eliminating or replacing performance criteria or objectives or the financial results or indicators impacted by such events. Any such changes must be decided by the Board of Directors before the end of the measurement period for the performance criteria or objectives applicable to the compensation components concerned, and the underlying aim or effect of the changes must not be to increase the maximum amounts of said compensation components.

3. Long-term multi-annual variable compensation

The Chief Executive Officer's long-term multi-annual variable compensation consists of three components:

- performance units, which are subject to a continued presence condition and exacting performance criteria (the "Performance Units"); and/or

- multi-annual cash compensation, the payment and amount of which will be based on the annual performance levels achieved over the measurement period and subject to a continued presence condition (the "Multi-Annual Cash Compensation") and/or

- share price over-performance options, which are subject to a continued presence condition and an over-performance criterion related to the Company's share price performance (the "Share Price Over-Performance Options").

3.1. **2021 Performance Units**

This long-term multi-annual variable compensation consists of the award of 523,834 performance units, representing a cash amount of €2.8 million for 2020-2021 (maximum face value), i.e. 311% of the CEO's annual fixed compensation (the "2021 Performance Units").

These values were determined based on an Elior Group share price equal to the weighted average of the prices quoted over the 20 trading days following November 25, 2020 (the publication date of the Group's annual results for fiscal 2019-2020), i.e. €5.35.

If the target levels are achieved for (i) AEPS growth, (ii) TSR performance and (iii) the CSR criteria, the total number of 2021 Performance Units that vest will be 402,949, representing a face value of €2.15 million.

i. *Principle*

The Chief Executive Officer's 2021 Performance Units will vest after a period of three years following their award date (the "Vesting Period"), i.e. on January 7, 2024, provided that he is still Elior Group's Chief Executive Officer at that date.

The number of 2021 Performance Units that vest will depend on:

- The level of growth in AEPS during the Vesting Period (50% weighting).

- Elior Group's relative share performance, measured by reference to its total shareholder return (TSR) over the Vesting Period (20% weighting) as compared with:

  - the TSR, calculated over the Vesting Period, of a group of companies operating in the same business sectors as Elior Group, including Elior Group itself (the "Peer Group" [1])(10% weighting (1/2 of 20%)); and
  - the TSR, calculated over the Vesting Period, of the Next 20 GR index (the "Index")(10% weighting (1/2 of 20%)).

- The improvement in the following three CSR criteria, audited annually (the "CSR Criteria") (30% weighting):
  - the accident frequency rate (10% weighting (1/3 of 30%)); and
  - the proportion of women on the Leadership Committee (10% weighting (1/3 of 30%)); and
  - the Group's carbon footprint (10% weighting (1/3 of 30%)).

The objectives related to AEPS growth, TSR and the CSR Criteria, as well as the number of 2021 Performance Units that vest at the end of the Vesting Period based on **the**

[1] The Peer Group comprises Aramark, Compass, ISS and Sodexo.

level of performance achieved for each of the performance criteria (Elior Group AEPS growth, TSR performance and the Elior Group CSR Criteria) are set out in the table below, it being specified that:

- Below the threshold level, none of the 2021 Performance Units subject to the criterion concerned will vest.
- Between each marker (threshold, target and maximum levels), the number of 2021 Performance Units that vest will be calculated proportionately on a straight-line basis.
- The number of 2021 Performance Units that vest is capped at 130% of the number of 2021 Performance Units that can vest if the target level is achieved.
- The maximum number of 2021 Performance Units contingent on the Index TSR and Peer Group TSR performance criteria can only vest if the maximum performance level for the AEPS criterion is achieved.

The total number of vested 2021 Performance Units will equal the sum of the 2021 Performance Units that vest based on each of the performance criteria, and may not exceed the maximum number of 2021 Performance Units initially awarded, i.e. 523,834.

AEPS growth and the performance levels for the Group's TSR and CSR Criteria will be calculated based on the performances achieved over the period between 2020 and 2023.

ii. Performance objectives and number of vested 2021 Performance Units

The number of 2021 Performance Units that vest at the end of the Vesting Period will be determined in accordance with the conditions described above and set out in the table below, based on the performance levels achieved for each of the performance criteria.

Performance criteria	Weighting per performance criterion (%)	Performance			Number of 2021 PUs vested	% 2021 PUs vested vs. target level	Face value in euros of 2021 PUs (based on an Elior Group share price of €5.35)
		Performance levels		% 2021 PUs vested			
AEPS[1]	**50%**	**Threshold**	Not disclosed for reasons of confidentiality	50%	100,737	25.0%	€538,945
		Target		100%	201,475	50.0%	€1,077,889
		Max		130%	261,917	65.0%	€1,401,256
Index TSR[2]	**10%**	**Threshold**: Elior TSR = 100% Index TSR		50%	20,147	5.0%	€107,789
		Target: Elior TSR ≥ 120% Index TSR		100%	40,295	10.0%	€215,578
		Max: Elior TSR ≥ 120% Index TSR and max AEPS growth achieved		130%	52,383	13.0%	€280,251
Peer Group TSR[2]	**10%**	**Threshold**: Elior TSR = 100% Peer Group median TSR		50%	20,147	5.0%	€107,789
		Target: Elior TSR ≥ 120% Peer Group median TSR		100%	40,295	10.0%	€215,578

[1] Level of AEPS growth pre-established and set by the Board of Directors on January 8, 2021, based on the recommendation of the Compensation Committee.

[2] If Elior Group's TSR is negative, irrespective of Elior Group's TSR positioning compared with the Peer Group or the Index, no Performance Units subject to the Peer Group TSR performance objective will vest.

		Max: Elior TSR ≥ 120% Peer Group median TSR and max AEPS growth achieved	130%	52,383	13.0%	€280,251
CSR 1: **Health and safety (accident frequency rate)**[1]	**10%**	**Threshold**: 12% improvement in the accident frequency rate	50%	20,147	5.0%	€107,789
		Target: 19% improvement in the accident frequency rate	100%	40,295	10.0%	€215,578
		Max: 22% improvement in the accident frequency rate	130%	52,383	13.0%	€280,251
CSR 2: **Proportion of women on the Leaders Committee**	**10%**	**Threshold**: 33% increase in the number of women on the Leaders Committee	50%	20,147	5.0%	€107,789
		Target: 50% increase in the number of women on the Leaders Committee	100%	40,295	10.0%	€215,578
		Max: 67% increase in the number of women on the Leaders Committee	130%	52,383	13.0%	€280,251
CSR 3: **Carbon footprint**[2]	**10%**	**Threshold**: C score	50%	20,147	5.0%	€107,789
		Target: B score	100%	40,295	10.0%	€215,578
		Max: A score	130%	52,383	13.0%	€280,251
Total – threshold level (Total no. of 2021 PUs - % vs. target level - and € face value)				201,475	50%	€1,077,889
Total – target level (Total no. of 2021 PUs - % vs. target level - and € face value)				402,949	100%	€2,155,778
Total – maximum level (Total no. of 2021 PUs - % vs. target level - and € face value)				523,834	130%	€2,802,511

iii. Vesting Period and continued presence condition

At the end of the Vesting Period, the 2021 Performance Units that vest based on the performance levels achieved for AEPS growth, TSR and the CSR Criteria will be converted into cash by multiplying the number of vested 2021 Performance Units by the weighted average of the prices quoted for the Elior Group share **over the 20 trading days** following the publication of the annual financial statements for the year ending September 30, 2023.

At the end of the Vesting Period for the 2021 Performance Units:

- The Company will pay the Chief Executive Officer the amount of his long-term variable compensation for 2020-2021 definitively awarded (i) provided that he is still Chief Executive Officer at that date, and (ii) subject to the applicable laws and regulations.
- If the Chief Executive does not own a number of Elior Group shares whose value represents at least six times his annual fixed compensation, he will be required to acquire a number of Elior Group shares representing an amount equivalent to 50% of the net-of-tax amount he received for his 2021 Performance Units. He must then hold these shares for the duration of his term as Chief Executive Officer.

3.2. 2021 Multi-Annual Cash Compensation

i. Principle

The Chief Executive Officer's 2021 Multi-Annual Cash Compensation will vest after a period of three years expiring on January 7, 2024 (the "Vesting Period"), provided that he still holds the post of Chief Executive Officer at that date.

The 2021 Multi-Annual Cash Compensation will equal the average of the amounts of annual variable compensation paid to the Chief Executive Officer for the following three fiscal years: 2020-2021 (see Section 3.1.6.2.3.2 above

[1] Frequency of accidents with lost time (at least one day) suffered by Group employees per million hours worked.
[2] Scoring system used by the Carbon Disclosure Project, an independent not-for-profit organization whose mission is to assess the environmental impacts of companies by scoring their environmental performance from D- to A.

concerning the policy underlying this compensation), 2021-2022 and 2022-2023.

ii. Vesting Period and continued presence condition

At the end of the Vesting Period, the Company will pay to the Chief Executive Officer the amount corresponding to the 2021 Multi-Annual Cash Compensation definitively awarded to him (i) provided that he is still Chief Executive Officer at that date, and (ii) subject to the applicable laws and regulations.

3.3 2021-2023 Share Price Over-Performance Options

This long-term multi-annual variable compensation is aimed at rewarding any over-performance of the Elior Group share price as measured over a three-year period (January 8, 2021 to January 8, 2024). It consists of the award on January 8, 2021 of share price over-performance options (the "2021-2023 Share Price Over-Performance Options"). These options will only vest if (i) Philippe Guillemot is still Chief Executive Officer of Elior Group at January 8, 2024 and (ii) the weighted average price of the Elior Group share over the measurement period (i.e. the average of the prices quoted over the twenty trading days following the publication of Elior Group's financial statements for the year ending September 30, 2023) is at least 25% higher than the weighted average of the prices quoted for the Elior Group share over the twenty trading days following the February 26, 2021 Annual General Meeting.

The number of 2021-2023 Share Price Over-Performance Options will be determined after the Annual General Meeting of February 26, 2021 by applying the following formula:

Number of 2021-2023 Share Price Over-Performance Options = 4,092,000 / (12 – (X + 25%))[1]

Where:

X = weighted average of the prices quoted for the Elior Group share over the twenty trading days following the February 26, 2021 Annual General Meeting.

The formula for calculating the number of 2021-2023 Share Price Over-Performance Options was determined such that they represent a potential value of €4,092,000 if the share price is €12 at the end of the vesting period (i.e. a face value representing 455% of Philippe Guillemot's basic salary).

If the 2021-2023 Share Price Over-Performance Options vest, the cash amount (A) paid by the Company to Philippe Guillemot for the vested 2021-2023 Share Price Over-Performance Options will equal:

A = Number of 2021-2023 Share Price Over-Performance Options x (Y – (X + 25%))

Where:

X = weighted average of the prices quoted for the Elior Group share over the twenty trading days following the February 26, 2021 Annual General Meeting.

Y = weighted average of the prices quoted for the Elior Group share over the twenty trading days following the publication of Elior Group's results for the year ended September 30, 2023.

If Y is less than or equal to X + 25%, A will equal 0.

At the close of trading on January 8, 2024, the Company will pay Philippe Guillemot the amount corresponding to the vested 2021-2023 Share Price Over-Performance Options (i) provided that he is still Chief Executive Officer at that date, and (ii) subject to the applicable laws and regulations.

3.4. 2021-2024 Share Price Over-Performance Units

This long-term multi-annual variable compensation is aimed at rewarding any over-performance of the Elior Group share price as measured over a four-year period (January 8, 2021 to January 8, 2025). It consists of the award on January 8, 2021 of share price over-performance options (the "2021-2024 Share Price Over-Performance Options"). These options will only vest if (i) Philippe Guillemot is still Chief Executive Officer of Elior Group at January 8, 2025, and (ii) the weighted average price of the Elior Group share over the measurement period (i.e. the average of the prices quoted over the twenty trading days following the publication of Elior Group's financial statements for the year ending September 30, 2024) is at least 50% higher than the weighted average of the prices quoted for the Elior Group share over the twenty trading days following the February 26, 2021 Annual General Meeting.

The number of 2021-2024 Share Price Over-Performance Options will be determined after the Annual General Meeting of February 26, 2021 by applying the following formula:

Number of 2021-2024 Share Price Over-Performance Options = 2,728,000 / (12 – (X + 50%))[2]

Where:

[1] Formula mathematically equivalent to: 4,092,000 / (12 – (125% x X))
[2] Formula mathematically equivalent to 2,728,000 / (12 – (150% x X))

X = weighted average of the prices quoted for the Elior Group share over the twenty trading days following the February 26, 2021 Annual General Meeting.

The formula for calculating the number of 2021-2024 Share Price Over-Performance Options was determined such that they represent a potential value of €2,728,000 if the share price is €12 at the end of the four-year vesting period (i.e. a face value representing 303% of Philippe Guillemot's basic salary).

If the 2021-2024 Share Price Over-Performance Options vest, the cash amount (A) paid by the Company to Philippe Guillemot for the vested 2021-2024 Share Price Over-Performance Options will equal:

A = Number of 2021-2024 Share Price Over-Performance Options x (Y – (X + 50%))

Where:

X = weighted average of the prices quoted for the Elior Group share over the twenty trading days following the February 26, 2021 Annual General Meeting.

Y = weighted average of the prices quoted for the Elior Group share over the twenty trading days following the publication of Elior Group's results for the year ended September 30, 2024.

If Y is less than or equal to X + 50%, A will equal 0.

At the close of trading on January 8, 2025, the Company will pay Philippe Guillemot the amount corresponding to the vested 2021-2024 Share Price Over-Performance Options (i) provided that he is still Chief Executive Officer at that date, and (ii) subject to the applicable laws and regulations.

3. Other components of compensation

Directors' remuneration

The compensation awarded to the Chief Executive Officer for his directorship duties will be allocated in accordance with the rules applicable to all directors (see Section 3.1.6.2.2 above concerning the compensation policy applicable to members of the Board of Directors).

Exceptional compensation

N/A.

Supplementary pension plan

N/A.

Termination benefit

If the Company decides to remove the Chief Executive Officer from office for any reason other than gross negligence or serious misconduct committed in connection with his duties within Elior Group, he may be entitled to a termination benefit as an indemnity for any prejudice he may suffer as a result of being removed from office. The amount of the termination benefit will equal either (i) 12 months' compensation, or (ii) 24 months' compensation if the Chief Executive Officer's non-compete covenant is not implemented. The applicable amount will be calculated on the basis of the Chief Executive Officer's average gross monthly compensation (fixed and variable, excluding any long-term variable compensation) received for the 12 months preceding the date on which he is removed from office by the Board of Directors.

The termination benefit would not be payable if the Chief Executive Officer is removed from office for gross negligence or serious misconduct, which include, but are not limited to, the following types of behavior:

- Inappropriate behavior for an executive (criticizing the Company and/or its management bodies in front of external parties, etc.).
- Repeated failure to take into consideration decisions made by the Board of Directors and/or behavior that is contrary to such decisions.
- Repeated communication errors that seriously and adversely affect the Company's image and/or value (impact on share price).

The benefit would only be payable, in full or in part, if the average (A) of the Chief Executive Officer's annual variable compensation for the three years preceding his termination represents at least 80% of the corresponding target annual compensation. If this condition is met, the Chief Executive Officer would be entitled to:

- 20% of the total amount of the termination benefit if A is equal to 80%.
- 100% of the total amount of the termination benefit if A equals or exceeds 100%.
- Between 20% and 100% of the total amount of the benefit if A is between 80% and 100%, calculated on a straight-line basis applying the following formula: 20 + [(100-20) x X],

where: X = (A-80) / (100-80).

This performance condition would be assessed over a period of three fiscal years, with the first applicable period commencing on October 1, 2018, which was the start of the first fiscal year following Philippe Guillemot's arrival in the Group.

If Philippe Guillemot leaves the Company:

- In fiscal 2020-2021, his performance will be assessed based only on fiscal 2018-2019 (fiscal 2019-2020 will not be taken into account due to the impact of the Covid-19 crisis on the annual variable compensation awarded to the Chief Executive Officer for that fiscal year).
- In fiscal 2021-2022, his performance will be assessed based on fiscal 2018-2019 and fiscal 2020-2021 (with fiscal 2019-2020 not taken into account due to the impact of the Covid-19 crisis).
- From fiscal 2022-2023 onwards, his performance will be assessed only on the fiscal years ending after October 1, 2020.

The Chief Executive Officer would not be entitled to the termination benefit if he resigns from his position.

All of this information – which has been amended compared with the compensation policy approved at the Company's Annual General Meeting held on March 20, 2020 – has been published on the Company's website in accordance with the applicable legal provisions and will be put to the shareholders' vote at the Annual General Meeting on February 26, 2021 as part of their approval of the Chief Executive Officer's compensation policy.

Non-compete covenant

If the Chief Executive Officer ceases his duties with the Company for any reason, he will be subject to a non-compete obligation with respect to Elior Group for a period of two years as from the date his duties cease. The main reason for this non-compete covenant is the strategic information to which he has access in his position as Chief Executive Officer.

Pursuant to the non-compete covenant, for the two-year period following the date his duties with the Company cease, the Chief Executive Officer will be prohibited from:

- Carrying out any duties for a commercial catering and/or contract catering company (as an employee, officer, consultant, shareholder or other) that are similar to or compete with the duties he performed as the Company's Chief Executive Officer or Chairman or in another Company officer's position. However, this obligation has been narrowed to a prohibition on working with:
  - the Elior group's seven direct competitors, i.e. Aramark, Compass, ISS, Sodexo, Autogrill, SSP and Lagardère; and
  - any other large company that is a competitor of the Elior group and has contract catering and/or concession catering operations in France and/or the six other countries in which the Group has a major presence, i.e. Spain, the United Kingdom, Italy, Portugal, Germany and the United States.

- Directly or indirectly soliciting employees or officers away from the Group; and/or

- Having any financial or other interests, either directly or directly, in any of the above companies.

As consideration for his non-compete covenant, the Chief Executive Officer will be eligible for a monthly indemnity equal to 50% of his gross monthly fixed and variable compensation (excluding any long-term variable compensation) calculated based on his average monthly gross fixed and variable compensation (excluding any long-term variable compensation) received for the 12 months preceding the date on which he ceases his duties as Chief Executive Officer. This indemnity would be payable from the date his duties as Chief Executive Officer cease until the end of the period of validity of his non-compete covenant.

Irrespective of how the Chief Executive Officer's duties cease (i.e. if he resigns or is removed from office), the Board of Directors may decide to exempt him from this non-compete covenant. In such a case, the Board must notify him of the exemption within the month following the date on which he ceases his duties and the Company would not be required to pay him the above-mentioned non-compete indemnity.

No non-compete indemnity would be payable if the Chief Executive Officer leaves the Group due to retirement, or in any event if he is over the age of 65.

All of this information – which has been amended since the Chief Executive Officer first took up his post – has been published on the Company's website in accordance with the applicable legal provisions and received a favorable shareholders' vote at the Annual General Meeting on March 20, 2020.

<u>Employment contract</u>

In compliance with the AFEP-MEDEF Code, the Chief Executive Officer does not have an employment contract with the Company or any other Group entity.

<u>Benefits in kind</u>

The Chief Executive Officer has the use of a company car, as is Group practice for persons with the responsibilities of Chief Executive Officer.

<u>Welfare and pension plans</u>

The Chief Executive Officer is eligible for the welfare and pension plans put in place within Elior Group for Company officers. He is not eligible for any supplementary pension plan.

<u>Bonuses and indemnities for taking up office</u>

The Chief Executive Officer is not eligible for any type of bonus or indemnity for taking up office.

* * *

At the February 26, 2021 Annual General Meeting, the shareholders will be asked to approve the compensation policy for the Chief Executive Officer for fiscal 2020-2021.

Subsequently, at the 2022 Annual General Meeting, the shareholders will be asked to approve the components of the compensation paid during or awarded for 2020-2021 to the Chief Executive Officer. The payment of his fixed compensation for that fiscal year is not contingent on a favorable shareholder vote but the payment of his variable compensation is.

3.1.7 COMPENSATION AND BENEFITS PAID DURING OR AWARDED FOR FISCAL 2019-2020 TO THE COMPANY'S DIRECTORS AND OFFICERS, TO BE SUBMITTED FOR SHAREHOLDER APPROVAL AT THE FEBRUARY 26, 2021 ANNUAL GENERAL MEETING

The principles and criteria used for determining, allocating and awarding the fixed, variable and exceptional components of the total compensation and benefits paid during or awarded for fiscal 2019-2020 to the Company's officers were approved by the shareholders, in accordance with Article L. 225-37-2 of the French Commercial Code, at the March 20, 2020 Annual General Meeting[1].

As required under Article L. 22-10-34 of the French Commercial Code, at the Annual General Meeting to be held on February 26, 2021, the shareholders will be asked to approve the components of the compensation and benefits paid during or awarded for fiscal 2019-2020 to the Company's directors and officers in line with the compensation principles and criteria already approved by the shareholders. A single resolution will be put forward for directors' remuneration and separate resolutions for the compensation of the Chairman and the Chief Executive Officer.

Consequently, the information disclosed in this section will be put to the shareholders' vote in accordance with Article L. 22-10-34 I of the French Commercial Code for approval of the information referred to in Article L. 22-10-9 I of said Code ("global *ex post* say-on-pay vote"). For the Company's officers, the required information set out below will also be put to the shareholders' vote in accordance with Article L. 22-10-34 II of the French Commercial Code ("individual *ex post* say-on-pay votes").

Neither of Elior Group's officers hold any stock options, free shares or performance shares granted by the Company or any other Group entity.

3.1.7.1 Compensation and benefits paid during or awarded for fiscal 2019-2020 to Gilles Cojan, Chairman of the Board of Directors

The tables below show the components of the compensation and benefits paid during or awarded for fiscal 2019-2020 to Gilles Cojan, Chairman of the Board of Directors. The components shown in the shaded columns will be submitted for shareholders' approval at the February 26, 2021 Annual General Meeting as required by Article L. 22-10-34 II of the French Commercial Code.

a) Summary table of compensation, stock options and free shares (performance shares)
(based on AMF template Table 1)

(In euros) **Gilles Cojan** ***Chairman of the Board of Directors***	**Fiscal 2018-2019**	**Fiscal 2019-2020**
Compensation awarded for the year *(see Table 2 below)*	466,000.0	345,400.0
Value of stock options granted during the year	N/A	N/A
Value of performance shares granted during the year	N/A	N/A
Value of other long-term compensation plans	N/A	N/A
TOTAL	**466,000.0**	345,400.0

[1] See Chapter 3, Section 3.1.6.2.2 of the 2018-2019 Universal Registration Document.

b) Summary table of compensation and benefits *(based on AMF template Table 2)*

(In euros) **Gilles Cojan** ***Chairman of the Board of Directors***	**Fiscal 2018-2019**		**Fiscal 2019-2020**	
	Amount awarded (gross)	*Amount paid (gross)*	*Amount awarded (gross)*	*Amount paid (gross)*
Fixed compensation	400,000.0	408,333.3[1]	300,000.0	287,500.0[2]
Annual variable compensation	N/A	N/A	N/A	N/A
Multi-annual variable compensation	N/A	N/A	N/A	N/A
Exceptional compensation	N/A	N/A	N/A	N/A
Directors' remuneration	66,000.0	52,000.0	45,400.0	66,000.0
Benefits in kind	N/A	N/A	N/A	N/A
TOTAL	466,000.0	460,333.3	345,400.0	353,500.0

[1] Gilles Cojan's gross monthly fixed compensation for September 2018, calculated based on total gross annual compensation of €500,000.0 for fiscal 2017-2018, was paid in October 2018 (i.e. in fiscal 2018-2019).
[2] As announced in the press release issued on April 16, 2020, in view of the Covid-19 crisis, Gilles Cojan's fixed compensation for fiscal 2019-2020 was reduced by 25% for two months.

3.1.7.2 Compensation and benefits paid during or awarded for fiscal 2019-2020 to Philippe Guillemot, Chief Executive Officer

The tables below show the components of the compensation and benefits paid during or awarded for fiscal 2019-2020 to Philippe Guillemot, Chief Executive Officer. The components shown in the shaded columns will be submitted for shareholders' approval at the February 26, 2021 Annual General Meeting as required by Article L. 22-10-34 II of the French Commercial Code.

a) Summary table of compensation, stock options and free shares (performance shares)
(based on AMF template Table 1)

(In euros) **Philippe Guillemot** ***Chief Executive Officer***	**Fiscal 2018-2019**		**Fiscal 2019-2020**	
Compensation awarded for the year[1] *(see Table 2 below)*	2,986,436.6		939,961.0	
Value of stock options granted during the year	N/A		N/A	
Value of free shares granted during the year	N/A		N/A	
Value of other long-term compensation plans ("performance units") awarded for fiscal 2018-2019 and 2019-2020	At the award date of the performance units (fair value)	At Sept. 30, 2020	At the award date of the performance units (fair value)	At Sept. 30, 2020:
	€1.82m	0[2]	€1.7m	0[3]
SUB-TOTAL (excluding the accounting value of other long-term compensation plans)	2,986,436.6		939,961.0	
TOTAL (including the accounting value of other long-term compensation plans)	**2,986,436.6**		**939,961.0**	

[1] This total includes the benefit in kind corresponding to the use of a company car.
[2] The accounting value of the 2018-2019 long-term variable compensation plan is zero due to the impact of the Covid-19 crisis. See Chapter 3, Section 3.1.6.3.2. (iii) of the 2018-2019 Universal Registration Document for a description of Philippe Guillemot's long-term variable compensation for fiscal 2018-2019.
[3] The accounting value of the 2019-2020 long-term variable compensation plan is zero due to the impact of the Covid-19 crisis. See sub-section (iii) below for a description of Philippe Guillemot's long-term variable compensation for fiscal 2019-2020.

b) Summary table of compensation and benefits *(based on AMF template Table 2)*

(In euros) **Philippe Guillemot** ***Chief Executive Officer***	**Fiscal 2018-2019**		**Fiscal 2019-2020**	
	Amount awarded (gross)	*Amount paid (gross)*	*Amount awarded (gross)*	*Amount paid (gross)*
Fixed compensation	900,000.0	900,000.0	900,000.0	862,500.0[1]
Annual variable compensation[2]	1,132,875.0[3]	**375,000.0**	0[4]	1,132,875.0
Multi-annual variable compensation	N/A[5]	0	0[6]	0[5]
Exceptional compensation	900,000.0[7]	N/A	N/A	900,000.0[7]
Directors' remuneration	51,000.0	24,000.0	37,400.0	51,000.0
Benefits in kind[8]	2,561.6	2,561.6	2,561.6	2,561.6
TOTAL	**2,986,436.6**	**1,301,561.6**	**939,961.0**	**2,948,936.6**

[1] As announced in the press release issued on April 16, 2020, in view of the Covid-19 crisis, Philippe Guillemot's fixed compensation for fiscal 2019-2020 was reduced by 25% for two months.
[2] Variable compensation for year Y-1 is paid in year Y.
[3] See Chapter 3, Section 3.1.6.3.2. (ii) of the 2018-2019 Universal Registration Document for a description of Philippe Guillemot's annual variable compensation for fiscal 2018-2019. His variable compensation for fiscal 2018-2019 represented 125.87% of his fixed compensation.
[4] See sub-section (ii) below.
[5] None of the vesting periods for Philippe Guillemot's 2018, 2019 and 2020 LTVC had expired at the end of fiscal 2018-2019.
[6] The vesting periods for Philippe Guillemot's 2018, 2019 and 2020 LTVC had not expired at the end of fiscal 2019-2020. See paragraph (iii) below for details concerning the settlement of his 2018 LTVC at December 31, 2020 (which will be submitted for shareholder approval at the 2022 Annual General Meeting as part of the say-on-pay vote on Philippe Guillemot's compensation paid during or awarded for the fiscal year ending September 30, 2021).
[7] See Chapter 3, Section 3.1.6.3.2. (vi) of the 2018-2019 Universal Registration Document for a description of Philippe Guillemot's exceptional compensation for fiscal 2018-2019. As Areas was sold on July 1, 2019 in good conditions, Elior Group's Board of Directors, acting on the recommendation of the Nominations and Compensation Committee, decided to pay Philippe Guillemot an exceptional bonus corresponding to 100% of his annual fixed compensation for 2018-2019, i.e. €900,000. The payment of this exceptional compensation was approved by the Company's shareholders at the Annual General Meeting on March 20, 2020.
[8] Use of a company car.

Description of the compensation and benefits paid during or awarded for fiscal 2019-2020 to Philippe Guillemot, Chief Executive Officer

On December 3, 2019, the Board of Directors set the principles and criteria used for determining, allocating and awarding the components of the compensation package of the Chief Executive Officer, Philippe Guillemot, for fiscal 2019-2020, based on the recommendation of the Compensation Committee and in accordance with the compensation policy for the Chief Executive Officer defined by the Board. These principles and criteria notably took into account the level of responsibilities associated with the post as well as market practices.

In accordance with Article L. 225-37-2 of the French Commercial Code, at the March 20, 2020 Annual General Meeting, the Company's shareholders approved these principles and criteria used for determining, allocating and awarding the components of the compensation package of the Chief Executive Officer applicable for fiscal 2019-2020.

Philippe Guillemot's compensation for his duties as the Company's Chief Executive Officer during fiscal 2019-2020 comprised the following components:

(i) Annual fixed compensation

At its meeting on December 3, 2019, the Board of Directors decided to set Philippe Guillemot's annual fixed compensation for fiscal 2019-2020 at a gross amount of €900,000, unchanged from fiscal 2018-2019.

In view of the particularly difficult context caused by the Covid-19 crisis and in order to show solidarity, on April 6, 2020, the Board of Directors decided to reduce Philippe Guillemot's fixed compensation by 25% for a period of two months. His gross annual fixed compensation for fiscal 2019-2020 therefore amounted to €862,500, as announced in the press release issued on April 16, 2020.

(ii) Short-term variable compensation (annual)

The target amount of Philippe Guillemot's annual short-term variable compensation was set at 100% of his gross annual fixed compensation (i.e. €900,000 for 2019-2020[1]), subject to him achieving the quantifiable and qualitative objectives set out below.

If the objectives were exceeded his variable compensation could have been increased to 150% of the target amount (i.e. €1,350,000 gross for 2019-2020[1]).

The type of quantifiable and qualitative objectives set and the proportions they represented in terms of Philippe Guillemot's overall annual variable compensation were decided on by the Board of Directors after examining the recommendations issued by the Compensation Committee.

Philippe Guillemot's short-term variable compensation for 2019-2020 was based on the following performance criteria[2]:

- 75% was subject to achieving quantifiable objectives related to (i) EBITA margin, (ii) growth in Elior Group's consolidated revenue based on a constant scope of consolidation and constant exchange rates, and (iii) operating free cash flow (in absolute value terms).

- 25% was subject to achieving precise pre-defined individual qualitative objectives related to improvements in (i) the "internal recruitment rate" CSR indicator in 2019-2020 (audited annually) and (ii) the client retention rate.

<u>Quantifiable objectives</u> (*75% weighting*):

Criterion 1 (*30% weighting*): EBITA margin:
- < 3.63%: 0%
- 3.63% to 3.73%: 50% to 100% (calculated proportionately on a straight-line basis)
- > 3.73% to ≥ 3.90%: 100% to 150% (calculated proportionately on a straight-line basis)

Criterion 2 (*30% weighting*): growth in Elior Group's consolidated revenue based on a constant scope of consolidation compared with the scope of consolidation at October 1, 2019 and at constant exchange rates (organic growth):
- Revenue < €4,830.9m: 0%
- Revenue of €4,830.9m to €4,959.3m: 0% to 100% (calculated proportionately on a straight-line basis)
- Revenue > €4,959.3m to ≥ €5,073.2m: 100% to 150% (calculated proportionately on a straight-line basis)

Criterion 3 (*15% weighting*): operating free cash flow (in absolute value terms):
- < €121.6m: 0%
- €121.6m to €140.9m: 50% to 100% (calculated proportionately on a straight-line basis)
- > €140.9m to ≥ €179.5m: 100% to 150% (calculated proportionately on a straight-line basis)

<u>Qualitative objectives</u> (*25% weighting*):

Criterion 4 (*10% weighting*): improvement in the "internal recruitment rate" CSR indicator in 2019-2020 (audited annually):
- < 55.5%: 0%
- 55.5% to 56.5%: 50% to 100% (calculated proportionately on a straight-line basis)
- > 56.5% to ≥ 58.5%: 100% to 150% (calculated proportionately on a straight-line basis)

Criterion 5 (*15% weighting*): improvement in the client retention rate:
- < 92.4%: 0%
- 92.4% to 93.7%: 50% to 100% (calculated proportionately on a straight-line basis)
- > 93.7% to ≥ 95%: 100% to 150% (calculated proportionately on a straight-line basis)

At its meetings on December 16, 2020 and January 8, 2021, acting on the recommendation of the Compensation Committee, the Board of Directors decided that Philippe Guillemot's annual variable compensation for fiscal 2019-2020 would be zero, i.e. 0% of his 2019-2020 annual fixed compensation. Further details on his annual variable compensation for 2019-2020 are provided below.

[1] See Chapter 3, Section 3.1.6.2.2 of the 2018-2019 Universal Registration Document.
[2] See Section 3.1.6.1 above for the definitions of the key performance indicators.

The table below shows the five criteria used for calculating the short-term (annual) variable compensation for fiscal 2019-2020 for Philippe Guillemot, Chief Executive Officer of the Company[1]:

Criterion 1 *(quantifiable)* EBITA margin *Weighting: 30%*			
EBITA margin objective	Potential amount of bonus as a % of annual fixed compensation	Actual EBITA margin	**Amount of bonus awarded**
< 3.63%	0%	**-1.73%**	**0**
3.63% to 3.73%	50% to 100% (calculated proportionately on a straight-line basis)	N/A	**N/A**
> 3.73% to ≥ 3.90%	100% to 150% (calculated proportionately on a straight-line basis)	N/A	**N/A**
Criterion 2 *(quantifiable)* Growth in Elior Group's consolidated revenue based on a constant scope of consolidation compared with the scope of consolidation at October 1, 2019 and at constant exchange rates (organic growth) *Weighting: 30%*			
Organic revenue growth objective	Potential amount of bonus as a % of annual fixed compensation	Actual consolidated revenue	**Amount of bonus awarded**
Revenue < €4,830.9m	0%	**€3,960m**	**0**
Revenue of €4,830.9m to €4,959.3m	0% to 100% (calculated proportionately on a straight-line basis)	N/A	**N/A**
Revenue > €4,959.3m to ≥ €5,073.2m	100% to 150% (calculated proportionately on a straight-line basis)	N/A	**N/A**
Criterion 3 *(quantifiable)* Operating free cash flow (in absolute value terms) *Weighting: 15%*			
Operating free cash flow objective (in absolute value terms)	Potential amount of bonus as a % of annual fixed compensation	Actual operating free cash flow	**Amount of bonus awarded**
< €121.6m	0%	**€(9.2)m**	**0**
€121.6m to €140.9m	50% to 100% (calculated proportionately on a straight-line basis)	N/A	**N/A**
> €140.9m and ≥ €179.5m	100% to 150% (calculated proportionately on a straight-line basis)	N/A	**N/A**
Criterion 4 *(qualitative)* Improvement in the "internal recruitment rate" CSR indicator in 2019-2020 (audited annually) *Weighting: 10%*			
Improvement in the "internal recruitment rate" CSR indicator	Potential amount of bonus as a % of annual fixed compensation	Actual improvement in the internal recruitment rate in 2019-2020	**Amount of bonus awarded**
< 55.5%	0%	**55.0%**	**0**
55.5% to 56.5%	50% to 100% (calculated proportionately on a straight-line basis)	N/A	**N/A**
> 56.5% to ≥ 58.5%	100% to 150% (calculated proportionately on a straight-line basis)	N/A	**N/A**
Criterion 5 *(qualitative)* Improvement in the client retention rate *Weighting: 15%*			
Improvement in the client retention rate	Potential amount of bonus as a % of annual fixed compensation	Actual improvement in the client retention rate in 2019-2020	Amount of bonus awarded
< 92.4%	0%	**91.8%**	**0**

[1] See Section 3.1.6.1 above for the definitions of the key performance indicators specific to compensation.

92.4% to 93.7%	50% to 100% (calculated proportionately on a straight-line basis)	N/A	**N/A**
> 93.7% to ≥ 95%	100% to 150% (calculated proportionately on a straight-line basis)	N/A	**N/A**
Total variable compensation for fiscal 2019-2020: €0, i.e. 0%[1] of Philippe Guillemot's 2019-2020 annual fixed compensation			

(iii) Long-term variable compensation (LTVC) The vesting periods for the performance units awarded to the Chief Executive Officer with respect to his 2018-2019 and 2019-2020 LTVC had not expired at the date of this Universal Registration Document. The vesting period for the performance units awarded to the Chief Executive Officer with respect to his 2017-2018 LTVC expired on December 31, 2020.

- **2019-2020 LTVC**

On December 3, 2019, the Board of Directors allocated Philippe Guillemot long-term variable compensation in the form of the award of 182,239 performance units representing a cash value of €2.36 million for fiscal 2019-2020 and corresponding to an estimated fair value of €1.7 million.

The number of these performance units that will actually vest will be determined based on the achievement of exacting performance criteria at the end of a three-year vesting period running from the date the units were awarded until December 31, 2022. In addition, the performance units will only vest if Philippe Guillemot is still Elior Group's Chief Executive Officer at the end of the vesting period (see Chapter 3, Section 3.1.6.2.2 of the 2018-2019 Universal Registration Document).

At September 30, 2020, the accounting value of Philippe Guillemot's 2019-2020 long-term variable compensation was zero due to the impact of the Covid-19 crisis.

- **2018-2019 LTVC**

On December 3, 2018, the Board of Directors allocated Philippe Guillemot long-term variable compensation in the form of the award of 188,648 performance units representing a cash value of €2.36 million for fiscal 2018-2019 and corresponding to an estimated fair value of €1.82 million.

The number of these performance units that will actually vest will be determined based on the achievement of exacting performance criteria at the end of a three-year vesting period running from the date the units were awarded until December 31, 2021. In addition, the performance units will only vest if Philippe Guillemot is still Elior Group's Chief Executive Officer at the end of the vesting period (see Chapter 3, Section 3.1.6.2.2 of the 2017-2018 Registration Document).

At September 30, 2020, the accounting value of Philippe Guillemot's 2018-2019 long-term variable compensation was zero due to the impact of the Covid-19 crisis.

- **2017-2018 LTVC**

On December 5, 2017, the Board of Directors allocated Philippe Guillemot long-term variable compensation in the form of the award of 119,331 performance units representing a cash value of €2 million for fiscal 2017-2018 and corresponding to an estimated fair value of €1.4 million.

The number of these performance units that actually vested was determined based on the achievement of exacting performance criteria at the end of a vesting period of three years as from their award date, which expired on December 31, 2020. As Philippe Guillemot was still Elior Group's Chief Executive Officer at the end of the vesting period he met the applicable continued presence condition (see Chapter 3, Section 3.1.6.2.2 of the 2016-2017 Registration Document and the table below).

At its meeting on January 8, 2021, based on the recommendations of the Compensation Committee, the Board of Directors decided that Philippe Guillemot's 2017-2018 long-term variable compensation was zero, i.e. 0% of his annual fixed compensation for fiscal 2019-2020.

The calculations of Elior's AEPS growth and TSR performance measured over the fiscal years 2017-2018, 2018-2019 and 2019-2020 are shown in the table below.

[1] Based on Philippe Guillemot's gross annual fixed compensation, i.e. €900,000 for fiscal 2019-2020.

The table below sets out the criteria used for calculating the fiscal 2017-2018 long term variable compensation of Philippe Guillemot, Elior Group's Chief Executive Officer (see Chapter 3, Section 3.1.6.2.2 of the 2016-2017 Registration Document):

Number of 2018 Performance Units vested based on the AEPS growth objective – *60% weighting* (based on fiscal 2017-2018, 2018-2019 and 2019-2020)				
Average annual AEPS growth levels[1]	% of 2018 Performance Units subject to the AEPS growth objective that vest at each level	% of total 2018 Performance Units	Actual level of average annual AEPS growth based on the scope of consolidation at Oct. 1, 2017	**Number of vested 2018 Performance Units**
< 5%	0%	0%	**-231%**	**0**
5% (minimum level)	50%	30%	N/A	**N/A**
> 5% and < 12%	50% to 100% (calculated proportionately on a straight-line basis)	30% to 60% (calculated proportionately on a straight-line basis)	N/A	**N/A**
12% (maximum level) and higher	100%	60%	N/A	**N/A**
Number of 2018 Performance Units vested based on TSR performance[2] – *40% weighting* Of which 50% subject to the Peer Group TSR objective and 50% subject to the Index TSR objective (Elior Group share performance measured based on its TSR from December 31, 2017 through December 31, 2020)				
Peer Group TSR objective – *20% weighting*				
Levels of Elior Group's TSR compared with the Peer Group's TSR	% of 2018 Performance Units subject to the objective that vest at each level	% of total 2018 Performance Units	Actual level of Elior Group's TSR compared with the Peer Group's TSR	**Number of vested 2018 Performance Units**
< 100%	0%	0	**-61.8% vs -34.14%**	**0**
100%	50%	10%	N/A	**N/A**
> 100% and < 120%	50% to 100% (calculated proportionately on a straight-line basis)	10% to 20% (calculated proportionately on a straight-line basis)	N/A	**N/A**
120% and higher (target and maximum levels)	100%	20%	N/A	**N/A**
Index TSR objective – *20% weighting*				
Levels of Elior Group's TSR compared with the Index's TSR	% vested 2018 Performance Units subject to the objective that vest at each level	% of total 2018 Performance Units	Actual level of Elior Group's TSR compared with the Index's TSR	**Number of vested 2018 Performance Units**
< 100%	0%	0	**-61.8% vs -0.78%**	**0**
100%	50%	10%	N/A	**N/A**
> 100% and < 120%	50% to 100% (calculated proportionately on a straight-line basis)	10% to 20% (calculated proportionately on a straight-line basis)	N/A	**N/A**
120% and higher (target and maximum levels)	100%	20%	N/A	**N/A**
Long-term variable compensation for 2017-2018: €0, i.e. 0%[3] of Philippe Guillemot's 2019-2020 annual fixed compensation				

[1] The levels of average annual AEPS growth were set by the Board of Directors on December 5, 2017, based on the recommendation of the Nominations and Compensation Committee.
[2] If Elior Group's TSR was negative, irrespective of the Company's comparative TSR positioning with the Peer Group or the Index, none of the 2018 Performance Units subject to the Peer Group TSR objective would vest.
[3] Based on Philippe Guillemot's gross annual fixed compensation, i.e. €900,000 for fiscal 2019-2020.

(iv) Termination benefit

No termination benefit was paid to Philippe Guillemot during fiscal 2019-2020 (see Section 3.1.6.2.2.4 above for a description of Philippe Guillemot's termination benefit).

(v) Non-compete covenant

No non-compete indemnity was paid to Philippe Guillemot during fiscal 2019-2020 as consideration for his non-compete covenant (see Section 3.1.6.2.2.4. above for a description of Philippe Guillemot's non-compete covenant).

(vi) Exceptional compensation

N/A

(vii) Benefits in kind

Philippe Guillemot had the use of a company car in 2019-2020, as is Group practice for persons with the responsibilities of Chief Executive Officer.

3.1.7.3 Tables summarizing the compensation of the Company's directors and officers for fiscal 2019-2020 based on the AMF template

The tables summarizing the compensation of the Company's officers in fiscal 2019-2020 are set out in Sections 3.1.7.1 and 3.1.7.2 (based on AMF template tables 1 and 2) and 3.1.7.3 (based on AMF template tables 3 to 11) of this Universal Registration Document.

3.1.7.3.1 Compensation received by non-executive directors (*based on AMF template Table 3*)

Directors do not receive any compensation from the Company or any entity consolidated by the Company other than that shown in the tables below.

(In euros) **Non-executive directors**	**Fiscal 2018-2019**		**Fiscal 2019-2020**[1]	
	Amount awarded	*Amount paid*	*Amount awarded*	*Amount paid*
Gilles Cojan				
Directors' remuneration (fixed, variable)	66,000.0	52,000.0	45,400.0	66,000.0
Other compensation[2]	400,000.0	408,333.3	300,000.0	287,500.0
Sofibim, represented by R. Zolade				
Directors' remuneration (fixed, variable)	N/A	18,000.0[3]	26,000.0	N/A
Other compensation	N/A	N/A	N/A	N/A
Gilles Auffret				
Directors' remuneration (fixed, variable)	72,000.0	88,000.0	57,900.0	72,000.0
Other compensation	N/A	N/A	N/A	N/A
Anne Busquet				
Directors' remuneration (fixed, variable)	58,500.0	82,000.0	48,400.0	58,500.0
Other compensation	N/A	N/A	N/A	N/A
Emesa, represented by V. Llopart[4]				
Directors' remuneration (fixed, variable)	54,000.0	39,167.0	40,400.0	54,000.0
Other compensation	N/A	N/A	N/A	N/A
FSP, represented by V. Duperat-Vergne				
Directors' remuneration (fixed, variable)	54,000.0	34,000.0	51,900.0	54,000.0
Other compensation	N/A	N/A	N/A	N/A
Bernard Gault				
Directors' remuneration (fixed, variable)	69,000.0	46,833.0	54,150.0	69,000.0
Other compensation	N/A	N/A	N/A	N/A
Servinvest, represented by S. Javary				
Directors' remuneration (fixed, variable)	48,000.0	45,000.0	35,200.0	48,000.0
Other compensation	N/A	N/A	N/A	N/A
CDPQ, represented by E. Van Damme				
Directors' remuneration (fixed, variable)	58,500.0	61,000.0	26,000.0	58,500.0
Other compensation	N/A	N/A	N/A	N/A
BIM, represented by R. Zolade				
Directors' remuneration (fixed, variable)	69,000.0	79,000.0	22,400.0	69,000.0
Other compensation	N/A	N/A	N/A	N/A
TOTAL	**949,000.0**	**953,333.3**	**707,750.0**	**836,500.0**

[1] As announced in the press release issued on April 16, 2020, in view of the Covid-19 crisis, at its meeting on April 6, 2020, the Board of Directors decided to reduce the remuneration of its members ("directors' remuneration") by 25% for fiscal 2019-2020.
[2] See Section 3.1.7.1 above for a breakdown of the compensation and benefits paid during or awarded for fiscal 2019-2020 to Gilles Cojan, Chairman of the Board of Directors.
[3] Sofibim was a member of the Board of Directors from June 11, 2014 through March 9, 2018.
[4] Represented by Pedro Fontana until September 24, 2019, when he was replaced by Vanessa Llopart.

Breakdown of the remuneration received by the non-executive directors for their directorship duties

(in €) **Non-executive directors**[1]	**Fiscal 2018-2019**		**Fiscal 2019-2020**		
	Fixed portion	*Variable portion*	*Fixed portion*	*Variable portion*	*Total*
Gilles Cojan	N/A	66,000	N/A	45,400	45,400
Sofibim Represented by Robert Zolade	N/A	N/A	N/A	26,000[2]	26,000[2]
Gilles Auffret[3]	4,500	67,500	7,500	50,400	57,900
Anne Busquet[3]	3,000	55,500	N/A	48,400	48,400
Emesa[3] Represented by Vanessa Llopart	N/A	54,000	N/A	40,400	40,400
FSP[3] Represented by Virginie Duperat-Vergne	4,500	49,500	7,500	44,400	51,900
Bernard Gault[3]	3,000	66,000	3,750[2]	50,400	54,150
Servinvest Represented by Sophie Javary	N/A	48,000	N/A	35,200	35,200
CDPQ[3] Represented by Elisabeth Van Damme	3,000	55,500	N/A	26,000[2]	26,000[2]
BIM Represented by Robert Zolade	N/A	69,000	N/A	22,400[2]	22,400[2]
TOTAL	**18,000**	**531,000**	**18,750**	**389,000**	**407,750**[4]

Information on directors' remuneration

In accordance with Article 20.1 of the AFEP-MEDEF Code, the variable portion of directors' remuneration based on their actual attendance at Board or Committee meetings has a greater weighting than the fixed portion.

Remuneration paid to independent directors

Each independent director receives an annual fixed amount of €7,500 if they chair a Board committee.

In addition to this fixed amount, they receive variable remuneration for each Board or Committee meeting they attend (€2,200 per Board meeting and €1,000 per meeting of the Audit Committee, Nominations and Compensation Committee[5], Nominations Committee, Compensation Committee or Strategy, Investments and CSR Committee).

Remuneration paid to non-independent directors

Each non-independent director receives variable remuneration for each Board or Committee meeting they attend (€2,200 per Board meeting and €1,000 per meeting of the Audit Committee, Nominations and Compensation Committee, Nominations Committee, Compensation Committee or Strategy, Investments and CSR Committee).

No fixed amount of directors' remuneration was paid to non-independent directors for the fiscal year ended September 30, 2020.

The amounts presented in the table above are stated gross, before taxes withheld at source.

- **Fiscal 2019-2020**

The amount of directors' remuneration due for fiscal 2019-2020 and its actual allocation was decided by the Board of Directors at its meeting on November 24, 2020.

[1] i.e., not including Philippe Guillemot, Chief Executive Officer and a director of the Company, whose directors' remuneration amounted to €51,000 (variable portion only) in 2018-2019 and €37,400 (variable portion only) in 2019-2020.
[2] Amounts calculated proportionately based on the duration of the directors' terms of office during the fiscal year.
[3] Independent director.
[4] As announced in the press release issued on April 16, 2020, in view of the Covid-19 crisis, on April 6, 2020 the Board of Directors decided to reduce the directors' remuneration payable to its members by 25% for fiscal 2019-2020.
[5] On March 20, 2020, the Board of Directors decided to split the Nominations and Compensation Committee into two committees: the Nominations Committee and the Compensation Committee.

- **Fiscal 2018/2019**

The amount of directors' remuneration due for fiscal 2018-2019 and its actual allocation were decided by the Board of Directors at its meeting on December 3, 2019 (see Chapter 3, Section 3.1.6.4.1 of the 2018-2019 Universal Registration Document).

3.1.7.3.2 Stock options granted by the Company and any other Group entity during the fiscal year to each Company officer *(based on AMF template Table 4)*

N/A

3.1.7.3.3 Stock options exercised during the fiscal year by each Company officer *(based on AMF template Table 5)*

N/A

3.1.7.3.4 Performance shares granted by the Company and any other Group entity during the fiscal year to each Company officer *(based on AMF template Table 6)*

N/A

3.1.7.3.5 Performance shares that became available during the fiscal year for each Company officer *(based on AMF template Table 7)*

N/A

3.1.7.3.6 Historical information on stock option grants *(based on AMF template Table 8)*

	2016/1 Plan	2016/2 Plan
Date of Shareholders' Meeting authorizing stock option grants	March 11, 2016	March 11, 2016
Date of Board of Directors' decision to grant the stock options	March 11, 2016	Oct. 27, 2016
Total number of shares under option	843,243	814,695
Stock options granted to Company officers:		
Gilles Cojan *Chairman of the Board of Directors*	N/A	N/A
Philippe Guillemot *Chief Executive Officer*	N/A	N/A
Stock options granted to other directors	N/A	N/A
Start date of exercise period	March 11, 2020	Oct. 27, 2020
Expiration date	March 11, 2024	Oct. 27, 2024
Vesting date	March 11, 2020	Oct. 27, 2020
End of lock-up period	March 11, 2020	Oct. 27, 2020

Exercise price[1]	€16.30	€18.29
Exercise terms and conditions	N/A	N/A
Performance and presence conditions	*See paragraph below*	*See paragraph below*
Number of options exercised in fiscal 2019-2020	0	0
Total number of options exercised since the grant date	0	0
Number of vested options at December 31, 2020	0	0
Cumulative number of options canceled or forfeited	843,243	814,695
Number of options outstanding at December 31, 2020	0	0
Financial performance achievement rate	0[2]	0[3]

Description of Elior Group stock options plans set up in 2016

At the Annual General Meeting held on March 11, 2016, the Company's shareholders authorized the Board of Directors to grant, on one or more occasions, to employees and/or officers of the Company and/or of related entities within the meaning of Article L. 225-180 of the French Commercial Code (other than Elior Group's Chairman and Chief Executive Officer), stock options exercisable for (i) new shares of the Company, or (ii) existing shares bought back by the Company under the conditions provided for by law. The shareholders resolved that:

- The total number of shares allocated on exercise of the options could not represent more than 2.2% of the Company's capital at the option grant date.
- The exercise price of any options exercised for new shares could not be lower than 90% of the average of the prices quoted for the Elior Group share over the twenty trading days preceding the option grant date.
- The exercise of the stock options had to be subject to the achievement of quantifiable performance conditions set by the Board of Directors and the options will only vest if the beneficiary is still a member of the Group on the vesting date.

2016/1 Plan (March 11, 2016)

On March 11, 2016, the Board used the above shareholder authorization in order to set up two new Elior Group stock option plans for members of the Executive Committee, Management Committee and Leaders Committee and the Regional Directors, apart from the Company's Chairman and Chief Executive Officer at that date. The main characteristics of these plans are described below and set out in Table 8 above.

The vesting of the stock options and the final number received by each beneficiary are contingent on (i) the beneficiary still forming part of the Group at the end of the four-year vesting period, and (ii) the achievement of performance conditions based on the following:

- For beneficiaries who are Executive Committee or Management Committee members: EBITA margin (70% weighting) and the organic revenue growth rate (30% weighting), both assessed as at September 30, 2017.
- For beneficiaries who are members of the Leaders Committee and the Regional Directors: EPS growth as reported between the option grant date and September 30, 2017.

[1] The option exercise price incorporates a 10% discount on the average of the prices quoted for the Elior Group share over the twenty trading days preceding the option grant date.
[2] Rate calculated by dividing (a) the total number of options that will vest based on the achievement of the applicable financial performance conditions (0) by (b) the total number of options granted (843,243).
[3] Rate calculated by dividing (a) the total number of options that will vest based on the achievement of the applicable financial performance conditions (0) by (b) the total number of options granted (814,695).

2016/2 Plan (October 27, 2016)

On October 27, 2016, the Board used the shareholder authorization given at the March 11, 2016 Annual General Meeting in order to set up two new Elior Group stock option plans for members of the Executive Committee, Management Committee and Leaders Committee and the Regional Directors, apart from the Company's Chairman and Chief Executive Officer at that date. The main characteristics of these plans are described below and set out in Table 8 above.

The vesting of the stock options and the final number received by each beneficiary are contingent on (i) the beneficiary still forming part of the Group at the end of the four-year vesting period, and (ii) the achievement of performance conditions based on the following:

- For beneficiaries who are Executive Committee or Management Committee members: EBITA margin (70% weighting) and the organic revenue growth rate (30% weighting), both assessed as at September 30, 2018.
- For beneficiaries who are members of the Leaders Committee and the Regional Directors: EPS growth as reported between the option grant date and September 30, 2018.

The authorization given at the March 11, 2016 Annual General Meeting concerning stock option grants was valid for a period of 38 months and expired on May 11, 2019.

* * *

Description of Elior Group 2021 stock option plans

As it is highly probable that none of the shares under the 2018, 2019 and 2020 long-term free share plans will vest due to the impact of the Covid-19 crisis (apart from those only subject to a continued presence condition under the 2020 plan), the Board of Directors considered that it would be in the best interests of the Company and its shareholders to set up new long-term instruments aimed at incentivizing its executives and encouraging long-term over-performance for the Elior Group share price.

Consequently, at Elior Group's next Annual General Meeting on February 26, 2021, the shareholders will be asked to authorize the Board of Directors to grant, on one or more occasions, stock options (to beneficiaries other than the Company's Chief Executive Officer), exercisable for new or existing shares of the Company, in accordance with the laws and regulations applicable at the grant date of the options, notably Articles L. 225-129 *et seq.*, L. 22-10-56 to L. 22-10-58, and L. 225-177 to L. 225-186 of the French Commercial Code.

The total number of new or existing shares that may be purchased on exercise of the options may not represent more than 4% of the Company's capital at the grant date. The exercise of the options will be subject to a continued presence condition and an exacting performance condition based on the Elior Group share price. These two conditions will be assessed over three- or four-year periods depending on the plan concerned. The quantifiable performance conditions will be set by the Board of Directors and will be measured by reference to growth in the Company's share price, as follows:

a) For the options subject to the three-year measurement period (which may be exercisable for a maximum of 2.5% of the Company's share capital as at the option grant date): these options will be subject to a vesting condition whereby growth in the Elior Group share price must be at least 25% as measured based on the difference between the weighted average of the prices quoted (i) over the twenty trading days following the publication of Elior Group's results for the year ending September 30, 2023, and (ii) over the twenty trading days following the February 26, 2021 Annual General Meeting.

b) For the options subject to the four-year measurement period (which may be exercisable for a maximum of 1.5% of the Company's share capital as at the option grant date): these options will be subject to a vesting condition whereby growth in the Elior Group share price must be at least 50% as measured based on the difference between the weighted average of the prices quoted (i) over the twenty trading days following the publication of Elior Group's results for the year ending September 30, 2024, and (ii) over the twenty trading days following the February 26, 2021 Annual General Meeting.

The purchase or subscription price for the Company's shares on exercise of the stock options under each of the plans will be set by the Board of Directors on the option grant date in accordance with the applicable regulations. This price may not be less than the higher of (i) the average of the prices quoted for the Elior Group share on Euronext Paris over the twenty trading days preceding the option grant date and (ii) the weighted average of the closing prices quoted for the Elior Group share on Euronext Paris over the twenty trading days following February 26, 2021 (a) plus 25% for the options subject to a three-year performance condition and (b) plus 50% for the options subject to a four-year performance condition.

If given by the shareholders in this resolution, the authorization to grant stock options would be valid until June 30, 2021.

3.1.7.3.7 Historical information on performance share grants *(based on AMF template Table 10)*

a) Elior Group performance share plans set up in 2016 and 2017

	2016/3 Plan	2016/4 Plan	2017/1 Plan
Date of Shareholders' Meeting authorizing performance share grants	March 11, 2016	March 11, 2016	March 11, 2016
Date of Board of Directors' decision to grant the performance shares	March 11, 2016	Oct. 27, 2016	Dec. 5, 2017
Total number of shares granted	148,941	249,017	213,044
O/w granted to Company officers:			
Gilles Cojan *Chairman of the Board of Directors*	N/A	N/A	N/A
Philippe Guillemot *Chief Executive Officer*	N/A	N/A	N/A
O/w granted to other directors	N/A	N/A	N/A
Vesting date	March 11, 2020	Oct. 27, 2020	Dec. 5, 2019
End of lock-up period	March 11, 2020	Oct. 27, 2020	Dec. 5, 2019
Performance and presence conditions	*See paragraph below*	*See paragraph below*	*See paragraph below*
Number of vested performance shares at December 31, 2020	47,905	32,063[1]	42,243[2]
Cumulative number of canceled or forfeited performance shares	101,036	216,954	170,801
Number of unvested performance shares at December 31, 2020	0	0	0
Financial performance achievement rate	32.16%[3]	12.88%[4]	19.82%[5]

[1] Including 32,063 performance shares granted to members of the Executive and Management Committees and 0 performance shares granted to members of the Leaders Committee and Regional Directors for the 2016/4 plan.
[2] Including 15,843 performance shares granted to members of the Executive and Management Committees and 26,400 performance shares granted to members of the Leaders Committee and Regional Directors for the 2017/1 Plan.
[3] Rate calculated by dividing (a) the total number of shares that will vest based on the achievement of the applicable financial performance conditions (47,905) by (b) the total number of shares granted (148,941).
[4] Rate calculated by dividing (a) the total number of shares that will vest based on the achievement of the applicable financial performance conditions (32,063) by (b) the total number of shares granted (249,017).
[5] Rate calculated by dividing (a) the total number of shares that will vest based on the achievement of the applicable financial performance conditions (42,243) by (b) the total number of shares granted (213,044).

Description of Elior Group performance share plans set up in 2016 and 2017

At the Annual General Meeting held on March 11, 2016, the Company's shareholders authorized the Board of Directors to grant, free of consideration and on one or more occasions, new or existing shares of the Company, in accordance with the laws and regulations in force at the grant date (notably Article L. 225-129 *et seq.* and Article L. 225-197-1 *et seq.* of the French Commercial Code) to employees and/or officers of the Company and/or of related entities within the meaning of Article L. 225-180 of the French Commercial Code (other than Elior Group's Chairman and Chief Executive Officer at that date). The shareholders resolved that:

- The total number of shares granted could not represent more than 0.3% of the Company's capital at the grant date.
- The vesting of the shares granted had to be subject to (i) the achievement of quantifiable performance conditions set by the Board of Directors and (ii) the beneficiary still being a member of the Group at the vesting date.

2016/3 Plan (March 11, 2016)

On March 11, 2016, the Board used the above shareholder authorization to set up an Elior Group performance share plan for members of the Executive Committee and Management Committee, apart from the Company's Chairman and Chief Executive Officer at that date.

The vesting of the performance shares and the final number received by each beneficiary are contingent on (i) the beneficiary still forming part of the Group at the end of the four-year vesting period, and (ii) the achievement of performance conditions based on EBITA margin (70% weighting) and the organic revenue growth rate (30% weighting), both assessed as at September 30, 2017.

2016/4 Plan (October 27, 2016)

On October 27, 2016, the Board used the shareholder authorization given at the March 11, 2016 Annual General Meeting to set up a further Elior Group performance share plan for members of the Executive Committee, Management Committee and Leaders Committee and the Regional Directors, apart from the Company's Chairman and Chief Executive Officer at that date.

The vesting of the performance shares and the final number received by each beneficiary are contingent on (i) the beneficiary still forming part of the Group at the end of the four-year vesting period, and (ii) the achievement of performance conditions based on the following:

- For beneficiaries who are members of the Executive Committee and Management Committee: EBITA margin (70% weighting) and the organic revenue growth rate (30% weighting), both assessed as at September 30, 2018.
- For beneficiaries who are members of the Leaders Committee and the Regional Directors: AEPS growth at September 30, 2018.

2017/1 Plan (December 5, 2017)

On December 5, 2017, the Board of Directors used the authorization given at the March 11, 2016 Annual General Meeting to set up an Elior Group performance share plan for members of the Executive Committee, Management Committee and Leaders Committee and the Regional Directors, apart from the Chairman of the Board, the Chief Executive Officer and the Deputy Chief Executive Officer.

The vesting of the performance shares and the final number received by each beneficiary are contingent on (i) the beneficiary still forming part of the Group at the end of a two-year vesting period and (ii) the achievement of performance conditions based on generation of operating cash flow, assessed by reference to the consolidated financial statements for the year ended September 30, 2018.

b)Elior Group performance share plans set up in 2018

	2018/1 Plan	2018/2 Plan	2018/3 Plan	2018/4 Plan	2018/5 Plan
Date of Shareholders' Meeting authorizing performance share grants	March 9, 2018	March 9, 2018	March 9, 2018	March 9, 2018	March 9, 2018
Date of Board of Directors' decision to grant the performance shares	June 15, 2018	June 15, 2018	June 15, 2018	June 15, 2018	June 15, 2018
Total number of shares granted	549,655	620,427	119,280	126,078	122,440
O/w granted to Company officers:					
Gilles Cojan *Chairman of the Board of Directors*	N/A	N/A	N/A	N/A	N/A
Philippe Guillemot *Chief Executive Officer*	N/A	N/A	N/A	N/A	N/A
O/w granted to other directors	N/A	N/A	N/A	N/A	N/A
Vesting date	June 15, 2021	June 15, 2021	June 15, 2021	June 15, 2021	June 15, 2021
End of lock-up period	June 15, 2021	June 15, 2021	June 15, 2021	June 15, 2021	June 15, 2021
Performance and presence conditions	*See paragraph below*	*See paragraph below*	*See paragraph below*	*See paragraph below*	*See paragraph below*
Number of vested performance shares at December 31, 2020	0	0	0	0	0
Cumulative number of canceled or forfeited performance shares	549,655	620,427	119,280	126,078	122,440
Number of unvested performance shares at December 31, 2020	0	0	0	0	0
Financial performance achievement rate[1]	0	0	0	0	0

Description of Elior Group performance share plans set up in 2018

At the Annual General Meeting held on March 9, 2018, the Company's shareholders authorized the Board of Directors to grant, free of consideration and on one or more occasions, new or existing shares of the Company ("performance shares"), in accordance with the laws and regulations in force at the grant date (notably Article L. 225-129 *et seq.* and Article L. 225-197-1 *et seq.* of the French Commercial Code). The shareholders resolved that:

- The total number of shares granted could not represent more than 1.2% of the Company's capital at the grant date.
- The vesting of the shares granted had to be subject to (i) the achievement of quantifiable performance conditions set by the Board of Directors and (ii) the beneficiary still being a member of the Group at the vesting date.

On June 15, 2018, the Board used the shareholder authorization given at the March 9, 2018 Annual General Meeting to set up an Elior Group performance share plan for:

- The following categories of employees in the Elior group: (i) Global Executives 1 and 2 and Top Executives 1 and (ii) Top Executives 2 – Senior Executives 1 and 2 who are members of the Leaders Committee.
- The following categories of Elior North America employees: (i) Top Executives 1 and (ii) Top Executives 2 and Senior Executives 1 who are members of the Leaders Committee.
- Elior North America's CEO

The vesting of the performance shares and the final number received by each beneficiary are contingent on (i) the beneficiary still forming part of the Group at the end

[1] The financial performance achievement rate corresponds to (a) the number of shares that vested based on the achievement of the financial performance conditions (0) divided by (b) the total number of shares granted.

of the three-year vesting period, and (ii) the achievement of performance conditions based on the criteria set out below[1]:

(i) *Concerning the plans for employees of the Elior group:*

- **2018/1 Plan**: For Global Executives 1 and 2 and Top Executives 1, the applicable performance conditions are based on:

- AEPS growth[2] (70% weighting).

- Elior Group's TSR performance (30% weighting). Half of the shares subject to this criterion will vest based on Elior Group's TSR performance compared with the Peer Group's TSR performance and the other half will vest based on Elior Group's TSR performance compared with the Index's TSR.

- **2018/2 Plan**: For Top Executives 2, Senior Executives 1 and 2 who are members of the Leaders Committee, all of the performance shares are subject to the AEPS growth objective.

(ii) *Concerning the plans for Elior North America employees*

- **2018/3 Plan**: For Top Executives 1, the applicable performance conditions are based on:

- CAGR (70% weighting).

- Elior Group's TSR performance (30% weighting). Half of the shares subject to this criterion will vest based on Elior Group's TSR performance compared with the Peer Group's TSR performance and the other half will vest based on Elior Group's TSR performance compared with the Index's TSR.

- **2018/4 Plan**: For Top Executives 2 and Senior Executives 1, all of the performance shares are subject to the CAGR objective.

- **2018/5 Plan**: For Elior North America's CEO:

For the performance shares, the vesting conditions are based on:

- The CAGR objective (50% weighting).

- The AEPS growth objective (28% weighting).

- Elior Group's TSR performance (22% weighting). Half of the shares subject to this criterion will vest based on Elior Group's TSR performance compared with the Peer Group's TSR performance and the other half will vest based on Elior Group's TSR performance compared with the Index's TSR.

For the over-performance and top-performance shares, the performance criteria are based on:

- The CAGR objective (70% weighting).

- Elior Group's TSR performance (30% weighting). Half of the shares subject to this criterion will vest based on Elior Group's TSR performance compared with the Peer Group's TSR performance and the other half will vest based on Elior Group's TSR performance compared with the Index's TSR.

[1] See Section 3.1.6.1 above for the definitions of the key performance indicators.

c) Elior Group performance share plans set up in 2019

	2019/1 Plan	2019/2 Plan	2019/3 Plan	2019/4 Plan
Date of Shareholders' Meeting authorizing performance share grants	March 22, 2019	March 22, 2019	March 22, 2019	March 22, 2019
Date of Board of Directors' decision to grant the performance shares	July 24, 2019	July 24, 2019	July 24, 2019	July 24, 2019
Total number of shares granted	500,722	586,388	122,653	344,209
O/w granted to Company officers				
Gilles Cojan *Chairman of the Board of Directors*	N/A	N/A	N/A	N/A
Philippe Guillemot *Chief Executive Officer*	N/A	N/A	N/A	N/A
O/w granted to other directors	N/A	N/A	N/A	N/A
Vesting date	July 24, 2022	July 24, 2022	July 24, 2022	July 24, 2022
End of lock-up period	July 24, 2022	July 24, 2022	July 24, 2022	July 24, 2022
Performance and presence conditions	*See paragraph below*	*See paragraph below*	*See paragraph below*	*See paragraph below*
Number of vested performance shares at December 31, 2020[1]	0	0	0	0
Cumulative number of canceled or forfeited performance shares	30,380	26,244	0	0
Number of unvested performance shares at December 31, 2020	470,342	560,144	122,653	344,209
Financial performance achievement rate[2]	N/A	N/A	N/A	N/A

[1] The number of vested shares will be determined based on achievement of performance conditions as assessed (i) by reference to the consolidated financial statements for the year ending September 30, 2021, and (ii) at December 31, 2021 for the TSR criterion.
[2] The financial performance achievement rate will be determined when the financial performance vesting conditions are assessed (i.e. after December 31, 2021).

Description of Elior Group performance share plans set up in 2019

At the Annual General Meeting held on March 22, 2019, the Company's shareholders authorized the Board of Directors to grant, free of consideration and on one or more occasions, new or existing shares of the Company ("performance shares"), in accordance with the laws and regulations in force at the grant date (notably Article L. 225-129 *et seq.* and Article L. 225-197-1 *et seq.* of the French Commercial Code). The shareholders resolved that:

- The total number of shares granted could not represent more than 2.7% of the Company's capital at the grant date and more than 1% per year.
- The vesting of the shares granted had to be subject to (i) the achievement of quantifiable performance conditions set by the Board of Directors and (ii) the beneficiary still being a member of the Group at the vesting date.

On July 24, 2019, the Board used the shareholder authorization given at the March 22, 2019 Annual General Meeting to set up an Elior Group performance share plan for:

- The following categories of employees in the Elior group: members of the Executive, Management and Leaders Committees.
- The following categories of Elior North America employees: members of the Executive, Management and Leaders Committees.

The vesting of the performance shares and the final number received by each beneficiary are contingent on (i) the beneficiary still forming part of the Group at the end of the three-year vesting period, and (ii) the achievement of performance conditions, assessed over a three-year period and based on the criteria set out below[1]:

(i) *Concerning the plans for employees of the Elior group:*

- For members of the Executive and Management Committees, the applicable performance conditions are based on:
  - AEPS growth (50% weighting).
  - The level of operating free cash flow (30% weighting).
  - Elior Group's TSR performance (20% weighting). Half of the shares subject to this criterion will vest based on Elior Group's TSR performance compared with the Peer Group's TSR performance and the other half will vest based on Elior Group's TSR performance compared with the Index's TSR.
- For members of the Leaders Committee and other beneficiaries, the applicable performance conditions are based on:
  - The AEPS growth objective (70% weighting).
  - The level of operating free cash flow (30% weighting).

(ii) *Concerning the plans for Elior North America employees:*

- For members of the Executive and Management Committees, the applicable performance conditions are based on:
  - The CAGR objective (50% weighting).
  - The level of operating free cash flow (30% weighting).
  - Elior Group's TSR performance (20% weighting). Half of the shares subject to this criterion will vest based on Elior Group's TSR performance compared with the Peer Group's TSR performance and the other half will vest based on Elior Group's TSR performance compared with the Index's TSR.
- For members of the Leaders Committee and other beneficiaries, the applicable performance conditions are based on:
  - CAGR (70% weighting).
  - The level of operating free cash flow (30% weighting).

[1] See Section 3.1.6.1 above for the definitions of the key performance indicators.

d)Elior Group performance share plans set up in 2020

	2020/1 Plan	2020/2 Plan
Date of Shareholders' Meeting authorizing performance share grants	March 22, 2019	March 22, 2019
Date of Board of Directors' decision to grant the performance shares	March 20, 2020	March 20, 2020
Total number of shares granted	608,969	1,132,283
O/w granted to Company officers		
Gilles Cojan *Chairman of the Board of Directors*	N/A	N/A
Philippe Guillemot *Chief Executive Officer*	N/A	N/A
O/w granted to other directors	N/A	N/A
Vesting date	March 20, 2023	March 20, 2023
End of lock-up period	March 20, 2023 or March 20, 2025[1]	March 20, 2023 or March 20, 2025[1]
Performance and presence conditions	*See paragraph below*	*See paragraph below*
Number of vested performance shares at December 31, 2020[2]	0	0
Cumulative number of canceled or forfeited performance shares	0	0
Number of unvested performance shares at December 31, 2020	608,969	1,132,283
Financial performance achievement rate[3]	N/A	N/A

Description of Elior Group performance share plans set up in 2020

At the Annual General Meeting held on March 22, 2019, the Company's shareholders authorized the Board of Directors to grant, free of consideration and on one or more occasions, new or existing shares of the Company ("performance shares"), in accordance with the laws and regulations in force at the grant date (notably Article L.225-129 *et seq.* and Article L. 225-197-1 *et seq.* of the French Commercial Code). The shareholders resolved that:

- The total number of shares granted could not represent more than 2.7% of the Company's capital at the grant date and more than 1% per year.
- The vesting of the shares granted had to be subject to (i) the achievement of quantifiable performance conditions set by the Board of Directors and (ii) the beneficiary still being a member of the Group at the vesting date.

On March 20, 2020, the Board used the shareholder authorization given at the March 22, 2019 Annual General Meeting to set up an Elior Group performance share plan for employees of the Elior group who are members of (i)the Executive and Management Committees and (ii) the Leaders Committee.

The vesting of the performance shares and the final number received by each beneficiary are contingent on[4]:

(i) the beneficiary still forming part of the Group at the end of the three-year vesting period (30% weighting);

[1] The end of the lock-up period for the performance shares is March 20, 2023 and the end of the lock-up period for the over-performance shares is March 20, 2025.
[2] The number of vested shares will be determined based on the achievement of performance conditions as assessed (i) by reference to the consolidated financial statements for the year ending September 30, 2022, and (ii) at December 31, 2022 for the TSR criterion.
[3] The financial performance achievement rate will be determined when the financial performance vesting conditions are assessed (i.e. after December 31, 2022).
[4] See Section 3.1.6.1 above for the definitions of AEPS and TSR.

(ii) the achievement of performance conditions, assessed over a three-year period (70% weighting); and

(iii) the achievement of over-performance conditions, assessed over a three-year period (30% weighting).

The performance and over-performance conditions are based on the following criteria:

- For members of the Executive and Management Committees:
  - The performance conditions are based on:
    - The AEPS growth objective (71% weighting).
    - Elior Group's TSR performance (29% weighting). Half of the shares subject to this criterion will vest based on Elior Group's TSR performance compared with the Peer Group's TSR performance and the other half will vest based on Elior Group's TSR performance compared with the Index's TSR.
  - The over-performance conditions are based on:
    - The AEPS growth objective (71% weighting).
    - Elior Group's TSR performance (29% weighting). Half of the shares subject to this criterion will vest based on Elior Group's TSR performance compared with the Peer Group's TSR performance and the other half will vest based on Elior Group's TSR performance compared with the Index's TSR.
- For members of the Leaders Committee:
  - The performance conditions will be based on the AEPS objective (100% of the performance shares)
  - The over-performance conditions will be based on the AEPS objective (100% of the over-performance shares)

The over-performance shares will be subject to a five-year lock-up period as from the grant date.

* * *

Description of the Elior Group 2021 free share plans

As it is highly probable that none of the shares under the 2018, 2019 and 2020 long-term free share plans will vest due to the impact of the Covid-19 crisis (apart from those only subject to a continued presence condition under the 2020 plan), the Board of Directors considered that it would be in the best interests of the Company and its shareholders to set up new long-term instruments aimed at incentivizing its executives and encouraging long-term over-performance for the Elior Group share price.

Consequently, at Elior Group's next Annual General Meeting on February 26, 2021, the shareholders will be asked to authorize the Board of Directors to grant, on one or more occasions (to beneficiaries other than the Chief Company's Chief Executive Officer), new or existing shares of the Company, free of consideration, in accordance with the laws and regulations applicable at the grant date of the shares, notably Articles L. 225-129 *et seq.* and Articles L. 225 197 1 *et seq.* of the French Commercial Code.

The total number of new or existing shares that could be granted would not be able to represent more than 2.6% of the Company's capital at the grant date. The vesting of the free shares and the final number received by each beneficiary would be subject to a continued presence condition and/or exacting performance conditions set by the Board of Directors on the recommendation of the Compensation Committee. All of these conditions would be measured over a three-year period.

The performance conditions for the 2021 plan will correspond to the following:

- AEPS growth and, for the members of the Management Committee, Elior Group's TSR performance compared with the TSR performance of (i) the Next 20 Index and (ii) a peer group.
- The improvement of the following three CSR criteria, audited annually (the "CSR Criteria"):

  - the accident frequency rate;
  - the proportion of women on the Leaders Committee; and
  - the Group's carbon footprint.

If the shareholders grant this authorization it will be valid for a period of 24 months as from the February 26, 2021 Annual General Meeting.

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3.1.7.3.8 Stock options granted to and exercised by the ten employees other than Company officers who received the greatest number of options

Stock options granted to and exercised by the ten employees other than Company officers who received the greatest number of options	Total number of options granted/ exercised	Weighted average exercise price	2016/1 Plan	2016/2 Plan
Options granted during the year by the Company or any other qualifying Group entity to the ten employees of the Company and any other qualifying Group entity who received the greatest number of options (aggregate information)	N/A	N/A	N/A	N/A
Options granted by the Company or any other qualifying Group entity that were exercised during the year by the ten employees of the Company and any other qualifying Group entity who exercised the greatest number of options (aggregate information)	N/A	N/A	N/A	N/A

3.1.7.3.9 Table summarizing the multi-annual variable compensation of each Company officer (*based on AMF template Table 10*)

Company officer	Fiscal 2018-2019	Fiscal 2019-2020
Gilles Cojan *Chairman of the Board of Directors*	N/A	
Philippe Guillemot *Chief Executive Officer*	*See Section 3.1.7.2 b) iii above.*	

3.1.7.3.10 Table summarizing the employment contracts and commitments given to Company officers *(based on AMF template Table 11)*

Company officer	Employment contract		Supplementary pension plan		Compensation for loss of office or change in duties		Non-compete indemnity	
	Yes	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
Gilles Cojan *Chairman of the Board of Directors*		X		X		X		X
Philippe Guillemot *Chief Executive Officer*		X		X	X[1]		X[1]	

See Section 3.1.6.2.2 above.

3.1.7.3.11 Table comparing Company officers' compensation with Group employees' compensation

This table is disclosed in accordance with Article L. 22-10-9 I, paragraphs 6 and 7 of the French Commercial Code. The scope of disclosure covers the Group's companies in France, encompassing the employees of the Contract Catering and Services businesses as well as the Corporate teams, including Elior Group SA.

Gilles Cojan *Chairman of the Board of Directors*	2019-2020	2018-2019	2017-2018
Average	13.62	18.93	19.27
Median	16.02	22.38	22.82

Philippe Guillemot[1] *Chief Executive Officer*	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
Average	104.52	156.52	115.42	145.36	179.35
Median	122.95	185.04	136.68	172.57	213.77

The above ratios were calculated based on fixed and variable compensation due during the above-mentioned fiscal years and long-term compensation awarded during those years and measured at the award date.

The method applied calculated the compensation concerned based on the periods in which the relevant persons actually formed part of the Group, on a full-time equivalent basis, which corresponds to a full year of annual compensation.

Explanations for year-on-year changes in the ratios:

- 2019-2020: full year of (i) Philippe Guillemot's office as Chief Executive Officer and (ii) Gilles Cojan's office as Chairman of the Board of Directors.
- 2018-2019: full year of (i) Philippe Guillemot's office as Chief Executive Officer and (ii) Gilles Cojan's office as Chairman of the Board of Directors.
- 2017-2018: cumulative compensation, calculated based on the respective durations of the offices of Philippe Salle as Chairman and Chief Executive Officer, Philippe Guillemot as Chief Executive Officer, and Gilles Cojan as Chairman of the Board of Directors.
- 2015-2016 and 2016-2017: Philippe Salle was Chairman and Chief Executive Officer for the entire duration of these two fiscal years.
- 2014-2015: cumulative compensation, calculated based on the respective durations of the offices of Philippe Salle as Chairman and Chief Executive Officer, and Gilles Petit as Chief Executive Officer.

In view of the Covid-19 crisis and its direct impact on long-term compensation instruments, the same ratios incorporating a zero value for previous long-term compensation plans would be as follows:

Philippe Guillemot *Chief Executive Officer*	2019-2020	2018-2019	2017-2018
Average	35.29	82.56	55.52
Median	41.51	97.61	65.74

3.1.7.4 Summary table of transactions in the Company's financial instruments carried out by members of the Board of Directors from October 1, 2019 through November 30, 2020 *(disclosed in accordance with Article 223-26 of the AMF's General Regulations)*

Name	Position	Financial instrument	Transaction type	Transaction date	Gross unit price	Number of securities	Total gross amount (in €)
B. Gault	Director	Shares	Purchase	Dec. 6, 2019	12.80	3,000	38,400.0
FSP	Director	Shares	Purchase	Dec. 18, 2019	13.23	65,000	860,561.0
FSP	Director	Shares	Purchase	Dec. 19, 2019	13.21	50,000	660,595.0
BIM	Director	Shares	Sale	Dec. 20, 2019	13.15	540,389	7,107,115.89
FSP	Director	Shares	Purchase	Dec. 20, 2019	13.09	44,547	583,241.0
BIM	Director	Shares	Sale	Dec. 24, 2019	13.10	42,091	551,546.63
BIM	Director	Shares	Sale	Dec. 31, 2019	13.12	169,754	2,227,878.59
BIM	Director	Shares	Sale	Jan. 2, 2020	13.15	26,519	348,743.41
BIM	Director	Shares	Sale	Jan. 23, 2020	13.21	250,000	3,303,182.45
BIM	Entity closely related to Sofibim, director	Shares	Pledge[1]	April 6, 2020	6.13	6,675,434	40,953,787.59
				April 7, 2020	6.04	6,595,322	39,835,744.88
BIM	Entity closely related to Sofibim, director	Shares	Pledge[2]	April 14, 2020	6.40	5,957,220	38,126,208
BIM	Entity closely related to Sofibim, director	Shares	Pledge[3]	May 28, 2020	5.83	5,851,262	34,112,857.46
BIM	Entity closely related to Sofibim, director	Shares	Pledge[4]	June 4, 2020	6.95	5,411,646	37,610,939.70
				June 5, 2020	6.95	5,199,350	36,135,482.50
G. Cojan	Director	Shares	Purchase	June 30, 2020	5.04	38,000	191,820.2
G. Cojan	Director	Shares	Purchase	July 1, 2020	4.94	100,000	494,810.0
G. Auffret	Director	Shares	Purchase	July 1, 2020	4.87	5,000	24,385.0
BIM	Entity closely related to Sofibim, director	Shares	Pledge[5]	Nov. 13, 2020	5.12	5,199,350	26,646,668.75

[1] Reduction of the pledge following the buyback by BIM on April 6 and 7, 2020 of 87,000 bonds issued by BIM exchangeable for Elior Group shares.
[2] Reduction of the pledge following the buyback by BIM on April 14, 2020 of 318,605 bonds issued by BIM exchangeable for Elior Group shares.
[3] Reduction of the pledge following the buyback by BIM on May 28, 2020 of 52,905 bonds issued by BIM exchangeable for Elior Group shares.
[4] Reduction of the pledge following the buybacks by BIM on June 4 and 5, 2020 of 325,500 bonds issued by BIM exchangeable for Elior Group shares.
[5] Release of the pledge following BIM's redemption at maturity, on November 13, 2020, of the 2,596,041 bonds issued by BIM exchangeable for outstanding Elior Group shares.

3.2 RISK MANAGEMENT

At the date this Universal Registration Document was filed, the major risks/risk factors described below are those that the Group considers could potentially happen based on their probability of occurrence and which could significantly impact its operations, financial position or image, or could affect its ability to achieve its objectives. The Group could also be exposed to other risks that are not described in this document as they are not considered significant or have not yet arisen.

As is the case each year, in 2019-2020, the Group carried out a risk review and analysis process, following which an even tighter control framework was put in place. The Group's Executive Management team has set up a risk governance system that consists of appointing one or more Executive Committee members as "Group Risk Leader(s)" for each major risk. For each identified risk, a paragraph setting out the specific nature of the risk exposure and a risk description is provided. Each risk is managed based on key tasks and controls that are applied to prevent the risk from occurring or to reduce its potential impact. Examples of these measures are given for each risk in the paragraph entitled "Examples of risk controls". The Risk Leader ensures that the applicable control environment is relayed throughout the Group, and as part of its on-site audits, the internal audit team carries out sample testing to ensure that the controls are being properly communicated and applied.

Four risk categories have been identified, covering a total of 23 risks.

Risk category	Number	%
Operational	**10**	**43%**
Finance	**5**	**22%**
IT	**3**	**13%**
Human resources	**5**	**22%**
Total	**23**	**100%**

The risk factors have been ranked based on their net criticality, i.e. the estimated extent of their adverse impact after taking into account the effect of any controls deemed as effective:

(i) Significant***
(ii) Tolerable**
(iii) Acceptable*
(iv) Negligible

In addition, the Group has identified 11 risks following the COVID-19 crisis that have been reviewed and prioritized. (Post Coronavirus - PCV). A specific pandemic risk has been taken into account as one of the causes of the "Crisis management" risk. Risk description and examples of risk controls have been adapted consequently.

This year, the Risk Management department launched a campaign for all the Zones (countries) of the Group. Zone risk leaders have been designated and were asked to complete their quotation by risk of the three criteria resulting in the net criticality. These quotations will be confirmed after the pandemic by the internal audit results once the multiyear zone audit plan is rolled out. Internal audits were scheduled to start on-site in March 2020 but were frozen due to the crisis.

Category 1: Operational	Food safety and menu quality	** - PCV
	Crisis management	* - PCV
	Mismatch between revenue growth and increases in current and forecast operating costs	* - PCV
	Start-up and development of projects/new contracts	*
	Sales development and bid issuance process	*
	Loss of key contracts	PCV

	Contract monitoring, client retention strategy and contract profitability	PCV
	Supply chain and logistics	PCV
	Public procurement code – Antitrust law	
	Dependence on suppliers	
Category 2: Finance	Controls on cash and available cash flows - Fraud	* - PCV
	Mergers/Acquisitions - Inability to meet strategic objectives, poor integration, lack of synergies	*
	Changes in legislation, standards and tax rules	
	Financing, credit facilities, debt servicing (borrowings, repayments, refinancing, loans)	PCV
	Asset Valuation	
Category 3: IT	Loss/Theft/Leaks of sensitive information	* - PCV
	Prolonged unavailability of a strategic application	*
	Loss of production resources (data center)	*
Category 4: Human resources	Key personnel	PCV
	Changes in hygiene, health and safety rules	PCV
	Country risk	
	Labor risk	
	Changes in legislation	

3.2.1 Operational risks

3.2.1.1 Food safety and menu quality**

Specific nature of risk exposure

The Group is specifically exposed to health security risks due to the quantity of meals it serves.

Risk description

The Group is exposed to risks associated with food safety and the food supply chain, which could lead to liability claims, reputation damage and/or could negatively affect its relationship with clients.

The Group's main business activity is preparing and serving meals as well as selling food products in connection with the provision of outsourced services (contract catering). Consequently, it is specifically exposed to loss or damage resulting from actual or perceived issues regarding the safety or quality of the food it proposes. Any inappropriate preparation methods, production systems or behavior could harm the quality of the food services it provides. Claims of illness or injury relating to contaminated, spoiled, mislabeled or adulterated food may require costly measures to investigate and remediate, such as withdrawing products from sale or destroying supplies and inventory that are unfit for consumption.

The Group's catering activities rely on strict adherence by employees to standards for food handling and catering operations. Claims related to food quality or food handling are common in the contract catering industry and may arise at any time. If the Group were to be found negligent in terms of food safety, it could be exposed to significant liability, which could have an adverse impact on its operating performance. Even if such claims are without merit, any negative publicity concerning food safety could damage the Group's reputation and negatively affect its sales.

The Group’s catering activities also expose it to the risks inherent to the food industry in general, such as the risk of widespread contamination of foodstuffs, problems related to product traceability, nutritional concerns and other health-related issues. From time to time, food suppliers are forced to recall products and as a result the Group may have to remove certain products from its inventory and source inventory from other providers. Such events can be highly disruptive to its business.

NB: some aspects of this risk also concern CSR, i.e. risks related to poor hygiene and food safety.

Examples of risk controls

- Managing the site portfolio: precise knowledge of each site’s business activity.
- Organizing audits performed by independent laboratories and on-site bacteriological analyses.
- Training employees in hygiene procedures (the HACCP method) and workplace health and safety.
- Giving a workplace health and safety handbook to all employees.
- Having an approved list of suppliers and monitoring their performance.

- Selecting appropriate hygiene and production equipment.
- Performing regulatory watches and monitoring product alerts.
- Applying an appropriate communication process in the event of an incident (see “Crisis management” below).
- Identifying the people in charge of hygiene and production.

3.2.1.2 Crisis management*

Specific nature of risk exposure

The Group is specifically exposed to health security risks which could significantly affect its image.

The Group conducts its operations in six main countries and employs around 105,000 people working at 15,000 sites and 23,000 restaurants and points of sale

Description of risk

The Group is exposed to food and non-food risks which, if they occurred, could damage its reputation and have an adverse impact on its share price. It is specifically exposed to a negative promotion of its image resulting from the communication of actual or perceived issues concerning its operations.

If the Group is not properly prepared for managing a crisis, the occurrence of such a crisis could destabilize its business and lead to the loss of contracts. Any inadequate management of a crisis after its occurrence, or lack of communication over a report of an actual or perceived food safety incident that is broadcast on traditional and social media could call into question executive management’s handling of risk prevention processes.

Certain events that constitute unanticipated crisis scenarios, by country or by business, could reveal weaknesses in the Group’s risk mapping and crisis management procedures. Any mismanagement of internal and/or external communications could damage the Group’s image and have negative repercussions on the Group, both for its staff and financial position. For example, existing or potential clients could decide to terminate or not renew a contract, or renegotiate their contract at a lower cost.

Covid-19

All 6 countries where Elior Group runs activities were impacted by the Covid-19 event, the confinement measures and its economic impact. The catering sector and particularly Business & industry and Education markets were severely impacted.

Causes / Risks	Consequences	Impacts
• Vaccine not available • Ineffective sanitary barrier measures • Impossible for states to stop / slow down propagation	• (Re) confinement of Group partners, Group employees and/or guests	• Site closures and loss of turnover during this period • Group employees infected or in distress • Obsolete stocks • Economic recession leading to the bankruptcy of customers, suppliers and partners • Fraud and non-compliance due to reduced controls, reduced vigilance and increased pressure on results • Searching and obtaining financing creating new debts and obligations • Decrease in profitability: relocation of purchases/suppliers leading to higher prices, costs of setting up health barrier measures/lower volumes at the sites, etc. • Remote working / modification of the model • Increase in social costs (closure of sites, partial activity, etc.)

Examples of risk controls

- Identifying the main threats facing the Group (including non-food risks).
- Setting up a food and non-food crisis management plan.
- Having a Group crisis management unit.
- Raising awareness of/training the persons concerned.

<u>Covid-19</u>

From the end of January, the Group ensured compliance with the recommended hygienic rules, used all the existing aid mechanisms, and favored maintaining employment as long as possible, in particular by promoting internal mobility. When this was not possible, partial activity was implemented.

In this context and to support its fragile employees, the Group has decided to create support funds provided by the reduction in the remuneration of members of the board of directors and of the executive committee. In order not to impede the work of operational staff, the Group also decided in March to freeze all ongoing internal audit assignments as well as to suspend the multi-year audit plan for deploying the new internal control tool. This will be reviewed and will be based on two main axes:

- Analysis of the efficiency of crisis management systems
- Prioritization of key tasks and controls while gradually restarting activities

3.2.1.3 Mismatch between revenue growth and increases in current and forecast operating costs*

Specific nature of risk exposure

The Group is highly decentralized. It conducts its business in six main countries and in several different markets, at 15,000 sites and 23,000 restaurants and points of sale.

The Group's services activities are carried out at its client sites, via contracts.

Description of risk

If the Group were unable to foresee, plan and/or control changes in its earnings and main operating costs, this could have a material adverse effect on the profitability of its business.

Food costs are a key element of the Group's operating costs. The contract catering business notably relies on its ability to purchase food and prepare meals on a cost-efficient basis. Food costs are variable and prices are subject to the risk of inflation. Food price inflation can be driven by several factors, such as scarcity due to poor weather conditions, or increases in oil and transport prices. Payroll costs are another significant element of the Group's operating costs as its business requires a large number of staff, often with specific qualifications in food services and/or corporate services. The Group's ability to anticipate changes in these costs and to control them is key to efficiently managing its financial performance. Its ability to pass on cost increases in its contract catering & services business is determined by the terms of its contracts. The level of risk borne by the Group due to changes in costs and their impact on probable margins varies depending on the type of contract under which the services are provided. If the Group is unable to renegotiate pricing terms with its clients in a timely fashion, it would be exposed to losses due to higher-than-expected costs. In addition, the way in which the Group manages any ensuing conflictual situations could impact the quality of its client relations.

Even if the Group is able to pass on higher costs to its clients via price adjustment clauses, it could lose market share due to a decline in the perceived value of its services if the service falls short of expectations or if there are diverging interpretations of the contract. Any failure on its part to control costs or adapt to higher costs could have a material adverse impact on its earnings and its financial position.

From an operating perspective, events such as not meeting sales target (due to low conversion rate of prospects, low sales development rate, a decrease in contract retention rates, loss of contracts during the year etc.) could harm the Group's business development and margins. Similarly, any increase in payroll costs, due to either internal or external factors (workplace accident rate, inflation, demographic changes etc.) could affect the Group's ability to generate the earnings it expected to achieve as estimated at the start of the contract.

If budgets and financial forecasts are not revised during the year in line with actual business levels, this could lead to budget differences which, if not corrected, would make the Group unable to meet its short- or mid-term strategic objectives.

Examples of risk controls

- Anticipating/managing disputes.
- Drawing up annual accounting, statistical and financial budgets adapted to each activity and operating environment.
- Monitoring financial performance per contract on a monthly basis.
- Controlling pay data.
- Implementing an annual budget approval procedure.
- Providing for the possibility of introducing price changes.
- Regularly revising contractual prices.
- Carrying out comparative studies, on-site visits and in-depth prior verifications as well as using technical expertise in order to anticipate unit costs and the seasonality of services.

3.2.1.4 Start-up and development of projects/new contracts*

Specific nature of risk exposure

The Group is particularly exposed to this risk due to its growth strategy and diversity, as well as the fact that it operates in six main countries and employs 105,000 people.

Description of risk

In June 2019, Philippe Guillemot, CEO of the Elior group, presented the New Elior plan, which sets out the Group's strategy up until 2024. With the sale of Areas, the Group has become the world's second-largest pure player in contract catering & services, just behind Compass. Although the Group's goals vary from one region to another, its aim is to double its operating presence in the United States.

This growth plan requires the Group to successfully implement new start-up and acceleration projects and to integrate new acquisitions. The Group draws on its skilled, experienced managers at every level of the organization to ensure that its acquisitions are successfully integrated and that the related synergies are leveraged. Any inability to successfully integrate new acquisitions could have significant adverse impacts on the Group's business and/or its financial and operating performance.

The risks related to acquisitions are detailed in the paragraph below entitled “Mergers/Acquisitions - Inability to meet strategic objectives, poor integration, lack of synergies.

The Group is exposed to the following risks related to post-acquisition issues:

- It may not be able to retain the acquired businesses' key personnel or key client contracts (which, for contracts, can be due to a "change of control" clause).
- It may encounter unanticipated events, circumstances or legal liabilities related to the acquired businesses for which it may be liable as the successor owner or controlling entity in spite of any due diligence it conducted prior to the acquisition.
- Labor laws in certain countries may require the Group to retain more employees than would otherwise be optimal from entities it acquires.
- Future acquisitions could result in the Group incurring additional debt and related interest expense or contingent liabilities and amortization expenses related to intangible assets, which could have a material adverse effect on its financial and operating performance and/or cash flow.
- Future acquisitions could result in the assumption of liabilities in excess of those valued during the due diligence phase, notably relating to disputes and litigation.
- Future acquisitions may be subject to approval by antitrust or competition authorities, which could seriously delay or even prevent completion of the transactions.
- An acquisition may not achieve the anticipated synergies (due to strong cultural differences for example) or other expected benefits, or may give rise to higher risks (strikes, employee demotivation, etc.) than identified during the acquisition process.
- An acquisition could give rise to cultural integration problems for the acquired entity.
- The Group may incur substantial costs, delays or other operational or financial problems in integrating acquired businesses, such as costs and issues relating to managing, hiring and training new personnel, the integration of information technology and reporting, accounting and internal control systems or problems coordinating supply chain arrangements. In some cases, the costs incurred may not be offset by the profit generated by the acquired businesses.
- The Group may incur costs associated with developing appropriate risk management and internal control structures for acquisitions in a new market, or understanding and complying with a new regulatory environment.

- Additional investments may be needed in order to understand new markets and follow trends in those markets in order to compete effectively.

- The Group may have a reduced ability to predict the future performance of an acquired business in the event it has less experience in the acquired business's market than in its existing markets, particularly if it underestimates the level and extent of market competition.

- Acquisitions may divert management's attention from running existing operations.

Examples of risk controls

- Systematically performing due diligences on company acquisitions. Carrying out an acquisition audit (see the paragraph below entitled "Mergers/Acquisitions - Inability to meet strategic objectives, poor integration, lack of synergies").

- Training new entrants on the Group's project methodology and internal control systems.

- Performing monthly business reviews of financial performance and statistics.

- Drawing up a business plan.

- Setting mid-term strategic goals.

3.2.1.5 Sales development and bid issuance process*

Specific nature of risk exposure

The Group conducts its business in six main countries and in several different markets via contracts that it negotiates with clients. As the parameters used for assessing the profitability of a future contract derive from the client's specifications, these parameters cannot always be checked and, in addition, are subject to change.

Description of risk

The success of each of the Group's businesses relies on its ability to generate organic growth by winning new business from clients who choose to outsource.

A large proportion of contract catering and services business is generated from a competitive bidding process between the Group and several other service providers. In order to win a contract, the Group must be able to demonstrate its value proposition effectively. It therefore devotes significant time and effort to preparing the bid or proposal for a competitive bidding process. A detailed analysis is carried out on the costs incurred during this phase, which are expensed if the bid is unsuccessful.

Even if a bid is successful, the Group may not be able to fully evaluate the contract until operations actually begin.

If any undertakings written into the service offering and/or the service contract signed with the client are not respected, this may lead to the loss of the contract if the client considers that it is not getting sufficient value added from the service provided.

In addition, the Group may have to terminate a contract that is unprofitable. However, its ability to terminate its contracts may be limited. For example, its contract catering and services contracts with public entities are difficult to terminate because of certain contractual provisions that are required by law to be included in public sector contracts. If the Group underestimates the cost of providing its services under a particular contract and is unable to terminate or renegotiate the contract, it could incur significant losses that could have an adverse effect on its business.

The Group's competitors range from local SMEs to multinational corporations. If its clients do not perceive the quality and cost value of its services, or if there is insufficient demand for new services, this could have an adverse effect on its business and earnings.

Any failure to successfully adapt to these or other changes in the competitive and/or regulatory landscape (see section on "Changes in legislation, standards and tax rules") could result in a loss of market share, decreased revenue and/or a decline in profitability.

NB: some aspects of this risk also concern CSR, i.e. risks related to non-ethical practices and lack of transparency.

NB: some aspects of this risk also concern Compliance, i.e. risks related to distorted sales processes / fictitious contracts / influence in appointing people to fictitious, unsubstantiated, or overvalued jobs / inappropriate or prohibited lobbying / use of service providers / sponsorship and donations / improper gifts and invitations.

Examples of risk controls

- Having a competitive intelligence unit that monitors market trends.
- Carrying out client and/or guest satisfaction surveys.
- Using a Customer Relation Management (CRM) system.
- Having a Strategy, Business Development, Innovation and Public Contracts Department.
- Building up an attractive portfolio of directly-owned and franchised brands.
- Applying a specific process for issuing bids and proposals.
- Having a business model that avoids client dependence (by sector, region or specific client group).

3.2.1.6 Loss of key contracts

Specific nature of risk exposure

The Group provides most of its services on a contractually outsourced basis at client sites.

Contracts represent volatile assets as there are a range of reasons why they can be lost or terminated including competition, client insourcing, site closures, etc.

Description of risk

The Group conducts business with its contract catering and services clients under contracts that either have a stated term or may be terminated with advance notice. Contracts may be terminated, or not renewed, if one of the Group's competitors offers the same service for a lower price or in the event of changes in market trends. The Group’s business depends on its ability to renew contracts and win new contracts under favorable financial conditions. It cannot predict whether a client will choose to cancel a contract or allow it to lapse. Moreover, even if contracts are renewed, their new terms may be less advantageous than previously or they may require the Group to incur significant capital expenditure. Clients may also decide to insource the contract catering and/or services previously outsourced to the Group or to relocate their sites or change their strategy.

The loss of a large contract or the loss of multiple contracts simultaneously could have a material adverse effect on the Group's financial and operating performance. Furthermore, client dissatisfaction with the Group's services could damage its reputation and negatively impact its ability to win new contracts, which could also have a material adverse effect on its business and its financial and operating performance.

NB: some aspects of this risk also concern CSR, i.e. risks of not adapting to guests’ changing expectations.

Examples of risk controls

- Implementing a client retention program.
- Carrying out client and guest satisfaction surveys.
- Actively managing contacts by client type.
- Applying a carefully researched sales strategy to avoid dependence on any one sector or group of clients.
- Carrying out market research to anticipate new market trends and current and future needs and expectations.

3.2.1.7 Contract monitoring, client retention strategy and contract profitability

Specific nature of risk exposure

The Group’s business activities span six main countries, each of which has a different culture. Consequently, although its contracts often include general, pre-drafted clauses, many of them also contain specific negotiated clauses, which can lead to additional liability.

The Group uses franchised brands in several of its markets.

Lastly, activities carried out by the Group that generate low margins require a strict credit management policy.

Description of risk

Some contracts may contain clauses that could incur the Group's liability or result in it bearing risks that were poorly understood at the outset, which could have an adverse impact on its financial and operating performance.

The Group is reliant on clients' ability to pay for its services. If a client experiences financial difficulties, payments may be significantly delayed and ultimately the Group may not be able to collect the amounts due under its contracts, resulting in bad debt write-offs. Significant or recurring bad debts could have a material adverse effect on the Group's financial and operating performance.

NB: some aspects of this risk also concern CSR, i.e. risks of not adapting to guests' changing expectations.

Examples of risk controls

- Implementing procedures for validating bids.
- Implementing procedures for validating contracts based on a risk analysis.
- Applying an integrated workflow for validating contractual commitments.
- Putting in place consistent processes and systems for creating offerings.
- Analyzing the Group's liability and insurance coverage before signing contracts.
- Analyzing the clients' solvency.

3.2.1.8 Supply chain and logistics

Specific nature of risk exposure

The Group has to regularly supply food and non-food products to 15,000 sites and 23,000 restaurants and points of sale, while minimizing the collective and individual health and safety risks involved.

Description of risk

The Group relies on the relationships it builds up with its suppliers (see the paragraph below entitled "Dependence on suppliers"). In the event of a dispute with any supplier or if a supplier were to experience financial difficulties, deliveries of supplies could be delayed or cancelled, or the Group could be forced to purchase supplies at a higher price from other suppliers.

In addition, a number of factors beyond the control of the Group or its suppliers could harm or disrupt its supply chain. Such factors include unfavorable weather conditions or natural disasters (such as earthquakes or hurricanes), government action, fire, terrorism, the outbreak or escalation of armed conflicts, pandemics, workplace accidents or other occupational health and safety issues, labor actions or customs or import restrictions (Brexit).

The Group's catering business also relies on its ability to purchase food supplies and prepare meals on a cost-efficient basis (see the paragraph below entitled "Mismatch between revenue growth and increases in current and forecast operating costs"). Any increases in food prices or supply costs could affect the Group's profitability if they cannot be passed on to clients.

NB: some aspects of this risk also concern CSR (i.e. risks related to not including CSR criteria in procurement practices).

NB: some aspects of this risk also concern Compliance, i.e. risks related to price reductions granted or obtained unlawfully.

Examples of risk controls

- Drawing up a Group Procurement strategy.
- Identifying supply needs (products) and selecting suppliers.
- Having an approved supplier list.
- Using standard procurement contracts, particularly for framework agreements.
- Monitoring suppliers' performance.
- Having precise knowledge of the sites where the Group conducts its operations.
- Performing regulatory watches and monitoring product alerts.

3.2.1.9 Public procurement code – Antitrust law

Specific nature of risk exposure

The Group conducts its business in six main countries and in several different markets. Each country, and each state in the USA, has its own laws.

The Group's entities are highly decentralized and often negotiate their own SLAs with public bodies, which themselves are subject to specific laws and codes.

Description of risk

The Group derives a significant portion of its revenue from contracts with public sector entities. Business generated by public sector clients may be affected by political and administrative decisions regarding levels of public spending, particularly in light of the current attention in certain countries in which the Group operates to reducing national and local government budget deficits.

The Group also has to respect certain legal requirements (for example, if it fails to pay its payroll taxes it can be excluded from participating in tenders for public contracts), has to produce various administrative documents (directors' criminal record checks and various types of certifications) and has to demonstrate compliance with its legal obligations.

If the Group does not comply with the procedural regulations applicable to tenders for public contracts, its bid may be rejected or a successful bid could be challenged by the authorities or an unsuccessful competitor and the allocation of the contract to the Group canceled. This type of challenge to the allocation of a public contract can also happen when the Group has already begun work on the contract concerned. In such a case costs would be incurred (legal fees, business termination fees etc.) that would adversely impact the profitability of the operating entity concerned.

In addition, any failure to comply with the applicable laws and regulations could result in fines, penalties and other sanctions, including exclusion from participation in tenders for public contracts.

Examples of risk controls

– Regularly providing training for business development and sales staff on the risks of price fixing and other unlawful agreements, and the public procurement code.

– Providing the Group's code of ethics and anti-corruption code to all of its employees

3.2.1.10 Dependence on suppliers

Specific nature of risk exposure

The Group is specifically exposed to this risk due to the nature of its contract catering business.

Description of risk

The Group relies on its relationships with suppliers of both food and non-food items in the operation of its business in certain markets that have a restricted number of key suppliers.

If the Group were to lose the ability to purchase from a key supplier, it would be more difficult for it to meet its supply needs unless it rapidly found a substitute supplier. Moreover, the suppliers of some products can have a monopoly or be in an oligopoly. The Group is exposed to a risk of a concentration of suppliers.
The Group has put in place central purchasing structures in the main countries where it operates, which manage the procurement needs of each of its activities. In April 2018, the Group appointed a Chief Procurement and Logistics Officer.

Examples of risk controls

- Drawing up a Group Procurement strategy: seeking alternative sources of suppliers/approved suppliers.

- Analyzing supplier/dependency risks.

- Drawing up an inventory of monopolistic or oligopolistic suppliers (with the list provided to the Management Committee).

3.2.2 Financial risks

3.2.2.1 Controls on cash and available cash flows - Fraud*

Specific nature of risk exposure

As the Group operates 23,000 restaurants and points of sale in six main countries, which are run by a significant proportion of its 105,000 employees, considerable amounts of cash are handled by a large number of employees.

Description of risk

The Group is exposed to a risk of the misappropriation of funds at each level of its catering operations. For example, operating agents may not record all of their sales and/or cash collected in the information systems provided, and large amounts of cash kept on site could be subject to fraudulent acts (theft, embezzlement, etc.). In addition, the measures in place to trace funds during their transit to banks or to record funds in the accounts may be inadequate.

Furthermore, the Group is exposed to the risk of client insolvency (in the private and public sector) and may have problems collecting the amounts it has invoiced if its clients encounter financial difficulties.

The Group is also exposed to the risk of intentional external fraud (identity theft, theft of bank details, taking over IT systems etc.).

NB: some aspects of this risk also concern Compliance, i.e. risks related to ineffective controls of cash payments.

Examples of risk controls

- Monitoring disputes.
- Carrying out solvency research on prospective clients.
- Using automated invoice payment reminders.
- Holding regular meetings of trade receivables committees in order to monitor overdue payments, doubtful receivables, disputes and DSO.
- Prohibiting direct instructions from the Management Committee/Executive Committee to the accounting/treasury departments (including subsidiaries) to avoid executive fraud.
- Restricting payment delegations to the back office.
- Putting in place secure payment methods.
- Drafting and sending out a memo on preventing external fraud to the whole Finance function in order to raise employees' awareness about the various fraud risks and remind them of the appropriate attitudes and reactions to adopt.
- Strictly segregating tasks between order taking, invoice approvals and payment authorizations.
- Reviewing the trade receivables item (monthly DSO reporting).
- Carrying out continuous/regular inventories of banking powers.

3.2.2.2 Mergers/Acquisitions - Inability to meet strategic objectives, poor integration, lack of synergies*

Specific nature of risk exposure

The Group is particularly exposed to this risk due to its growth strategy and the diversity of its operations.

Description of risk

In the past, the Group has made strategic, targeted acquisitions as part of its growth strategy. It intends to continue to develop and expand its operations through further acquisitions, particularly in the United States. Any inability by the Group to successfully complete acquisitions or integrate acquired companies may render it less competitive. The preparation and completion of acquisitions may require significant input from the Group's management teams and divert management and financial resources away from the day-to-day running of the business.

Among the risks associated with acquisitions that could have a material adverse effect on the Group's business and/or its image and/or its financial and operating performance are the following related to acquisition opportunities:

- Acquisition decisions may be taken without following a formal process or without ensuring that a business plan is in place.
- The Group may not find suitable acquisition targets.
- Market information/analyses about the targets may not be reliable, or may be inaccurate or uncertain.
- The Group may not be able to effectively plan and/or complete a given acquisition (lack of involvement by support services such as HR, Finance, Legal, IT etc.).
- The Group may be unable to arrange financing for an acquisition, or to obtain financing on satisfactory terms.
- The Group may face increased competition for acquisitions as markets in which it operates undergo continuing consolidation.
- The Group may overpay for the acquisition target.
- The expected synergies may not actually be generated.

The Group is also exposed to risks arising from the acquisitions themselves (see the paragraph entitled "Start-up and development of projects/new contracts").

The Group may also face risks in relation to any divestments it may undertake. Divestments could result in losses and write-downs of goodwill and other intangible assets. Furthermore, it may encounter unanticipated events or delays and retain or incur legal liabilities related to the divested business with respect to employees, clients, suppliers, subcontractors, public authorities or other parties. Any of these events could have a material adverse effect on the Group's business and its financial and operating performance.

NB: some aspects of this risk also concern Compliance, i.e. risks related to corruption existing in acquired companies.

Examples of risk controls

- Having an Investment Committee.
- Implementing specific procedures for integrating new businesses.
- Adopting a project approach: setting up a cross-functional team, performing risk analyses etc.
- Approving a business plan (figures and working assumptions).
- Performing due diligence processes for all acquisitions (analyzing the target's off balance-sheet commitments, unrecognized liabilities and seller's warranties, and carrying out HR, IT and tax due diligences).
- Carrying out integration reviews at Group level.
- Proposing internal control systems to be implemented in acquired companies.

3.2.2.3 Changes in legislation, standards and tax rules

Specific nature of risk exposure

Due to the nature of its activities the Group is highly decentralized.

Description of risk

The Group seeks to create value by leveraging the synergies and the commercial strength of a multinational group. In order to do so, it must structure its organization and operations appropriately while respecting the various tax laws and regulations of the jurisdictions in which it operates, which are generally complex. Additionally, because tax laws may not provide clear-cut or definitive doctrines, the tax regime applied to the Group's operations and intragroup transactions or reorganizations is sometimes based on its interpretations of tax laws and regulations. The Group cannot guarantee that such interpretations will not be challenged by the relevant tax authorities, which may adversely affect its financial and operating performance. Tax laws and regulations are subject to change, and new laws and regulations may make it difficult for the Group to restructure its operations in a tax-efficient manner. More generally, any failure to comply with the tax laws or regulations of the countries in which the Group operates may result in reassessments, late payment interest, fines or other penalties.

The services the Group provides to its clients are subject to value added tax, sales taxes or other similar taxes. Tax rates may increase at any time, and any such increase could affect the Group's business and the demand for its services. This in turn could reduce its operating profit, negatively affecting its operating performance.

The Group's international operating presence exposes it to the risk of being unaware of changes in local regulations and/or accounting rules (local GAAP and IFRS). Any failure to take into account such changes or to comply with the new rules would have significant financial impacts and could even result in errors in the Group's financial statements.

Examples of risk controls

- Coordinating tax matters centrally and communicating with the subsidiaries' tax officers about changes adopted.
- Monitoring changes in local and international laws and regulations.
- Drawing up a Group taxation charter.
- Setting up an annual internal process for validating corporate income tax rates.
- Anticipating changes in International Financial Reporting Standards (IFRS) and taking part in training days on the latest IFRS developments.
- Monitoring changes in IFRS: regularly checking the IASB website, obtaining and reading recommendations issued by the AMF, taking part in training sessions on the latest IFRS developments.

3.2.2.4 Financing, credit facilities, debt servicing (borrowings, repayments, refinancing, loans)

Specific nature of risk exposure

The Group is highly decentralized and carries out most of its services via outsourcing contracts entered into with its clients.

Description of risk

The Group's ability to borrow from banks or raise funds in the capital markets or otherwise to meet its financing requirements is dependent on favorable market conditions. Financial crises in specific geographic regions, industries or economic sectors have led, in the recent past, and could lead in the future to sharp declines in currencies, stock markets and other asset prices, in turn threatening the affected financial systems and economies. If sufficient sources of financing were not available in the future for these or other reasons, the Group may be unable to meet its financing needs, which could have an adverse effect on its business and financial position.

The Group’s leverage is kept at a controlled level. However, its indebtedness has negative consequences as it has to devote a significant portion of its operating cash flows to servicing its debt, which means it is exposed to the risk of a slowdown in business or unfavorable economic conditions. This situation restricts the Group’s capacity in terms of investment strategy, external growth, additional borrowings and equity financing.

The parent company's cash flows primarily consist of dividends from its subsidiaries as well as interest on and repayments of intragroup loans. The ability of its subsidiaries to make these payments will be dependent on various economic, commercial, contractual, legal and regulatory considerations.

The Senior Facilities Agreement requires the Group to comply with certain customary negative covenants and financial ratios. This could affect its ability to operate its business and may limit its capacity to react to market conditions or take advantage of potential business opportunities as they arise.

If there is an event of default under any of the Group's debt instruments that is not cured or waived, the holders of the defaulted debt could terminate their commitments thereunder and/or cause all amounts outstanding with respect to such debt to be due and payable immediately.

The Group operates in eurozone countries and in non-eurozone countries (the United Kingdom, the United States and India). Consequently, it is exposed to fluctuations in exchange rates that have a direct impact on its consolidated financial statements. The Group’s external borrowings are primarily denominated in euros, apart from the US dollar-denominated borrowings set up on the refinancing of Elior North America’s debt in May and June 2015.

The Group is also exposed to the risk of fluctuations in interest rates, as some of its debt is indexed to the Euro Interbank Offered Rate ("Euribor") or the London Interbank Offered Rate (“Libor”, for US dollar-denominated debt) plus an applicable margin. Interest rate volatility could lead to higher interest expense and lower cash flows available for investment, and could restrict its ability to service its debt.

The Group’s sources of liquidity are described in Chapter 4, Section 4.7.1 of this Universal Registration Document. The Group has access to revolving credit facilities, whose drawdowns are subject to covenants and other customary commitments.

The main financial instruments that could expose the Group to concentrations of counterparty risk are trade receivables, cash and cash equivalents, investments and derivatives. The Group's maximum exposure to credit risk corresponds to the carrying amount of all of the financial assets recognized in the consolidated financial statements at September 30, 2019 and 2020, net of any accumulated impairment losses.

Examples of risk controls

- Calculating financing needs in the Budget, Business Plan and Strategic Plan.
- Ensuring that the financing provided for in the Budget, Business Plan and Strategic Plan meet the Group’s financing needs.
- Implementing a WCR management plan.
- Setting up specific financing for WCR.
- Taking into account the covenants contained in the Group’s financing contracts when drawing up the Budget, Business Plan and Strategic Plan.
- Maintaining or setting up long-term confirmed financing (syndicated loans, private placements, factoring).
- Managing relations with lenders on a long-term basis (organizing annual presentations of the Group’s financial statements and Information Days).
- Implementing a liquidity risk policy, with a minimum level of available cash maintained and short-term rolling cash forecasts.
- Pursuing the Group’s debt-reduction plan by rebalancing business activities and repaying debt.
- Continuing to diversify debt and managing debt rescheduling when necessary, and optimizing management of the Group’s banking terms and conditions.
- Ensuring that the revenues and costs of subsidiaries are denominated in the same currency (natural hedging).
- Performing sensitivity analyses on currency and interest rate risks.
- Not holding any speculative positions.

3.2.2.5 Asset valuation

Specific nature of risk exposure

The Group's operations cover six main countries. In each country, and in each state in the USA, the Group is subject to changes in tax laws and local economic conditions.

In addition, the Group holds a number of directly-owned brands.

Description of risk

The Group cannot guarantee that its property, plant and equipment, intangible assets, financial assets and components of its working capital will not be subject to any impairment in value.

In view of its past acquisitions, the Group has a significant amount of goodwill recognized in its balance sheet, whose recoverability is tested regularly via impairment tests. If there is an indication of impairment, an impairment loss is recognized, which directly impacts the financial statements. Impairment may result from a deterioration in the Group's performance, a decline in expected future cash flows, a deterioration in market conditions, or adverse changes in applicable laws and regulations. The amount of any goodwill impairment losses recognized is expensed immediately in the income statement and may not be subsequently reversed. For example, the Group recognized a €63.7 million goodwill impairment loss in its financial statements for the year ended September 30, 2018.

Any future impairment of goodwill would result in material reductions of the Group's net profit and equity under IFRS.

Furthermore, the Group may record deferred tax assets on its balance sheet, reflecting future tax savings resulting from differences between the tax and accounting values of assets and liabilities or in respect of the tax loss carryforwards of its subsidiaries. Recovery of these assets in future years depends on tax laws and regulations, the outcome of potential tax audits, and the future results of the subsidiaries concerned. Any reduced ability to recover these assets due to changes in laws and regulations, potential tax reassessments, or lower than expected profits could negatively impact the Group's financial and operating performance.

Over time, the contract catering market has become very capex intensive (outlay on property, plant and equipment at production sites and points of sale). Consequently, the Group's property, plant and equipment represent a significant weighting in its financial statements, which exposes it to the risks of obsolescence, physical deterioration of equipment, client restructuring or insolvency, loss of a major contract, or theft. As the end-consumer (the guest) is very often not the client with which the Group has a contractual relationship, the Group may be exposed to the risk of non-payment (disputes, late payments etc.).

The Group also has a portfolio of directly-owned brands which are recognized in the balance sheet and whose recoverable value is regularly tested and controlled (Arpège, Ansamble, Waterfall, A'viands etc.).

Examples of risk controls

- Performing impairment tests on cash-generating units (CGUs).
- Drawing up a business plan based on realistic assumptions that are regularly reviewed.
- Ensuring that sector managers carry out an annual inventory of property, plant and equipment.
- Analyzing the useful lives of assets.
- Requiring authorization requests to be submitted for each capex project, based on a business plan that must be updated when the project is launched.

3.2.3 IT risks

3.2.3.1 Loss/Theft/Leaks of sensitive information*

Description of risk

The Group Information Systems Department – which reports to the Chief Executive Officer – is responsible for developing and putting in place the Group's information systems strategy, particularly for accounting and finance applications, and overseeing data protection and continuity of operations. It is currently providing in-depth support for the Group's digital transformation process.

The information systems of the Group's international subsidiaries are principally under the responsibility of each region's Information Systems Department but they also use applications provided by the Corporate IT Department. The Group Information Systems Department draws up the Group's overall information systems strategy as well as its IT and digital standards, and coordinates and helps implement and upgrade the Group's information systems.

When developing new systems and upgrading existing systems, the Group applies the dual principle of close coordination, but also clear segregation, between the Information Systems Department acting in its technical role as project manager, and user departments (e.g. the Financial Control Department, Finance Department, Human Resources Departments and operations departments) in their role as project sponsors. This enables systems to be effectively aligned with user needs in terms of analyses, controls and operations management.

The Information Systems Security Officer – who is part of the Group Information Systems Department but works closely with all of the Group's departments – is responsible for overseeing that the Group's information systems security policy is properly applied (including for physical and logical security). This policy sets out, *inter alia*, the Group's main information systems security risks and describes the role of the Information Systems Security Steering Committee, which is chaired by the Chief Executive Officer and whose members include the Chief Financial Officer and the heads of the operating units.

As the Group’s digital transformation programs advance, risks related to sensitive information may increase and may therefore require specific monitoring. The main risks concerned are the risk of sensitive or confidential data (social security numbers, bank codes etc.) being stolen or being accessed by unauthorized third parties; the risk of data falling out of the Group’s control or being used for other purposes than those of the Group; and the risk of confidential data being leaked to a third party – either internal or external. Last, the increase in using of Internet of Things devices to operate the business could also lead to loss, theft or leaks of sensitive information. In addition, targeted cyber-attacks, fraud and industrial espionage are becoming increasingly sophisticated.

These risks need to be taken into account in a range of everyday personal behavior, such as using laptop computers, having sensitive conversations in public places, using the “reply all” function for emails and keeping confidential documents in public areas such as meeting rooms and digital print rooms.

If any of these risks were to occur, it could have an adverse financial impact on the Group and could result in a loss of confidence due to severe damage to its corporate image as well as GDPR violations, the loss of contracts, and breaches of contractual duties of confidentiality with respect to clients.

Examples of risk controls

- Raising employees’ awareness about the GDPR.
- Using encrypted storage on laptop computers.
- Ensuring that physical access to sites is secure.
- Setting up a criteria matrix for entering into contracts with service providers.
- Ensuring logical security and IAM: managing identities, application profiles and privileged accounts.
- Implementing policies, procedures and formal exchange measures to protect exchanges of information through all types of telecommunication devices.
- Carrying out mandatory inventories of all connections that are external to the Group’s network.
- Regularly performing internal and external network intrusion tests.
- Encrypting external storage devices (USB drives, external hard drives etc.).
- Ensure Internet of Things devices “security by design” and “by default” criteria are validated through appropriate testing procedures
- Providing Group-wide training on cyber security.
- Selecting providers that comply with the security standards in force and are capable of rapidly adapting to changes.

3.2.3.2 Prolonged unavailability of a strategic application*

Description of risk

The Group relies on numerous computer systems that allow it to track and bill or record its services and costs, manage payroll and gather information upon which management bases its decisions regarding the Group's business. The administration of its business is increasingly dependent on the use of these systems. Consequently, any system failure, down-time or interruptions that last more than 24 hours resulting from viruses, hackers or other causes, or the Group's dependence on certain IT suppliers, could have an adverse effect on its business and its financial and operating performance.

Examples of risk controls

- Mapping the Group’s applications: strategic applications managed by the Information Systems Department.
- Ensuring that the hosting of critical applications is secure.
- Having a business continuity plan.
- Systematically verifying backups.
- Installing a fire detection system in each IT room.
- Protecting IT premises.
- Carrying out an inventory of and documenting the information systems network.

- Ensuring that information system operating procedures are secure.

- Ensuring that information system purchases, developments and maintenance are secure.

- Putting in place ISO 27001 information security management standards.

3.2.3.3 Loss of production resources (data center)*

Description of risk

The Group is exposed to the possibility of a slowdown or erosion in its business if its IT production resources do not function properly. If the Group's information systems are not sufficiently robust, it may not be possible for data entered by Group employees to be stored or accessed.

Any such loss of production resources and the ability to process the content of information systems would mean that the Group would not be able to issue financial communications with the reactivity expected of an international corporation and would not be able to effectively oversee its business and take strategic decisions.

Examples of risk controls

- Segregating tasks across several datacenters (Internet/cloud, datacenters with redundancy for strategic applications, remote backups).
- Having an IT recovery plan.

- Having a business continuity plan.

- Organizing datacenter security.

- Performing regular inventories on the information systems architecture.

- Securing/documenting IT network sources.

3.2.4 Human resources risks

3.2.4.1 Key personnel

Description of risk

The Group is reliant on site, regional, divisional and senior management teams and other key personnel – including the millennial generation – for the successful operation of its businesses. Understanding the expectations of its people (salaries, career development opportunities etc.) and ensuring that these are met are essential to the Group's success. For example, if employees feel that the salaries and career development paths offered by the Group are inadequate this could lead to high staff turnover.

The success of the Group's operations depends on the skills, experience, efforts and policies of its executives and the continued active participation of a relatively small group of senior management personnel. If the services of all or some of these executives were to be lost, this could harm the Group's operations, impair efforts to expand its business, damage its image and negatively impact its share price. If one or more key executives were to leave the Group, a replacement would have to appointed with the necessary qualifications to carry out the Group's strategy, and if such a replacement were not available within the Group, he or she would have to be hired externally. Because competition for skilled employees is intense, and the process of finding qualified individuals can be lengthy and expensive, the loss of the services of key executives and employees could have a material adverse effect on the Group's business and its financial and operating performance. The Group cannot provide assurance that it will continue to retain such key executives and employees.

The Group relies on skilled and experienced managerial personnel at each level of the organization to ensure that its operations are carried out in an effective, cost-efficient manner. Site managers are the first point of contact with clients and are key to maintaining good client relations. They also have primary responsibility for evaluating and managing costs at each of the Group's restaurants and for guaranteeing service quality and compliance with client specifications. District, regional and national managers coordinate restaurants and ensure that large-scale operational plans and/or capital expenditure projects are carried out efficiently, in line with Group instructions and policies. Finally, the Group depends on its senior management's skills and experience in coordinating its operations, implementing large capital expenditure programs and formulating, evaluating and implementing new strategies.

If one or more executives were unable or unwilling to continue in their current positions, the Group may not be able to replace them easily or to provide their potential replacements with the necessary training and know-how in the short/mid-term to carry out their missions. If the Group were unable to hire or retain personnel with the requisite expertise or to train such people effectively, this could create instability within its teams and negatively impact its business, which could in turn have a material adverse effect on its financial and operating performance.

NB: some aspects of this risk also concern CSR, i.e. risks relating to failure to attract and retain talent.

Examples of risk controls

- Regularly holding meetings to assess employees' satisfaction and whether their career objectives are being met.
- Drawing up succession plans.
- Drawing up career development plans.
- Carrying out an internal work satisfaction survey (latest one in April 2019) to verify key performance indicators (employee recognition, training, salaries, roles and responsibilities, etc.).

3.2.4.2 Changes in hygiene, health and safety rules

Specific nature of risk exposure

The Group is specifically exposed to health security risks due to its catering and multi-sector services operations.

Description of risk

The Group is subject to a strict and complex regulatory framework (notably in relation to labor law) in some of the countries where it operates. Consequently, any changes in or failure to comply with these regulations could have an adverse impact on its business and profitability.

The nature of the Group's businesses also subjects it to varying types of local, national and international regulations and standards.

The contract catering business is subject to regulations and standards concerning food safety and preparation (allergies, intolerances etc.). Any poor use of hazardous products or uses of products that do not comply with the applicable legislation or best practices could lead to public health issues. If such a case were to occur and become widespread it could significantly harm the Group's reputation and have a material adverse effect on its financial position if it were required to pay any compensation or damages.

As part of its services offering, the Group provides cleaning services to companies operating in highly regulated industries. Due to the sensitive nature of these industries, it must comply with strict operating and hygiene standards. The Group and its clients and suppliers operating in such industries are subject to highly detailed and restrictive laws and regulations regarding the provision of these services and the safety of facilities. Any failure to comply with such laws and regulations could cause the Group to incur fines, lose contracts or cease operations.

The Group is also subject to safety standards relating to the workplace, the working environment and working methods. The Group's facilities may be inspected at any time, and any allegations of non-compliance with the applicable regulations can result in lawsuits and/or reputational damage and can have serious financial consequences. These standards are growing in number, especially in Europe and the United States. The extent and timing of investments required to maintain compliance may differ from the Group's internal schedule and could limit the availability of funding for other investments. In addition, if the costs of regulatory compliance continue to increase and it is not possible for these additional costs to be passed on in the price of its services, any such changes could reduce the Group's profitability. Any changes in regulations or evolving interpretations thereof may result in increased compliance costs, capital expenditure and other financial obligations that could affect the Group's profitability.

More generally, the Group's results could be negatively affected by changes in the legal or regulatory environment, such as the rules and regulations related to workplace health and safety. For example, any change in the rules concerning the use of certain chemical products could have a negative impact on the results of the Group's services business. Similarly, any changes in work-related legislation could adversely affect the Group's catering and services operations.

NB: some aspects of this risk also concern CSR, i.e. risks relating to poor hygiene and non-compliance with food safety rules.

Examples of risk controls

- Carrying out inventories of products and assessing chemical risks (regulatory requirement).
- Implementing precautionary measures and usage guidelines.
- Establishing a health and safety policy (risk mapping etc.).
- Drawing up and tracking a "Comprehensive Risk Assessment Document".
- Monitoring any cases of non-compliance (general services/operational health and safety).
- Reminding employees about the rules on individual and collective protective equipment.
- Deploying a network of safety officers across the Group's different geographic regions.

3.2.4.3 Country risk

Specific nature of risk exposure

The Group is specifically exposed to this risk due to the fact that it has operations in six main countries and employs 105,000 people.

Description of risk

If an event, or series of events, occurs that is beyond the Group’s control – such as armed conflicts, terrorist attacks, epidemics, natural disasters or accidents – this could result in a reduction or stoppage of operations for subsidiaries located outside France. The occurrence of such events could also affect the safety of the Group’s employees and assets in the country or countries involved.

The Group may also be subject to political, economic and social uncertainties in some of the countries in which it operates. The political systems in those countries may be vulnerable to the public's dissatisfaction with economic reforms, such as austerity measures, leading to social unrest. Any disruption or volatility in the political, social, legislative or regulatory environment in these countries – such as the Brexit negotiations in the UK – could have a material adverse impact on the business of the Group and its clients. Any reduction in guest numbers at the Group’s sites could have a significant impact on the size of local teams and could therefore constitute a labor risk.

NB: some aspects of this risk also concern CSR, i.e. risks relating to non-ethical practices and lack of transparency.

NB: some aspects of this risk also concern Compliance, i.e. risks relating to licenses and permits obtained unlawfully/taxes and duties settled unlawfully.

Examples of risk controls

- Taking out repatriation insurance.
- Taking out revenue insurance.
- Having a geopolitical watch system and a process for analyzing country risk when starting business in a new country.
- See section on changes in legislation.

3.2.4.4 Labor risk

Specific nature of risk exposure

The Group is particularly exposed to this risk in its capacity as a service provider at client sites, operating in six main countries and a number of different markets, with 15,000 sites, 23,000 restaurants and points of sale and 105,000 employees.

Description of risk

As a provider of outsourced services in its contract catering and services operations, the Group is reliant on a large workforce whose actions have a direct impact on consumers and/or who provide services at its clients' premises.

If it fails to comply with its labor-related obligations, does not respect the applicable procedures relating to overtime and paid leave, does not have close relations with local management teams and trade unions, or does not follow up on employee complaints (concerning working conditions or management behavior for example), this could lead to strikes or other forms of labor action against the Group. Such action could result in the Group having to pay penalties, a reduction in its services and/or the risk of losing contracts.

In addition, in all of its operations, the Group provides facilities that are accessible to the public either at its own or its clients' premises. Consequently, it may be subject to claims in connection with damage to, or security breaches at, a client's property or premises, interruptions of a client's business, the spread of infections at healthcare facilities, food contamination, violations of environmental and/or occupational health and safety regulations, unauthorized use of a client's property, or willful misconduct or other tortious acts by its employees or people who have gained unauthorized access to premises. Such claims may be substantial and may harm the Group's image. Moreover, such claims may not be fully covered by insurance policies and could therefore have a material adverse effect on the Group's business and its financial and operating performance.

NB: some aspects of this risk also concern CSR, i.e. risks relating to inequality and discrimination.

Examples of risk controls

- Central oversight and coordination of labor relations carried out by the Group HR Department.
- Strengthening the numbers of local HR staff.
- Ensuring good relations with employee representative bodies and regular social dialog.

3.2.4.5 Changes in legislation

Specific nature of risk exposure

The Group is specifically exposed to this risk due to the fact that it has operations in six countries and in a number of different markets.

Description of risk

The Group has operations in several continents, countries and states. Each of these geographic regions is subject to different local laws and regulations which may vary significantly in content and complexity from one country to another.

The laws and regulations governing the industry in which the Group operates include, but are not limited to, the following domains: employment, food, health and safety, competition and antitrust, consumer protection, data privacy and the environment. Any changes in these laws and regulations, or any failure to properly anticipate such changes, or failure to alert staff or not providing sufficient training, could have a direct material impact on the Group’s business. For example, changes in the minimum wage or paid leave entitlement could lead to higher payroll costs and a lower payroll to revenue ratio and could negatively impact the Group’s profitability and competitiveness.

Examples of risk controls

- Setting up a special legal unit to monitor and anticipate changes in laws and regulations and send out the necessary alerts.
- Checking for alerts issued by external advisors concerning threats and opportunities.
- Managing the impact that legislative changes have on costs.
- Training key departments affected by changes in laws and regulations.

3.3 EMPLOYEES

3.3.1 COMPENSATION POLICIES

Elior Group's compensation and benefits policies draw on best market practices in each country, with the constant underlying aim of ensuring that a fair system is applied consistently throughout the Group and that packages are competitive in relation to the market as a whole.

The policies are underpinned by a position mapping process, which allows compensation and benefits to be tailored to each business and level of responsibility (known as "position weighting"). This process also entails performing internal diagnostic reviews and annual compensation surveys designed to compare the Group's practices with those of the market.

The basic salary policy for the various categories of managers is determined in line with local practices in each country, via annual salary surveys. A target positioning is defined for each position class, which applies to all of the Group's markets. The Group's reference pay scale is drawn up annually and is used during the hiring process as well as for annual salary reviews. In parallel, overall annual salary increases are aligned with local inflation rates and market practices.

The basic salary of "key contributors" is determined for each country based on the salary scales and rules established at the level of each industry and by local legislation.

The Group's variable compensation policy is aimed at ensuring that employees' performance is aligned with its short and mid-term objectives

Performance is generally assessed by reference to Group or entity-level financial criteria as well as individual criteria comprising quantifiable and/or qualitative objectives. The financial criteria are based on targets in the annual budget of the Group or the entity concerned. The individual criteria are intended to encourage achievement of the financial objectives. Most of the variable compensation systems include the notion of a performance threshold and some reward over-performance.

In line with these principles, the variable compensation of the Group's Top 120 executives is set each year in a way that ensures that their individual objectives are aligned with those of their region and the Group as a whole.

For 2019-2020, 80% of this variable compensation was based on the achievement of financial objectives for the region and/or Group and 20% on the achievement of individual "roadmap" objectives. The financial performance criteria applicable for 2019-2020 primarily relate to operating cash flow, EBITA margin and organic revenue growth. A trigger threshold has been set for each criterion and if the Group's financial objectives are outperformed a coefficient of up to 1.5 may be applied.

For 2020-2021, the financial performance criteria will be focused on operating cash flow generation, as this is a criterion is particularly suited to the Company’s financial situation during the Covid-19 crisis.

3.3.2 LABOR RELATIONS

The Group has a European Works Council (EWC), which is regularly provided with information about the Group's financial position, business operations, strategic objectives and HR situation.

In France, the Group Works Council serves as the primary forum for dialog with representatives of employees and trade unions from the French subsidiaries. The Group Works Council has a specialized commission that is tasked with closely monitoring human resources indicators.

At the level of its subsidiaries and/or UES (specific groupings of entities only existing in France), depending on the entity concerned, the Group manages relations with its employees through:

- The Social and Economic Committee:
- Various committees set up to monitor collective bargaining agreements and action plans.

The Group has also built up constructive relations with trade union representatives, both at the level of its subsidiaries and Group wide, as demonstrated by the numerous collective agreements signed on a wide range of issues (including personal insurance coverage, human resources planning and development, quality of working life and gender equality).

3.3.3 STATUTORY PROFIT-SHARING AGREEMENTS

In accordance with Article L. 3322-2 of the French Labor Code, companies in France are required to set up a statutory employee profit-sharing agreement if they have at least 50 employees and if their taxable profit represents more than 5% of their return on capital employed. As the Group meets these criteria it has entered into statutory profit-sharing agreements in all of its main French subsidiaries.

To date no statutory profit-sharing agreements have been entered into in the other countries where the Group operates.

3.3.3.1 Discretionary Profit-Sharing Agreements

Under French law, discretionary profit-sharing agreements are aimed at aligning employees' collective interests with those of the company by paying bonuses that are calculated based on the company's results and performance as provided for in Article L. 3312-1 of the French Labor Code. As at the date of this Universal Registration Document, the vast majority of Group companies have not set up any discretionary profit-sharing plans.

3.3.3.2 Incentive Plans for Key Executives

In 2016, the Group set up stock option and free share plans. See Section 3.1.7.3 above for further information.

In February 2018, the Group launched its first international employee share ownership plan, called the "Future Plan", covering eight countries.

4

MANAGEMENT’S DISCUSSION AND ANALYSIS FOR FISCAL 2019-2020

4. MANAGEMENT'S DISCUSSION AND ANALYSIS FOR FISCAL 2019-2020 - AFR

4.1 SIGNIFICANT EVENTS

Year ended September 30, 2020

- **The Covid-19 crisis and continuity of operations**

The main significant event of fiscal 2019-20 was the Covid-19 public health crisis, which has affected the performance of the Group's Education and Business & Industry activities since March 2020. The estimated impacts of the crisis during the fiscal year are €1,003 million on consolidated revenue and €268 million on adjusted EBITA before the application of IFRS 16.

At September 30, 2020, the Group had €630 million in available liquidity, including (i) an unused amount of €250 million under its €450 million euro-denominated revolving credit facility, (ii) the full $250 million of its US dollar-denominated revolving credit facility (corresponding to €213 million), and (iii) €129 million in other available credit facilities.

In view of its cash position, its available liquidity and the cash flow projections contained in its revised 2020-2021 budget and Business Plan, as well as its debt structure and the covenant holiday it has obtained (see below), the Group believes that it has a sufficient level of cash to ensure the continuity of its operations.

- **Payment of the 2018-2019 dividend**

The dividend for the year ended September 30, 2019 – which corresponded to €51.7 million (€0.29 per share) and was approved by the Company's shareholders at the March 20, 2020 Annual General Meeting – was paid on April 9, 2020.

- **Covenant holiday**

On May 26, 2020, Elior Group's lending banks agreed to suspend the covenant tests due to be performed on the Group's senior borrowings at September 30, 2020 and March 31, 2021.

- **Final purchase price adjustment for the Group's Concession Catering business**

On August 25, 2020, a final purchase price adjustment of €48 million was paid to PAI Partners following the sale of the Group's Concession Catering business on July 1, 2019.

Year ended September 30, 2019

- **Sale of the Concession Catering business**

Following a review of its strategic options and a subsequent bid process, on March 20, 2019, Elior Group announced that it had entered into exclusive discussions with PAI Partners concerning the sale of its concession catering operations grouped within the Elior Group subsidiary, Areas.

On July 1, 2019, Elior Group sold Areas to PAI Partners for €1.4 billion (representing an enterprise value of €1.542 billion), of which €70 million corresponded to an interest-bearing vendor loan.

The net capital gain on the sale amounted to €208 million, excluding the tax impact, and was recognized in "Net profit from discontinued operations".

In accordance with IFRS 5, "Non-current Assets Held for Sale and Discontinued Operations", the Group's Concession Catering business was presented under discontinued operations in the 2018-2019 income statement and its assets and liabilities were classified as assets and liabilities held for sale in the balance sheet.

- **Repayments of borrowings**

The proceeds received from the sale of Areas were used to reduce the Group's debt and to lower its leverage ratio (net debt to EBITDA) to within a range of 1.5x to 2x. This notably involved repaying in advance (with no early repayment penalties), €654 million and $344 million of its term loan facilities, as well as $100 million in bond debt. Additionally, the Group repaid €210 million and $75 million that it had drawn down on its revolving facilities.

- **Payment of the 2017-2018 dividend – cash/stock dividend option**

The dividend for the year ended September 30, 2018 – which corresponded to €59.8 million (€0.34 per share) and was approved by the Company's shareholders at the March 22, 2019 Annual General Meeting – was paid on April 16, 2019. Out of the total, €33 million was paid in cash and the remainder in new Elior Group shares.

- **Share buyback program**

In 2018-2019, Elior Group used the authorizations given in the 15th and 22nd resolutions of the March 22, 2019 Annual General Meeting to launch a share buyback program with a view to canceling the repurchased shares by way of a capital reduction.

For this purpose, on July 5, 2019, the Company signed a mandate with Natixis to purchase up to €50 million worth of Elior Group shares.

At September 30, 2019, €50 million worth of shares had been bought back.

4.2 ANALYSIS OF THE GROUP'S BUSINESS AND CONSOLIDATED RESULTS

(In € millions)	Year ended Sept. 30, 2020	IFRS 16 impact	Year ended Sept. 30, 2020 Pro forma IAS 17	Year ended Sept. 30, 2019
Revenue	**3,967**	**-**	**3,967**	**4,923**
Purchase of raw materials and consumables	(1,287)	-	(1,287)	(1,557)
Personnel costs	(2,077)	-	(2,077)	(2,436)
Share-based compensation	-	-	-	5
Other operating expenses	(420)	59	(479)	(561)
Taxes other than on income	(71)	-	(71)	(71)
Depreciation, amortization and provisions for recurring operating items	(178)	(57)	(121)	(122)
Net amortization of intangible assets recognized on consolidation	(20)	-	(20)	(21)
Recurring operating profit/(loss) from continuing operations	**(86)**	**2**	**(88)**	**160**
Share of profit of equity-accounted investees	(3)	-	(3)	-
Recurring operating profit/(loss) from continuing operations including share of profit of equity-accounted investees	**(89)**	**2**	**(91)**	**160**
Non-recurring income and expenses, net	(240)	-	(240)	(27)
Operating profit/(loss) from continuing operations including share of profit of equity-accounted investees	**(329)**	**2**	**(331)**	**133**
Net financial expense	(38)	(7)	(31)	(69)
Profit/(loss) from continuing operations before income tax	**(367)**	**(5)**	**(362)**	**64**
Income tax	(83)	3	(86)	4
Net profit/(loss) for the period from continuing operations	**(450)**	**(2)**	**(448)**	**68**
Net profit/(loss) for the period from discontinued operations	**(37)**	**(1)**	**(36)**	**202**
Net profit/(loss) for the period	**(487)**	**(3)**	**(484)**	**270**
Attributable to:				
Owners of the parent	*(483)*	*(3)*	*(480)*	*271*
Non-controlling interests	*(4)*	-	*(4)*	*(1)*
Earnings/(loss) per share (in €)				
Earnings/(loss) per share – continuing operations				
Basic	*(2.57)*			*0.38*
Diluted	*(2.57)*			*0.38*
Earnings/(loss) per share – discontinued operations				
Basic	*(0.21)*			*1.16*
Diluted	*(0.21)*			*1.15*
Total earnings/(loss) per share				
Basic	*(2.78)*			*1.54*
Diluted	*(2.78)*			*1.53*

REVENUE

Calculating organic revenue growth

The Group calculates organic growth between one financial period ("period n") and the comparable preceding period ("period n-1") as revenue growth excluding:

- Changes in the scope of consolidation resulting from acquisitions, divestments and transfers of operations held for sale that took place during each of the relevant periods, as follows (it being specified that significant acquisitions are acquired companies whose annual revenue corresponds to more than 0.1% of the Group's consolidated revenue for period n-1):

- for acquisitions completed during period n-1, the Group considers as a "change in scope of consolidation" effect the revenue generated by the acquired operations from the beginning of period n until one year after the date on which the acquired operations were included in the scope of consolidation;

- for acquisitions completed during period n, the Group considers as a "change in scope of consolidation" effect the revenue generated by the acquired operations from the date on which the acquired operations were included in the scope of consolidation until the end of period n;

- for divestments completed during period n-1, the Group considers as a "change in scope of consolidation" effect the revenue generated by the divested operations during period n-1; and

- for divestments completed during period n, the Group considers as a "change in scope of consolidation" effect the revenue generated by the divested operations from the date corresponding to one year before the deconsolidation of the divested operations until the end of period n-1.

However, when the Group compares periods that are not full fiscal years (for example, six-month periods), it determines the effect on revenue of changes in the scope of consolidation as follows:

- for (a) acquisitions completed during fiscal year n-1 but after the end of period n-1 and (b) acquisitions completed during fiscal year n but before the beginning of period n, the Group considers as a "change in scope of consolidation" effect the revenue generated by the acquired operations during period n; and

- for (a) divestments completed during fiscal year n-1 but after the end of period n-1 and (b) divestments completed during fiscal year n but before the beginning of period n, the Group considers as a "change in scope of consolidation" effect the revenue generated by the divested operations in period n-1.

- The effect of changes in exchange rates (the "currency effect") as described below.

  The Group calculates the currency effect on its revenue growth as the difference between (i) the reported revenue for period n, and (ii) the revenue for period n calculated using the applicable exchange rates for period n-1. The applicable exchange rates for any period are calculated based on the average of the daily rates for that period.

- The effect of changes in accounting methods as described below.

  The effect of changes in accounting policies notably concerns IFRS 15, "Revenue from Contracts with Customers", which was applied by the Group for the first time as from October 1, 2018.

Revenue analysis

Consolidated revenue from continuing operations totaled €3,967 million in 2019-20 compared to €4,923 million a year ago. This 19.4% year-on-year decrease reflects a loss in revenues of (i) €1,003 million due to the Covid-19 crisis, (ii) -€11 million due to strikes in France at the end of the first quarter and start of the second quarter and (iii) -€39 million due to voluntary contract exits in Italy and scope reduction in the Tesco contracts in the United Kingdom.

Without these various exceptional impacts, Elior's organic growth was +1.7%. Acquisitions in the USA and Italy contributed €4 million, while foreign exchange, notably the US dollar, added €8 million to consolidated revenue from continuing operations.

The proportion of revenue generated by international operations was 55% in 2019-20, same as with the previous fiscal year.

Revenue by geographic segment

(in € millions)	12 months 2019-2020	12 months 2018-2019	Organic growth	Changes in scope of consolidation	Currency effect	Total growth
France	1,778	2,212	(19.6)%	0.0%	0.0%	(19.6)%
International	2,182	2,689	(19.3)%	0.1%	0.3%	(18.9)%
Contract Catering & Services	3,960	4,901	(19.4)%	0.1%	0.2%	(19.2)%
Corporate & Other	7	22	(68.8)%	0.0%	0.0%	(68.8)%
GROUP TOTAL	**3,967**	**4,923**	(19.7)%	0.1%	0.2%	(19.4)%

International revenues were €2,182 million, a decline of 18.9% compared to last year, reflecting the €551 million impact of Covid-19 and – to a much lesser extent – the Italian public-sector contracts that we chose not to renew last year and the scaled back Tesco contracts in the UK. Excluding those items, Elior's International organic revenue growth was 2.6%.

The US was the most resilient owing to Elior being less exposed to B&I, our strong position in the National School Lunch Program from K-to-12 children and our ability to increase our use of existing capacity to support social services organizations.

Foreign exchange, notably a stronger US dollar, added +0.3% to international revenues compared to last year.

Revenue generated in **France** totaled €1,778 million in 2019-2020, compared with €2,212 million in the same period a year ago, a decline of 19.6%. Elior Services has deployed its bio-cleaning expertise, including certified Covid-19 specific solutions, particularly in the Health & Welfare, but also in services and industrial sectors.

Excluding the €11 million impact from strikes and the €445 million impact from Covid-19, organic revenue was flat for France.

The **Corporate & Other** segment, which includes the Group's remaining concession catering activities not sold with Areas, generated nearly €7 million in revenue in 2019-2020, down from €22 million for the same period last year notably due to the impact of the Covid-19 pandemic.

Revenue by market

(in € millions)	12 months 2019-2020	12 months 2018-2019	Organic growth	Changes in scope of consolidation	Currency effect	Total growth
Business & Industry	1,620	2,256	(28.3)%	0.0%	0.1%	(28.2)%
Education	1,149	1,415	(19.0)%	0.1%	0.2%	(18.7)%
Health & Welfare	1,198	1,252	(4.8)%	0.2%	0.2%	(4.4)%
GROUP TOTAL	3,967	4,923	(19.7)%	0.1%	0.2%	(19.4)%

Business & Industry generated revenue of €1,620 million, a decline of 28.2% compared with last year due to the Covid-19 lockdowns.

Education generated revenue of €1,149 million in 2019-20, a decline of 18.7% for the full year 2019-20, compared with a year ago, again due to the Covid-19 impact.

Health & Welfare revenue stood at €1,198 million, a decline of 4.4% compared with a year ago. This market was the least impacted by Covid-19.

PURCHASE OF RAW MATERIALS AND CONSUMABLES – CONTINUING OPERATIONS

This item decreased by €270 million from €1,557 million in 2018-2019 to €1,287 million in 2019-2020 reflecting the year-on-year decrease in consolidated revenue.

As a percentage of revenue, "Purchase of raw materials and consumables" edged up from 31.6%. to 32.4% in 2019-2020. This year-on-year rise reflects an increased use of sanitizing products and protective equipment as a result of Covid-19 (the costs of which were partly passed on to clients).

PERSONNEL COSTS – CONTINUING OPERATIONS

Excluding share-based compensation, personnel costs for continuing operations decreased by €358 million year on year, from €2,436 million to €2,077 million. However, as a percentage of revenue, they increased slightly from 49.5% to 52.4%.

The figure for the Contract Catering & Services business line (excluding share-based compensation) fell by €349 million from €2,402 million to €2,053 million, primarily attributable to the decrease in consolidated revenue.

Personnel costs for continuing operations include share-based compensation, which relates to long-term compensation plans put in place in the Group's French and international subsidiaries. Share-based compensation represented a nil amount in 2019-2020 versus income of €5 million in 2018-2019. The figures for both fiscal years include (i) the estimation that the objectives set for the June 15, 2018 performance share plan would not be achieved, and (ii) the re-estimation of the liability related to (a) the Elior North America stock option plan for 2018-2019 and (b) the July 24, 2019 performance share plan for 2019-2020.

OTHER OPERATING EXPENSES – CONTINUING OPERATIONS

Other operating expenses for continuing operations decreased by €141 million, or 25.2%, from €561 million to €420 million. This decrease was due to the decline in consolidated revenue in 2019-2020 and the cancellation of €59 million in lease payments following the first-time application of IFRS 16.

TAXES OTHER THAN ON INCOME – CONTINUING OPERATIONS

This item remained stable year on year, at €71 million.

DEPRECIATION, AMORTIZATION AND PROVISIONS FOR RECURRING OPERATING ITEMS – CONTINUING OPERATIONS

Depreciation, amortization and provisions for recurring operating items recorded by continuing operations rose by €56 million, or 45.4%, from €122 million to €178 million. This increase mainly stemmed from the amortization of right-of-use assets following the first-time application of IFRS 16.

ADJUSTED EBITA FOR CONTINUING OPERATIONS INCLUDING SHARE OF PROFIT OF EQUITY-ACCOUNTED INVESTEES

The following table sets out adjusted EBITA by segment and as a percentage of the revenue of each segment.

(in € millions)	Year ended September 30,		Change in adjusted EBITA	Adjusted EBITA margin	
	2019-2020	2018-2019		2019-2020	2018-2019
France	(13)	109	*(122)*	*(0.7)%*	*4.9%*
International	(30)	90	*(120)*	*(1.4)%*	*3.3%*
Contract Catering & Services	**(43)**	**199**	**(242)**	**(1.1)%**	**4.1%**
Corporate & Other	**(26)**	**(23)**	**(3)**	**0.0%**	**0.0%**
GROUP TOTAL	**(69)**	**176**	**(245)**	**(1.7)%**	**3.6%**

Adjusted EBITA for continuing operations was a €69 million loss for the fiscal year ended on September 30, 2020, including a positive €2 million from the application of IFRS 16, compared with a profit of €176 million in 2018-2019. As a result of the €245 million year-on-year decline, the adjusted EBITA margin was -1.7% for the fiscal year 2019-2020 compared with +3.6% in 2018-2019. The French strikes accounted for -€7 million, voluntary contract exits in Italy, contract terminations with the Ministry of Defense and Tesco contracts scope reduction in the UK together accounted for -€5 million, while the Covid-19 pandemic impact was -€268 million for the fiscal period 2019-2020.

Elior had estimated that the Covid-19 drop-through from revenues to adjusted EBITA would be less than 30% over the full year. The actual final drop-through was 27%.

- In the **International** segment, adjusted EBITA totaled a negative €30 million for full-year 2019-2020, compared to a positive €90 million a year ago, notably due to the major impact of Covid-19. Adjusted EBITA as a percentage of revenues was -1.4%, compared to 3.3% in 2018-2019.
- In **France**, adjusted EBITA came to a negative €13 million in fiscal 2019-2020, compared to a positive €109 million in 2018-2019. Tighter operational discipline and greater commercial selectivity by the management team helped to offset the impact of the general labor strikes in France but business was severely impacted by the Covid-19 lockdown measures. Health & Welfare was less affected despite the closures of hospital cafeterias. The adjusted EBITA as a percentage of revenue was -0.7%, compared to 4.9% year ago.
- The **Corporate & Other** adjusted EBITA was a negative 26 million for the fiscal year 2019-20 compared to a negative €23 million year ago, mostly due to the impact of Covid-19.

RECURRING OPERATING PROFIT/(LOSS) FROM CONTINUING OPERATIONS INCLUDING SHARE OF PROFIT OF EQUITY-ACCOUNTED INVESTEES

Recurring operating loss from continuing operations (including share of profit of equity-accounted investees), was €89 million for the full year 2019-20, which included an IFRS 16 benefit of €2 million, compared with a profit of €160 million in 2018-2019. The full year 2019-20 figure includes €20 million in amortization of intangible assets related to acquisitions, compared to €21 million in 2018-2019.

NON-RECURRING INCOME AND EXPENSES, NET - CONTINUING OPERATIONS

Non-recurring items represented a net expense of €240 million. This amount primarily included (i) €123 million in goodwill impairment losses recognized for Italy and the UK, and (ii) €103 million mainly related to provisions for restructuring costs, notably a €68 million provision recognized in France following the Group's announcement on September 30, 2020 of a job redeployment plan (*Plan de Sauvegarde de l'Emploi*). In fiscal 2018-19, non-recurring items represented a net expense of €27 million and mainly related to restructuring costs.

NET FINANCIAL EXPENSE – CONTINUING OPERATIONS

Net financial expense was -€38 million, which included an IFRS 16 impact of -€7 million in 2019-20. This compared to -€69 million a year ago, due to the reduction in debt following the sale of Areas in 2018-19, and the impact of the lower leverage ratio on the margin.

INCOME TAX – CONTINUING OPERATIONS

Income tax expense amounted to €83 million in 2019-2020, including an IFRS 16 benefit of €3 million, compared to a net benefit of €4 million resulting from a short-term tax loss on the divestment of Areas in 2018-19. In 2020, the Group only recognized a portion of the tax benefit arising from its net loss in 2019-2020 and it wrote down (mainly in France) a significant portion of its deferred tax assets recognized in prior years, following an update to its profit projections.

The 2019-2020 income tax expense also includes €19 million for the French CVAE tax, which is based on added value and therefore decreased in 2019-2020 compared with €21 million in 2018-2019.

NET PROFIT/(LOSS) FOR THE PERIOD FROM DISCONTINUED OPERATIONS

The Group recorded a €37 million net loss from discontinued operations, versus net profit of €202 million in 2018-2019, primarily reflecting the net price adjustment for the sale of Areas (corresponding to the Group's Concession Catering business). On the completion of this sale, which took place on July 1, 2019, the Group recognized a €208 million net capital gain before final price adjustments.

ATTRIBUTABLE NET PROFIT/(LOSS) FOR THE PERIOD AND EARNINGS/(LOSS) PER SHARE

In view of the factors described above, in fiscal 2019-2020 the Group recorded a €483 million net loss for the period attributable to owners of the parent, versus attributable net profit of €271 million in 2018-2019. This represented a basic and diluted loss per share of €2.78 for 2019-2020 compared with basic and diluted earnings per share of €1.54 and €1.53 respectively in 2018-2019.

ADJUSTED ATTRIBUTABLE NET PROFIT/(LOSS) FOR THE PERIOD

Adjusted attributable net profit for the period corresponds to consolidated net profit for the period from continuing operations attributable to owners of the parent adjusted for the following: (i) "Non-recurring income and expenses, net", (ii) goodwill impairment losses and net amortization of intangible assets recognized on consolidation in relation to acquisitions, (iii) exceptional impairment of investments in and loans to non-consolidated companies, and (iv) the impact of the capital gains and losses on sales of consolidated companies recognized in "Net profit/(loss) from discontinued operations", with all of these adjustments being net of tax.

(in € millions)	Year ended September 30, 2020	2019
Net profit/(loss) for the period attributable to owners of the parent – continuing operations	**(446)**	**68**
Adjustments		
Non-recurring income and expenses, net	123	27
Goodwill impairment losses	117	-
Net amortization of intangible assets recognized on consolidation	20	21
Exceptional impairment of investments in and loans to non-consolidated companies	6	12
Accelerated amortization of issuance costs related to debt repaid early following the sale of Areas	-	14
Tax effect on the above adjustments	(42)	(21)
Cancellation of tax saving generated on the sale of Areas	-	(20)
Adjusted attributable net profit/(loss) for the period	**(222)**	**101**
Adjusted earnings/(loss) per share (in €)	(1.28)	0.57

4.3 CONSOLIDATED CASH FLOWS FOR THE YEARS ENDED SEPTEMBER 30, 2019 AND 2020

The following table provides a summary of the Group's cash flows for the years ended September 30, 2019 and 2020.

(in € millions)	Year ended Sept. 30, 2020	IFRS 16 impact	Year ended Sept. 30, 2020 Pro forma IAS 17	Year ended Sept. 30, 2019
Net cash from operating activities – continuing operations	50	51	(1)	287
Net cash used in investing activities – continuing operations	(99)	-	(99)	(123)
Net cash from/(used in) financing activities – continuing operations	70	(51)	121	(1,381)
Effect of exchange rate and other changes	(3)	-	(3)	(9)
Increase/(decrease) in net cash and cash equivalents – continuing operations	**18**	**-**	**18**	**(1,227)**
Increase/(decrease) in net cash and cash equivalents – discontinued operations	(55)	-	(55)	1,224
Total increase/(decrease) in net cash and cash equivalents	**(37)**	**-**	**(37)**	**(3)**

CASH FLOWS FROM OPERATING ACTIVITIES – CONTINUING OPERATIONS

Operating activities for the Group's continuing operations generated a net cash inflow of €50 million in the year ended September 30, 2020, versus €287 million in 2018-2019. The year-on-year decrease is chiefly attributable to the €192 million decline in EBITDA and the net €93 million negative swing in the cash flow from change in operating working capital compared with 2018-2019.

Change in operating working capital. This item represented a net cash outflow of €9 million in 2019-2020 versus an €84 million net cash inflow one year earlier. The year-on-year negative swing was primarily due to the fall in business volumes which resulted in a €43 million decrease in outstanding amounts under the receivables securitization program. In addition, there was an unfavorable basis of comparison with 2018-2019, when the change in operating working capital was positively impacted in an amount of €47 million by the fact that the CICE tax credit in France was replaced by a reduction in payroll taxes.

Interest and other financial expenses paid. The amount of interest paid fell from €54 million to €24 million in 2019-2020, primarily due to (i) the decrease in consolidated debt with the early repayment of the term loan following the sale of Areas in second-half 2018-2019, and (ii) lower interest rates.

Tax paid. Tax paid includes corporate income tax paid in all of the geographic regions in which the Group operates. It also includes the Italian IRAP tax (*Imposta Regionale Sulle Attività Produttive*), the French CVAE tax and State Taxes in the United States.

This item represented net cash outflows of €11 million and €24 million in the years ended September 30, 2020 and 2019 respectively. The year-on-year decrease was mainly attributable to (i) tax refunds received in 2020 (refunds of payments on account made in 2018-2019) amounting to €5 million in France and €1 million in the United States, and (ii) the fact that the Group did not have to pay the BEAT tax in the United States for the year ended September 30, 2020.

Other cash flows from operating activities. Other cash flows from operating activities mainly relate to (i) non-recurring income and expenses recorded under "Non-recurring income and expenses, net" in the consolidated income statement, and (ii) payments made in connection with fair value adjustments recognized in accordance with IFRS as part of the purchase price allocation process for acquisitions.

This item represented net cash outflows of €17 million and €22 million for the years ended September 30, 2020 and 2019 respectively, and essentially consisted of restructuring costs.

CASH FLOWS FROM INVESTING ACTIVITIES – CONTINUING OPERATIONS

Net cash used in investing activities for continuing operations totaled €99 million in 2019-2020 and €123 million in 2018-2019.

Capital expenditure (net operating investments). Consolidated cash used for purchases of property, plant and equipment and intangible assets (capital expenditure), net of proceeds from sales, decreased year on year from €114 million to €89 million.

For Contract Catering & Services, the figure came to €85 million for 2019-2020, compared with €111 million for the year ended September 30, 2019. As a percentage of the business's revenue this item decreased from 2.3% to 2.1%, reflecting the continued rigorous selection of capital expenditure projects.

Net cash used for capital expenditure by the Corporate & Other segment was stable, coming in at €4 million for both fiscal years.

Purchases of and proceeds from sale of non-current financial assets. This item corresponded to a net cash outflow of €3 million in the year ended September 30, 2020 and concerned deposits paid in the United States.

For the year ended September 30, 2019, "Purchases of and proceeds from sale of non-current financial assets" represented a net cash inflow of €7 million and related to the sale of interests in a number of start-up companies purchased in prior periods.

Acquisition/sale of shares in consolidated companies. For the year ended September 30, 2020, acquisitions and sales of shares in consolidated companies represented a net cash outflow of €7 million, and primarily corresponded to earn-out payments relating to acquisitions in the United Kingdom and India carried out in prior periods.

For the year ended September 30, 2019, this item represented a net cash outflow of €16 million, mainly corresponding to earn-out payments relating to acquisitions in the United States and India carried out in prior period.

CASH FLOWS FROM FINANCING ACTIVITIES – CONTINUING OPERATIONS

Cash flows from financing activities represented a net cash inflow of €70 million in the year ended September 30, 2020 versus a net cash outflow of €1,381 million in 2018-2019.

Movements in share capital of the parent. In the year ended September 30, 2020, the Company repurchased €21 million worth of Elior Group shares, principally under the share buyback program launched in 2019. In the year ended September 30, 2019, the Company repurchased €50 million worth of Elior Group shares under the same share buyback program.

Proceeds from borrowings. Consolidated cash inflows from proceeds from borrowings totaled €936 million and €81 million in the years ended September 30, 2020 and 2019 respectively.

In both of the fiscal years under review these proceeds mainly corresponded to drawdowns on euro- and US dollar-denominated revolving credit facilities.

Repayments of borrowings. Repayments of borrowings led to cash outflows of €736 million and €1,379 million in the years ended September 30, 2020 and 2019 respectively.

The 2019-2020 figure principally corresponds to the repayment of amounts used under revolving facilities.

In 2018-2019, this item primarily concerned (i) the repayment in advance (with no early repayment penalties) of €654 million and $344 million of the Group's term loan facilities, and $100 million in bond debt, and (ii) the repayment of amounts drawn down on revolving facilities.

Effect of exchange rate and other changes. In the year ended September 30, 2020, fluctuations in exchange rates and other changes had an overall €3 million net negative cash impact, versus a €9 million negative impact in 2018-2019.

Increase/(decrease) in net cash and cash equivalents – discontinued operations. This item represented a €55 million net cash outflow in 2019-2020 versus a net inflow of €1,224 million one year earlier. The 2019-2020 figure includes the impact of a €48 million purchase price adjustment paid to PAI Partners in relation to the sale of Areas. The 2018-2019 figure chiefly corresponded to transactions related to the sale of Areas.

FREE CASH FLOW

(in € millions)	Year ended Sept. 30, 2020	IFRS 16 impact	Year ended Sept. 30, 2020 Pro forma IAS 17	Year ended Sept. 30, 2019
EBITDA	**111**	**58**	**53**	**303**
Purchases of and proceeds from sale of property, plant and equipment and intangible assets	(89)	-	(89)	(114)
Change in operating working capital	(9)	-	(9)	84
Other cash flows from operating activities	(17)	-	(17)	(23)
Operating free cash flow	**(4)**	**58**	**(62)**	**251**
Tax received/(paid)	(11)	-	(11)	(24)
Free cash flow	**(15)**	**58**	**(73)**	**227**

Operating free cash flow for 2019-2020 was a negative €62 million (before the IFRS 16 impact), compared with a positive €251 million in 2018-2019. This year-on-year decline was notably due to (i) a €245 million decrease in adjusted EBITDA and (ii) a €43 million reduction in the outstanding amounts under the receivables securitization program. Lower capital expenditure had a €25 million positive effect during the fiscal year.

Taking into account the IFRS 16 impact, operating free cash flow came to a negative €4 million and free cash flow was a negative €15 million.

4.4 SIMPLIFIED CONSOLIDATED BALANCE SHEET

(in € millions)	At Sept. 30, 2020	At Sept. 30, 2019
Non-current assets	2,683	2,780
Current assets excluding cash and cash equivalents	798	848
Assets classified as held for sale	17	10
Cash and cash equivalents	41	83
Total assets	**3,539**	**3,721**

(in € millions)	At Sept. 30, 2020	At Sept. 30, 2019
Equity	1,135	1,668
Non-controlling interests	(3)	2
Non-current liabilities	1,116	813
Current liabilities	1,271	1,224
Liabilities classified as held for sale	20	14
Total equity and liabilities	**3,539**	**3,721**
Net operating working capital requirement	(291)	(280)
Gross debt	1,033	618
Net debt as defined in the SFA	767	539
SFA leverage ratio (net debt as defined in the SFA/adjusted EBITA)	N/A[1]	1.80

(1) Not applicable due to the covenant holiday obtained until September 30, 2022.

At September 30, 2020, non-current assets included deferred tax assets totaling €74 million (versus €162 million one year earlier).

The Group's gross debt amounted to €1,033 million at September 30, 2020 (including €250 million in lease liabilities recognized following the first-time application of IFRS 16), versus €618 million at September 30, 2019. The September 30, 2020 figure mainly comprises (i) €726 million in bank borrowings under the Senior Facilities Agreement (SFA), including an aggregate €200 million in drawdowns on euro-denominated revolving credit facilities, (ii) €54 million in trade receivables securitized by French, Italian and Spanish subsidiaries, (iii) €250 million in lease liabilities and (iv) €3 million in other borrowings.

The average interest rate in 2019-2020 – including the lending margin – on the Group's debt related to the SFA and securitized trade receivables (which represent the majority of its total debt) was 1.72% taking into account the effect of interest rate hedges (2.24% in 2018-2019).

Cash and cash equivalents recognized in the balance sheet amounted to €41 million at September 30, 2020. At the same date, cash and cash equivalents presented in the cash flow statement, i.e. net of bank overdrafts and short-term accrued interest, totaled €43 million.

At September 30, 2020, consolidated net debt (as defined in the SFA) stood at €767 million, versus €539 million one year earlier. Including the IFRS 16 impact, the Group's net debt was €995 million, compared with €782 million (pro forma including IFRS 16) at September 30, 2019. The leverage ratio, i.e. net debt as defined in the SFA to adjusted EBITA did not apply at September 30, 2020, and stood at 1.80 times at September 30, 2019.

4.5 EVENTS AFTER THE REPORTING DATE

On October 13, 2020, the €360 million 2017 Securitization Program, which was originally scheduled to expire in July 2021, was amended in order to extend its maturity until October 2024 and to ensure compliance with the criteria provided for in Regulation (EU) 2017/2402 of the European Parliament and the Council of December 12, 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation. The amendments concerned do not affect the accounting treatment applied to the 2017 Securitization Program.

On November 24, 2020, the Group obtained an extension of its covenant holiday from September 30, 2021 to September 30, 2022, which is now the date of the next covenant test. This covenant holiday is subject to the following terms and conditions: (i) an additional 50bp margin level now applies for the tests on March 31 and September 30, 2021, (ii) the Company may not pay any dividends if its leverage ratio after the dividend payment is over 4x, (iii) the aggregate amount of acquisitions is capped at €50 million until the maturity date of the debt for as long as the leverage ratio is over 4x, and (iv) 50% of the proceeds of any new borrowings must be utilized for repaying existing drawdowns.

4.6 MAIN DISCLOSURE THRESHOLDS CROSSED DURING THE YEAR ENDED SEPTEMBER 30, 2020

In the year ended September 30, 2020, the Company received the following notifications concerning the crossing of disclosure thresholds (as specified in the applicable laws and/or the Company's bylaws):

- La Financière de l'Echiquier disclosed that on October 17, 2019 it had reduced its interest to below the threshold of 3% of the Company's capital and voting rights and that at that date it held 2.97% of the Company's total shares and voting rights.
- Franklin Resources, Inc. disclosed that on November 5, 2019 it had reduced its interest to below the threshold of 3% of the Company's capital and voting rights and that at that date it held 2.9954% of the Company's total shares and voting rights.
- Sycomore Asset Management disclosed that on November 1, 2019 it had reduced its interest to below the threshold of 2% of the Company's capital and voting rights and that at that date it held 1.99% of the Company's total shares and voting rights.
- Fonds Stratégique de Participations disclosed that on December 6, 2019 it had raised its interest to above the threshold of 5% of the Company's capital and voting rights and that at that date it held 5.11% of the Company's total shares and voting rights.
- Franklin Resources, Inc. disclosed that on December 17, 2019 it had reduced its interest to below the threshold of 2% of the Company's capital and voting rights and that at that date it held 1.8857% of the Company's total shares and voting rights.
- BDL Capital Management disclosed that on December 17, 2019, it had raised its interest to above the threshold of 3% of the Company's capital and voting rights and that at that date it held 3.17% of the Company's total shares and voting rights.
- BlackRock disclosed that on December 31, 2019 it had reduced its interest to below the threshold of 3% of the Company's capital and voting rights and that at that date it held 2.10% of the Company's total shares and voting rights.
- La Financière de l'Echiquier disclosed that on January 16, 2020 it had reduced its interest to below the threshold of 3% of the Company's capital and voting rights and that at that date it held 2.9442% of the Company's total shares and voting rights.
- BlackRock disclosed that on January 27, 2020 it had reduced its interest to below the threshold of 2% of the Company's capital and voting rights and that at that date it held 1.47% of the Company's total shares and voting rights.
- AXA Investment Managers disclosed that on February 13, 2020 it had raised its interest to above the threshold of 1% of the Company's capital and voting rights and that at that date it held 1.37% of the Company's total shares and voting rights.
- Sycomore Asset Management disclosed that on February 12, 2020 it had reduced its interest to below the threshold of 1% of the Company's capital and voting rights and that at that date it held 0.99% of the Company's total shares and voting rights.
- Fidelity International disclosed that on February 21, 2020 it had raised its interest to above the threshold of 3% of the Company's capital and voting rights and that at that date it held 3.05% of the Company's total shares and voting rights.
- Caisse des Dépôts et Consignations disclosed that on February 26, 2020, it had raised its interest to above the threshold of 3% of the Company's capital and voting rights and that at that date it held 3.08% of the Company's total shares and voting rights.
- La Financière de l'Echiquier disclosed that on February 26, 2020 it had raised its interest to above the threshold of 3% of the Company's capital and voting rights and that at that date it held 3.0146% of the Company's total shares and voting rights.
- La Financière de l'Echiquier disclosed that on March 3, 2020 it had reduced its interest to below the threshold of 3% of the Company's capital and voting rights and that at that date it held 2.9289% of the Company's total shares and voting rights.
- Caisse des Dépôts et Consignations disclosed that on March 4, 2020 it had reduced its interest to below the threshold of 3% of the Company's capital and voting rights and that at that date it held 2.99% of the Company's total shares and voting rights.
- BDL Capital Management disclosed that on March 6, 2020, it had raised its interest to above

the threshold of 4% of the Company's capital and voting rights and that at that date it held 4.2% of the Company's total shares and voting rights.
- Franklin Resources, Inc. disclosed that on March 10, 2020 it had reduced its interest to below the threshold of 1% of the Company's capital and voting rights and that at that date it held 0.9427% of the Company's total shares and voting rights.
- BDL Capital Management disclosed that on March 11, 2020, it had raised its interest to above the threshold of 5% of the Company's capital and voting rights and that at that date it held 5.1% of the Company's total shares and voting rights;
- Wellington Management Group LLP disclosed that on March 18, 2020 it had reduced its interest to below the threshold of 4% of the Company's capital and voting rights and that at that date it held 3.86% of the Company's total shares and voting rights.
- Edmond de Rothschild disclosed that on March 26, 2020 it had reduced its interest to below the threshold of 1% of the Company's capital and voting rights and that at that date it held 0.60% of the Company's total shares and voting rights.
- Wellington Management Group LLP disclosed that on March 27, 2020 it had raised its interest to above the threshold of 4% of the Company's capital and voting rights and that at that date it held 4.22% of the Company's total shares and voting rights.
- Citigroup disclosed that on April 16, 2020 it had reduced its interest to below the threshold of 4% of the Company's capital and voting rights and that at that date it held 3.04% of the Company's total shares and voting rights.
- JO Hambro disclosed that on April 16, 2020 it had raised its interest to above the threshold of 1% of the Company's capital and voting rights and that at that date it held 1.06% of the Company's total shares and voting rights.
- Caisse des Dépôts et Consignations disclosed that on April 17, 2020, it had raised its interest to above the threshold of 3% of the Company's capital and voting rights and that at that date it held 3.00% of the Company's total shares and voting rights.
- Caisse des Dépôts et Consignations disclosed that on April 22, 2020, it had reduced its interest to below the threshold of 3% of the Company's capital and voting rights and that at that date it held 2.83% of the Company's total shares and voting rights.
- Federal Finance Gestion disclosed that on April 25, 2020 it had reduced its interest to below the thresholds of 1% and 2% of the Company's capital and voting rights and that at that date it held 0.48% of the Company's total shares and voting rights.
- Sycomore Asset Management disclosed that on May 7, 2020 it had raised its interest to above the threshold of 2% of the Company's capital and voting rights and that at that date it held 2.03% of the Company's total shares and voting rights.
- JO Hambro disclosed that on May 27, 2020 it had reduced its interest to below the threshold of 1% of the Company's capital and voting rights and that at that date it held 0.995% of the Company's total shares and voting rights.
- Wellington Management Group LLP disclosed that on May 28, 2020 it had raised its interest to above the threshold of 4% of the Company's capital and voting rights and that at that date it held 4.01% of the Company's total shares and voting rights.
- Amundi disclosed that on May 29, 2020 it had reduced its interest to below the threshold of 1% of the Company's capital and voting rights and that at that date it held 0.96% of the Company's total shares and voting rights.
- Wellington Management Group LLP disclosed that on June 4, 2020 it had reduced its interest to below the threshold of 4% of the Company's capital and voting rights and that at that date it held 3.996% of the Company's total shares and voting rights.
- Wellington Management Group LLP disclosed that on June 10, 2020 it had raised its interest to above the threshold of 4% of the Company's capital and voting rights and that at that date it held 4.002% of the Company's total shares and voting rights.
- Wellington Management Group LLP disclosed that on June 17, 2020 it had reduced its interest to below the threshold of 4% of the Company's capital and voting rights and that at that date it held 3.99% of the Company's total shares and voting rights.
- AXA Investment Managers disclosed that on June 30, 2020 it had reduced its interest to below the threshold of 1% of the Company's capital and voting rights and that at that date it held 0.97% of the Company's total shares and voting rights.
- Sycomore Asset Management disclosed that on July 2, 2020 it had reduced its interest to below the threshold of 2% of the Company's capital and voting rights and that at that date it held 1.88% of the Company's total shares and voting rights.
- Wellington Management Group LLP disclosed that on July 2, 2020 it had raised its interest to above the threshold of 4% of the Company's

capital and voting rights and that at that date it held 4.01% of the Company's total shares and voting rights.

- Caisse des Dépôts et Consignations disclosed that on July 6, 2020, it had reduced its interest to below the threshold of 2% of the Company's capital and voting rights and that at that date it held 1.99% of the Company's total shares and voting rights.
- JO Hambro disclosed that on August 12, 2020 it had reduced its interest to below the threshold of 1% of the Company's capital and voting rights and that at that date it held 0.97% of the Company's total shares and voting rights.
- Caisse des Dépôts et Consignations disclosed that on August 27, 2020, it had reduced its interest to below the threshold of 1% of the Company's capital and voting rights and that at that date it held 0.96% of the Company's total shares and voting rights.
- BlackRock disclosed that on August 28, 2020 it had raised its interest to above the threshold of 2% of the Company's capital and voting rights and that at that date it held 2.08% of the Company's total shares and voting rights.
- BlackRock disclosed that on August 31, 2020 it had reduced its interest to below the threshold of 2% of the Company's capital and voting rights and that at that date it held 1.87% of the Company's total shares and voting rights.
- Citadel disclosed that on September 10, 2020 it had raised its interest to above the threshold of 1% of the Company's capital and voting rights and that at that date it held 1.253% of the Company's total shares and voting rights.
- Citigroup disclosed that on September 10, 2020 it had reduced its interest to below the threshold of 4% of the Company's capital and voting rights and that at that date it held 3.4684% of the Company's total shares and voting rights.
- BlackRock disclosed that on September 11, 2020 it had raised its interest to above the threshold of 2% of the Company's capital and voting rights and that at that date it held 2.14% of the Company's total shares and voting rights.
- BDL Capital Management disclosed that on September 14, 2020, it had raised its interest to above the threshold of 6% of the Company's capital and voting rights and that at that date it held 6% of the Company's total shares and voting rights.
- Citigroup disclosed that on September 14, 2020 it had reduced its interest to below the threshold of 3% of the Company's capital and voting rights and that at that date it held 2.5908% of the Company's total shares and voting rights.
- BlackRock disclosed that on September 23, 2020 it had reduced its interest to below the threshold of 2% of the Company's capital and voting rights and that at that date it held 1.98% of the Company's total shares and voting rights.
- Brandes Investment Partners disclosed that on September 24, 2020 it had raised its interest to above the threshold of 1% of the Company's capital and voting rights and that at that date it held 1.01% of the Company's total shares and voting rights.
- BlackRock disclosed that on September 25, 2020 it had raised its interest to above the threshold of 2% of the Company's capital and voting rights and that at that date it held 2.14% of the Company's total shares and voting rights.
- BlackRock disclosed that on September 28, 2020 it had reduced its interest to below the threshold of 2% of the Company's capital and voting rights and that at that date it held 1.80% of the Company's total shares and voting rights.
- BlackRock disclosed that on September 29, 2020 it had raised its interest to above the threshold of 2% of the Company's capital and voting rights and that at that date it held 2.03% of the Company's total shares and voting rights.

4.7 PARENT COMPANY NET PROFIT AND DIVIDEND

In view of the Covid-19 crisis and based on the Group's results for fiscal 2019-2020, at the Annual General Meeting to be held in 2021 the Board of Directors will not recommend a dividend payment.

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4.8 THE GROUP'S FINANCIAL AND LIQUIDITY POSITION

4.8.1 LIQUIDITY AND CAPITAL RESOURCES

4.8.1.1 General Information

The Group's cash requirements mainly relate to financing its working capital requirements and capital expenditure as well as servicing and repaying its debt. Its main source of liquidity is cash generated from operating activities. Going forward, its ability to generate cash from its operating activities will depend on its future operating performance, which is, in turn, dependent to some extent on general economic, financial, competitive, market, regulatory and other factors, many of which are beyond the Group's control. The Group uses its cash and cash equivalents – which are denominated in euros and US dollars – to fund the day-to-day requirements of its business.

The Group has regularly refinanced its debt with a view to reducing the cost of its bank borrowings and extending their maturities. In 2013, it carried out an issue of Senior Secured Notes and in 2015 it issued US dollar-denominated bonds which were taken up through a private placement. Also in 2015 and then in 2016, it successively refinanced its local US dollar-denominated debt and the Senior Secured Notes via bank borrowings drawn down under the SFA (for a description of these operations, see Note 5.2.2 to the consolidated financial statements for the years ended September 30, 2015 and 2016 in Chapter 4, Section 4.9 of the 2015-2016 Registration Document and Chapter 4, Section 4.8 of the 2014-2015 Registration Document).

The Group believes that for the year ended September 30, 2021 (as was the case for fiscal 2019-2020 and for previous years), its cash requirements will mainly relate to (i) financing working capital requirements (see this Section 4.8), (ii) financing capital expenditure (see Section 4.3, "The Group's Financial and Liquidity Position), and (iii) servicing and repaying debt. Based on the conditions described in Section 4.9 below, "Outlook", and the Group's updated cash flow forecasts, Management believes that the Group will be able to fund its cash requirements and service and repay its debt during the twelve-month period following the date on which its consolidated financial statements were approved for issue (November 24, 2020).

4.8.1.2 Financial Resources

4.8.1.2.1 Overview

The Group's sources of liquidity have historically consisted mainly of the following:

- Net cash from operating activities, which amounted to €51 million for the year ended September 30, 2020 versus €287 million for the year ended September 30, 2019.
- Cash and cash equivalents: cash and cash equivalents recorded in the consolidated cash flow statement amounted to €78 million and €41 million at September 30, 2020 and 2019 respectively. For further information see the cash flow statement included in the consolidated financial statements set out in the section below entitled "Consolidated Financial Statements for the Years Ended September 30, 2020 and 2019".
- Debt, which includes the Senior Facilities Agreement (SFA), the Securitization Programs and finance lease liabilities. See Note 7.17.2 to the consolidated financial statements in the section below entitled "Consolidated Financial Statements for the Years Ended September 30, 2020 and 2019" as well as the description below.

4.8.1.2.2 Financial Liabilities

The Group's financial liabilities totaled €622 million and €805 million at September 30, 2019 and 2020 respectively. The table below provides a breakdown of the Group's gross debt at each of those dates.

(in € millions)	At September 30	
	2020	**2019**
Financial liabilities under the Senior Facilities Agreement	730	530
Finance lease liabilities	22	31
Receivables securitization programs	54	54
Other financial liabilities (short-term bank loans)	0	7
Total financial liabilities	**805**	**622**

The table below shows the Group's credit ratings:

	Moody's[1]	**S&P[2]**
Group	Ba3	BB

(1) Rating issued on May 19, 2020 - Negative outlook as a result of the Covid-19 pandemic
(2) Rating issued on June 1, 2018 – Outlook revised to negative on April 8, 2020 as a result of the Covid-19 pandemic

The following section describes the main components of the Group's financial liabilities.

4.8.2 SENIOR FACILITIES AGREEMENT

Overview

On June 23, 2006, the Company entered into a Senior Facilities Agreement (the "Senior Facilities Agreement" or "SFA"), which has been amended several times since that date. The borrowers under the SFA are Elior Group and Elior Participations S.C.A.

In March 2018 the Group submitted a request to the lenders to extend the maturities of (i) certain euro-denominated facilities by one year, and (ii) certain US dollar-denominated facilities by two years. The lending commitments of the lenders who agreed to this amend & extend transaction were transferred to new facilities and the commitments of the lenders who refused the amend & extend were taken on by other existing lenders under the SFA. The transaction was contractualized by way of an addendum to the SFA signed in April 2018.

Credit facilities

As at the date of this Universal Registration Document, the Senior Facilities Agreement provides for the following credit facilities:

Facility	Borrower	Principal amount (in millions)	Currency	Maturity
Facility B	Elior Group	530	EUR	2023
EUR - 2 Revolving Facility	Elior Group - Elior Participations	450	EUR	2023
USD - 3 Revolving Facility	Elior Group - Elior Participations	250	USD	2023
	Total	**1,230**		

The Senior Facilities Agreement also provides for a "Facility I" to be made available to the Company and/or Elior Participations S.C.A., in one or more tranches, as described below.

On July 1, 2019, the following repayments were made:

- Full repayment and cancellation of Facility I6, corresponding to €50 million.

- Full repayment and cancellation of Facility I7, corresponding to €184 million.

- Full repayment and cancellation of Facility I9, corresponding to €150 million.

- Full repayment and cancellation of Facility D, corresponding to €344 million.

- Partial repayment of Facility B, corresponding to €270 million (leaving an outstanding principal amount of €530 million).

Interest and Fees

The Senior Facilities bear interest at a rate per annum equal to the Libor of the currency in which the facility is denominated (or Euribor for facilities in euros), plus the applicable margins and certain usual mandatory costs.

The annual margins for some of the Senior Facilities are determined by reference to the applicable leverage ratio as follows:

Leverage ratio	Facility B	EUR Revolving Facility	USD Revolving Facility
Greater than or equal to 4.50:1[1]	2.50%	1.85%	1.85%
Less than 4.50:1 but greater than or equal to 4.00:1[1]	2.25%	1.85%	1.85%
Less than 4.00:1 but greater than or equal to 3.50:1	2.00%	1.60%	1.60%
Less than 3.50:1 but greater than or equal to 3.00:1	1.65%	1.25%	1.25%
Less than 3.00:1 but greater than or equal to 2.50:1	1.40%	1.00%	1.00%
Less than 2.50:1 but greater than or equal to 2.00:1	1.20%	0.80%	0.80%
Less than 2.00:1	1.00%	0.60%	0.60%

[1] Margins applicable until the publication date of the 2020-2021 financial statements.

The mechanism providing for a reduction in margins based on the leverage ratio will not apply if an "event of default", as defined in the Senior Facilities Agreement, has occurred.

Security and Guarantees

Following the redemption of the Senior Secured Notes, the pledges granted to Elior Finance & Co. S.C.A. in its capacity as lender for Facility H1 have been released.

Similarly, as the Senior Facilities Agreement provided for the release of all of the pledges granted in relation to Facility H in the event of repayment of all of the sums due under that facility, the remaining outstanding pledges were released in June 2016.

Undertakings and Covenants

The Senior Facilities Agreement contains customary negative and affirmative covenants with respect to the Group's entities (adapted in certain cases to reflect the Group's specific situation). It does not contain any restrictions with respect to dividend payments.

The Senior Facilities Agreement contains certain reporting requirements, and particularly an obligation to provide annual consolidated financial statements (audited) and interim consolidated financial statements (unaudited).

The Senior Facilities Agreement also stipulates that the Group's leverage ratio must be less than or equal to 4:1 at September 30 and less than or equal to 4.50:1 at March 31.

On May 26, 2020, the Company was granted a covenant holiday for the September 30, 2020 and March 31, 2021 covenant tests, whereby the leverage ratio ceilings will not apply. The mechanism providing for the lending margins to increase or decrease depending on the leverage ratio still applies, however.

Mandatory Prepayments and Cancellation

The Senior Facilities will be immediately repayable, if, among other events, there is a "change of control" or a sale of all or substantially all of the Group's assets.

The borrowers may voluntarily (i) prepay all or part of the facilities made available to them under the SFA, or (ii) cancel all or part of any unused facilities under the SFA.

Events of Default

The Senior Facilities Agreement provides for certain events of default (subject to materiality, cure periods and other exceptions where appropriate) which can trigger acceleration. These events of default are customary for this type of financing and notably include breach of the leverage ratio covenant.

If an event of default occurs and persists, the Senior Facilities Agreement provides that the Senior Facility Agent may and will, if so instructed by the lenders, either (i) block any additional utilizations, or (ii) declare that all or part of any amount outstanding under such Senior Facilities is immediately due and payable.

Governing Law

The Senior Facilities Agreement is governed by English law.

4.8.3 FACILITY I

General Information

The Senior Facilities Agreement provides that the Company or Elior Participations S.C.A. may borrow amounts, in one or more tranches, under a facility entitled Facility I, which will be made available under certain specific conditions. For this purpose, a duly authorized credit institution in France must commit to make such tranches available.

The interest payable on any Facility I tranche, taking into account any fees or issue premiums, must be set such that the yield to maturity does not exceed 6% per annum. The net proceeds from any borrowings under Facility I must be used, at the discretion of the borrower concerned, for carrying out permitted acquisitions (subject to certain limits) and/or for voluntarily prepaying the term loan facilities.

Tranche I1 of Facility I (Facility B, Facility C and revolving credit facility)

On December 3, 2014, a syndicated credit facility (comprising term loans and a revolving credit facility) was set up under Facility I, representing a total of €1,250 million and bearing interest at 1.90% per annum for the five-year tranche and 2.75% for the eight-year tranche, subject to changes in the interest scale (as described in the "Interest and Fees" paragraph of Section 4.8.2, "Senior Facilities Agreement" above). Out of this total, on December 10, 2014, €200 million was made available to Elior Group and €750 million to Elior Participations. The five-year revolving credit facility that can be used by Elior Group and Elior Participations amounts to €300 million. Under the January 2016 addendum to the Senior Facilities Agreement, the maturities of the five-year tranches and the revolving credit facility were extended by one year, and their respective lending margins were reduced by 25 basis points.

Two new Facility I tranches amounting to €50 million each were set up on May 22, 2015 (Facility I4) and June 23, 2015 (Facility I5). The funds under these facilities – whose drawdowns bear interest at a rate of 1.88% – were made available to Elior Participations on May 28 and June 26, 2015 respectively.

In addition, two revolving facilities amounting to USD 150 million (the USD Revolving Facility) and USD 100 million (the USD Revolving Facility 2) were made available to Elior Group and Elior Participations in June 2015.

Two new Facility I tranches were set up on January 15, 2016 (Facility I6, for €50 million) and April 18, 2016 (Facility I7, for €184 million). The funds under these facilities – whose drawdowns bear interest at a rate of 2.254% for Facility I6 and 2.1486% for Facility I7 – were made available to Elior Group on January 29 and May 2, 2016 respectively. They were financed by bank-format private placements within the scope of the Senior Facilities Agreement.

A further new Facility I tranche (Facility I8) was set up on June 8, 2016, amounting to USD 244 million. The funds under this facility – whose drawdowns bear interest at a rate of 2.14805 % – were made available on June 20, 2016.

Lastly, a further new Facility I tranche amounting to USD 150 million (Facility I9) was set up on September 22, 2017 (to repay Facility C). The funds under Facility I9 – whose drawdowns bear interest at a rate of 2.128% – were made available on September 29, 2017.

4.8.4 BOND ISSUE

In 2015, the Company carried out an issue of bonds representing a maximum USD 100 million and due to mature on May 28, 2022. Interest on the bonds corresponded to the USD six-month Libor plus a margin of 2.15%. The proceeds from the bond issue were used to refinance Elior North America's debt and to cover the costs of the issue.

The bonds were issued to the Belgian-based fund, Pandios CommVA, under a private placement. Neither the Company nor its subsidiaries granted any collateral or guarantees for the bonds. Other than the guarantee provisions, the bonds were subject to the same terms and conditions as in the Senior Facilities Agreement.

All of these bonds were fully redeemed and canceled on July 1, 2019.

4.8.5 RECEIVABLES SECURITIZATION PROGRAMS

Certain French entities of the Group (the "Elior Group Receivables Sellers") were beneficiaries under a €200 million receivables securitization program, which was entered into in November 2006 and amended several times after that date (the "2006 Securitization Program"). The 2006 Securitization Program was refinanced in May 2013 (the "2013 Securitization Program") and its maximum amount was increased to €300 million. In addition, the 2013 Securitization Program was extended to include certain Spanish and Italian entities of the Group. The 2013 Securitization Program was refinanced in July 2017 (the "2017 Securitization Program") and its maximum amount was increased to €322 million. The Group's Italian entities no longer form part of this program. In March 2019, the maximum amount of the program was raised to €360 million. In October 2020, the securitization program was refinanced and its maturity was extended to October 2024, with its maximum amount remaining unchanged.

Under the 2017 Securitization Program (representing a maximum of €360 million), trade receivables arising from sales carried out or services rendered in France and Spain in relation to commercial contracts (subject to certain eligibility criteria) denominated in euros and originated by any Elior Group Receivables Seller are sold to Ester Finance Titrisation, (the "Purchaser"), a French subsidiary of Crédit Agricole CIB. The sales are carried out monthly, based on receivables arising in the previous month, and receivables are fully financed without a guarantee deposit.

The 2017 Securitization Program comprises two compartments: An "ON compartment" whereby receivables are sold with recourse and an "OFF compartment" whereby receivables are sold without recourse.

For the ON compartment, as the Group continues to bear a significant portion of late payment and credit risks, the sold receivables do not meet the conditions required under IFRS 9 for off balance-sheet accounting. Consequently, the financing received is accounted for as debt. Sales to the Purchaser are made at the face value of the receivables, less a discount to reflect the financing costs until settlement. At September 30, 2020, outstanding securitized receivables relating to the ON compartment, net of the related €26 million overcollateralization reserve, stood at €50 million.

For the OFF compartment, credit risks, interest rate risks and late payment risks are transferred to the Purchaser through the discount applied on the receivables, which corresponds to remuneration for the credit risk and the financing cost. Dilution risk, assessed as part of the overall risks and benefits analysis, is not deemed to be a risk associated with the receivables. Under the terms of the OFF compartment:

(i) The receivables transfers are valid and binding on third parties (other than the debtors if no notification is given).
(ii) The Elior Group Receivables Sellers (the "Sellers") may only repurchase their sold receivables in specific circumstances (e.g. Disputed Receivables, Defaulted Receivables).
(iii) The Purchaser may only have recourse against the Sellers with respect to matters for which the Sellers are responsible, such as in the case of Dilution (excluding any guarantees for the payment of invoices).
(iv) The Program provides a precise definition of Dilutions in order to avoid any return of risks to the Sellers for reasons related to the debtor (e.g. deliberate payment delaying tactics or falsely disputing amounts due, with a clear definition of disputes, and offsetting only possible in valid circumstances).
(v) If a default event occurs, this event terminates the program from thereon but does not affect any receivables sales that have already been carried out.
(vi) The applicable financial terms and conditions of the sales are set at the sale dates and no amendments with retroactive effect may be made to such financial terms and conditions.
(vii) The eligibility criteria applicable to the receivables are objective.
(viii) The sold receivables must not involve any performance risk (i.e. the receivables are due under contracts for which the services have already been rendered).

At September 30, 2020, the amount of derecognized receivables totaled €206 million, compared with €217 million one year earlier.

The Purchaser settles its receivables purchases from the Elior Group Receivables Sellers on a monthly basis. Between settlement dates, the Elior Group Receivables Sellers may use cash received from clients, which is paid into segregated bank accounts dedicated to the transaction and swept monthly to the Purchaser's bank account (subject to netting against the purchase price owed for newly originated receivables, unless a default event has occurred). Responsibility for administering receivables, including adherence to established credit and collection policies, remains with the Elior Group Receivables Sellers, with Elior Participations S.C.A. acting as the centralizing entity for such administration.

Certain specified events would terminate the Securitization Program. These include (without limitation) events relating to the performance of the receivables, payment default exceeding €40 million on any debt contracted by the Elior Group Receivables Sellers or under the Senior Facilities Agreement, and accelerated repayment exceeding €40 million in relation to any debt contracted by the Elior Group Receivables Sellers or under the Senior Facilities Agreement.

Direct recourse to the Elior Group Receivables Sellers is limited (i) for the ON compartment, to the amount of the overcollateralization reserve of the receivables, and (ii) for the OFF compartment, to the amount of the dilution reserve.

In addition, the Purchaser has been granted a guarantee by Elior Participations S.C.A. for amounts due to the Purchaser by the Elior Group Receivables Sellers up to a maximum principal amount of €367 million.

The Purchaser's commitment to finance the purchase of receivables originally ended in July 2021 but the contract was renewed on October 13, 2020 for a further four years.

On July 29, 2016, an on-balance sheet receivables securitization agreement with a three-year term was put in place for a number of the Group's UK subsidiaries, representing a maximum amount of GBP 30 million. This agreement was terminated on August 22, 2019 when all of the sold receivables were repurchased by their sellers.

4.8.6 PRESENTATION AND ANALYSIS OF THE GROUP'S MAIN CASH OUTFLOWS

4.8.6.1 Capital Expenditure

The Group's capital expenditure for its operations breaks down into the following categories:

- Maintenance and repairs expenditure.
- Expenditure incurred in connection with the renewal or extension of existing contracts in order to maintain or improve the retention rate.
- Expenditure for business development and prospecting new clients.

The Group's net capital expenditure for the years ended September 30, 2019 and 2020 totaled €114 million and €89 million respectively. For further information on the Group's historical, current and future capital expenditure, see Section 4.3 above, "Cash Flows from Investing Activities – Continuing Operations".

4.8.6.2 Interest Payments and Repayments of Borrowings

A significant portion of the Group's cash flow is used to repay debt. For the year ended September 30, 2018, a large portion of the Group's cash flow stemmed from the €150 million increase in the drawdown limit for the revolving credit facility. The Group paid interest amounting to €20 million and €54 million in the years ended September 30, 2019 and 2020 respectively.

4.8.6.3 Financing Working Capital

The Group's working capital mainly corresponds to inventories plus trade receivables and other operating receivables less trade payables and other operating payables. Structurally, its working capital reflects the specific characteristics of each of its businesses.

4.9 OUTLOOK

4.9.1 MID-TERM OUTLOOK

We are staying the course we set ourselves when we launched our strategic plan, New Elior, and are reinforcing our differentiating factors in all our markets while accelerating our transformation and the rollout of our new offers to emerge more competitive from this crisis and reaffirm our leadership and our ability to drive innovation in all our businesses.

There are still countless opportunities in our markets. Our teams, both in catering and services, are more mobilised than ever, ready to take up the challenges ahead. We are very confident in the future of our businesses because we now have the talent, know-how and organization to take advantage of the upcoming recovery. In the mid-term, the anticipated rebound after the crisis and the additional revenues generated by our new offerings will enable us to return to robust growth and improve our pre-crisis margins.

4.9.2 OUTLOOK FOR FISCAL 2020-2021

After lockdown measures eased in mid-May 2020, we saw a continuous improvement in our activities. As a second wave of lockdowns hit Europe in October; we saw that Covid-19 will continue to create persistent uncertainty in the coming months. The recovery in economic activity is expected to be gradual and bumpy throughout 2020-2021, and at varying rates depending on how the pandemic plays out in the countries where Elior operates.

Based on all known variables at this point, the assumptions for 2020-2021 that Elior is using to plan and make its decisions are as follows:

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- Business & Industry posted a good recovery in September and until mid-October thanks to white-collar workers, who represent less than 18% of Group revenues, being back at the office. Due to recent government measures we expect a high level of remote working in the first half, before a gradually reduction in the second half of our fiscal year. Business should accelerate as vaccine programs are rolled out. In this context, we are maintaining a constant contact with our clients to adjust our catering offering as their needs evolve.

- The Education market should remain near pre-Covid-19 levels, as primary, middle and high schools (K-12) stay open in Europe and to varying degrees across the USA. K-12 education accounts for the vast majority of Elior's revenue in this segment.

- The Health & Welfare market should remain near pre-Covid-19 levels in contract catering and services. The cancellation of non-emergency surgeries and closing of hospital cafeterias will continue to have an impact on our results in the first half of the year.

Wherever possible, we will continue to use the available government furlough and business support programs and will further adapt our cost structure to protect our profitability.

Cost discipline, tight cash management and reinforced SG&A discipline will also continue in full force, alongside the restructuring measures already undertaken.

Elior's Board of Directors and the Executive Committee sincerely thank the Group's 105,000 employees for their commitment to our customers and guests during this exceptional period.

4.10 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED SEPTEMBER 30, 2020 AND 2019

ELIOR GROUP

IFRS Consolidated Financial Statements

For the Years Ended September 30, 2020 and September 30, 2019

IFRS Consolidated Financial Statements for the Years Ended September 30, 2020 and 2019

1. Consolidated Income Statement and Statement of Comprehensive Income

1.1 Consolidated Income Statement

(in € millions)	Note	Year ended September 30, 2020	Year ended September 30, 2019
Revenue	**7.1, 7.2**	**3,967**	**4,923**
Purchase of raw materials and consumables		(1,287)	(1,557)
Personnel costs	7.3	(2,077)	(2,436)
Share-based compensation	7.18.2	-	5
Other operating expenses		(420)	(561)
Taxes other than on income		(71)	(71)
Depreciation, amortization and provisions for recurring operating items		(178)	(122)
Net amortization of intangible assets recognized on consolidation		(20)	(21)
Recurring operating profit/(loss) from continuing operations		**(86)**	**160**
Share of profit of equity-accounted investees		(3)	-
Recurring operating profit/(loss) from continuing operations including share of profit of equity-accounted investees	**7.1**	**(89)**	**160**
Non-recurring income and expenses, net	7.4	(240)	(27)
Operating profit/(loss) from continuing operations including share of profit of equity-accounted investees		**(329)**	**133**
Financial expenses	7.5	(45)	(89)
Financial income	7.5	7	20
Profit/(loss) from continuing operations before income tax		**(367)**	**64**
Income tax	7.6	(83)	4
Net profit/(loss) for the period from continuing operations		**(450)**	**68**
Net profit/(loss) for the period from discontinued operations	**7.7**	**(37)**	**202**
Net profit/(loss) for the period		**(487)**	**270**
Attributable to:			
Owners of the parent		**(483)**	**271**
Non-controlling interests		**(4)**	**(1)**

The accompanying notes form an integral part of the consolidated financial statements.

(in € millions)		Year ended September 30, 2020	Year ended September 30, 2019
Earnings/(loss) per share (in €)	**7.8**		
Earnings/(loss) per share - continuing operations			
Basic		(2.57)	0.38
Diluted		(2.57)	0.38
Earnings/(loss) per share - discontinued operations			
Basic		(0.21)	1.16
Diluted		(0.21)	1.15
Total earnings/(loss) per share			
Basic		(2.78)	1.54
Diluted		(2.78)	1.53

1.2 Consolidated Statement of Comprehensive Income

(in € millions)	Year ended September 30, 2020	Year ended September 30, 2019
Net profit/(loss) for the period	**(487)**	**270**
Items that will not be reclassified subsequently to profit or loss		
Post-employment benefit obligations (1)	7	(11)
Items that may be reclassified subsequently to profit or loss		
Financial instruments	3	(12)
Currency translation adjustments	(23)	8
Income tax	(1)	4
	(21)	**-**
Comprehensive income/(expense) for the period	**(500)**	**259**
Attributable to:		
- Owners of the parent	(496)	260
- Non-controlling interests	(4)	(1)
Comprehensive income/(expense) for the period attributable to owners of the parent	**(496)**	**260**
Relating to:		
- Continuing operations	(459)	52
- Discontinued operations	(37)	208

(1) *Net of the effect of income tax*

The accompanying notes form an integral part of the consolidated financial statements.

2. Consolidated Balance Sheet

2.1 Assets

(in € millions)	Note	At September 30, 2020	At September 30, 2019 (1)
Goodwill	7.9	1,719	1,851
Intangible assets	7.10	221	262
Property, plant and equipment	7.10	314	392
Right-of-use assets	7.10	238	-
Other non-current assets		6	8
Non-current financial assets	7.11	111	104
Equity-accounted investees	7.12	-	1
Fair value of derivative financial instruments (*)		-	-
Deferred tax assets	7.14	74	162
Total non-current assets		**2,683**	**2,780**
Inventories		102	94
Trade and other receivables	7.13	625	675
Contract assets		-	-
Current income tax assets		14	32
Other current assets	7.15	54	47
Short-term financial receivables		3	-
Cash and cash equivalents (*)		41	83
Assets classified as held for sale	7.7	17	10
Total current assets		**856**	**941**
Total assets		**3,539**	**3,721**

(*) Included in the calculation of net debt

(1) Deferred taxes at September 30, 2019 have been restated in order to offset deferred tax assets and liabilities in accordance with IAS 12.74 (see Note 6.1.5).

The accompanying notes form an integral part of the consolidated financial statements.

2.2 Equity and Liabilities

(in € millions)	Note	At September 30, 2020	At September 30, 2019 (1)
Share capital	7.18.1	2	2
Reserves and retained earnings		1,152	1,662
Translation reserve		(19)	4
Non-controlling interests		(3)	2
Total equity	4	**1,132**	**1,670**
Long-term debt (*)	7.17.2	781	602
Long-term lease liabilities (*)	7.17.2	192	-
Fair value of derivative financial instruments (*)		6	9
Non-current liabilities relating to share acquisitions	7.19	18	70
Deferred tax liabilities	7.14	-	13
Provisions for pension and other post-employment benefit obligations	7.16	96	104
Other long-term provisions	7.16	23	15
Other non-current liabilities		-	-
Total non-current liabilities		**1,116**	**813**
Trade and other payables		448	550
Due to suppliers of non-current assets		11	15
Accrued taxes and payroll costs		536	476
Current income tax liabilities		1	15
Short-term debt (*)	7.17.2	2	16
Short-term lease liabilities (*)	7.17.2	58	-
Current liabilities relating to share acquisitions	7.19	2	2
Short-term provisions	7.16	130	63
Contract liabilities	7.2.2	62	49
Other current liabilities	7.20	21	38
Liabilities classified as held for sale	7.7	20	14
Total current liabilities		**1,291**	**1,238**
Total liabilities		**2,407**	**2,051**
Total equity and liabilities		**3,539**	**3,721**
(*) Included in the calculation of net debt (including IFRS 16 lease liabilities at September 30, 2020)		998	543
Net debt excluding fair value of derivative financial instruments and debt issuance costs (including IFRS 16 lease liabilities at September 30, 2020)		995	539

(1) Deferred taxes at September 30, 2019 have been restated in order to offset deferred tax assets and liabilities in accordance with IAS 12.74 (see Note 6.1.5).

The accompanying notes form an integral part of the consolidated financial statements.

3. Consolidated Cash Flow Statement

(in € millions)	Note	Year ended September 30, 2020	Year ended September 30, 2019
Cash flows from operating activities - continuing operations			
Recurring operating profit/(loss) including share of profit of equity-accounted investees		(89)	160
Amortization and depreciation (1)		195	146
Provisions		5	(3)
EBITDA		**111**	**303**
Dividends received from equity-accounted investees		–	–
Change in operating working capital		(9)	84
Interest and other financial expenses paid		(24)	(54)
Tax paid		(11)	(24)
Other cash movements		(17)	(22)
Net cash from operating activities - continuing operations		**50**	**287**
Cash flows from investing activities - continuing operations			
Purchases of property, plant and equipment and intangible assets	7.10	(98)	(120)
Proceeds from sale of property, plant and equipment and intangible assets		9	6
Purchases of financial assets		(3)	(2)
Proceeds from sale of financial assets		-	9
Acquisitions of shares in consolidated companies, net of cash acquired	11.	(10)	(16)
Other cash flows from investing activities		3	-
Net cash used in investing activities - continuing operations		**(99)**	**(123)**
Cash flows from financing activities - continuing operations			
Dividends paid to owners of the parent		(50)	(33)
Movements in share capital of the parent		-	-
Purchases of own shares		(21)	(50)
Dividends paid to non-controlling interests		-	-
Proceeds from borrowings	7.17.2	936	81
Repayments of borrowings	7.17.2	(736)	(1,379)
Repayments of lease liabilities	7.17.2	(59)	-
Net cash from/(used in) financing activities - continuing operations		**70**	**(1,381)**
Effect of exchange rate and other changes		(3)	(9)
Increase/(decrease) in net cash and cash equivalents - continuing operations		**21**	**(1,226)**
Increase/(decrease) in net cash and cash equivalents - discontinued operations		**(55)**	**1,224**
Net cash and cash equivalents at beginning of period		**76**	**78**
Net cash and cash equivalents at end of period		**40**	**76**

(1) Including €2 million in amortization of advances on customer contracts in the year ended September 30, 2020.

Bank overdrafts and current accounts held for treasury management purposes are an integral part of the Group's cash management and are therefore deducted from cash in the cash flow statement whereas they are classified as short-term debt in the balance sheet. These items represent the sole difference between the cash and cash equivalents figure presented under assets in the balance sheet and the amount presented in the cash flow statement under "Net cash and cash equivalents at end of period".

The following table shows a reconciliation between the figures recorded for these items in the balance sheet and the cash flow statement:

(in € millions)	At Sept. 30, 2020	At Sept. 30, 2019
Balance sheet - Assets	**41**	**83**
Cash and cash equivalents	41	83
Balance sheet - Liabilities	**1**	**7**
Bank overdrafts	-	4
Current accounts	1	2
Accrued interest	-	1
Net cash and cash equivalents presented in the cash flow statement	**40**	**76**

The accompanying notes form an integral part of the consolidated financial statements.

4. Consolidated Statement of Changes in Equity

(in € millions)	Number of shares	Share capital	Additional paid in capital and other reserves	Net profit/(loss) for the period attributable to owners of the parent	Translation reserve	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance at Oct. 1, 2018 (restated)	**175,949,096**	**2**	**1,440**	**34**	**(25)**	**1,451**	**11**	**1,462**
Net profit for the period				271		271	(1)	270
Post-employment benefit obligations			(11)			(11)	-	(11)
Changes in fair value of financial instruments			(8)			(8)	-	(8)
Currency translation differences					8	8	-	8
Comprehensive income for the period			**(19)**	**271**	**8**	**260**	**(1)**	**259**
Appropriation of prior-period net profit			34	(34)		-	-	-
Capital increase	2,370,050		(50)			(50)	-	(50)
Dividends paid			(33)			(33)	(3)	(36)
Share-based payments (IFRS 2)			1			1	-	1
Other movements (1)			39			39	(5)	34
Balance at September 30, 2019	**178,319,146**	**2**	**1,412**	**271**	**(17)**	**1,668**	**2**	**1,670**
Impacts of IFRS 16			(1)			(1)	-	(1)
Balance at October 1, 2019 (restated)	**178,319,146**	**2**	**1,411**	**271**	**(17)**	**1,667**	**2**	**1,669**
Net loss for the period				(482)		(482)	(4)	(486)
Post-employment benefit obligations			7			7	-	7
Changes in fair value of financial instruments			2			2	-	2
Currency translation differences					(23)	(23)	-	(23)
Comprehensive expense for the period			**9**	**(482)**	**(23)**	**(496)**	**(4)**	**(500)**
Appropriation of prior-period net profit			271	(271)		-		-
Capital reduction	(4,268,550)		(20)			(20)	-	(20)
Dividends paid			(50)			(50)	-	(50)
Share-based payments (IFRS 2)	74,672		-			-	-	-
Other movements (2)			34			35	(1)	34
Balance at September 30, 2020	**174,125,268**	**2**	**1,655**	**(482)**	**(40)**	**1,135**	**(3)**	**1,132**

(1) *The amounts recognized under "Other movements" in "Equity attributable to owners of the parent" and "Non-controlling interests" for the year ended September 30, 2019 correspond to the remeasurement of the Elior North America ("Elior NA") put option.*

(2) *The amounts recognized under "Other movements" in "Equity attributable to owners of the parent" and "Non-controlling interests" for the year ended September 30, 2020 mainly correspond to the remeasurement of the Elior NA put option.*

Notes to the IFRS Consolidated Financial Statements for the Years Ended September 30, 2020 and 2019

5. General Information and Significant Events

5.1 General Information

At September 30, 2020, Elior Group SA (the "Company") was 20.01% owned by Bagatelle Investissement et Management ("BIM", which is wholly owned by Robert Zolade), 7.66% by Corporacion Empresarial Emesa, S.L, 5.11% by Fonds Stratégique de Participations, and 67.22% by private and public investors following the Company's admission to trading on Euronext Paris on June 11, 2014.

The Elior group – comprising Elior Group SA and its subsidiaries (the "Group") – is a major player in contract catering and related services. It operates through companies based primarily in six countries, including the United Kingdom, Spain, Italy and the United States.

5.2 Significant Events

Year ended September 30, 2020

- **The Covid-19 public health crisis**

The main significant event of fiscal 2019-20 was the Covid-19 public health crisis, which has affected the performance of the Group's Education and Business & Industry activities since March 2020. The estimated impacts of the crisis during the fiscal year are €1,003 million on consolidated revenue and €268 million on adjusted EBITA before the application of IFRS 16.

- **Payment of the 2018-2019 dividend**

The dividend for the year ended September 30, 2019 – which corresponded to €51.7 million (€0.29 per share) and was approved by the Company's shareholders at the March 20, 2020 Annual General Meeting – was paid on April 9, 2020.

- **Covenant holiday**

On May 26, 2020, Elior Group's lending banks agreed to suspend the covenant tests due to be performed on the Group's senior borrowings at September 30, 2020 and March 31, 2021.

- **Final purchase price adjustment for the Group's Concession Catering business**

On August 25, 2020, a final purchase price adjustment of €48 million (including an adjustment related to working capital) was paid to PAI Partners following the sale of the Group's Concession Catering business on July 1, 2019 (See Note 7.7).

Year ended September 30, 2019

- **Sale of the Concession Catering business**

Following a review of its strategic options and a subsequent bid process, on March 20, 2019, Elior Group announced that it had entered into exclusive discussions with PAI Partners concerning the sale of its concession catering operations grouped within the Elior Group subsidiary, Areas.

On July 1, 2019, Elior Group sold Areas to PAI Partners for €1.4 billion (representing an enterprise value of €1.542 billion), of which €70 million corresponded to an interest-bearing vendor loan.

The net capital gain on the sale amounted to €208 million, excluding the tax impact, and was recognized in "Net profit from discontinued operations".

In accordance with IFRS 5, "Non-current Assets Held for Sale and Discontinued Operations", the Group's Concession Catering business was presented under discontinued operations in the 2018-2019 income statement and its assets and liabilities were classified as assets and liabilities held for sale in the balance sheet (see Note 7.7).

- **Repayments of borrowings**

The proceeds received from the sale of Areas were used to reduce the Group's debt and to lower its leverage ratio (net debt to EBITDA) to within a range of 1.5x to 2x. This notably involved repaying in advance (with no early repayment penalties), €654 million and $344 million of its term loan facilities, as well as $100 million in bond debt. Additionally, the Group repaid €210 million and $75 million that it had drawn down on its revolving facilities.

- **Payment of the 2017-2018 dividend – cash/stock dividend option**

The dividend for the year ended September 30, 2018 – which corresponded to €59.8 million (€0.34 per share) and was approved by the Company's shareholders at the March 22, 2019 Annual General Meeting – was paid on April 16, 2019. Out of the total, €33 million was paid in cash and the remainder in new Elior Group shares.

- **Share buyback program**

In 2018-2019, Elior Group used the authorizations given in the 15th and 22nd resolutions of the March 22, 2019 Annual General Meeting to launch a share buyback program with a view to canceling the repurchased shares by way of a capital reduction.

For this purpose, on July 5, 2019, the Company signed a mandate with Natixis to purchase up to €50 million worth of Elior Group shares.

At September 30, 2019, €50 million worth of shares had been bought back.

6. Accounting Policies

6.1 Basis of Preparation of the Consolidated Financial Statements

6.1.1 Basis of preparation of the consolidated financial statements for the years ended September 30, 2020 and 2019

In compliance with European Commission Regulation (EC) number 1606/2002 dated July 19, 2002, the Group's consolidated financial statements for the years ended September 30, 2020 and 2019 have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) and endorsed by the European Union's Accounting Regulatory Committee. The IFRSs and related interpretations adopted by the European Union can be viewed on the website of the European Financial Reporting Advisory Group at
https://www.efrag.org/Endorsement.

These consolidated financial statements cover the operations, results and cash flows for the twelve-month periods ended September 30, 2020 and 2019, as Elior Group and its subsidiaries have a September 30 fiscal year-end (apart from a small number of exceptional cases).

The consolidated financial statements for the year ended September 30, 2020 were approved by Elior Group's Board of Directors on January 8, 2021 and will be submitted to the Company's shareholders at the Annual General Meeting to be held on February 26, 2021.

All amounts are presented in millions of euros unless otherwise specified.

The accounting principles applied to prepare the consolidated financial statements at September 30, 2020 are the same as those used for the consolidated financial statements at September 30, 2019, except for the new standards and interpretations that were applied for the first time in fiscal 2019-2020 (see Note 6.1.3) and the change in presentation relating to deferred taxes (see Note 6.1.6).

6.1.2 Going concern

Due to the impact of the Covid-19 pandemic on Elior's business in 2019-2020 and the uncertainty about what future effects it will have on the Group's earnings, cash and equity, for the purposes of preparing the consolidated financial statements, Management assessed the Group's ability to continue as a going concern.

At September 30, 2020, the Group had €630 million in available liquidity, including (i) an unused amount of €250 million under its €450 million euro-denominated revolving credit facility, (ii) the full $250 million of its US dollar-denominated revolving credit facility (corresponding to €213 million), and (iii) €129 million in other available credit facilities (see Note 7.17).

In view of (i) the Group's cash position, available liquidity and the cash flow projections used for its revised 2020-2021 budget and Business Plan, and (ii) its debt structure and the covenant holiday it has recently obtained (see Note 10), the Group believes that it has a sufficient level of cash to ensure the continuity of its operations.

Consequently, the consolidated financial statements for the fiscal year ended September 30, 2020 have been prepared on a going concern basis.

6.1.3 New standards and interpretations adopted by the European Union and applied by the Group

The new standards and interpretations applied by the Group for the first time in its financial statements for the year ended September 30, 2020 are as follows:

- IFRS 16, "Leases", applicable for annual periods beginning on or after January 1, 2019.
- IFRIC 23, "Uncertainty over Income Tax Treatment", applicable for annual periods beginning on or after January 1, 2019.

The Group has adopted IFRS 16, "Leases", and IFRIC 23, "Uncertainty over Income Tax Treatment". The impacts of their first-time application on the Group's consolidated financial statements and accounting policies are described below.

The other amendments and interpretations whose application was mandatory for the Group as from the year ended September 30, 2020 did not have a material impact on the Group's consolidated financial statements.

The following table shows the adjustments recorded for each line item in the consolidated balance sheet. Line items that were not affected by the first-time application are not included.

(in € millions)	At September 30, 2019	IFRS 16	At October 1, 2019
Property, plant and equipment	392	(29)	363
Right-of-use assets	-	275	275
Other current assets	47	(3)	44
Assets classified as held for sale	10	10	20
Total assets	**449**	**253**	**702**
Reserves and retained earnings	1,662	(1)	1,661
Long-term debt	602	(21)	581
Short-term debt	16	(8)	8
Long-term lease liabilities	-	213	213
Short-term lease liabilities	-	59	59
Other long-term provisions	15	1	16
Liabilities classified as held for sale	14	10	24
Total equity and liabilities	**2,309**	**253**	**2,562**

IFRS 16 – Leases

IFRS 16 removes the distinction between operating leases and finance leases. Under this new standard, apart from short-term leases and leases of low-value assets (for which the standard offers an exemption), lessees are required to bring all of their leases on balance sheet, recognizing an asset corresponding to their right to use the leased item and a lease liability representing the obligation to make the fixed lease payments over the term of the lease.

The impact of IFRS 16 on the Group's financial statements mainly relates to real-estate leases, which accounted for approximately 80% of its off-balance sheet commitments at September 30, 2019.

In accordance with the IFRS 16 transition provisions, the Group has applied the modified retrospective approach and has therefore not restated prior-period comparative figures.

Transition options and exemptions applied by the Group

- Right-of-use assets: the Group decided to measure the right-of-use assets for all of its leases at an amount equal to the corresponding lease liabilities, adjusted for any prepaid or accrued lease payments. Initial direct costs incurred prior to October 1, 2019 were not included in the calculation.
- Recognition of leases: the Group decided to apply IFRS 16 to contracts that had previously been identified as leases under IAS 17, "Leases", and IFRIC 4, "Determining Whether an Arrangement Contains a Lease".
- Impairment in value: the Group used the option available under IFRS 16 to recognize provisions for onerous contracts in accordance with IAS 37, with the amount of the provision deducted from the related right-of-use asset.
- Exemptions: the Group decided to recognize payments under short-term leases (i.e. with terms of 12 months or less) and leases of low-value assets (i.e. less than €5,000) in the income statement on a straight-line basis over the lease term.

Lease terms

IFRS 16 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset, including optional periods when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The terms of the Group's leases were determined based on local legislation (most often a nine-year term for real-estate leases in France) and the expected use of the premises. The Group examined the decisions taken by the IFRS Interpretations Committee on November 26, 2019 concerning how to determine lease terms for automatically renewable leases and leases with no contractual expiry date. The Committee confirmed that the enforceable period of a lease term must be determined based on the economics of a contract rather than just its legal form. The Group has not identified any material leases whose terms have been re-assessed and for which it expects to use the underlying asset beyond the five-year term of its Business Plan.

Off-balance sheet commitments

In Note 8 of its 2018-2019 consolidated financial statements, in accordance with the previous lease accounting standard, IAS 17, the Group presented commitments relating to operating leases and concession fees amounting to €293 million.

At October 1, 2019, the Group recognized €253 million in lease liabilities in accordance with IFRS 16 for lease contracts that were previously recognized as operating leases under IAS 17. These lease liabilities were measured at the present value of the future remaining lease payments. For the majority of cases Elior Group's incremental borrowing rate (corresponding to 2.82%) was used as the discount rate.

The lease liabilities recognized at October 1, 2019 were lower than the amount previously recognized as commitments for operating leases and concession fees due to the combined impact of the following effects:

- Effects reducing lease liabilities compared with off-balance sheet commitments:
  - the discounting of future lease payments;
  - the exclusion of short-term leases and low-value leases.
- Effects increasing lease liabilities compared with off-balance sheet commitments:
  - re-assessment of the renewal options on certain leases;
  - inclusion of concession fees that were not previously taken into account.

Deferred taxes

The Group recognizes deferred taxes related to its right-of-use assets. The impact of IFRS 16 at October 1, was not material in this respect.

IFRIC 23 – Uncertainty over Income Tax Treatment

The Group's first-time application of IFRIC 23 did not have a material impact on its financial statements.

6.1.4 New standards, amendments and interpretations applied by the Group that have been issued by the IASB but not yet endorsed by the European Union

Amendment to IFRS 16

During fiscal 2019-2020, the Group early adopted the amendment to IFRS 16 issued on May 28, 2020 to help lessees account for Covid-19-related rent concessions This amendment provides lessees with an optional exemption from applying the principles of IFRS 16 principles when all of the following four conditions are met:

- The rent concessions were granted as a direct consequence of Covid-19.
- The lease payments after the rent concession are less than, or the same as, the lease payments immediately preceding the concession.
- Any reduction in lease payments affects only payments originally due on or before June 30, 2021.
- There is no substantive change to other terms and conditions of the lease.

The Group recognized €1 million in Covid-19-related rent concessions in its fiscal 2019-2020 income statement. It recorded these concessions as variable lease payments under "Other operating expenses".

6.1.5 New standards, amendments and interpretations issued by the IASB but not yet applied by the Group

The new standards, amendments and interpretations that have been issued by the IASB but whose application is not yet mandatory have not been early adopted by the Group, apart from the amendment to IFRS 16 issued on May 28, 2020. The Group is currently analyzing the effect of these standards, amendments and interpretations but does not expect them to have a material impact on its financial statements.

6.1.6 Change in presentation

In 2019-2020, the presentation of deferred tax assets and liabilities was changed in accordance with paragraph 74 of IAS 12 – Income Taxes, which requires entities to offset deferred tax assets and liabilities related to income taxes levied by the same taxation authority if certain conditions are met. Previously, the Group did not apply this offsetting, but it considered that its deferred tax assets and liabilities at September 30, 2019 met the offsetting conditions. The impact of this change in presentation – which did not affect the income statement – was as follows at September 30, 2019 (in € millions):

Reported deferred tax assets:	209
Adjustments:	(47)
Restated deferred tax assets:	**162**
Reported deferred tax liabilities:	60
Adjustments:	(47)
Restated deferred tax liabilities:	**13**

6.2 Consolidation Methods

Subsidiaries are all entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Associates are all entities over which the Group has significant influence but not control. This influence is deemed to exist where the consolidating company directly or indirectly holds at least 20% of the entity's voting rights. Investments in associates are accounted for by the equity method.

A list of consolidated companies – including changes in the scope of consolidation during the year ended September 30, 2020 – is provided in Note 12 below.

6.3 Use of Estimates and Judgment

The preparation of the consolidated financial statements requires Management of both the Group and its subsidiaries to use certain estimates and assumptions that may have an impact on the reported values of assets, liabilities and contingent liabilities at the balance sheet date and on items of income and expense for the period.

These estimates and assumptions – which are based on historical experience and other factors believed to be reasonable in the circumstances – are used to assess the carrying amount of assets and liabilities. The actual values of the Group's assets, liabilities and equity may differ significantly from the values obtained based on these estimates if different assumptions or circumstances apply.

The areas involving significant estimates or assumptions are:

- Goodwill (Note 7.9). As explained in Note 6.7, goodwill is tested for impairment at least once a year. In order to determine whether an impairment loss should be recognized against goodwill, the carrying amount of each CGU is compared with its recoverable amount. The recoverable amounts used by the Group at September 30, 2020 corresponded to value in use based on five-year discounted cash flow projections plus a discounted terminal value to which a perpetuity growth rate was applied. The main assumption used by Management concerning the cash flow projections was that the majority of the CGUs will gradually return to pre-Covid business volumes as from 2023.

  The discount rate used for the annual goodwill impairment tests is the weighted average cost of capital (WACC), with a WACC determined for each CGU. At September 30, 2020, the Group recognized a €123 million goodwill impairment loss.
- Intangible assets (other than goodwill), property, plant and equipment, and right-of-use assets (Note 7.10). These assets are tested for impairment when there is an indicator that they may be impaired. At September 30, 2020 the only impairment indicators identified related to certain items of property, plant and equipment and a real estate right-of-use asset in the United States.
- Right-of-use assets (Note 6.1.2). Lease terms are assessed based on the applicable contractual provisions, the expected use of the premises for real-estate leases, and any other relevant economic factors.
- Impairment of trade receivables. Impairment losses for trade receivables are determined based on an impairment matrix by country (see Note 6.10.2), which is regularly updated in line with credit risk. At September 30, 2020, no signification additional credit risk was identified.
- Provisions for litigation (Note 7.16). A number of legal proceedings are under way involving the Group, primarily concerning employee-related disputes. Due to the nature of these cases, the outcomes or settlement costs could differ from the estimates used.
- Provisions for restructuring costs (Note 7.16). These provisions are recognized based on an assessment of the costs that will be incurred in the upcoming months or quarters. At September 30, 2020, the Group notably recognized a €68 million provision for restructuring costs related to the job redeployment plan ("*Plan de Sauvegarde de l'Emploi*") announced in France.
- Post-employment benefit obligations (Note 7.16). The Group's obligations for pensions and other post-employment benefits are measured using actuarial valuations that are based on assumptions such as the discount rate. The discount rate used by the Group in Europe corresponds to the yield on AA rated corporate bonds.
- Deferred taxes (Note 7.14). A significant degree of judgment is required when assessing whether the Group will be able to utilize its tax loss carry forwards. In making this assessment, Management analyzes several economic factors that could affect the Group's business in the foreseeable future as well as past events. The analysis is performed regularly at the level of each tax jurisdiction. At September 30, 2020, the Group analyzed its tax loss carry forwards based on the same assumptions applied when updating its five-year Business Plan used for the goodwill impairment tests.

6.4 Fiscal Year-Ends

Elior Group's 2019--2020 and 2018-2019 fiscal years cover the 12-month periods from October 1, 2019 through September 30, 2020 and October 1, 2018 through September 30, 2019 respectively. Elior Group's subsidiaries and associates have a 12-month fiscal year ending on September 30, apart from in exceptional cases for regulatory reasons (India-based entities) or contractual reasons.

Where consolidated companies have a fiscal year-end other than September 30, these entities prepare full and audited interim financial statements at September 30.

6.5 Foreign Currency Translation

The recognition and measurement criteria relating to foreign currency operations are defined in IAS 21, "The Effects of Changes in Foreign Exchange Rates". Commercial transactions denominated in foreign currencies carried out by consolidated companies are translated using the exchange rate prevailing at the date of the transaction. Foreign currency receivables and payables are translated at the period-end exchange rate and the resulting translation gains or losses are recorded in the income statement.

The balance sheets, income statements, and cash flow statements of certain subsidiaries whose functional currency differs from the presentation currency used in the consolidated financial statements have been translated (i) at the exchange rate prevailing at September 30, 2020 and 2019 respectively for the balance sheet, and (ii) at the average exchange rate for the period for the income statement and cash flow statement, except in the case of significant fluctuations in exchange rates. Any resulting translation differences have been recorded in other comprehensive income.

The main exchange rates used in the consolidated financial statements for the years ended September 30, 2020 and 2019 were as follows:

	Year ended September 30, 2020		Year ended September 30, 2019	
	Period-end rate	Average rate	Period-end rate	Average rate
- €/US $:	1.1718	1.1203	1.0898	1.1279
- €/£:	0.9068	0.8788	0.8864	0.8841
- €/INR:	86.20	82.32	76.98	79.66

6.6 Intangible Assets and Goodwill

6.6.1 Intangible assets

Intangible assets are carried at cost less accumulated amortization and any accumulated impairment losses.

Intangible assets recognized in the Group's consolidated balance sheet include the following:

– Trademarks

In accordance with IAS 38, "Intangible Assets", trademarks are recorded under intangible assets. This item corresponds to trademarks that are generally amortized over a period of 30 years.

– Other intangible assets

As prescribed in IFRIC 12, assets used under certain of the Group's catering contracts are classified as intangible assets and amortized over their estimated useful lives (subject to a maximum period corresponding to the term of the underlying operating contracts).

– Software

The cost of software installed and operated within the Group is capitalized and amortized over estimated useful lives of between 4 and 10 years (with the 10-year maximum period applied for major ERP projects).

Intangible assets are amortized using the straight-line method.

6.6.2 Goodwill

At the date of a business combination, goodwill is measured as the difference between (i) the aggregate of the fair value of the consideration transferred and the amount of any non-controlling interests (measured at fair value or at the non-controlling interest's share of the identifiable net assets, which is likewise generally measured at fair value), plus the acquisition-date fair value of any equity interest in the acquiree previously held by the Group, and (ii) the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed (generally measured at fair value).

In accordance with IFRS 3R, any adjustments to the fair values provisionally assigned to the assets or liabilities of an acquiree are accounted for as retrospective adjustments to goodwill if they are recognized within twelve months of the acquisition date and where they reflect new information obtained about facts and circumstances that were in existence at the acquisition date. Beyond this twelve-month measurement period, the impacts of any such fair value adjustments are recognized directly in profit or loss, unless they correspond to error corrections.

6.7 Impairment Tests and Impairment Losses

In accordance with IAS 36, "Impairment of Assets", at each reporting date, the carrying amounts of property, plant and equipment, intangible assets and goodwill are reviewed in order to assess whether there is any indication that they may be impaired. If such an indication exists, the recoverable amount of the asset concerned is estimated. Goodwill is tested for impairment annually at September 30.

For the purpose of impairment testing, assets are grouped into cash-generating units (CGUs). A CGU corresponds to the smallest identifiable group of assets that generates cash inflows from continuing use of the assets that are largely independent of the cash inflows from other assets or groups of assets. Goodwill arising on business combinations is allocated to the CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

At September 30, 2020, the Group had the following eight CGUs, which mostly correspond to its main legal entities that have separate activities:

- Elior Entreprises
- Elior Enseignement et Santé
- Elior Services
- Elior Italy
- Elior Iberia (Spain & Portugal)
- Elior UK.
- Elior North America
- Elior India

Goodwill is allocated at the level of the CGUs listed above. Since the implementation of the "New Elior" strategic plan and the sale of Areas, goodwill allocated to the Elior Entreprises and Elior Enseignement et Santé CGUs have been combined and tested at the level of the "Contract Catering – France" group of CGUs.

An impairment loss is recorded in the income statement under "Non-recurring income and expenses, net" if the estimated recoverable amount of a CGU or group of CGUs is lower than its carrying amount. The recoverable amount of a CGU corresponds to the higher of its fair value less costs of disposal and its value in use.

In practice, the recoverable amounts of the Group's CGUs have been determined based on their value in use, calculated using projections of the cash flows that the Group expects to derive from each CGU.

The cash flow projections used were based on five-year budgets drawn up for each CGU and validated by Group management.

Cash flow projections beyond the five-year budget period are estimated by extrapolating the projections using a long-term growth rate which may not exceed the average long-term growth rate for the operating segment.

The discount rate used by the Group corresponds to post-tax WACC and is applied to post-tax cash flows.

6.8 Property, Plant and Equipment

As permitted under IAS 16, "Property, Plant and Equipment", the Group has elected to apply the cost model rather than the revaluation model for measuring property, plant and equipment. Consequently, these assets are carried at acquisition or production cost less accumulated depreciation and any accumulated impairment losses. The capitalization of borrowing costs provided for in IAS 23R is not applicable to the Group.

Property, plant and equipment are depreciated using the straight-line method, over the estimated useful lives of each main class of asset, as follows:

- Buildings: between 20 and 40 years
- Fixtures and fittings: between 5 and 12 years
- Catering equipment: between 5 and 10 years
- Office equipment: between 4 and 5 years
- IT equipment: between 3 and 4 years
- Vehicles: between 4 and 5 years

The residual values and useful lives of property, plant and equipment are reviewed at each fiscal year-end based on indicators such as the term of the underlying operating contract.

6.9 Right-of-use Assets

In accordance with IFRS 16, when recognizing leases where it is the lessee, the Group recognizes a right-of-use asset on the assets side of the balance sheet and an associated lease liability on the liabilities side. The lease terms used – particularly for real estate – take into account the minimum contractual term of the lease plus any periods covered by an option to extend or an option to terminate if the Group is reasonably certain to exercise the extension option or not exercise the termination option. The "reasonably certain" threshold is determined by assessing all of the related facts and circumstances, notably the depreciation periods of any leasehold improvements, and changes in the amount of lease payments compared with market rates.

6.10 Operating Working Capital Accounts (Inventories and Trade and Other Receivables)

6.10.1 Inventories

Inventories of raw materials and goods held for resale are measured at the lower of cost and net realizable value.

The majority of the Group's inventories are measured at the most recent purchase price, net of supplier rebates and discounts, given the high turnover rate due to inventories being primarily composed of perishable goods. This method is consistent with the "First-in First-out method" recommended in IAS 2, "Inventories". Borrowing costs are not included in the measurement.

6.10.2 Trade and Other Receivables

Trade and other receivables are initially recognized at fair value, and an impairment loss is recorded in the income statement if they subsequently become impaired.

Loss allowances for trade receivables are determined based on expected losses in accordance with IFRS 9.

The Group has chosen to apply the simplified approach permitted under IFRS 9, whereby a loss allowance based on lifetime expected credit losses ("ECLs") is recognized at each reporting date. The ECLs are determined as from the initial recognition of the receivable using a provision matrix by country and a specific credit risk analysis for the largest receivables based on any available credit ratings.

There is no material exposure to concentrations of customer credit risk at Group level as it has such a large number of customers, and the geographic locations of these customers and the operating sites concerned are highly diverse.

6.11 Cash and Cash Equivalents

Cash and cash equivalents are held primarily to meet the Group's short-term cash needs rather than for investment or other purposes. Cash and cash equivalents consist of cash balances, cash in the process of collection, deposits with maturities of less than three months, money-market mutual funds and money-market securities, which can be realized or sold at short notice and are subject to an insignificant risk of changes in value.

Bank overdrafts repayable on demand and current accounts held for treasury management purposes are an integral part of the Group's cash management and are therefore deducted from cash in the cash flow statement, whereas they are classified as short-term debt in the consolidated balance sheet (see Note 7.17). These items represent the sole difference between the amounts of cash and cash equivalents presented in the balance sheet and those presented in the cash flow statement.

The cash flow statement is presented based on the indirect method.

6.12 Provisions

In accordance with IAS 37, "Provisions, Contingent Liabilities and Contingent Assets", provisions recorded by the Group are intended to cover liabilities of uncertain timing or amount. These liabilities represent a present legal or constructive obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits. They notably include compensation estimated by the Group and its legal counsel for litigation, claims and disputes brought by third parties. Provisions are discounted when the effect of the time value of money is material.

6.13 Current and Deferred Taxes

The consolidated income tax expense corresponds to the aggregate amount of income tax reported by each of the Group's companies, adjusted for any deferred taxes. French subsidiaries that are over 95%-owned by Elior Group form part of a consolidated tax group headed by Elior Group.

The Group has elected to apply the following accounting treatment to the business tax (*Contribution Economique Territoriale* – CET) applicable to French entities pursuant to the 2010 French Finance Act:

- The portion of the CET tax based on the rental value of real estate (CFE) is recognized as an operating expense.
- The portion of the CET tax based on the value added by the business (CVAE) is recognized as an income tax within the meaning of IAS 12.

In accordance with IAS 12, "Income Taxes", deferred taxes are recognized for (i) all temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base, and (ii) the carryforward of unused tax losses (apart from in exceptional cases) to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilized. Deferred taxes are calculated using the liability method, based on the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. The impact of changes in tax rates is recorded in the income statement, except if the related tax was generated either (i) by a transaction recognized directly in equity under other comprehensive income, or (ii) in connection with a business combination. Deferred tax assets and liabilities are not discounted.

6.14 Employee Benefits

Statutory retirement bonuses, long-service awards and pension plans

In accordance with IAS 19R, "Employee Benefits", the Group's pension and other post-employment benefit obligations are measured by independent actuaries. A provision to cover these obligations (including the related payroll taxes) is recorded in the consolidated balance sheet. The discount rate applied is determined by reference to the interest rates on high quality corporate bonds that have the same terms to maturity as the terms of the obligations concerned.

Actuarial gains and losses are generated by changes in assumptions or experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred). In accordance with IAS 19R, actuarial gains and losses related to statutory retirement bonuses are recognized in full within "Other comprehensive income". Actuarial gains and losses on other long-term benefits (long-service awards and retention bonuses) are recognized immediately in the income statement.

6.15 Treasury Shares

Any treasury shares held by the Group are recorded as a deduction from equity. Proceeds from any sales of treasury shares are credited directly to equity, so that the related disposal gains or losses do not impact profit for the period.

6.16 Classification and Measurement of Financial Assets and Liabilities

6.16.1 Classification and measurement of financial assets (excluding derivatives)

On initial recognition, Management classifies financial assets based both on the Group's business model for managing the financial asset and the contractual cash flow characteristics of the asset.

In application of IFRS 9, the Group has chosen to classify its financial assets as either financial assets at amortized cost or financial assets at fair value through profit or loss.

Financial assets at amortized cost

A financial asset is classified in this category if it is held within a business model whose objective is to collect contractual cash flows that are solely payments of principal and, where applicable, interest on the principal amount outstanding. These assets are initially recognized at fair value less any transaction costs. After initial recognition they are measured at amortized cost using the effective interest method.

Where necessary, a loss allowance is recognized in an amount corresponding to the 12-month expected credit losses for the asset, unless the credit risk has increased significantly since initial recognition, in which case the loss allowance corresponds to the expected credit losses over the lifetime of the asset. For trade receivables and contract assets, the Group applies a simplified approach for the recognition of loss allowances (see Note 6.10.2).

Financial assets at fair value through profit or loss

This category is used when a financial asset is not measured at either amortized cost or at fair value through other comprehensive income.

Fair value adjustments to these financial assets are recognized in the income statement under other financial income and expenses.

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or are transferred along with substantially all the risks and rewards of ownership of the financial asset.

6.16.2 Classification and measurement of financial liabilities (excluding derivatives)

Borrowings are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method. Any difference between (i) the proceeds of borrowings net of transaction costs and (ii) their repayment or redemption value is recognized as a financial expense over the life of the borrowings concerned using the effective interest method.

Borrowings are presented in current liabilities unless the Group has an unconditional right to defer the settlement of the liability beyond a period of 12 months after the end of the reporting period, in which case they are presented in non-current liabilities.

6.17 Recognition and Measurement of Derivatives

6.17.1 Interest rate and currency hedging instruments

In accordance with IFRS 9, derivatives are recognized in the balance sheet at fair value. As prescribed in IFRS 7, the fair value of interest rate and currency derivatives is calculated by discounting future cash flows at the interest rate prevailing at the balance sheet date.

Derivatives can be designated as hedging instruments when they form part of one of the following three types of hedging relationship:

- Fair value hedges, which are hedges of the exposure to changes in fair value of a recognized asset or liability.
- Cash flow hedges, which hedge the exposure to variability in future cash flows attributable to forecast transactions.
- Hedges of a net investment in a foreign operation, which are used by the Group to hedge its interests in the net assets of its international operations.

Derivatives qualify for hedge accounting when the following conditions are met:

- At the inception of the hedging relationship there is formal designation and documentation of the hedging relationship.
- The Group expects the hedge to be highly effective.
- The hedge's effectiveness can be reliably measured and the hedge is expected to be highly effective throughout the term of the hedging relationship.

The use of hedge accounting has the following consequences:

- For fair value hedges of recognized assets or liabilities, the hedged item is recognized at fair value in the balance sheet. The carrying amount of the hedged item is adjusted for fair value changes, which are recognized in profit or loss and are offset by symmetrical changes in the fair value of the hedging instrument, to the extent the hedge is effective.
- For cash flow hedges, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized directly in other comprehensive income as changes in the fair value of the hedged portion of the hedged item are not recognized in the balance sheet. Any remaining gain or loss on the hedging instrument is hedge ineffectiveness and is recognized in profit or loss. Amounts accumulated in equity through other comprehensive income are reclassified to the income statement in the same period or periods during which the hedged item affects profit or loss. The average period for this reclassification to apply is generally less than six months, except for licenses.

6.17.2 Liabilities relating to share acquisitions and commitments to purchase non-controlling interests

When the Group acquires an equity interest in a subsidiary, it may give the non-controlling shareholders of the acquired subsidiary a commitment to subsequently purchase their shares. Such purchase commitments correspond to put options written by the Group.

The Group recognizes a financial liability in its consolidated financial statements for put options written over non-controlling interests, with the amount of the liability calculated based on the price formulas in the related contractual documentation. A corresponding adjustment is made to equity and subsequent changes in the value of the financial liability are recognized in equity.

In July 2018, the Group raised its interest in Elior North America to 92%, following its purchase of the majority of this subsidiary's outstanding ordinary shares and all of its outstanding preference shares. The transaction led to a total cash outflow of €99 million, which was deducted from "Non-controlling interests" in equity in accordance with IFRS 3R as it corresponded to a transaction between owners not resulting in a transfer of control.

The remaining 8% interest in Elior North America not held by the Group is covered by cross put and call options exercisable from 2023, which have been measured based on a price formula that approximates a fair value measurement. A liability has been recognized under "Non-current liabilities relating to share acquisitions" for the fair value of the put. As the put also corresponds to a transaction between owners, the liability was initially recognized and is being remeasured at fair value at the close of each fiscal year until it is derecognized through "Equity attributable to owners of the parent", with no impact on consolidated profit.

6.18 Definition of Net Debt

Net debt as defined by the Group represents short- and long-term debt plus IFRS 16 lease liabilities and the fair value of derivative financial instruments recognized under liabilities, less cash and cash equivalents, short-term financial receivables recognized in accordance with IFRIC 12 and the fair value of derivative financial instruments recognized under assets. It does not include liabilities relating to share acquisitions.

6.19 Accounting Treatment and Presentation of Assets or Groups of Assets Held for Sale and Discontinued Operations

IFRS 5 sets out the accounting treatment, presentation and disclosures required in relation to assets or groups of assets held for sale and discontinued operations. A discontinued operation represents a separate major line of business or a geographical area of operations that the Group has either disposed of or has classified as held for sale.

IFRS 5 requires entities to present assets and groups of assets held for sale on a separate line in the balance sheet if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, (i) the asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets, (ii) the entity concerned must have made the decision to sell the asset (e.g. by management being committed to a plan to sell), and (iii) the sale must be highly probable within 12 months following the end of the reporting period.

Assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell and cease to be depreciated once they are classified in this category.

Profit or loss from discontinued operations, after the elimination of intra-group transactions, is presented on a separate line of the income statement. It includes the post-tax profit or loss of discontinued operations for the period until the date of their disposal as well as the post-tax gain or loss recognized on the disposal, for the current period and the comparative periods presented.

The net cash flows attributable to discontinued operations are also presented in a separate line in the cash flow statement and correspond to the cash flows generated by these operations until the date of their disposal as well as the cash generated by their disposal (excluding tax), for the current period and the comparative periods presented.

6.20 Revenue

In its contract catering and facilities management operations, the Group serves three key client markets: corporate entities and government agencies ("Business & Industry"), state-run and private educational establishments ("Education"), and public and private health and welfare establishments ("Health & Welfare").

Through its contract catering business, the Group offers sit-down dining services and other catering-related services, such as meal deliveries, vending solutions and foodservices technical support.

The service contracts in the contract catering business provide for a flat fee calculated on a cost-plus basis or for management fees. These service contract fees are invoiced and paid on a monthly basis.

In the Business & Industry and Education markets, revenue corresponds to the amount invoiced to the client (i.e. companies or local or regional authorities) in the form of a price per cover, less any partial payments received from restaurant guests in the Business & Industry market or paid by families in the Education market.

The Group's services business, which it notably conducts in France, involves the provision of soft facility management solutions, mainly value-added cleaning services in healthcare establishments, sensitive industrial environments and shopping malls. Remuneration provided for under these service contracts is on a per service basis, which is invoiced and paid monthly.

In the concession catering business run by the Group until June 30, 2019 – which covered Motorways, Airports, Railway Stations and City Sites – the Group operated food and beverage concessions under both directly-owned brands and franchised main-street brands. It also operated duty-free and other retail concessions in airports and on motorways under franchised brands. The concession agreements were entered into between the Group's operating subsidiaries and third-party concession grantors (airport authorities, motorway operators, etc.), which granted the Group the right to conduct business at their sites, in accordance with a set of specifications and in return for the payment of a concession fee. This fee was based on the revenue generated by Elior Group at the site concerned and the concession agreement may or may not have included guaranteed minimum fee clauses. The food, beverages and other items purchased from the Group in this business were directly paid for by customers at the cash register of the restaurant or retail outlet.

Consolidated revenue corresponds to sales of goods and services in the course of the ordinary activities of consolidated companies. It includes all income provided for in the Group's contracts, whether the Group entity concerned is acting as principal (the majority of cases) or agent.

Revenue is measured at the fair value of the consideration received or receivable, net of all discounts and rebates, VAT and other sales taxes as well as the amortization of advances on customer contracts. No revenue is recognized if there is significant uncertainty about the recoverability of the payment to which the Group is entitled as consideration for goods or services provided.

Revenue generated from the rendering of contract catering services and support services or the sale of goods in travel retail stores is recognized when the service is rendered or the goods are sold.

6.21 Share-Based Compensation

The Group's share-based and cash-settled long-term compensation plans correspond to:

- The share-based compensation plan resulting from the acquisition of Waterfall in the UK.
- Elior Group stock option and performance share plans authorized by the Company's shareholders and put in place during the years ended September 30, 2016, 2017, 2018, 2019 and 2020 for selected Group managers. These plans are considered to be either equity-settled (in Elior Group shares) or cash-settled instruments and are recognized in accordance with IFRS 2.

6.22 Other Operating Expenses

This item includes all recurring operating expenses except costs for the purchase of raw materials and consumables, personnel costs, taxes other than on income, and depreciation, amortization and provision expense.

6.23 Non-Recurring Income and Expenses, Net

This item consists of income and expenses that are not considered as generated or incurred in the normal course of business, and mainly includes impairment of goodwill and other non-current assets, restructuring costs, acquisition costs for consolidated subsidiaries, and gains and losses on disposals of assets and investments in consolidated companies.

Previously, "Non-recurring income and expenses, net" also included annual charges to amortization recorded in the consolidated financial statements for intangible assets recognized on business combinations (notably customer relationships). However, these charges are now recognized within recurring operating profit.

6.24 Recurring Operating Profit

Recurring operating profit represents total income less total expenses before (i) non-recurring income and expenses, net, (ii) financial income and expenses, (iii) net profit for the period from discontinued operations, and (iv) income tax. Since the year ended September 30, 2014 the Group has included within recurring operating profit the share of profit of equity-accounted investees whose activities are the same or similar to those of the Group as a whole.

6.25 Calculation of Earnings Per Share

In accordance with IAS 33, basic earnings per share is calculated by dividing net profit attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the period, excluding shares held in treasury.

For the purpose of calculating diluted earnings per share, (i) the weighted average number of ordinary shares outstanding is increased by the number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares, and (ii) net profit attributable to owners of the parent is adjusted by the amount of dividends and interest recognized in the period in respect of any dilutive potential ordinary shares and any other changes in income or expense that would result from the conversion of the dilutive potential ordinary shares.

Potential ordinary shares are treated as dilutive, if, and only if, their conversion to ordinary shares would decrease earnings per share or increase loss per share.

6.26 Segment Reporting

Following the sale of its Concession Catering business, the Group has two continuing operations: "Contract Catering" and "Services", which are divided into four operating sectors: "Contract Catering – France", "Services – France", "Contract Catering – International" and "Services – International".

The above four operating sectors for the Group's continuing operations are grouped together in two reportable segments: "Contract Catering & Services – France" and "Contract Catering & Services – International", in accordance with the requirements of IFRS 8. The Contract Catering & Services businesses have been aggregated together as they have similar economic characteristics in terms of their long-term profitability, the nature of their services, the nature of their production processes, their type of customers, and the nature of their regulatory environment.

The segment information presented is based on financial data from the Group's internal reporting system. This data is regularly reviewed by the Chief Executive Officer, who is the Group's chief operating decision maker.

The "Concession Catering" operating segments are presented as discontinued operations.

The "Corporate & Other" segment mainly comprises unallocated central functions, the Group's head office expenses, and residual Concession Catering activities not included in the sale of Areas.

The figures for the year ended September 30, 2019 have been restated to permit meaningful year-on-year comparisons following the reclassification of the "Concession Catering" operating segment as a discontinued operation.

7. Analysis of Changes in Income Statement and Balance Sheet Items

7.1 Revenue, Adjusted EBITA and Non-Current Assets by Segment

Fiscal 2019-2020

(in € millions) Year ended September 30, 2020	Contract Catering & Services			Corporate & Other	Group total
	France	International	Total		
Revenue	**1,778**	**2,182**	**3,960**	**7**	**3,967**
Recurring operating profit/(loss) including share of profit of equity-accounted investees	**(13)**	**(51)**	**(64)**	**(25)**	**(89)**
Of which:					
Share-based compensation	-	1	**1**	(1)	**-**
Net amortization of intangible assets recognized on consolidation	-	20	**20**	-	**20**
Adjusted EBITA	**(13)**	**(30)**	**(43)**	**(26)**	**(69)**
Adjusted EBITA as a % of revenue	*(1)%*	*(1)%*	*(1)%*	*(384)%*	*(2)%*
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	(67)	(93)	**(160)**	(18)	**(178)**
Non-current assets(1)	**1,281**	**1,133**	**2,414**	**79**	**2,493**

(1) Non-current assets including the carrying amount of goodwill, intangible assets and property, plant and equipment.

Fiscal 2018-2019

(in € millions) Year ended September 30, 2019	Contract Catering & Services			Corporate & Other	Group total
	France	International	Total		
Revenue	**2,212**	**2,689**	**4,901**	**22**	**4,923**
Recurring operating profit/(loss) including share of profit of equity-accounted investees	**109**	**74**	**183**	**(23)**	**160**
Of which:					
Share-based compensation	-	(4)	**(4)**	(1)	**(5)**
Net amortization of intangible assets recognized on consolidation	-	21	**21**	-	**21**
Adjusted EBITA	**109**	**90**	**199**	**(23)**	**176**
Adjusted EBITA as a % of revenue	*5%*	*3%*	*4%*	*(106)%*	*4%*
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	(54)	(60)	**(114)**	(9)	**(122)**
Non-current assets(1)	**1,265**	**1,213**	**2,478**	**28**	**2,505**

(1) Non-current assets including the carrying amount of goodwill, intangible assets and property, plant and equipment.

7.2 Consolidated Revenue

7.2.1 Revenue by client market

Revenue by client market can be analyzed as follows:

(in € millions)	Year ended Sept. 30, 2020	% of total revenue	Year ended Sept. 30, 2019	% of total revenue	Year-on-year change	% change
Business & Industry	1,620	40.8%	2,256	45.8%	(636)	(28.2)%
Education	1,149	29.0%	1,415	28.7%	(266)	(18.8)%
Health & Welfare	1,198	30.2%	1,252	25.4%	(55)	(4.4)%
Group total	**3,967**	**100.0%**	**4,923**	**100.0%**	**(956)**	**(19.4)%**

7.2.2 Contract assets and liabilities

In 2019-2020, the Group recognized €46 million in revenue related to contract liabilities recorded at September 30, 2019.

7.3 Personnel Costs and Employee Numbers

7.3.1 Analysis of Personnel Costs

Personnel costs break down as follows:

(in € millions)	Year ended September 30, 2020	Year ended September 30, 2019
Personnel costs (excluding employee profit-sharing)	(2,077)	(2,436)
Employee profit-sharing	-	-
Share-based compensation	-	5
Personnel costs	**(2,078)**	**(2,431)**

7.3.2 Employee Numbers

The table below shows the number of employees of Group companies at the year-end. Consequently, year-on-year changes cannot be directly compared with those of personnel costs recorded in the consolidated income statement.

The number of employees at September 30, 2020 and 2019 (both full and part-time) breaks down as follows by category:

	At Sept. 30, 2020	At Sept. 30, 2019
Management and supervisory staff	16,522	17,163
Other	88,044	92,999
Total	**104,566**	**110,162**

Employee numbers break down as follows by geographic region:

	At Sept. 30, 2020	At Sept. 30, 2019
France	43,684	45,036
International	60,882	65,126
Total	**104,566**	**110,162**

7.4 Non-Recurring Income and Expenses

For the year ended September 30, 2020, non-recurring income and expenses represented a net expense of €240 million and primarily included (i) €123 million in goodwill impairment losses (see Note 7.9), (ii) €103 million in provisions for severance payments and other employee-related costs, and (iii) €12 million in impairment losses for right-of-use assets and other assets. A €68 million provision for restructuring costs was recognized in France in 2019-2020 following the announcement of the job redeployment plan (*Plan de Sauvegarde de l'Emploi*) to employee representatives on September 30, 2020 (see Note 7.16.2).

For the year ended September 30, 2019, non-recurring income and expenses represented a net expense of €27 million and primarily included (i) €22 million in severance payments and other employee-related costs, and impairment losses recognized against operating assets and prototypes, (ii) €4 million in impairment losses for internally-developed intangible assets, and (iii) reversals through profit of liabilities related to earn-out payments.

7.5 Financial Income and Expenses

The net financial expense recorded in the years ended September 30, 2020 and 2019 breaks down as follows:

(in € millions)	Year ended Sept. 30, 2020	Year ended Sept. 30, 2019
Interest expense on debt	(32)	(63)
Interest income on short-term investments	5	3
Other financial income and expenses (1)	(11)	(7)
Interest cost on post-employment benefit obligations	-	(2)
Net financial expense	**(38)**	**(69)**
(1) Including:		
- Fair value adjustments recognized in profit on interest rate and currency hedging instruments	*-*	*1*
- Disposal gains/(losses) and movements in provisions for impairment of shares in non-consolidated companies	*(6)*	*(10)*
- Amortization of debt issuance costs	*(2)*	*(11)*
- Net foreign exchange gain/(loss)	*(2)*	*15*
- Other financial expenses	*(1)*	*(1)*

7.6 Income Tax

(in € millions)	Year ended Sept. 30, 2020	Year ended Sept. 30, 2019
Current tax (1)	(15)	(25)
Deferred tax	(68)	30
Total	**(83)**	**4**

(1) *Including €21 million and €19 million for the French CVAE tax for the years ended September 30, 2019 and 2020 respectively.*

The deferred tax expense recorded for the year ended September 30, 2020 primarily results from a reassessment of the recoverability of tax losses carried forward from prior years, and, to a lesser extent, from deductible temporary differences.

The following table shows a reconciliation between the Group's net income tax benefit/(expense) recognized in the income statement and its theoretical income tax for the years ended September 30, 2020 and 2019:

(in € millions)	Year ended Sept. 30, 2020		Year ended Sept. 30, 2019	
	Base	Tax impact	Base	Tax impact
Profit/(loss) before income tax	**(367)**		**64**	
Share of profit of equity-accounted investees	(3)		-	
Profit/(loss) before income tax and share of profit of equity-accounted investees	(364)		64	
Theoretical income tax (1)		125		(22)
Impact of tax rates on profit generated outside France		(33)		-
Tax loss carryforwards generated during the year for which no deferred tax assets were recognized (2)		(41)		12
Tax loss carryforwards recognized in prior years and written down during the fiscal year (3)		(87)		-
Income not subject to tax and expenses not deductible for tax purposes (4)		(47)		15
Net income tax benefit/(expense)		**(83)**		**4**

(1) *The standard income tax rate used by the Group is 34.43%.*
(2) *Including (i) €28 million and €9 million in deferred tax assets not recognized during 2019-2020 in France and Italy respectively and (ii) €11 million recognized in France for the year ended September 30, 2019.*
(3) *Including €73 million and €9 million relating to deferred tax assets recognized in prior years and written down in 2019-2020 for France and Italy respectively. The Group reassessed the recoverability of its deferred tax assets based on its updated Business Plan. The taxable profit projection period used for recognizing deferred taxes is the same as in the Business Plan, i.e. five years.*
(4) *Including (i) €28 million concerning goodwill impairment losses in Italy and the UK, (ii) €12 million related to the net CVAE tax for the year ended September 30, 2020, and (iii) €20 million primarily corresponding to a tax benefit recorded in 2018-2019 in connection with the sale of the Concession Catering business.*

7.7 Net Profit/(Loss) for the Period from Discontinued Operations

Year ended September 30, 2020

The net loss from discontinued operations recognized in 2019-2020 mainly relates to (i) the €48 million purchase price adjustment paid to PAI Partners, and (ii) the remaining non-core Concession Catering operations that are in the process of being sold and whose sale has been held up due to the Covid-19 crisis.

Year ended September 30, 2019

Following a bid process, on March 20, 2019, Elior Group announced that it had entered into exclusive discussions with PAI Partners concerning the sale of its Concession Catering business.

On July 1, 2019, Elior Group announced that it had completed the sale of its subsidiary, Areas, to PAI Partners for €1.4 billion (representing an enterprise value of €1.542 billion), of which €70 million corresponded to an interest-bearing vendor loan.

The net capital gain on the sale amounted to €208 million, excluding the tax impact and before final price adjustments, which was recognized in "Net profit from discontinued operations" and broke down as follows:

(in € millions)	Year ended Sept. 30 2019
Sale price	674
Transferred assets and liabilities, net of costs of sale	(462)
Recycled translation reserves	(4)
Net-of-tax capital gain	**208**

As a result of this sale, the Concession Catering business – which corresponds to an operating segment – was classified under discontinued operations in the 2018-2019 consolidated income statement and cash flow statement for both of the periods presented in those financial statements.

The assets and liabilities recorded under "Assets classified as held for sale" and "Liabilities classified as held for sale" in the balance sheet at September 30, 2019 concern concession catering operations that were not transferred to PAI but whose sale was considered to be highly probable.

(in € millions)	Year ended September 30, 2020	Year ended September 30, 2019
Revenue	**6**	**1,348**
Recurring operating profit from discontinued operations	**-**	**31**
Share of profit of equity-accounted investees	-	1
Recurring operating profit from discontinued operations including share of profit of equity-accounted investees	**-**	**32**
Non-recurring income and expenses, net (1)	(32)	183
Operating profit/(loss) from discontinued operations including share of profit of equity-accounted investees	**(32)**	**215**
Profit/(loss) from discontinued operations before tax	**(32)**	**215**
Income tax	(5)	(13)
Net profit/(loss) for the period from discontinued operations	**(37)**	**202**

(in € millions)	Year ended September 30, 2020	Year ended September 30, 2019
EBITDA	**(5)**	**95**
Net cash from/(used in) operating activities – discontinued operations	**(5)**	**11**
Net cash from/(used in) investing activities – discontinued operations	**(50)**	**1,216**
Net cash from/(used in) financing activities – discontinued operations	**-**	**(8)**
Effect of exchange rate and other changes	-	5
Increase/(decrease) in net cash and cash equivalents – discontinued operations	**(55)**	**1,224**

7.8 Earnings Per Share

The table below shows the number of outstanding shares before and after dilution.

	Year ended September 30	
	2020	2019
Weighted average number of shares outstanding – Basic	173,729,703	176,419,729
Dilutive impact of stock option and performance share plans	270,911	184,240
Weighted average number of shares outstanding – Diluted	174,000,614	176,603,969

Basic and diluted earnings/(loss) per share for the years ended September 30, 2020 and 2019 were as follows:

	Year ended September 30	
	2020	2019
Attributable net profit/(loss) for the period (in € millions)	(483)	271
Basic earnings/(loss) per share (in €)	**(2.78)**	**1.54**
Diluted earnings/(loss) per share (in €)	**(2.78)**	**1.53**

7.9 Goodwill

7.9.1 Analysis of Goodwill

The table below shows an analysis of consolidated goodwill based on the CGUs defined in Note 6.7 above.

(in € millions)	At Sept. 30, 2019	Increase	Impairment	Other movements including currency translation differences	At Sept. 30, 2020
Elior Entreprises	578	-	-	-	578
Elior Enseignement et Santé	365	-	-	-	365
Elior Services	134	-	-	-	134
Sub-total – France	**1,077**	**-**	**-**	**-**	**1,077**
Elior North America	282	-	-	(10)	272
Elior Italy	170	1	(67)	-	104
Elior Iberia	149	-	-	-	149
Elior UK.	173	-	(56)	-	117
Elior India	-	-	-	-	-
Sub-total – International	**774**	**1**	**(123)**	**(10)**	**642**
Total, net	**1,851**	**1**	**(123)**	**(10)**	**1,719**

Year ended September 30, 2020

The net decrease in goodwill during fiscal 2019-2020 was mainly due to €123 million in impairment losses recognized against goodwill in Italy and the UK.

The Group did not carry out any significant acquisitions in the year ended September 30, 2020.

Year ended September 30, 2019

The Group did not carry out any significant acquisitions in the year ended September 30, 2019.

7.9.2 Impairment Losses and Sensitivity Analyses

Key assumptions used for calculating recoverable amounts

The recoverable amount of the Group's CGUs corresponds to their value in use calculated based on key assumptions that could have a significant impact on the consolidated financial statements.

As in previous years, the CGUs' recoverable amounts at September 30, 2020 were determined based on a revised Business Plan drawn up by Group Management, which was reviewed by the Board of Directors on November 24, 2020. The main assumptions in this Business Plan were as follows:

- The expected impact of the Covid-19 crisis on the Group's business levels, particularly for the years 2021 and 2022.
- A gradual return to pre-Covid business volumes as from 2023 for most of the CGUs.
- Faster diversification of the Group's offerings and markets.

The principal changes in the assumptions used compared with the previous impairment tests carried out at March 31, 2020 are (i) an erosion of business levels in 2021 and 2022, and (ii) a slower return to pre-Covid business volumes in view of the impacts that lockdowns and remote working are having on the Group's business.

The main discount rates and perpetuity growth rates used were as follows:

	Discount rate		Perpetuity growth rate	
	Year ended Sept. 30, 2020	Year ended Sept. 30, 2019	Year ended Sept. 30, 2020	Year ended Sept. 30, 2019
Elior Entreprises, Elior Enseignement et Santé	7.9%	6.6%	1.4%	2.0%
Elior Services	7.9%	6.6%	1.6%	2.0%
Elior North America	7.9%	8.3%	1.6%	2.0%
Elior Europe – Other countries (1)	8.3% - 9.6%	7.2% - 8.1%	0.8% - 1.6%	1.7% - 2.0%
Elior India	13.0%	10.1%	4.0%	4.0%

(1) Including the Elior UK, Elior Iberia and Elior Italy CGUs.

2020 annual impairment tests

In 2019-2020, impairment tests were carried out during the first half of the fiscal year and at the fiscal year-end. Following the annual tests performed at September 30, 2020, a €123 million impairment loss was recognized against goodwill, breaking down as €67 million for Elior Italy and €56 million for Elior UK.

Sensitivity of the recoverable amount of CGUs to changes in the assumptions applied

In accordance with IAS 36, the Group carried out sensitivity analyses on the results of its impairment tests, based on the following changes in the assumptions applied concerning the long-term growth rate, projected net cash flows and discount rate:

- a 50 basis-point decrease in the long-term growth rate;
- a 5% decrease in projected net cash flows based on the duration of the relevant business plans and the terminal value; or
- a 50 basis-point increase in the discount rate.

The changes in assumptions set out above would lead to:

- Impairment losses of between €7 million and €8 million for the Elior Italy CGU depending on the metric concerned, and €7 million for the Elior UK CGU.
- An impairment loss of between €8 million and €10 million for the Elior Iberia CGU depending on the metric concerned.

No other CGUs would be affected.

The Group performed an additional sensitivity analysis in 2019-2020 in view of the uncertainties caused by the Covid-19 crisis. This analysis entailed calculating the percentage decrease in projected net cash flows whereby the value in use of each CGU's net assets would be equal to their recoverable amount. The percentage decreases were as follows:

- Elior Entreprises and Elior Enseignement et Santé: - 8%
- Elior North America: - 11%
- Elior Iberia: - 1%
- Elior Services and Elior India – not relevant (<40%).

2019 annual impairment tests

No impairment losses were recognized based on the annual impairment tests performed in 2019.

Sensitivity of the recoverable amount of CGUs to changes in the assumptions applied

In accordance with IAS 36, the Group carried out sensitivity analyses on the results of its impairment tests, based on the following changes in the assumptions applied concerning the long-term growth rate, projected net cash flows and discount rates:

- a 50 basis-point decrease in the long-term growth rate;
- a 5% decrease in projected net cash flows based on the duration of the relevant business plans and the terminal value; or
- a 50 basis-point increase in the discount rate for eurozone CGUs and a 100 basis-point increase for the other CGUs.

The sensitivity analyses based on the changes in assumptions set out above did not reveal any reasonably possible scenarios in which the recoverable amounts of any of the Group's CGUs would fall below their carrying amounts.

7.10 Analysis of Intangible Assets, Property, Plant and Equipment and Right-of-Use Assets

7.10.1 Intangible assets

(in € millions)	At Sept. 30, 2019	Additions	Disposals	Other movements (3)	At Sept. 30, 2020
Concession rights	18	1	(1)	-	18
Assets operated under concession arrangements (1)	37	-	-	-	37
Trademarks	25	-	-	(1)	24
Software	124	3	(3)	7	130
Intangible assets in progress	11	8	-	(8)	11
Other (2)	289	1	(1)	(18)	272
Gross value	**504**	**14**	**(6)**	**(20)**	**492**
Concession rights	(7)	(1)	1	-	(6)
Assets operated under concession arrangements (1)	(37)	-	-	-	(37)
Trademarks	(6)	(1)	-	-	(7)
Software	(92)	(17)	3	-	(105)
Other (2)	(100)	(21)	-	6	(115)
Total amortization	**(242)**	**(39)**	**5**	**7**	**(270)**
Carrying amount	**262**	**(26)**	**(1)**	**(14)**	**221**

(1) Assets recognized in accordance with IFRIC 12 for the Group's right to use central kitchens in the education market in France as granted under leases and public sector contracts.

(2) Mainly corresponding to customer relationships recognized on business combinations.

(3) The amounts in the "Other movements" column primarily correspond to the effects of converting the financial statements of companies whose functional currency is not the euro.

7.10.2 Property, Plant and Equipment

(in € millions)	At Sept. 30, 2019	Additions	Disposals	Other movements (1)	At Sept. 30, 2020
Land	7	-	-	1	8
Buildings	92	5	(2)	(7)	87
Technical installations	495	23	(24)	(44)	450
Other items of property, plant and equipment	414	42	(33)	(48)	375
Assets under construction	7	11	-	(10)	8
Prepayments to suppliers of property, plant and equipment	2	1	-	(1)	2
Gross value	**1,016**	**82**	**(59)**	**(109)**	**930**
Buildings	(46)	(4)	1	5	(44)
Technical installations	(352)	(47)	24	24	(351)
Other items of property, plant and equipment	(226)	(51)	20	36	(222)
Total depreciation	**(624)**	**(102)**	**45**	**65**	**(616)**
Carrying amount	**392**	**(20)**	**(14)**	**(44)**	**314**

(1) The amounts in the "Other movements" column primarily correspond to (i) the effects of converting the financial statements of companies whose functional currency is not the euro, and (ii) the transfer of assets formerly held under finance leases to "Right-of-use assets" following the application of IFRS 16 as from October 1, 2019.

7.10.3 Right-of-use Assets

(in € millions)	At Sept. 30, 2019	Application of IFRS 16	Increase	Decrease	Other movements (1)	At Sept. 30, 2020
Concession fees	-	26	-	-	(1)	25
Real estate	-	185	29	(5)	(4)	205
Technical installations and other equipment	-	24	1	-	-	25
Vehicles	-	40	18	-	(1)	57
Right-of-use assets – Gross	**-**	**275**	**48**	**(5)**	**(6)**	**312**
Concession fees	-	-	(5)	-	-	(5)
Real estate (2)	-	-	(36)	-	-	(36)
Technical installations and other equipment	-	-	(17)	-	1	(16)
Vehicles	-	-	(17)	-	-	(17)
Depreciation of right-of-use assets	**-**	**-**	**(75)**	**-**	**1**	**(74)**
Carrying amount of right-of-use assets	**-**	**275**	**(27)**	**(5)**	**(5)**	**238**

(1) The amounts in the "Other movements" column primarily correspond to the effects of converting the financial statements of companies whose functional currency is not the euro.

(2) Including €10 million relating to an impairment loss recognized against a right-of-use asset concerning a site in the United States following the identification of an impairment indicator.

7.11 Non-Current Financial Assets

(in € millions)	At Sept. 30, 2020	At Sept. 30, 2019
Investments in non-consolidated companies	5	16
Loans (1)	73	71
Deposits and guarantees paid	18	15
Financial receivables	13	2
Total	**111**	**104**

(1) *At September 30, 2020 and 2019, "Loans" included the €70 million vendor loan granted to PAI Partners in connection with the July 1, 2019 sale of the Concession Catering business, which is measured at amortized cost.*

7.12 Equity-Accounted Investees

(in € millions)	Carrying amount at Sept.30, 2019	Dividends paid	Net profit/(loss) for the period	Changes in scope of consolidation and other	Carrying amount at Sept.30, 2020
SMRLC	1	-	(3)	2	-
Riverside Events (UK)	-	-	-	-	-
Total	**1**	**-**	**(3)**	**2**	**-**

7.13 Trade and Other Receivables

(in € millions)	At Sept. 30, 2020		At Sept. 30, 2019	
	Gross	Net	Gross	Net
Trade receivables	444	397	501	454
Revenue accruals	88	88	98	98
Prepayments to suppliers	48	48	61	61
Prepaid and recoverable VAT	56	56	46	46
Receivables relating to asset disposals	7	7	4	4
Other	29	29	12	12
Total	**672**	**625**	**722**	**675**

Net trade receivables break down as follows by maturity:

(in € millions)	At Sept. 30, 2020	At Sept. 30, 2019
Receivables not past due	244	304
Receivables less than 30 days past due	50	61
Receivables more than 30 days but less than 6 months past due	70	64
Receivables more than 6 months but less than 1 year past due	23	15
Receivables more than 1 year past due	10	10
Total net trade receivables	**397**	**454**

During the year ended September 30, 2020 the Group did not sell any VAT receivables. In 2018-2019, it sold its CICE tax receivable (tax credit) to a bank on a non-recourse basis for €48 million.

The outstanding amounts in the "ON" and "OFF" compartments of the 2017 receivables securitization program are presented in Note 7.17.1.4.

7.14 Deferred Taxes

The deferred tax balances recorded in the consolidated balance sheet at September 30, 2020 and 2019 break down as follows by type of temporary difference:

(in € millions)	At Sept. 30, 2020	At Sept. 30, 2019
Paid leave provisions	7	7
Other non-deductible provisions and expenses	46	43
Provisions for pension benefit obligations	24	26
Fair value adjustments (1)	(33)	(27)
Recognition of tax loss carryforwards (2)	145	101
Total	**189**	**150**
Deferred tax assets	189	163
Deferred tax liabilities	-	(13)
Total net deferred tax assets	**189**	**150**
Provisions for impairment of deferred tax assets (3)	(115)	(1)
Total net deferred tax assets after provisions for impairment	**74**	**149**

(1) This item corresponds to (i) the deferred tax impact of fair value measurements concerning the assets of companies consolidated for the first time in prior periods; and (ii) changes in the fair value of interest rate hedges.

(2) Primarily including:

- At September 30, 2020, the following tax loss carryforwards: (i) €110 million for Elior Group, recoverable through the French tax consolidation group which it heads, (ii) €19 million for US subsidiaries and (iii) €10 million for Italian subsidiaries.

- At September 30, 2019, the following tax loss carryforwards: (i) €91 million for Elior Group, recoverable through the French tax consolidation group which it heads, and (ii) €8 million for US subsidiaries.

(3) Including, in the year ended September 30, 2020, €88 million for France and €18 million for Italy (covering all of Italy's deferred tax assets).

Deferred taxes are classified under non-current assets and liabilities in the consolidated balance sheet.

7.15 Other Current Assets

(in € millions)	At Sept. 30, 2020	At Sept. 30, 2019
Prepaid expenses	37	33
Other	17	14
Total	**54**	**47**

7.16 Provisions for Pension and Other Post-employment Benefit Obligations and Other Provisions

Long- and short-term provisions can be analyzed as follows:

(in € millions)	At September 30, 2020	At September 30, 2019
Provisions for pension and other post-employment benefit obligations	96	104
Provision for non-renewal of concession contracts	10	9
Other	13	6
Long-term provisions	**119**	**119**
Provision for commercial risks	2	1
Provision for tax risks and employee-related disputes	13	12
Provision for reorganization costs	79	5
Provision for employee benefit obligations	8	9
Other	28	36
Short-term provisions	**130**	**63**
Total	**249**	**182**

7.16.1 Provisions for Employee Benefit Obligations

7.16.1.1 Summary of provisions and description of plans

(in € millions)	Pension and other post-employment benefit obligations	
	Year ended Sept. 30, 2020	Year ended Sept. 30, 2019
Provisions at Oct. 1	**113**	**120**
Net expense for the period	3	11
Gains on plan curtailments	-	-
Benefits and contributions paid	(9)	(12)
Changes in scope of consolidation	-	(19)
Actuarial (gains) and losses recognized in equity	(2)	13
Currency translation adjustments	(1)	-
Provisions at year-end	**104**	**113**
O/w short-term	*8*	*9*
O/w long-term	*96*	*104*

7.16.1.2 Defined benefit plans

These plans primarily concern pension and other post-employment benefit plans.

Pension and other post-employment benefit plans

The main pension and other post-employment benefit plans in place within the Group are as follows:

In **France**, the Group's main defined benefit obligations relate to retirement bonuses, which are payable when an employee retires if he or she still forms part of the Group at that date. These obligations are covered by liabilities recognized in the consolidated balance sheet.

The official retirement age in France is 62 and the average retirement age observed within the Group is 64.

In the **United Kingdom**, Elior has several defined benefit pension plans in place which are financed through independently-managed funds. Elior pays contributions into these funds and the funds pay out the pension benefits. The members of these pension plans correspond to employees working on a small number of contract catering contracts operated by the Group's recently acquired UK companies, Waterfall and Edwards & Blake. The official retirement age in the UK is 65.

In **Spain**, Elior has a number of unfunded pension plans in place. The Group's obligations under these plans are primarily based on the pensionable salary and length of service of the employees concerned.

In **Italy**, the Group's obligations correspond to the legal requirement to pay an indemnity to employees on termination of their employment contract (*TFR*). At each balance sheet date, vested rights of employees are valued in accordance with the legal requirements and are fully covered by provisions. Since January 1, 2007, following a change in Italian legislation, employees can request that their entitlements be transferred to the Italian state plan or private insurance funds.

At September 30, 2020, the Group's employee benefit obligations broke down as follows by geographic region:

(in € millions)	France	United Kingdom	Italy	Other (*)	**Total**
Present value of obligations	72	45	8	8	**133**
Fair value of plan assets	-	(29)	-	-	**(29)**
PROVISIONS FOR PENSION AND OTHER POST-EMPLOYMENT BENEFIT OBLIGATIONS	***72***	***16***	***8***	***8***	**104**
Payments	*(6)*	*(1)*	*(1)*	-	***(9)***
Average duration (in years)	*10*	*22*	*8*	*N/A*	***N/A***

(*) Including Spain and India

On average, the Group pays around €1 million a year into the plan assets (see Note 7.16.1.4).

7.16.1.3 **Items recognized in the income statement and statement of comprehensive income**

Income statement

(in € millions)	**Pension and other post-employment benefit obligations**	
	Year ended Sept. 30, 2020	**Year ended Sept. 30, 2019**
Service cost:		
- Current service cost	(10)	(8)
- Past service cost and gains on plan curtailments	-	(1)
- Other costs or provision reversals	8	(1)
Net interest cost:		
- Interest expense on obligations	(2)	(2)
- Return on plan assets	1	-
Components of the cost of defined benefit plans recognized as expenses	**(3)**	**(11)**

Statement of comprehensive income (SOCI)

(in € millions)	Pension and other post-employment benefit obligations	
	Year ended Sept. 30, 2020	**Year ended Sept. 30, 2019**
At October 1	**(30)**	**(22)**
Actuarial gains/(losses) on plan assets:		
- Related to return on plan assets	(5)	-
Actuarial gains/(losses) on provisions for pension and other post-employment benefit obligations:		
- Related to changes in demographic assumptions	-	5
- Related to changes in financial assumptions (1)	3	(20)
- Related to experience adjustments	4	2
Components of the cost of defined benefit plans recognized in the SOCI	**2**	**(13)**
Changes in scope of consolidation	-	5
At the year end	**(28)**	**(30)**

(1) *For 2019-2020, the increase in the discount rates applied (see Note 7.16.1.6) led to €4 million in actuarial gains.*
(2) *For 2018-2019, the decrease in the discount rates applied led to €20 million in actuarial losses.*

7.16.1.4 Movements in obligations and plan assets

(in € millions)	Present value of obligations		Fair value of plan assets		Net provisions for pension and other post-employment benefits	
	At Sept. 30, 2020	At Sept. 30, 2019	At Sept. 30, 2020	At Sept. 30, 2019	At Sept. 30, 2020	At Sept. 30, 2019
At October 1	**142**	**143**	**(29)**	**(23)**	**113**	**120**
Service cost	10	8	-	-	10	8
Net interest cost	2	2	(1)	-	1	2
Remeasurement – Actuarial gains/(losses) relating to:						
- changes in demographic assumptions	-	(5)	-	-	-	(5)
- changes in financial assumptions	(3)	20	-	-	(3)	20
- experience adjustments	(4)	(2)	-	-	(4)	(2)
- return on plan assets	-	-	5	-	5	-
Past service cost, including gains/(losses) on plan curtailments	(10)	-	2	-	(8)	-
Employer contributions	-	-	(1)	(2)	(1)	(2)
Benefits paid	(8)	(10)	-	-	(8)	(10)
Changes in scope of consolidation	2	(15)	(2)	(4)	-	(19)
Currency translation adjustments	(1)	-	-	-	(1)	-
Other (change of pension system)	3	1	(3)	-	-	1
At the year end	**133**	**142**	**(29)**	**(29)**	**104**	**113**
Partially funded obligations	*45*	*37*	*(29)*	*(29)*	*16*	*12*
Unfunded obligations	*88*	*105*	-	-	*88*	*101*

The Group expects that the defined benefits payable in fiscal 2020-2021 directly by Group entities to their employees will total approximately €7 million.

7.16.1.5 Plan assets

(in % and € millions)	Breakdown of plan assets at Sept. 30,		Fair value of plan assets at Sept. 30,	
	2020	2019	2020	2019
Cash and cash equivalents	-	-	-	-
Equities	66%	69%	19	17
Debt securities	34%	31%	10	8
Real estate	-	-	-	-
Insurance contracts	-	-	-	-
Total	**100%**	**100%**	**29**	**25**

The fair value of debt securities and equities is based on quoted prices in active markets. The fair value of plan assets does not include any financial instruments issued by Elior or any other assets used by the Group.

The actual return on plan assets was zero in 2020.

7.16.1.6 Assumptions used for actuarial calculations

The main actuarial assumptions used for the years ended September 30, 2020 and 2019 were as follows:

For the year ended September 30, 2020

Country	France	Italy	Spain	UK
Type of obligation	Statutory retirement bonuses and long-service awards	TFR provision for employment contract termination indemnities	Retirement and retention bonuses	Retirement bonuses
Discount rate	0.7%	0.7%	0.7%	1.6%
Salary growth rate	2.0%	2.0%	1.6%	3.1%

For the year ended September 30, 2019

Country	France	Italy	Spain	UK
Type of obligation	Statutory retirement bonuses and long-service awards	TFR provision for employment contract termination indemnities	Retirement and retention bonuses	Retirement bonuses
Discount rate	0.30%	0.30%	0.30%	1.70%
Salary growth rate	2% to 2.25%	2.5%	1.7%	3.9%

Methods applied to determine discount rates

The discount rates used for the eurozone and the United Kingdom are based on AA rated corporate bonds:

	Pension and other post-employment benefit obligations	Benchmark index
Eurozone	0.70%	AA rated bonds
United Kingdom	1.60%	AA rated bonds in the iBoxx sterling corporate bond index
India	6.60%	Indian government bonds index in accordance with the maturity of the obligations

7.16.1.7 Defined contribution plans

The costs related to defined contribution plans correspond to contributions paid by the Group to independently-managed funds. These plans guarantee employees a level of benefits that is directly related to the amount of contributions paid. The Group paid €9 million into defined contribution plans in the year ended September 30, 2020 and €9 million in the year ended September 30, 2019.

7.16.2 Provisions for Reorganization Costs

At September 30, 2020, provisions for reorganization costs primarily included a €68 million provision recognized in France for the job redeployment plan (*Plan de Sauvegarde de l'Emploi*) announced to Elior Group's employee representatives and consultative bodies on September 30, 2020. This plan concerns 1,881 employees and mainly affects Elior Entreprises.

7.16.3 Provisions for Non-Renewal of Concession Contracts

Provisions for non-renewal of concession contracts are recorded to cover the risk of asset write-downs or reconditioning expenses for property, plant and equipment to be returned to concession grantors.

7.17 Financial Risk Management, Debt and Derivative Financial Instruments

7.17.1 Management of Financial Risks and Financial Instruments

7.17.1.1 Exposure to foreign exchange risk

The Group operates primarily in eurozone countries. In the year ended September 30, 2020, the Group's main non-eurozone countries – the United Kingdom, the United States and India – accounted for 35.9% of consolidated revenue (33.8% in fiscal 2018-2019), including 7.1% contributed by the United Kingdom (2018-2019: 8.2%) and 28.1% by the United States (2018-2019: 24.7%).

The revenues and expenses of Group companies are invoiced and paid in local currencies. As a general rule, Group companies have no significant external receivables or payables denominated in foreign currencies. Consequently, the Group has no significant foreign exchange risk exposure in relation to its business transactions.

The Group's external borrowings are essentially denominated in euros, apart from the US dollar-denominated revolving credit facility set up on the refinancing of Elior North America's debt (within the scope of the SFA) in order to meet Elior North America's short-term financing needs.

Elior Participations SCA uses forward currency sale contracts to hedge loans granted to its subsidiary in the United Kingdom. The outstanding amounts of these currency hedges were £69 million and £56 million at September 30, 2020 and 2019 respectively.

The Group's sensitivity to changes in exchange rates mainly relates to fluctuations in the value of:

- The pound sterling against the euro: a 5% increase or decrease in this currency compared with the average rate of 0.8788 for the year ended September 30, 2020 would result in corresponding changes in consolidated revenue and recurring operating profit of €14 million and €0.3 million respectively.
- The US dollar against the euro: a 5% increase or decrease in this currency compared with the average rate of 1.1203 for the year ended September 30, 2020 would result in corresponding changes in consolidated revenue and recurring operating profit of €56 million and €0.8 million respectively.

7.17.1.2 Exposure to interest rate risk

The Group is exposed to the risk of fluctuations in interest rates on debt that is indexed to the Euro Interbank Offered Rate ("Euribor") plus an applicable margin.

In order to manage this risk, the Group has set up interest rate swaps. These hedges mitigate (i) the risk of variable interest rates affecting the fair value of the Group's fixed-rate debt, and (ii) the impact of the Group's variable-rate debt on consolidated cash. The net amount of hedges set up using interest rate swaps does not exceed the amount of the Group's debt for a given period and the net gains or losses on these hedges are allocated to the hedged period.

The rates at which the Group's debt was hedged (against the Euribor) were as follows at September 30, 2020 for Elior Group and Elior Participations:

<u>Hedges in euros:</u>

- For the period from October 1, 2020 through December 31, 2021: 0.343% (€500 million).

This rate does not include lending margins.

Taking into account the above-mentioned hedges, a 1% increase in interest rates would have an impact of approximately €2.9 million on the Group's finance costs for fiscal 2020-2021.

7.17.1.3 **Exposure to liquidity risk**

The Group manages its liquidity risk by constantly monitoring the maturities of its borrowings, ensuring that it has adequate available credit facilities, and diversifying its resources. It also monitors actual cash flows in relation to forecasts.

The Group has a centralized multi-currency cash management system, which is used in countries where permitted by local legislation in order to reduce the liquidity risk to which it is exposed. The cash surpluses and financing needs of subsidiaries are centralized through a cash-pooling system and investments are placed, or borrowings taken out, via the head of the cash pool – Elior Participations. A local cash pool has also been set up in each country where the Group operates. In India, a local cash-pooling system denominated in local currency has been put in place, as well as a bilateral credit facility guaranteed by Elior Participations.

At September 30, 2020, the Group had €41 million in cash and cash equivalents (versus €83 million at September 30, 2019). The September 30, 2020 figure includes €36 million worth of bank deposits.

Other than cash and cash equivalents, the Group's sources of liquidity at September 30, 2020 were as follows:

- A €450 million revolving credit facility ("RCF") made available under the Senior Facilities Agreement, of which €200 million had been drawn down at September 30, 2020.
- A $250 million RCF made available under the Senior Facilities Agreement, none of which had been drawn down at September 30, 2020.
- A €360 million European receivables securitization program, of which €257 million had been utilized at September 30, 2020 (including €203 million in off balance-sheet financing/debt). In the event that the ABCP (Asset-backed commercial paper) markets close, the Group would have a €360 million liquidity line available for six months.

At September 30, 2020, the Group's gross debt totaled €1,033 million, including IFRS 16 lease liabilities (versus €618 million at September 30, 2019). The September 30, 2020 figure includes €60 million in short-term debt and €973 million in long-term debt.

On April 8, 2020, Standard & Poor's assigned the Company's debt a BB rating, with a negative outlook due to the Covid-19 pandemic, and on May 19, 2020, Moody's rated it as Ba3 with a negative outlook, also in view of the Covid-19 pandemic.

The Group's debt can be analyzed as follows by maturity (based on repayment/redemption value):

(in € millions)	Original currency	At September 30, 2020 Short-term	*Due in 1 to 5 years*	*Due beyond 5 years*	Long-term	At September 30, 2019 Short-term	Long-term
Bank borrowings							
Medium-term borrowings – Elior Group SA	€	-	*530*	-	530	-	530
Medium-term borrowings – Elior Participations	€ / $	-	*200*	-	200	-	-
Other medium- and long-term bank borrowings	€						
Sub-total – bank borrowings		**-**	***730***	**-**	**730**	**-**	**530**
Other debt							
Elior Group bond debt (USD private placement)	$	-	-	-	-	-	-
Lease liabilities	€	58	*192*	-	192	9	22
Other (1)	€	1	*54*	-	54	2	55
Bank overdrafts (2)	€	1	-	-	-	4	-
Current accounts (2)	€	-	-	-	-	-	-
Accrued interest on borrowings	€ / $	-	-	-	-	1	-
Sub-total – other debt		**60**	***246***	**-**	**246**	**16**	**76**
Total debt		**60**	***976***	**-**	**976**	**16**	**606**

(1) *Including liabilities under the receivables securitization program.*
(2) *Amounts deducted from cash and cash equivalents in the cash flow statement.*

7.17.1.4 Exposure to credit and counterparty risk

Credit and/or counterparty risk is the risk that a party bound by a contract with the Group will fail to meet its obligations in accordance with agreed terms, leading to a financial loss for the Group.

The main financial instruments that could expose the Group to concentrations of counterparty risk are trade receivables, cash and cash equivalents, investments and derivatives. The Group's maximum exposure to credit risk corresponds to the carrying amount of all of the financial assets recognized in the consolidated financial statements, net of any accumulated impairment losses.

The Group considers that it has very low exposure to concentrations of credit risk in relation to trade receivables. There is no material exposure to concentrations of customer credit risk at Group level as the subsidiaries have a large number of customers and the geographic locations of these customers and the operating sites concerned are highly diverse. Invoices are generally issued based on services already performed and after customers have accepted the services, which reduces the possibility of a customer disputing an invoice. A procedure for tracking receivables and issuing reminders is in place in each country in order to accelerate the collection process.

In addition, in July 2017 the Group set up a four-year €360 million European receivables securitization program, covering France and Spain (the "2017 Securitization Program"). Under this program, trade receivables arising from sales carried out or services rendered in France and Spain under commercial contracts (subject to certain eligibility criteria) that are denominated in euros and originated by any Elior Group Receivables Seller are sold to Ester Finance Titrisation, (the "Purchaser"), a French subsidiary of Crédit Agricole CIB. The sales are carried out monthly with receivables arising in the previous month fully financed.

The 2017 Securitization Program comprises two separate compartments: an "ON compartment" whereby receivables are sold with recourse and an "OFF compartment" whereby receivables are sold without recourse.

For the ON compartment, as the Group continues to bear almost all of the late payment and credit risks, the sold receivables do not meet the conditions required under IFRS 9 for off balance-sheet accounting. Consequently, the financing received is accounted for as debt. Sales to the Purchaser are made at the face value of the receivables, less a discount to reflect the financing costs until settlement. At September 30, 2020, outstanding sold receivables relating to the ON compartment, net of the related €26 million overcollateralization reserve, stood at €50 million (compared with €20 million and €52 million respectively at September 30, 2019).

For the OFF compartment, the credit risks, interest rate risks and late payment risks associated with the sold receivables are definitively transferred to the Purchaser through the discount applied on the receivables, which corresponds to remuneration for the credit risk and the financing cost. Dilution risk – which is subject to a specific contractual framework and is separate from late payment risk – is not included in the assessment of whether the risks and rewards associated with the receivables are transferred as the receivables relate to services that have already been rendered. Consequently, the receivables sold under the OFF compartment are derecognized. At September 30, 2020, the amount of derecognized receivables totaled €206 million, compared with €217 million one year earlier.

Lastly, the Group only deposits its cash and enters into currency and interest rate hedging contracts with leading financial institutions and, as at the date of these financial statements, it considers that the risk of any of these counterparties defaulting on their contractual obligations to be very low as the financial exposure of each one is limited.

7.17.1.5 Fair value of financial assets and liabilities

The table below presents the Group's financial assets and liabilities by category as well as their carrying amounts and fair values and the account headings in which they are included in the consolidated balance sheet. It also shows the applicable fair value hierarchy levels, which correspond to the following:

- Level 1: Quoted prices in active markets.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability.
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(in € millions)	Carried at amortized cost	Fair value hierarchy level	At Sept. 30, 2020		At Sept. 30, 2019	
			Carrying amount	Fair value	Carrying amount	Fair value
Financial assets						
Non-current financial assets	✓		73	73	71	71
Non-current financial assets		Level 3	38	38	33	33
Equity-accounted investees		Level 3	-	-	1	1
Derivative financial instruments		Level 2	-	-	-	-
Trade and other receivables	✓		625	625	675	675
Other current assets	✓		54	54	47	47
Current income tax assets	✓		14	14	32	32
Cash and cash equivalents		Level 1	41	41	83	83
Financial liabilities						
Short- and long-term debt	✓		783	783	618	618
Derivative financial instruments		Level 2	6	6	9	9
Liabilities relating to share acquisitions		Level 3	20	20	73	73
Trade and other payables	✓		448	448	550	550
Due to suppliers of non-current assets	✓		11	11	15	15

7.17.2 Analysis of Debt

The carrying amount and fair value of the Group's debt can be analyzed as follows:

(in € millions)	Original currency	At Sept. 30, 2020		At Sept. 30, 2019	
		Amortized cost	Fair value	Amortized cost	Fair value
Bank overdrafts	€	1	1	4	4
Other short-term debt (including short-term lease liabilities)	€	59	59	12	12
Sub-total – short-term debt		**60**	**60**	**16**	**16**
Syndicated bank loans	€ / $	527	530	526	530
Other medium- and long-term borrowings	$	200	200	-	-
Factoring and securitized trade receivables	€	54	54	54	54
Other long-term debt (including long-term lease liabilities)	€	192	192	22	22
Sub-total – long-term debt		**973**	**976**	**602**	**606**
Total debt		**1,033**	**1,036**	**618**	**622**

The following table shows the movements in the Group's debt in the year ended September 30, 2020:

(in € millions)	At Sept. 30, 2019	Increases	Redemptions/ repayments	Other movements (1)	At Sept. 30, 2020
Syndicated bank loans	526	932	(732)	-	726
Factoring and securitized trade receivables	54	4	(4)	-	54
Lease liabilities	31	-	(59)	279	250
Other borrowings	7	-	-	(5)	3
Total debt	**618**	**936**	**(795)**	**274**	**1,033**

(1) *“Other movements” mainly correspond to lease liabilities recognized on the first-time application of IFRS 16 as well as the impact of reclassifications and changes in the scope of consolidation during the fiscal year.*

The Group's debt at September 30, 2020 included:

Syndicated bank loans at a variable rate based on the Euribor plus a margin, breaking down as follows:

- **Elior Group SA:**
  - A senior bank loan totaling €530 million at September 30, 2020, fully repayable in May 2023. Interest is based on the Euribor plus a standard margin of 1.40%.
- **Elior Participations SCA:**
  - A €450 million revolving credit facility (which can also be used by Elior Group), expiring in May 2023. Interest is based on the Euribor plus a standard margin of 1.00%. If the facility is not used, a commitment fee is payable which is calculated as a portion of the margin applied. At September 30, 2020, Elior Participations had used €200 million of this facility.
  - A $250 million revolving credit facility (which can also be used by Elior Group), expiring in May 2023. Interest is based on the Libor plus a standard margin of 1.00%. If the facility is not used, a commitment fee is payable which is calculated as a portion of the margin applied. None of this facility had been used by Elior Participations at September 30, 2020.

Liabilities relating to the Group's receivables securitization program. At September 30, 2020, outstanding securitized receivables under this program – net of the related €26 million overcollateralization reserve – stood at €50 million. The program’s ceiling (net of the equivalent of an overcollateralization reserve) is €360 million and it includes the receivables of Elior Group's French and Spanish subsidiaries. Its cost, based on net amounts securitized, is approximately 1.23%.

The Group's debt at September 30, 2019 included:

Syndicated bank loans at a variable rate based on the Euribor plus a margin, breaking down as follows:

- **Elior Group SA:**

  A senior bank loan totaling €530 million at September 30, 2019, fully repayable in May 2023. Interest was based on the Euribor plus a standard margin of 2.00%.
- **Elior Participations SCA:**
  - A €450 million revolving credit facility (which could also be used by Elior Group), expiring in May 2023. Interest was based on the Euribor plus a standard margin of 1.60%. If the facility was not used, a commitment fee was payable, corresponding to a portion of the margin applied. None of this facility had been used by Elior Participations at September 30, 2019.
  - A $250 million revolving credit facility (which could also be used by Elior Group), expiring in May 2023. Interest was based on the Libor plus a standard margin of 1.60%. If the facility was not used, a commitment fee was payable, corresponding to a portion of the margin applied. None of this facility had been used by Elior Participations at September 30, 2019.

Liabilities relating to the Group's receivables securitization program. At September 30, 2019, outstanding securitized receivables under this program – net of the related €20 million overcollateralization reserve – stood at €54 million. The program’s ceiling (net of the equivalent of an overcollateralization reserve) was €360 million and it included the receivables of Elior Group's French and Spanish subsidiaries. The program's cost, based on net amounts securitized, was approximately 1.30% in fiscal 2018-2019.

The net exposure of the Group's variable rate debt to the instruments described below (both before and after hedging) is set out in the risk management section of this Universal Registration Document (Chapter 3, Section 3.2.2.4.).

7.17.3 Derivative Financial Instruments

At September 30, 2020 and 2019, a portion of the Group's debt was hedged by caps and swaps set up by Elior Group and Elior Participations. Hedges set up using options are referred to as "optional hedges" and other hedges are referred to as "firm hedges".

The amounts of debt hedged by instruments that qualified for hedge accounting were as follows at September 30, 2020:

(in € millions)	Amount of debt hedged by firm hedges (1)	Amount of debt hedged by optional hedges
From Oct. 1, 2019 through Dec. 31, 2021	500	-

(1) Swaps

The impacts of hedging instruments are as follows:

(in € millions)	Fair value of derivatives Assets/(Liabilities)	
	At Sept. 30, 2020	At Sept. 30, 2019
Instruments qualifying as cash flow hedges	(6)	(9)
Instruments qualifying as fair value hedges	-	-
Instruments not qualifying for hedge accounting	-	-
Total	**(6)**	**(9)**
Interest rate hedging instruments	(6)	(9)
Foreign currency hedging instruments	-	-
Total	**(6)**	**(9)**

Derivatives are classified as non-current assets and liabilities in the consolidated balance sheet. The net-of-tax amounts recorded in equity (under "Other comprehensive income") in relation to cash flow hedges were a positive €2 million for the year ended September 30, 2020 and a negative €8 million for the year ended September 30, 2019 (see Note 4 – Consolidated Statement of Changes in Equity).

7.17.4 Financial Covenants

The medium - and long-term bank borrowing contracts entered into by Elior Group and Elior Participations include financial covenants (related to the Group's leverage) that could trigger compulsory early repayment in the event of non-compliance. The covenants are based on Elior Group's consolidated financial ratios and compliance checks are carried out at the end of each six-month period.

On May 26, 2020, the Company was granted a covenant holiday for the periods ending September 30, 2020 and March 31, 2021. Consequently, the Group's leverage is not required to comply with the levels provided for in the borrowing contracts at those dates but the system whereby lending margins increase or decrease depending on the leverage ratio still applies.

The medium- and long-term term borrowing contracts of Elior Group SA and Elior Participations SCA do not include any exceptional clauses compared with the standard legal provisions which apply to this type of contract.

7.18 Parent Company's Share Capital and Share-Based Compensation

7.18.1 Elior Group SA's Share Capital

At September 30, 2020, Elior Group SA's share capital amounted to €1,741,252.68, divided into 174,125,268 shares with a par value of €0.01 each. During the year ended September 30, 2020, 42,243 and 32,429 new shares were issued respectively on the vesting of shares under the performance share plans dated (i) December 5, 2017, and (ii) March 11 and October 27, 2016.

At September 30, 2020, Elior Group held 1,855,783 shares in treasury, of which 1,703,594 were purchased under the share buyback program.

On December 3, 2019, the Board of Directors used the shareholder authorization granted on March 19, 2019 to cancel 4,268,550 treasury shares purchased under the share buyback program for €50 million, and therefore to reduce the Company's capital by €42,686. The difference between the par value of the canceled shares and their carrying amount was recognized in "Additional paid-in capital".

At September 30, 2019, Elior Group SA's share capital amounted to €1,783,191.46, divided into 178,319,146 shares with a par value of €0.01 each.

During the year ended September 30, 2019, 42,198 new shares were issued on the vesting of shares under the March 11, 2016, October 27, 2016 and December 5, 2017 performance share plans, and 2,327,852 new shares were issued for the purpose of the stock dividend payment in 2019.

At September 30, 2019, Elior Group held 4,326,857 shares in treasury, of which 4,268,550 were purchased under the share buyback program.

7.18.2 Stock Options and Performance Shares Granted to Employees of Elior Group and its Subsidiaries

7.18.2.1 Elior Group stock options and performance shares

Type of instrument	Grant date	Start of exercise period	End of exercise period	Exercise price per share (in €)	Total number of shares under option/vestable performance shares (1)	Estimated fair value (in € millions)
Stock options	March 11, 2016	March 11, 2020	March 11, 2024	16.3	-	0.6
Stock options	Oct. 27, 2016	Oct. 27, 2020	Oct. 27, 2024	18.29	62,117	0.6
Total					**62,117**	
Performance shares	June 15, 2018	-	-	N/A	955,411	10.7
Performance shares	July 24, 2019	-	-	N/A	1,471,130	13.7
Performance shares	March 20, 2020	-	-	N/A	1,710,723	1.8
Total					**4,137,264**	

(1) Adjusted to take into account departures of beneficiary employees prior to September 30, 2020.

Stock options and performance shares granted during the year ended September 30, 2016

The stock options granted under the March 11, 2016 and October 27, 2016 plans have a four-year life and are exercisable for shares at a 10% discount to their market value.

The fair value of the stock options (which correspond to equity-settled options) was estimated at the grant date using a Black & Scholes-type pricing model which factors in the terms and conditions under which the options were granted and assumptions about beneficiaries' exercise patterns.

The main assumptions used for the fair value estimations were as follows:

- Expected life of the options: 4 years
- Volatility: 23%
- Expected dividend yield: 2% and 2.2%

Performance share plans set up in 2018

The performance shares granted on June 15, 2018 were mainly allocated to the members of the Management Committee and Leaders Committee and will only vest if the beneficiary still forms part of the Group on the vesting date and if certain performance conditions are met. The performance conditions are based on the following: (i) the cumulative annual growth rate for Elior Group's adjusted earnings per share, (ii) the cumulative annual growth rate for Elior North America's share price (only for the plan for Elior North America employees), and (iii) Elior Group's share performance compared with a peer group and compared with the CAC Next 20 index. The achievement of these conditions will be assessed on June 15, 2021 for the presence condition, on September 30, 2021 for the internal performance conditions, and on December 31, 2021 for the external performance conditions.

The aggregate fair value of the performance shares granted on June 15, 2018 amounted to €10.7 million.

Performance share plans set up in 2019

The performance shares granted on July 24, 2019 were mainly allocated to the members of the Management Committee and Leaders Committee and are also subject to vesting conditions relating to presence and performance. The performance conditions are based on the following: (i) the cumulative annual growth rate for Elior Group's adjusted earnings per share, (ii) the cumulative annual growth rate for Elior North America's share price (only for the plan for Elior North America employees), and (iii) Elior Group's share performance compared with a peer group and compared with the CAC Next 20 index. The achievement of these conditions will be assessed on July 24, 2022 for the presence condition, on September 30, 2022 for the internal performance conditions, and on December 31, 2022 for the external performance conditions.

The aggregate fair value of the performance shares granted on July 24, 2019 amounted to €13.7 million.

Performance share plans set up in 2020

The performance shares granted on March 20, 2020 were mainly allocated to the members of the Management Committee and Leaders Committee and are also subject to vesting conditions relating to presence and performance. The performance conditions are based on the following: (i) the cumulative annual growth rate for Elior Group's adjusted earnings per share, and (ii) Elior Group's share performance compared with a peer group and compared with the CAC Next 20 index. The achievement of these conditions will be assessed on March 20, 2023 for the presence condition, on September 30, 2022 for the internal performance conditions, and on December 31, 2022 for the external performance conditions.

The aggregate fair value of the performance shares granted on March 20, 2020 amounted to €1.8 million.

7.18.2.2 Elior North America stock options and restricted shares granted to Elior North America's Managers

The stock options and restricted shares granted to Elior North America's managers when THS was acquired in 2013 and subsequently to new managers joining the company were subject to vesting conditions related to presence and performance. The performance conditions were based on Elior Group's internal rate of return (IRR) calculated by reference to the value of Elior North America shares at September 30, 2019 compared with the capital invested by Elior Group since its acquisition of THS in 2013.

The value of Elior North America's shares was calculated based on accounts at September 30, 2019 using the following formula:

- Enterprise value using the multiple originally applied for Elior Group's acquisition of THS in 2013.
- Less the net debt of the Elior North America sub-group.

The value obtained was $33 million, of which $26 million was paid in the year ended September 30, 2020.

The total amount recognized in the 2019-2020 income statement for share-based compensation in accordance with IFRS 2 – which covered all of the Group's plans – represented an expense of €0.3 million. This figure primarily reflects the estimation at September 30, 2020 of the non-achievement of the objectives in the June 15, 2018 and July 28, 2019 performance share plans.

7.19 Liabilities Relating to Share Acquisitions and Commitments to Purchase Non-Controlling Interests

The net amount recognized in the consolidated financial statements at September 30, 2020 for liabilities relating to share acquisitions and commitments to purchase non-controlling interests totaled €20 million (of which €18 million are recorded as non-current liabilities). This total primarily includes the following:

Commitments to purchase non-controlling interests

- €9 million corresponding to the liability related to a put option written over the non-controlling interests in Elior North America, exercisable in 2023.
- €4 million corresponding to the Group's liability towards the non-controlling shareholders of the Indian company, CRCL, under a put option exercisable in 2024 relating to the 49% of the company's capital that they still hold.
- €1 million corresponding to the Group's liability towards the non-controlling shareholders of the Italian company, Emily SRL, under a put option exercisable in 2021 relating to the 45% of the company's capital that they still hold.

Liabilities relating to share acquisitions

- €2 million relating to additional purchase consideration payable for the acquisition of the Indian company, MegaBite.

The net amount recognized in the consolidated financial statements at September 30, 2019 for liabilities relating to share acquisitions and commitments to purchase non-controlling interests totaled €72 million (of which €70 million recorded as non-current liabilities). This total primarily included the following:

Commitments to purchase non-controlling interests

- €57 million corresponding to the liability related to a put option written over the non-controlling interests in Elior North America, exercisable in 2023.
- €7 million corresponding to the Group's liability towards the non-controlling shareholders of Waterfall Catering Group under a put option exercisable in 2020 (payment of an exit price for the 20% of the company's capital that they still held).
- €2 million relating to additional purchase consideration payable for the acquisition of the Indian company, Megabite.

Liabilities relating to share acquisitions

- €1 million relating to additional purchase consideration payable for acquisitions carried out by Elior North America.
- €4 million relating to additional purchase consideration payable for the acquisition of the Indian companies, MegaBite and CRCL.

7.20 Other Current Liabilities

Other current liabilities consist of the following:

(in € millions)	At Sept. 30, 2020	At Sept. 30, 2019
Deferred income	8	11
Other liabilities	13	27
Total	**21**	**38**

8. Off-Balance Sheet Commitments

8.1 Pledges and Guarantees Granted in Relation to Bank Borrowings and Bond Debt

None

8.2 Guarantees Given/Received

(in € millions)	At Sept. 30, 2020	At Sept. 30, 2019
Guarantees given on commercial contracts (1)	169	163
Total guarantees given (2)	**169**	**163**

(1) Guarantees relating to performance bonds, commitments to pay lease payments and concession fees, and bid bonds for contracts.

(2) The precise maturity of these guarantees cannot be determined.

The Group also grants and receives guarantees in respect of assets and liabilities in relation to acquisitions and divestments of businesses, on terms and conditions which are usual for such transactions. Where the guarantees granted by the Group are subject to valid claims not yet settled at the reporting date, a provision is recorded in the balance sheet.

8.3 Contractual Commitments

Total contractual commitments relating to leases excluded from the scope of application of IFRS 16 or covered by IFRS 16 exemptions amounted to €20 million at September 30, 2020. This total breaks down as follows by maturity:

- Due in less than one year: €9 million
- Due in 1 to 5 years: €11 million
- Due beyond 5 years: non-material amount.

In addition, for certain lease contracts, on top of the fixed or guaranteed minimum lease payments due, the Group has committed to pay variable amounts that are not included when calculating lease liabilities. These variable amounts are generally based on footfall or revenue levels and cannot therefore be calculated for future periods.

9. Related Party Transactions

9.1 Compensation and Benefits Paid to the Company's Key Executives

The Company's key executives classified as related parties correspond to individuals who exercise authority and responsibility for the control and management of the Group's entities.

At September 30, 2020 and 2019, Philippe Guillemot was Chief Executive Officer of the Group and a director of Elior Group SA.

(in € millions)	Year ended Sept. 30, 2020	Year ended Sept. 30, 2019
Amount expensed for the year	**5**	**10**
Of which:		
Short-term benefits	5	10
Fair value of stock options and performance shares	NM	NM
Other long-term benefits	NM	NM
Amount recognized as a liability in the balance sheet		-
Post-employment benefits		-

The compensation and benefit figures presented in the above table comprise directors' remuneration and share-based compensation expense (for stock options and performance shares) recognized in accordance with IFRS 2, as well as all other types of compensation and benefits paid (or awarded for the year in return for duties performed) by Elior Group SA and/or other Group companies.

For both the years ended September 30, 2020 and September 30, 2019, these amounts concerned the members of the Executive Committee, including the Group Chief Executive Officer, and the members of the Elior Group Board of Directors.

9.2 Transactions with Other Related Parties

Elior Group's other related parties (i.e. other than its directors and members of the Executive Committee) correspond to its associates, which are accounted for by the equity method.

(in € millions	Year ended Sept. 30, 2020	Year ended Sept. 30, 2019
Revenue		
Associates	2	1
Expenses		
Associates	(1)	NM
Trade receivables		
Associates	NM	1
Trade payables		
Associates	(1)	NM
Current accounts		
Associates	3	4

10. Events After the Reporting Date

On October 13, 2020, the €360 million 2017 Securitization Program, which was originally scheduled to expire in July 2021, was amended in order to extend its maturity until October 2024 and to ensure compliance with the criteria provided for in Regulation (EU) 2017/2402 of the European Parliament and the Council of December 12, 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation. The amendments concerned do not affect the accounting treatment applied to the 2017 Securitization Program.

On November 24, 2020, the Group obtained an extension of its covenant holiday from September 30, 2021 to September 30, 2022, which is now the date of the next covenant test. This covenant holiday is subject to the following terms and conditions: (i) an additional 50bp margin level now applies for the tests on March 31 and September 30, 2021, (ii) the Company may not pay any dividends if its leverage ratio after the dividend payment is over 4x, (iii) the aggregate amount of acquisitions is capped at €50 million until the maturity date of the debt for as long as the leverage ratio is over 4x, and (iv) 50% of the proceeds of any new borrowings must be utilized for repaying existing drawdowns.

11. Statutory Auditors' Fees

Statutory Auditors' fees for the year ended September 30, 2020 recorded in the income statement and relating to fully consolidated companies amounted to €2.4 million. The total breaks down as €2.1 million for statutory audit work and €0.3 million for services rendered by the Statutory Auditors or members of their networks other than certifying accounts.

In order to ensure that the statutory audit work performed on the financial statements of the Group's companies is consistent and of a high quality, and with a view to centralizing relations with the external auditors at Finance Department and Audit Committee level, a plan has been drawn up for substantially all of the Group's subsidiaries stipulating that they appoint one of the two international audit firms used by Elior Group (PricewaterhouseCoopers Audit and Deloitte).

Together, PricewaterhouseCoopers Audit and Deloitte – which are members of the *Compagnie Régionale des Commissaires aux Comptes de Versailles* – represent nearly 100% of the Group's audit fees. The fees paid by Group subsidiaries for the audits of their accounts to audit firms other than PricewaterhouseCoopers, Deloitte or the members of their networks were not material in fiscal 2019-2020.

In addition, in compliance with the new rules applicable in France concerning the authorization of Statutory Auditors' engagements, the Group's Finance Department (acting under the supervision of the Audit Committee) has drawn up a policy and put in place procedures for all of the Group's subsidiaries concerning the appointment of Statutory Auditors, the verification of statutory audit fees, and the prior approval of other services provided by the Statutory Auditors.

(in € thousands)	Deloitte		KPMG		PwC			
	2019-2020		2018-2019		2019-2020		2018-2019	
	Amount (excl. VAT)	**%**	**Amount (excl. VAT)**	**%**	**Amount (excl. VAT)**	**%**	**Amount (excl. VAT)**	**%**
1. Audit services rendered by the Statutory Auditors or members of their network in relation to certifying separate or consolidated accounts								
- Issuer	185	*17%*	449	*31%*	213	*15%*	463	*19%*
- Fully consolidated subsidiaries	799	*76%*	766	*52%*	951	*69%*	1,368	*56%*
2. Services rendered by the Statutory Auditors or members of their network other than certifying separate or consolidated accounts (*)								
- Issuer	52	*5%*	254	*17%*	67	*5%*	412	*17%*
- Fully consolidated subsidiaries	23	*2%*	2	*-%*	149	*11%*	197	*8%*
Total	**1,059**	***100%***	**1,471**	***100%***	**1,380**	***100%***	**2,440**	***100%***
- Issuer	237	*22%*	703	*48%*	280	*20%*	875	*36%*
- Fully consolidated subsidiaries	822	*78%*	768	*52%*	1,000	*80%*	1,565	*64%*

(*) These services primarily comprise services required under the applicable laws and regulations, performing agreed-upon procedures and issuing the related reports, carrying out due diligence procedures, and providing advisory services for technical subjects relating to accounting, tax or any other audit-related matters.

12. List of Consolidated Companies at September 30, 2020

In the following table, the percentage of ownership and control is not provided when both represent 100%.

Company	% interest	% control	Principal activity	Consolidation method
ELIOR GROUP	PARENT	PARENT	HOLD	FULL
France (Metropolitan)				
A l'Ancienne Douane			CT	FULL
Academy by Elior			CT	FULL
Alfred & Partners			CT	FULL
L'Alsacienne de Restauration			CT	FULL
Ansamble			CT	FULL
Ansamble Investissements			HOLD	FULL
Aprest			MO	FULL
Arpège			CT	FULL
Bercy Participations			HOLD	FULL
Bercy Services I			MO	FULL
Bercy Services II			MO	FULL
BSXXV			HOLD	FULL
BSXXVII			HOLD	FULL
BSXXIX			CT	FULL
C2L			HOLD	FULL
Centre d'expertise Elior RC France			CT	FULL
EGEE Venture			HOLD	FULL
Egée Services 1			CT	FULL
Elcena			MO	FULL
Eléat			MO	FULL
Elior Achats Services			MO	FULL
Elior Data			MO	FULL
Elior Data RC France			HOLD	FULL
Elior Entreprises			CT/HOLD	FULL
Elior F.A.3.C.			MO	FULL
Elior Financement			HOLD	FULL
Elior Gestion			MO	FULL
Elior Participations			HOLD	FULL
Elior RC France			HOLD	FULL
Elior Restauration Approvisionnements			CT	FULL

Company		% interest	% control	Principal activity	Consolidation method
Elior Restauration et Services				HOLD	FULL
Elior Réseaux				CT	FULL
Elior Service FM				CT	FULL
Elior Services Propreté et Santé				CT/HOLD	FULL
Elior Services Supports				MO	FULL
Elior Services à la Personne				CT	FULL
Elior Trésorerie				MO	FULL
E.L.R.E.S.				CT/HOLD	FULL
Eurobar				CO	FULL
Excelcis		40%	40%	CO	EQUITY
G.S.R Ciel de Paris				CO	HFS
Resapro				MO	FULL
Restaurants et Sites				CO/HOLD	HFS
Restogen				CT	FULL
Sacores				MO	FULL
Saveurs à l'ancienne				CT	FULL
SC2R				MO	FULL
SCI Les Hirondelles				CT	FULL
SCICB				CT	FULL
Services et Santé				CT	FULL
SMR				CT	FULL
Société de Restauration du Musée d'Orsay		40%	40%	CO	EQUITY
Société de Restauration du Musée du Louvre		40%	40%	CO	EQUITY
Société de Restauration Musées et Lieux culturels		40%	40%	CO	EQUITY
Soferest		40%	40%	CO	EQUITY
Sorebou				CT	FULL
Soreno				CT	FULL
Sorelez	FTC			CT	FULL
Soreset				CT	FULL
Tabapag				CT	FULL
TPJ Creil				CT	FULL
French Overseas Territories					
S.O.G.E.C.C.I.R.				CT	HFS
India					
CRCL		51%	100%	CT	FULL
Elior India				CT	FULL
Elior West				CT	FULL
Italy					
Elior Ristorazione		99%	100%	CT	FULL
Elior Servizi		99%	100%	CT	FULL
Emily Srl	FTC			CT	FULL
Gemeaz		99%	100%	CT	FULL
Hospes				CT	FULL
Luxembourg					
Äre-Resto Hausgemachten				CT	FULL
Äre-Resto Les petites canailles				CT	FULL
Elior Luxembourg				CT	FULL
Elior Luxembourg Holding				CT	FULL
Portugal					
Serunión Restaurantes Portugal				CT	FULL

Company	% interest	% control	Principal activity	Consolidation method
Spain				
Alessa Catering Services			CT	FULL
Alimentacion Saludable Gallega			CT	FULL
Basic Serveis Escolars			CT	FULL
Excellent Market			CT	FULL
Geriatrio Siglo XXI			CT	FULL
Hostesa			CT	FULL
Serunión			CT/HOLD	FULL
Serunion Alimentacio Saludable S.L.U.			CT	FULL
Serunion Servizos Sociais ULLA S.A.R.			CT	FULL
Serunion Singularis Catering de autor S.L.U.			CT	FULL
Serunión Norte			CT	FULL
Serunión Servicios Sociai			CT	FULL
Serunión Vending			CT	FULL
Vitalista	92%	100%	CT	FULL
United Kingdom				
Caterplus Services Ltd			CT	FULL
Edwards & Blake			CT	FULL
Elior UK			CT	FULL
Elior UK Holdings			HOLD	FULL
Elior UK Services			MO	FULL
Hospitality Catering Services			CT	FULL
Lexington			CT	FULL
Riverside Events	50%	50%	CO	EQUITY
Taylor Shaw Ltd			CT	FULL
Waterfall Catering Group			CT	FULL
Waterfall Elior Ltd			CT/HOLD	FULL
Waterfall Services Ltd			CT	FULL
United States				
Abigail Kirsch at Tappan Hill Inc.	92%	100%	CT	FULL
Abigail Kirsch Connecticut LLC	92%	100%	CT	FULL
ABL Management Inc.	92%	100%	CT	FULL
AK 530 LLC	92%	100%	CT	FULL
530 Lounge LLC	50%	100%	CT	FULL
Aladdin Food Management LLC	92%	100%	CT	FULL
A'viands LLC	92%	100%	CT	FULL
Bateman Community Living LLC	92%	100%	CT	FULL
Blue Bell Enterprises Inc.	92%	100%	CT	FULL
Brompton Group LLC	92%	100%	CT	FULL
Corporate Chefs Inc.	92%	100%	CT	FULL
Cura Hospitality LLC	92%	100%	CT	FULL
DC Party Rentals LLC	92%	100%	CT	FULL
Elements Food Service Inc.	92%	100%	CT	FULL
Elior Inc.	92%	100%	MO	FULL
Food Services Inc.	92%	100%	CT	FULL
Galaxy GP LLC	92%	100%	CT	FULL
Galaxy Restaurants Catering Group GFS LLC	92%	100%	CT	FULL
Galaxy Restaurants Catering Group LP	92%	100%	CT	FULL
Galaxy Restaurants Catering Group MAM LLC	92%	100%	CT	FULL
Galaxy Restaurants Catering Group NYBG GB LLC	92%	100%	CT	FULL
Galaxy Restaurants Catering Group NYBG LP	92%	100%	CT	FULL
Gourmet Acquisition Holding Inc.	92%	100%	HOLD	FULL
KV International LLC	92%	100%	CT	FULL
Lancer at Edinburgh Inc.	92%	100%	CT	FULL
Lancer Food Holdings LLC	92%	100%	HOLD	FULL

Company	% interest	% control	Principal activity	Consolidation method
United States (cont'd)				
Lancer Hospitality Washington LLC	92%	100%	CT	FULL
Lancer Food Service Inc.	92%	100%	CT	FULL
Lancer Hospitality Oklahoma LLC	92%	100%	CT	FULL
Lancer Management Services LLC	92%	100%	CT	FULL
Lindley Acquisition Corp.	92%	100%	HOLD	FULL
National Food Enterprises Inc.	92%	100%	CT	FULL
O'Reilly Custom 4 LLC	92%	100%	CT	FULL
PAFA JVLL Holding	50%	100%	CT	FULL
Performance Hospitality NYC LLC	92%	100%	CT	FULL
Preferred Meal Systems (CA) Inc.	92%	100%	CT	FULL
Preferred Meal Systems Inc.	92%	100%	CT	FULL
Prepared Meal Holdings Inc.	92%	100%	HOLD	FULL
SideKim LLC	92%	100%	CT	FULL
Summit Food Service LLC	92%	100%	CT	FULL
The Maramont Corporation	92%	100%	CT	FULL
Traditions Prepared Meals LLC	92%	100%	CT	FULL
Valley Services Inc.	92%	100%	CT	FULL
Zooper Food LLC	92%	100%	CT	FULL

- *FULL: fully consolidated companies.*
- *EQUITY: companies accounted for by the equity method.*
- *CT: companies specialized in contract catering & services.*
- *CO: companies specialized in concession catering.*
- *HOLD: companies operating as holding companies.*
- *MO: companies providing headquarters and support services to Group companies.*
- *FTC: companies consolidated for the first time during the period.*
- *HFS: companies held for sale.*

4.11 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS – AFR

This is a translation into English of the statutory auditors' report on the financial statements of Elior Group SA issued in French and it is provided solely for the convenience of English speaking users. This statutory auditors' report includes information required by French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

(Year ended September 30, 2020)

Elior Group SA

9 -11 Allée de l'Arche

92032 Paris La Defense cedex

To the shareholders,

Opinion

In compliance with the engagement entrusted to us by your General Meetings, we have audited the accompanying consolidated financial statements of Elior Group SA for the year ended September 30, 2020.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at September 30, 2020 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

Indépendence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for statutory auditors for the period from October 1, 2019 to date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

Emphasis of Matter

We draw attention to the following matter described in Note 6.1.2 "Nouvelles normes et interprétations adoptées par l'Union Européenne et appliquées par le Groupe" to the consolidated financial statements related to first application of IFRS 16 "lease contracts" as of October 1, 2019. Our opinion is not modified in respect of this matter.

Justification of Assessments – Key Audit Matters

The worldwide crisis due to the Covid-19 pandemic creates special conditions for the preparation and the audit of the financial statements of this period. Indeed, this crisis and the exceptional steps taken in the context of the state of sanitary emergency have multiple consequences for enterprises, particularly on their activities and their financing, as well as increased uncertainties on their future prospects. Exceptional measures taken in the context of the state of emergency health, including travel restrictions and remote working, have had consequences on the internal organization of enterprises and the performance of audits.

It is this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, approved in the conditions mentioned above, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Assessment of going concern risk

Risk identified

The financial statements have been prepared on a going concern basis.

As disclosed in Note 5.2, "Significant events", Group management estimated the impact of COVID-19 at €1,003 million on revenue and €268 million on adjusted EBITA, before application of IFRS 16.

In addition, net financial debt totaled €767 million at September 30, 2020, including available cash of €41 million and the borrowings detailed in Note 7.17.1, "Analysis of debt":

- a senior bank loan totaling €530 million and maturing in 2023; EUR and USD revolving credit facilities of €450 million and €200 million respectively, drawn at the end of September 2020 and a US$250 million facility undrawn at the end of September 2020 and also maturing in 2023;
- a liability of €54 million under the Group's securitization program.

Given:

- the Group's cash position as of September 30, 2020 and available liquidity;
- the Group's debt structure and the agreement by banks to suspend covenant tests until September 30, 2022;
- the assumptions adopted by management concerning the business outlook and corresponding cash flow projections, as well as confirmation of the availability of such cash flows to repay the Group's debt,

Group management considers it has sufficient cash to continue in business.

We considered the assessment of the Group's ability to continue as a going concern to be a key audit matter due to the conditions attached to the Group's debt and the major management estimates and judgments concerning the business outlook and corresponding cash flows.

Our response

As part of our procedures, we assessed the Group's liquidity requirements with regard to the forecasted cash flows, current resources and existing credit facilities.

To this end, we familiarized ourselves with documents relating to (i) the agreement to suspend covenant tests entered into with banks "original lenders" for September 30, 2021 and March 31, 2022 and (ii) credit facilities drawn and those still available.

Our procedures also consisted in obtaining cash flow forecasts and familiarizing ourselves with (i) procedures implemented to prepare such forecasts and (ii) the main principles underlying their preparation.

We assessed their consistency with forecasted datas taken from the most recent business plans. These forecasts were prepared under the supervision of management and approved by the Board of Directors.

We also assessed their reasonableness with regard to the economic and financial context in the contract catering and services sector, with a specific assessment of the impacts of the COVID-19 health crisis on the Group's activities and any effects after the reporting date.

Finally, we verified the appropriateness of disclosures concerning:

- the description of credit facilities and covenants in Note 7.17.2 to the consolidated financial statements, "Analysis of debt", and
- the liquidity risk in the relevant section of Note 7.17.1.3, "Exposure to liquidity risk"
- the items disclosed in Note 6.1.2, "Business continuity".

Measurement of goodwill

Risk identified

As part of its development, the Group has conducted targeted external growth operations and recognized goodwill.

As of September 30, 2020, goodwill totaled €1,719 million (49% of total assets) and was allocated to the Cash Generating Units (CGU) of the businesses in which the acquired companies were integrated.

As disclosed in the notes to the consolidated financial statements (Note 6.7, "Impairment Tests and Impairment Losses"):

- The carrying amounts of property, plant and equipment, intangible assets and goodwill are reviewed at each reporting date in order to assess whether there is any indication that they may be impaired. If such an indication exists, the recoverable amount of the asset is estimated and an impairment loss is recognized if the carrying amount of the group of CGUs to which the goodwill is allocated exceeds the estimated recoverable amount.

- This recoverable amount is determined by reference to the value in use.

- The value in use is calculated using the present value of future cash flows, based on five-year budgets drawn up and validated by Group management and a long-term growth rate, which may not exceed the average long-term growth rate for the operating segment.

The recoverable amount of goodwill is based to a large extent on the judgment of Group management, and in particular on the following three assumptions:

- five-year budgets;

- the long-term growth rate beyond five years;

- the discount rate.

As disclosed in Note 7.9.2, "Impairment losses and sensitivity analyses", Group management adopted the following assumptions to determine the recoverable amounts:

- Inclusion of the expected impacts of the health crisis at business level, notably for fiscal years 2021 and 2022.

- Gradual return to pre-health crisis business volumes from 2023 for the majority of CGUs.

- Accelerated diversification of offerings and markets.

As of September 30, 2020, impairment tests on Group assets led to recognize impairment losses on goodwill of €123 million, including €67 million for Elior Italy and €56 million for Elior UK.

In this context, we considered the measurement of goodwill and in particular the determination of the five-year budgets, the long-term growth rate beyond five years and the discount rate applied, to be a key audit matter.

<u>Our response</u>

We analyzed the compliance of the estimated recoverable amounts applied by the Group with prevailing appropriate accounting standards.

We also verified the accuracy and completeness of the source data used in impairment tests and the components comprising the carrying amount of groups of CGU tested by the Group.

In addition, we conducted a critical analysis of the methods applied to implement the main assumptions used and examined the analysis performed by the Group to determine the sensitivity of the value in use to a change in these assumptions, and in particular:

- With respect to the five-year future cash flow projections, we verified:
  - the reasonableness of the five-year future cash flow projections in view of the economic and financial context in the contract catering and services sector, with a specific assessment of the uncertainties relating to the impacts of the COVID-19 health crisis on the Group's activities;
  - the reliability of the estimation process;
  - the consistency of the five-year future cash flow projections with management's most recent estimates, as presented to the Board of Directors during the budget process
- With respect to the long-term growth rate beyond five years, and the discount rate applied to expect estimated future cash flows, we verified:
  - the consistency of these rates with the rates observed for comparable companies, based on a sample of analytical reports about the Company.

Lastly, we examined the appropriateness of the disclosures presented in Notes 6.6.2, "Goodwill", 6.7, "Impairment tests and impairment losses" and 7.9, "Goodwill", to the consolidated financial statements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information pertaining to the Group presented in the management report of the Board of directors.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L.225-102-1 of the French Commercial Code is included in the Group management report, it being specified that, in accordance with the provisions of Article L.823-10 of the code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. An independent third party should report on this information.

Report on Other Legal and Regulatory Requirements

Appointment of the Statutory Auditors

Deloitte & Associés was appointed as statutory auditors of Elior Group SA by the annual general meeting held on March 30, 2020. PricewaterhouseCoopers Audit was appointed as statutory auditors of Elior Group SA by the annual general meeting held on October 26, 2006.

As at September 30, 2020, Deloitte & Associés was in the 1st year of engagement and PricewaterhouseCoopers Audit was in the 14th consecutive year engagement and the seventh year since securities of the Company were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The Board of Directors approved the consolidated financial statements.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee, which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of Ethics (for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense and Neuilly-sur-Seine, January 8, 2021

The Statutory Auditors

French original signed by

Deloitte & Associés	PricewaterhouseCoopers Audit
Frédéric Gourd	Matthieu Moussy

4.12 SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY FOR THE YEAR ENDED SEPTEMBER 30, 2020

INCOME STATEMENT

(in € thousands)	Note	Year ended September 30, 2020	Year ended September 30, 2019
Operating income			
Net revenue	4.12.3.1	16,810	21,086
Own work capitalized			
Reversals of depreciation, amortization and provisions, expense transfers			
Other income		19	
Total operating income		**16,829**	**21,086**
Operating expenses			
Purchase of raw materials and consumables		(2)	(2)
Other operating expenses		(11,418)	(11,756)
Taxes other than on income		(955)	(355)
Personnel costs		(7,362)	(15,784)
Depreciation, amortization and provision expense			(502)
Total operating expenses		**(19,737)**	**(28,398)**
Operating profit/(loss)		(2,908)	(7,313)
Net financial income	4.12.3.2	14,392	289,131
Net non-recurring expense	4.12.3.3	(111)	(24,211)
Income tax	4.12.3.4	24,664	37,240
Net profit for the period		**36,037**	**294,848**

BALANCE SHEET - ASSETS

(in € thousands)	Note		At Sept. 30, 2020			At Sept. 30, 2019
			Gross	Depr., amort. and provisions	Net	Net
Intangible assets	4.12.4.1	4.12.4.2	9,307	7,307	2,000	2,000
Property, plant and equipment	4.12.4.1	4.12.4.2	59	59	-	-
Long-term investments		4.12.4.3	2,794,259	227	2,794,032	2,824,259
Total fixed assets			**2,803,624**	**7,592**	**2,796,032**	**2,826,259**
Advances and downpayments						
Trade receivables			114		114	4,907
Other receivables		4.12.4.4	277,532		277,532	298,911
Marketable securities			739		739	1,625
Cash			115		115	139
Prepaid expenses			147		147	377
Total current assets			**278,647**	**-**	**278,647**	**305,959**
Unrealized foreign exchange losses			7,897		7,897	8,230
TOTAL ASSETS			**3,090,168**	**7,592**	**3,082,576**	**3,140,449**

BALANCE SHEET – EQUITY AND LIABILITIES

(in € thousands)	Note	At Sept. 30, 2020	At Sept. 30, 2019
Share capital		1,741	1,783
Share premium account		1,694,065	1,744,023
Other reserves		178	177
Retained earnings		574,203	329,820
Net profit for the period		36,037	294,847
Total equity	4.12.4.1	**2,306,224**	**2,370,650**
Equity loans (*titres participatifs*)			
Provisions for contingencies and charges	4.12.4.9	**8,992**	**9,223**
Gross debt		530,000	534,228
Trade payables		2,444	4,280
Other liabilities		234,916	222,068
Total liabilities	4.12.4.10	**776,352**	**760,576**
Unrealized foreign exchange gains			
TOTAL EQUITY AND LIABILITIES		**3,091,568**	**3,140,449**

4.12.1 BASIS OF PREPARATION, GENERAL INFORMATION AND SIGNIFICANT EVENTS OF THE YEAR

These notes are an integral part of the parent company financial statements. They provide additional disclosures concerning the balance sheet and income statement in order to give a true and fair view of the Company's assets and liabilities, financial position and results of operations.

Non-compulsory disclosures are made only where the information concerned is material.

4.12.1.1 General information about the Company and its business

Elior Group is a French joint stock corporation (*société anonyme*) registered and domiciled in France. Its registered office is located at 9-11 allée de l'Arche, 92032 Paris La Défense, France.

At September 30, 2020, Elior Group was 20.01% owned by Bagatelle Investissement et Management – "BIM" (which is wholly owned by Robert Zolade), 7.66% by Corporacion Empresarial Emesa, S.L, 5.11% by Fonds Stratégique de Participations, and 67.22% by private and public investors following Elior Group's admission to trading on Euronext Paris on June 11, 2014.

Elior Group (the "Company") is the parent company of the Elior group comprising Elior Group and its subsidiaries ("the Group").

4.12.1.2 Significant events of the year

- **The Covid-19 crisis**

The main significant event of fiscal 2019-2020 was the Covid-19 public health crisis, which has significantly affected the performance of the Company's subsidiaries operating in the Education and Business & Industry markets since March 2020.

- **Covenant holiday**

On May 26, 2020, Elior Group's lending banks agreed to suspend the covenant tests due to be performed on the Group's senior borrowings at September 30, 2020 and March 31, 2021.

- **Payment of the 2018-2019 dividend**

The dividend for the year ended September 30, 2019 – which corresponded to €51.7 million (€0.29 per share) and was approved by the Company's shareholders at the March 20, 2020 Annual General Meeting – was paid on April 9, 2020.

- **Capital reduction**

On December 3, 2019, the Board of Directors used the shareholder authorization granted on March 19, 2019 to cancel 4,268,550 treasury shares purchased under the share buyback program for €50 million, and therefore to reduce the Company's capital by €42,686. The difference between the par value of the canceled shares and their carrying amount was recognized in the share premium account.

- **Share buyback program**

In 2019-2020, Elior Group used the authorizations given in the 15th and 22nd resolutions of the March 22, 2019 Annual General Meeting to launch a share buyback program with a view to canceling the repurchased shares by way of a capital reduction.

For this purpose, on January 23, 2020, the Company signed a mandate with Natixis to purchase up to €50 million worth of Elior Group shares. At September 30, 2020, €20 million worth of shares had been bought back.

4.12.2 ACCOUNTING PRINCIPLES AND METHODS

4.12.2.1 Accounting principles

Elior Group's financial statements for the year ended September 30, 2020 have been prepared in accordance with French generally accepted accounting principles, including the principles of prudence and segregation of accounting periods. They are presented on a going concern basis, using the historical cost vention, and accounting methods have been applied consistently from one year to the next.

All amounts referred to in the notes to the financial statements are in thousands of euros, unless otherwise specified.

4.12.2.2 Going concern

Due to the impact of the Covid-19 pandemic on Elior's business in 2019-2020 and the uncertainty about what future effects it will have on the Company's earnings, cash and equity, for the purposes of preparing the parent company financial statements, Management assessed its ability to continue as a going concern.

At September 30, 2020, the Company and its subsidiaries had €630 million in available liquidity, including (i) an unused amount of €250 million under its €450 million euro-denominated revolving credit facility, (ii) the full $250 million of its US dollar-denominated revolving credit facility (corresponding to €213 million), and (iii) €129 million in other available credit facilities (see Note 7.17 to the consolidated financial statements).

In view of its cash position, its available liquidity and the cash flow projections contained in its revised 2020-2021 budget and Business Plan, as well as its debt structure and the covenant holiday it has obtained (see Note 1.1.5.7), the Company believes that it has a sufficient level of cash to ensure the continuity of its operations.

Consequently, the parent company financial statements for the fiscal year ended September 30, 2020 have been prepared on a going concern basis.

4.12.2.3 Accounting methods

The main accounting methods applied by the Company are described below.

4.12.2.3.1 Property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are stated at acquisition cost, which corresponds to their purchase price plus incidental expenses and excluding transaction costs.

Depreciation and amortization are calculated by the straight-line method over the following estimated useful lives:

- Sotware: 1 to 6 years
- Fixtures and fittings 5 to 10 years
- Plant and equipment: 5 to 7 years
- IT equipment: 3 to 4 years

4.12.2.3.2 Shares in subsidiaries and affiliates and other long-term securities

The gross value of these assets corresponds to cost excluding incidental expenses. If their fair value is lower than this gross value a provision for impairment is recognized.

Fair value corresponds to value in use for the Company, which is determined based on Elior Group's equity in the underlying net assets of the entities concerned, as adjusted for their development outlook.

4.12.2.3.3 Receivables

Receivables are stated at nominal value. A provision for impairment is recognized if their fair value is lower than this gross value.

4.12.2.3.4 Foreign currency transactions

Income and expenses denominated in foreign currencies are translated into euros using the exchange rate prevailing at the transaction date. Foreign currency payables, receivables and cash balances are translated using the year-end exchange rate, and any resulting translation differences are recognized in the balance sheet under "Unrealized foreign exchange losses" or "Unrealized foreign exchange gains".

4.12.2.3.5 Tax consolidation

Since February 1, 2006, pursuant to Articles 223.A, 235 *ter* and 223 L6 of the French Tax Code (*Code Général des Impôts*), Elior Group has filed a consolidated tax return for its French subsidiaries in which it has an ownership interest of over 95%.

The income tax charge for each member of the consolidated group is calculated on that member's own earnings as if it were taxed on a stand-alone basis. The parent company benefits from any tax savings arising on tax consolidation as the tax group can use any tax losses generated by members of the group to offset taxable profit. However, this is only a temporary benefit because if the companies concerned return to profit, the tax savings generated by the use of their tax losses are repaid to them as if they were taxed on a stand-alone basis.

4.12.2.4 Consolidating company

At September 30, 2020, Elior Group was the parent company responsible for preparing the consolidated financial statements of the Elior group.

4.12.2.5 Retirement benefit obligations

The following obligations are presented in "Off-balance sheet commitments": (i) obligations for the payment of statutory and contractual retirement indemnities related to active employees, and (ii) obligations relating to supplementary pension plans, measured using the projected unit credit method based on end-of-career salaries, net of the value of any plan assets.

4.12.3 NOTES TO THE INCOME STATEMENT

4.12.3.1 Revenue

	France	Other countries	Year ended Sept. 30, 2020	Year ended Sept. 30, 2019
Management of the Group and services provided to the Group	4,302	5,069	9,371	14,376
Rebillings of personnel costs	1,668	-	1,668	2,311
Rebillings of Areas sale costs	-	-	-	-
Rebillings of insurance costs	2,678	557	3,235	3,689
Other rebillings	2,334	202	2,536	710
TOTAL	**10,982**	**5,828**	**16,810**	**21,086**

4.12.3.2 Net financial income

	Year ended Sept. 30, 2020	Year ended Sept. 30, 2019
Dividends and financial income received from subsidiaries	494	296,126
Interest income	28,233	58,435
Interest expense	(14,335)	(65,430)
TOTAL	**14,392**	**289,131**

4.12.3.3 Net non-recurring expense

	Year ended Sept. 30, 2020	Year ended Sept. 30, 2019
Proceeds from sale of fixed assets		
Exceptional reversals of provisions and impairment	493	1,050
Exceptional additions to provisions and impairment	(594)	-
Other	(10)	(25,261)
TOTAL	**(111)**	**(24,211)**

4.12.3.4 Income tax analysis

Income tax for fiscal 2019-2020 was calculated at the statutory rate of 33.33% for tax consolidation purposes and can be analyzed as follows:

(in € thousands)	Year ended Sept. 30, 2020
Income tax charge for the head of the tax consolidation group	
Tax due for profitable members of the tax group	24,664
Tax credit	0
Other	0
Net income tax benefit	**24,664**

	Before tax Year ended Sept. 30, 2020	Income tax due	After tax Year ended Sept. 30, 2020	After tax Year ended Sept. 30, 2019
Profit/(loss) from ordinary activities	11,484		11,484	281,818
Net non-recurring expense	(111)		(111)	(24,313)
Tax benefit		24,664	24,664	37,336
Tax credit		-	-	6
TOTAL	**11,373**	**24,664**	**36,037**	**294,847**

4.12.4 NOTES TO THE BALANCE SHEET

4.12.4.1 Property, plant and equipment and intangible assets

	Gross at Sept. 30, 2019	Increase	Decrease	Gross at Sept. 30, 2020
Intangible assets	9,307			9,307
Property, plant and equipment	58			58
TOTAL	**9,365**	**0**	**0**	**9,365**

Intangible assets mainly correspond to goodwill related to the Company's activities of managing the Group and providing Group services. In view of the nature of the contracts involved, these assets are not amortized.

4.12.4.2 Depreciation and amortization

	Cumulative amount at Sept. 30, 2019	Additions	Reversals	Cumulative amount at Sept. 30, 2020
Intangible assets	7,307			7,307
Property, plant and equipment	58			58
TOTAL	**7,365**	**0**	**0**	**7,365**

4.12.4.3 Long-term investments

	Gross at Sept. 30, 2019	Increase	Decrease	Gross at
Investments in subsidiaries and affiliates	1,741,183			1,741,183
Loans to subsidiaries and affiliates	1,033,000			1,033,000
Other long-term investment securities	3			3
Other loans	59			59
Treasury shares in the process of cancellation	50,000	20,000	50,000	20,000
Deposits	15			15
TOTAL	**2,824,260**	**20,000**	**50,000**	**2,794,260**

At September 30, 2020, Elior Participations' share capital comprised 139,312,620 shares, of which Elior Group owned 139,312,617, representing a total gross value of €1,740,721 thousand. The three remaining shares were held by the Company's general partners in the form of consumer loans.

At that date the Company also owned 500 shares in Bercy Participations, representing a total value of €462 thousand.

Since the 11th amendment to the SFA was signed on April 20, 2018, the Group's external borrowings have been fully carried by Elior Group, apart from the revolving credit facilities which can still be drawn down by Elior Group and/or Elior Participations. Elior Group finances all of the Group's borrowing requirements in US dollars and euros through inter-company loans, which totaled €1,033 million at September 30, 2020.

In connection with the above-described share buyback program, €50 million worth of Elior Group shares had been repurchased at September 30, 2020.

4.12.4.4 Maturity schedule of receivables and long-term investments

	At Sept. 30, 2020	Due within 1 year	Due beyond 1 year
Other long-term investments	1,033,073		1,033,073
Trade receivables	114	114	
Other receivables	66,156	66,156	
Tax receivables arising on tax consolidation			
Current accounts with subsidiaries	211,375	211,375	
Prepaid expenses	147	147	
TOTAL	**1,310,865**	**277,792**	**1,033,073**

4.12.4.5 Accrued income

	At Sept. 30, 2020
Revenue accruals	-
Other	63
TOTAL	**63**

4.12.4.6 Prepaid expenses

	At Sept. 30, 2020
Operating expenses	147
Financial expenses	0
TOTAL	**147**

4.12.4.7 Equity

	At Sept. 30, 2019	Appropriation of FY 2018-2019 net profit	Dividend payment (1)	Capital increase (2)	Capital reduction (3)	FY 2019-2020 net profit	At Sept. 30, 2020
Share capital	1,783			-	- 43		1,740
Share premium account	1,744,023				(49,958)		1,694,065
Other reserves	177	2					179
Retained earnings	329,820	243,133	1,250				574,203
Net profit for the period	294,847	(243,135)	(51,712)			36,037	36,037
TOTAL	**2,370,650**		**(50,462)**	**-**	**(50,001)**	**36,037**	**2,306,224**

(1) Corresponding to the payment of a dividend per share of €0.29, with a total of €50.5 million paid in cash and €1.3 million paid in Elior Group shares.

(2) Corresponding to capital increases carried out in connection with the final allocation of shares under performance share plans (see Note 4.12.4.8).

(3) Corresponding to the capital reductions carried out in connection with buybacks of shares for the purpose of subsequent cancellation.

4.12.4.8 Share capital

	At Sept. 30, 2019	Increase	Decrease	At Sept. 30, 2020
Number of shares	178,319,146	74,672	4,268,550	174,125,268
Amount	1,783,191	747	42,686	1,741,253

At September 30, 2020, Elior Group SA's share capital amounted to €1,741,252.68, divided into 174,125,268 shares with a par value of €0.01 each. During the year ended September 30, 2020, 42,243 and 32,429 new shares were issued on the final allocation of shares under the December 5, 2017, March 11, 2016 and October 27, 2016 performance share plans.

At September 30, 2020, Elior Group held 1,855,783 shares in treasury, of which 1,703,594 were purchased under the share buyback program.

On December 3, 2019, the Board of Directors used the shareholder authorization granted on March 19, 2019 to cancel 4,268,550 treasury shares purchased under the share buyback program for €50 million, and therefore to reduce the Company's capital by €42,686. The difference between the par value of the canceled shares and their carrying amount was recognized in the share premium account.

4.12.4.9 Provisions

	At Sept. 30, 2019	Additions	Reversals	At Sept. 30, 2020
Other provisions for contingencies and charges	500	594		1,094
Provisions for taxes	493		493	-
Provisions for foreign exchange losses	8,230	7,897	8,230	7,897
Provisions for impairment of securities	-	227		-
TOTAL	**9,223**	**8,718**	**8,723**	**8,991**
O/w recorded under:				
- Operating income and expenses		594		
- Financial income and expenses		8,124	8,230	
- Non-recurring income and expenses			493	

4.12.4.10 Maturity schedule of liabilities

	At Sept. 30, 2020	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
Bond debt (USD private placement)				
Bank borrowings	530,000			530,000
Other borrowings				
Trade payables	2,444	2,444		
Other liabilities	14,032	14,032		
Tax payables arising on tax consolidation	220,884	220,884		
Deferred income				
TOTAL	**767,360**	**237,360**	**0**	**530,000**

The table below sets out trade payables (excluding provisions) by tranche of payment time

Maturities of trade payables	Total	Due in 0 days	Due within 30 days	Due in 31 to 60 days	Due in 61 days and beyond
Due to external suppliers	299	180	119	0	0
Due to suppliers of non-current assets					
Due to internal suppliers	4	4	0	0	0
TOTAL	**303**	**184**	**119**	**0**	**0**

At September 30, 2020, Elior Group's debt only comprised a senior bank loan totaling €530 million, fully repayable in May 2023. Interest on this loan is based on the Euribor plus a standard margin of 2%.

On May 26, 2020, the Company was granted a covenant holiday for the September 30, 2020 and March 31, 2021 covenant tests, whereby the leverage ratio ceilings will not apply. The mechanism providing for the lending margins to increase or decrease depending on the leverage ratio still applies, however

4.12.4.11 Accrued expenses

	At Sept. 30, 2020
Borrowings and accrued interest	0
Trade payables	2,121
Accrued taxes and payroll costs	1,805
Credit notes due to clients	6,097
TOTAL	**10,023**

4.12.5 ADDITIONAL INFORMATION

4.12.5.1 Related party transactions and balances

	At Sept. 30, 2020
ASSETS	
Long-term investments: investments in subsidiaries and affiliates	1,740,956
Loans	1,033,000
Trade receivables	114
Intra-group current accounts	211,375
Tax receivables	0
Total	2,985,445
LIABILITIES	
Trade payables	4
Tax payables	160,877
Other liabilities	4,488
Total	165,369
INCOME STATEMENT	
Financial expenses	142
Financial income	19,804

Related parties correspond to companies that are fully consolidated by Elior Group. Related party transactions during the period were conducted on arm's length terms and did not represent a material amount.

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4.12.5.2 Financial commitments

4.12.5.2.1 Retirement benefit obligations

The Company's retirement benefit obligation is measured using the projected unit credit method, in accordance with Recommendation 1.23 issued by the French Order of Chartered Accountants, and Recommendation 2003-R. 01 and Opinion 2004-05 of March 25, 2004 issued by the French Accounting Standards Authority. This method values the Company's obligation based on projected end-of-career salaries and rights vested at the valuation date, as defined under applicable collective bargaining agreements, company-level agreements and/or legal provisions in effect at the fiscal year-end.

At September 30, 2020, the obligation was calculated using a net discount rate of 0.7% and based on a retirement age of between 62 and 64 and voluntary retirement. At that date, it totaled €725,060, the full amount of which corresponded to indemnities payable to employees on retirement.

4.12.5.2.2 Stock options and performance shares granted to employees of Elior Group and its subsidiaries

Elior Group stock options and performance shares

Type of instrument	Grant date	Start of exercise period	End of exercise period	Exercise price per share (in €)	Total number of shares under option/vestable performance shares (1)	Estimated fair value (in € millions)
Stock options	March 11, 2016	March 11, 2020	March 11, 2024	16.3	-	0.6
Stock options	Oct. 27, 2016	Oct. 27, 2020	Oct. 27, 2024	18.29	62,117	0.6
Total					**62,117**	
Performance shares	June 15, 2018	-	-	N/A	955,411	10.7
Performance shares	July 24, 2019	-	-	N/A	1,471,130	13.7
Performance shares	March 20, 2020	-	-	N/A	1,710,723	1.8
Total					**4,137,264**	

(1) Adjusted to take into account departures of beneficiary employees prior to September 30, 2020.

Stock options granted during the year ended September 30, 2016

The stock options granted on March 11, 2016 and October 27, 2016 have a four-year life and are exercisable for shares at a 10% discount to

their market value.

The fair value of the stock options (which correspond to equity-settled options) was estimated at the grant date using a Black & Scholes-type pricing model which factors in the terms and conditions under which the options were granted and assumptions about beneficiaries' exercise patterns.

The main assumptions used for the fair value estimations were as follows:

- Expected life of the options: 4 years
- Volatility: 23%
- Expected dividend yield: 2% and 2.2%

Performance share plans set up in 2018

The performance shares granted on June 15, 2018 were mainly allocated to the members of the Management Committee and Leaders Committee and will only vest if the beneficiary still forms part of the Group on the vesting date and if certain performance conditions are met.

The performance conditions are based on the following: (i) the cumulative annual growth rate for Elior Group's adjusted earnings per share, (ii) the cumulative annual growth rate for Elior North America's share price (only for the plan for Elior North America employees), and (iii) Elior Group's share performance compared with a peer group and compared with the CAC Next 20 index.

The achievement of these conditions will be assessed on June 15, 2021 for the presence condition, on September 30, 2021 for the internal performance conditions, and on December 31, 2021 for the external performance conditions.

Performance share plans set up in 2019

The performance shares granted on July 24, 2019 were mainly allocated to the members of the Management Committee and Leaders Committee and are also subject to vesting conditions relating to presence and performance.

The performance conditions are based on the following: (i) the cumulative annual growth rate for Elior Group's adjusted earnings per share, (ii) the cumulative annual growth rate for Elior North America's share price (only for the plan for Elior North America employees), and (iii) Elior Group's share performance compared with a peer group and compared with the CAC Next 20 index.

The achievement of these conditions will be assessed on July 24, 2022 for the presence condition, on September 30, 2022 for the internal performance conditions, and on December 31, 2022 for the external performance conditions.

Performance share plans set up in 2020

The performance shares granted on March 20, 2020 were mainly allocated to the members of the Management Committee and Leaders Committee and are also subject to vesting conditions relating to presence and performance.

The performance conditions are based on the following: (i) the cumulative annual growth rate for Elior Group's adjusted earnings per share, and (ii) Elior Group's share performance compared with a peer group and compared with the CAC Next 20 index. The achievement of these conditions will be assessed on March 20, 2023 for the presence condition, on September 30, 2022 for the internal performance conditions, and on December 31, 2022 for the external performance conditions.

4.12.5.2.3 Other commitments

Elior Group continues to act as guarantor for the commitments given by Elior Participations under the SFA.

Other commitments given at September 30, 2018 included a €3,224,104 tax guarantee, which was released on December 4, 2018.

4.12.5.3 Average headcount

Number of employees	At Sept. 30, 2020	At Sept. 30, 2019
Managerial employees	15	18
TOTAL	**15**	**18**

4.12.5.4 Subsidiaries and affiliates

	Share capital	Total equity excluding share capital	% ownership	Gross value of shares held	Net value of shares held	Outstanding loans and advances	Net revenue for the last fiscal year	Net profit for the period	Dividends received
Affiliates									
Bercy Participations[1]	37	198	100%	462	235			10	-
Elior Participations[1]	5,310	403,178	100%	1,740,721	1,740,721	1,033,000	26,160	(15,180)	-

[1] *Fiscal year from October 1, 2019to September 30, 2020.*

4.12.5.5 Deferred taxes

Analysis	Base	Tax effect Deferred tax benefit
Currency translation differences	(7,897)	(2,632)
Provisions	8,991	2,997
Deferred tax assets	1,094	365
Tax loss carryforwards before tax consolidation		
Tax loss carryforwards after tax consolidation	500,884	166,961

4.12.5.6 Directors' remuneration

Directors' remuneration paid in fiscal 2019-2020 totaled €600,000.

4.12.5.7 Events After the Reporting Date

On November 24, 2020, the Company obtained an extension of its covenant holiday from September 30, 2021 to September 30, 2022, which is now the date of the next covenant test. This covenant holiday is subject to the following terms and conditions: (i) an additional 50bp margin level now applies for the tests on March 31 and September 30, 2021, (ii) the Company may not pay any dividends if its leverage ratio after the dividend payment is over 4x, (iii) the aggregate amount of acquisitions is capped at €50 million until the maturity date of the debt for as long as the leverage ratio is over 4x, and (iv) 50% of the proceeds of any new borrowings must be utilized for repaying existing drawdowns.

4.12.5.8 Five-Year Financial Summary (information disclosed in accordance with Articles 133, 135 and 148 of the French decree applicable to commercial companies)

(in euros)	FY 2015-2016	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 2019-2020
Capital at year-end					
Share capital	1,726,345	1,727,418	1,759,491	1,783,191	1,741,253
Number of ordinary shares outstanding	172,634,475	172,741,785	175,949,096	178,319,146	174,125,268
Number of preferred non-voting shares	-	-	-		
Maximum number of shares to be created on exercise of stock options	-	-	-		
Maximum number of shares to be created on conversion of bonds	-	-	-		
Results of operations					
Net revenue	22,933,610	20,773,973	15,996,850	21,085,696	16,810,476
Profit/(loss) before tax, employee profit-sharing, depreciation, amortization and provisions	(41,659,242)	140,410,025	11,134,444	241,453,333	11,368,549
Income tax	(39,927,640)	(38,215,770)	(46,761,791)	(37,240,082)	(24,663,863)
Employee profit-sharing	-	-	-	-	-
Net profit/(loss) after tax, employee profit-sharing, depreciation, amortization and provisions	(2,315,980)	167,524,310	38,577,839	294,847,700	36,037,040
General Partners' profit share					
Total dividend payout	72,506,480	72,521,904	59,822,693	59,816,146	51,712,552
Per share data					
Net profit/(loss) per share after tax and employee profit-sharing, before depreciation, amortization and provisions	(0.01)	1.03	0.33	1.35	0.07
Net profit/(loss) per share	(0.01)	0.97	0.22	1.65	0.21
Dividend per share	0.42	0.42	0.34	0.34	0.29
Employee data					
Average number of employees	21	16	22	18	15
Total payroll	12,654,126	10,545,447	7,996,628	11,016,037	5,221,736
Benefits	5,983,841	3,298,454	2,855,251	5,078,410	2,442,724

4.13 STATUTORY AUDITORS' REPORT ON THE PARENT COMPANY FINANCIAL STATEMENTS – AFR

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

(Year ended September 30, 2020)

Elior Group SA

9 -11 Allée de l'Arche

92032 Paris La Defense cedex

To the shareholders,

Opinion

In compliance with the engagement entrusted to us by your General Meetings, we have audited the accompanying financial statements of Elior Group SA for the year ended September 30, 2020.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at September 30, 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the financial statements" section of our report..

Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from October 1, 2019 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by article 5(1) of Regulation (EU) No 537/2014.

Justification of assessments – Key audit matters

Due to the global crisis related to the COVID-19 pandemic, the financial statements for the year ended September 30, 2020 were prepared and audited under specific conditions. The crisis and the exceptional measures taken in response to the health emergency, have had numerous consequences for companies, particularly in terms of their operations and financing, and have led to greater uncertainty about their future prospects. The exceptional measures taken in response to the health emergency, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of audits.

It is in this complex and evolving context that, in accordance with the requirements of articles L.823 9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgment, were the most significant in our audit of the financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the financial statements as a whole, approved in the context described above, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the financial statements.

Assessment of going concern risk

Risk identified

The financial statements have been prepared on a going concern basis.

As disclosed in Note 1.1.1.2. "Significant events during the year", fiscal 2019-2020 was dominated by the COVID-19 health crisis, which had a significant impact on the performance of Elior Group SA subsidiaries operating in the Education and Corporate segments from March 2020.

Additionally, Note 1.1.4.10 "Maturity schedule of liabilities" states that Elior Group SA had a senior bank loan of €530 million maturing in 2023 and available cash of €115 thousand at September 30, 2020.

Given the cash position of Elior Group SA at September 30, 2020, the assumptions used by management to determine the business outlook, the cash flow projections of the subsidiaries, the debt structure of Elior Group SA and the agreement with the banks to suspend covenant testing until September 30, 2022, management believes that the Company has sufficient cash levels to ensure the continuity of its business and that of its subsidiaries.

We deemed the assessment of the going concern risk for Elior Group SA to be a key audit matter due to the conditions attached to its debt, the guarantees given with respect to the financing of Elior Participations and management's estimates regarding the business outlook and cash flows of its subsidiaries.

Our response

As part of our work, we assessed the liquidity requirements of Elior Group SA with regard to its business, current resources, financing commitments and the business outlook of its subsidiaries.

For this purpose, we examined the documents relating to the agreement with the reference banks to suspend the covenant tests on September 30, 2021 and March 31, 2022.

We also confirmed the Group's ability to recover the loans granted to subsidiaries by analyzing their cash flow projections and examining (i) the procedures and (ii) the main assumptions used to prepare them. We assessed their consistency with the forecast data in the latest business plans. The projections were prepared under the supervision of the management and approved by the Board of Directors.

We also assessed their reasonableness in view of the economic and financial context of the contract catering and services sector, paying close attention to the uncertainties regarding the impact of the COVID-19 health crisis on the business.

We verified the appropriateness of the disclosures relating to the description of the credit facility and covenants in Note 1.1.4.10 "Maturity schedule of liabilities" to the financial statements.

Valuation of equity investments and related receivables

Risk identified

Equity investments and related receivables amounted to €2,794 million at September 30, 2020 and represented one of the largest items on the balance sheet. They principally comprise the shares of Elior Participations, the holding company for all of the Group's subsidiaries.

As indicated in Note 1.1.2.2.2. "Shares in subsidiaries and affiliates and other long-term securities" and Note 1.1.2.2.3 "Receivables" to the financial statements, fair value is estimated by management based on the share of equity held at the closing date, adjusted for the outlook of the subsidiaries.

In order to estimate the fair value of equity investments and related receivables, management is required to exercise judgment as to which data to use for each investee, particularly for forecast data (future profitability or the economic environment in the countries and business activities in which the investees operate).

The economic environment in which certain subsidiaries operate and the expected impact of the COVID-19 health crisis on their business levels have led to a sharp decline in their business activity and therefore a decrease in their operating income.

Accordingly, we deemed the valuation of equity investments and related receivables to be a key audit matter.

Our response

To assess the reasonableness of the estimated fair value of equity investments and related receivables, our audit work consisted mainly in verifying that the estimated fair value determined by management was based on an appropriate valuation method and underlying data and, depending on the investee or receivables concerned:

For valuations based on historical data, we verified that:

- the equity values used were consistent with the financial statements of the entities for which an audit or analytical procedures were performed and that any adjustments to equity were based on appropriate documentation.

For valuations based on forecast data, we assessed:

- the reasonableness of the five-year future cash flow projections in view of the economic and financial context in the contract catering and services sector, paying close attention to the uncertainties regarding the impact of the COVID-19 health crisis on the business activity of the direct and indirect subsidiaries controlled by Elior Group SA;
- the reliability of the process used to prepare the estimates;
- the consistency of the five-year future cash flow projections with management's most recent estimates, as presented to the Board of Directors during the budget process.

In addition to assessing the fair value of equity investments and related receivables, our work also consisted in:

- verifying the recognition of provisions for contingencies where the Company is exposed to the losses of a subsidiary with negative equity.

Specific verifications

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French legal and regulatory provisions.

Information given in the management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements.

We attest to the fair presentation and the consistency with the financial statements of the information about payment terms referred to in article D.441-4 of the French Commercial Code.

Report on corporate governance

We attest that the corporate governance section of the Board of Directors' management report sets out the information required by articles L.225-37-4, L.22-10-10, and L.22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of article L.22-10-9 of the French Commercial Code relating to compensation and benefits paid or awarded to corporate officers and any other commitments made in their favor, we have verified its consistency with the financial statements or with the underlying information used to prepare these financial statements, and, where applicable, with the information obtained by the Company from controlled companies within its scope of consolidation. Based on this work, we attest to the accuracy and fair presentation of this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on other legal and regulatory requirements

Appointment of the Statutory Auditors

Deloitte & Associés was appointed Statutory Auditor of Elior Group SA by the Annual General Meeting of March 20, 2020. PricewaterhouseCoopers Audit was appointed Statutory Auditor of Holding Bercy Investissement SCA (renamed Elior Group SA) by the General Meeting of October 26, 2006.

At September 30, 2020, Deloitte & Associés was in the first year of its engagement and PricewaterhouseCoopers Audit was in the fourteenth consecutive year of its engagement, of which seven years since the Company's securities were admitted to trading on a regulated market.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for preparing financial statements giving a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the financial statements

Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these financial statements.

As specified in article L.823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company’s management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit. They also:

- identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the financial statements;
- assess the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes, in particular, a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were the most significant for the audit of the financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in articles L.822-10 to L.822-14 of the French Commercial Code in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit Committee.

Neuilly-sur-Seine and Paris-La Défense, January 8, 2021

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit	Deloitte & Associés
Matthieu Moussy	Frédéric Gourd

4.14 STATUTORY AUDITORS’ SPECIAL REPORT ON RELATED-PARTY AGREEMENTS

This is a free translation into English of the Statutory Auditors’ special report on related-party agreements issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

(Annual General Meeting for the approval of the financial statements for the year ended September 30, 2020)

Elior Group SA
9 -11 Allée de l'Arche
92032 Paris La Defense cedex

To the shareholders,

In our capacity as Statutory Auditors of Elior Group SA, we hereby report to you on related-party agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of the agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of article R.225-31 of the French Commercial Code (*Code de commerce*), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by article R.225-31 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the Annual General Meeting.

We performed the procedures that we deemed necessary in accordance with the professional standards applicable in France to such engagements. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

AGREEMENTS SUBMITTED TO THE ANNUAL GENERAL MEETING FOR APPROVAL

Agreements authorized and entered into during the year

In accordance with article L.225-40 of the French Commercial Code, we were informed of the following agreement that was entered into during the year and authorized in advance by the Board of Directors.

Waiver and Amendment Request Letter of April 24, 2020 prepared in connection with the Amended and Restated Senior Facilities Agreement (SFA)

<u>Date of authorization by the Board of Directors:</u> April 24, 2020

<u>Contracting entities:</u> Elior Group (of which Philippe Guillemot is the Chief Executive Officer) and Elior Participations (of which Bercy Participations, chaired by Elior Group, is manager as borrowers and guarantors on the one hand, and Crédit Agricole Corporate & Investment Bank acting as SFA agent on the other hand

<u>Person concerned:</u> Philippe Guillemot (director and Chief Executive Officer of Elior Group, which in turn chairs Bercy Participations, itself the manager [*gérant*] of Elior Participations, at the date of signature of the Waiver and Amendment Request Letter of April 24, 2020)

<u>Nature and purpose:</u> With a view to securing its Amended and Restated Senior Facilities Agreement (SFA) of June 23, 2006, most recently amended by the eleventh amendment of April 20, 2018, on April 24, 2020, Elior Group submitted a Waiver and Amendment Request Letter to Crédit Agricole Corporate & Investment Bank in connection with the SFA, requesting:

- the non-application of leverage ratio limits to September 2020 and March 2021;
- increases in margins.

These Waiver and Amendment Requests were accepted by Crédit Agricole Corporate & Investment Bank on May 26, 2020.

<u>Reason provided by the Company:</u> The transaction will prevent the Group from defaulting due to non-compliance with the covenant (net debt/EBITDA leverage ratio) during the COVID-19 period and therefore secure its financing through its senior facilities agreement.

Agreements authorized and entered into since the year end

We were informed of the following agreement, authorized and entered into since the year end, which was authorized in advance by the Board of Directors.

Waiver and Amendment Request Letter of November 9, 2020 prepared in connection with the Amended and Restated Senior Facilities Agreement (SFA)

Date of authorization by the Board of Directors: November 5, 2020

Contracting entities: Elior Group (of which Philippe Guillemot is the Chief Executive Officer) and Elior Participations (of which Bercy Participations, chaired by Elior Group, is manager [*gérant*]) as borrowers and guarantors on the one hand, and Crédit Agricole Corporate & Investment Bank acting as SFA agent on the other hand

Person concerned: Philippe Guillemot (director and Chief Executive Officer of Elior Group, which in turn chairs Bercy Participations, itself the manager [*gérant*] of Elior Participations, at the date of signature of the Waiver and Amendment Request Letter of November 9, 2020)

Nature and purpose: With a view to securing its Amended and Restated Senior Facilities Agreement (SFA) of June 23, 2006, most recently amended by the eleventh amendment of April 20, 2018, on November 9, 2020, Elior Group submitted a Waiver and Amendment Request Letter to Crédit Agricole Corporate & Investment Bank in connection with the SFA, requesting:

- an extension of the non-application of leverage ratio limits to September 2021 and March 2022;
- increases in margins (applicable from September 2021);
- the introduction of new requirements:
    - the Company must have a minimum of €200 million in liquidity,
    - no dividend can be paid if the leverage ratio is above 4.00,
    - acquisitions are limited to €50 million if the leverage ratio is above 4.00.

These Waiver and Amendment Requests were accepted by Crédit Agricole Corporate & Investment Bank on November 24, 2020.

Reason provided by the Company: The transaction will prevent the Group from defaulting due to non-compliance with the covenant (net debt/EBITDA leverage ratio) during the COVID-19 period and therefore secure its financing through its senior facilities agreement.

*AGREEMENTS ALREADY APPROVED BY THE ANNUAL GENERAL MEETING***Agreements approved in prior years that remained in force during the year**

In accordance with article R.225-30 of the French Commercial Code, we were informed of the following agreement, approved by the Annual General Meeting in prior years, which remained in force during the year.

Amended and Restated Senior Facilities Agreement (SFA) including the amendments related to the eleventh amendment to the SFA

Date of authorization by the Board of Directors: March 9, 2018

Contracting entities: Elior Group (of which Philippe Guillemot is the Chief Executive Officer) and Elior Participations (of which Bercy Participations, chaired by Elior Group, is manager [gérant]) as borrowers and guarantors on the one hand, and various financial institutions acting as coordinating banks, lenders and/or agents on the other hand

Person concerned: Philippe Guillemot (director and Chief Executive Officer of Elior Group, which in turn chairs Bercy Participations, itself the manager [gérant] of Elior Participations, at the date of signature of the eleventh amendment of the SFA)

Nature and purpose: During fiscal 2017-2018, with a view to optimizing its financing, Elior Group authorized another amendment to the SFA entered into on June 23, 2006. The amendment:

- extends the maturity of the existing credit facilities under the SFA to 2023;
- increases the revolving credit facilities by €150 million;
- decreases the dollar-denominated lending margin by 5 basis points; and
- simplifies contractual documents.

The other provisions of the SFA remain unchanged.

Neuilly-sur-Seine and Paris-La Défense, January 8, 2021

The Statutory Auditors

French original signed by

PricewaterhouseCoopers Audit	Deloitte & Associés
Matthieu Moussy	Frédéric Gourd

5

INFORMATION ABOUT THE COMPANY AND ITS SHARE CAPITAL

5. INFORMATION ABOUT THE COMPANY AND ITS SHARE CAPITAL

5.1 INFORMATION ABOUT ELIOR GROUP SA

This section sets out:

(i) The main provisions of the Company's Bylaws as adopted on March 13, 2014 by way of a collective decision of the shareholders and subsequently updated, notably following the relocation of the Company's registered office, successive capital increases carried out on the exercise of stock options and the vesting of free shares, and the cancellation of shares repurchased pursuant to a share buyback mandate agreement.

(ii) The provisions of the Rules of Procedure, updated in accordance with the decisions taken by the Board of Directors at its meeting on March 20, 2020.

The Bylaws were drawn up in accordance with the laws and regulations applicable to *sociétés anonymes* with a Board of Directors and governed by French law.

The Bylaws and Rules of Procedure are available on the Company's website (www.eliorgroup.com).

5.1.1 CORPORATE PURPOSES (ARTICLE 2 OF THE BYLAWS)

The Company's purposes, in France and abroad, are to:
- Act as a holding company for financial investments in any existing or future company or entity, which may take any form.

- Provide contract catering and commercial catering services worldwide, as well as to carry out any activities that are similar to, associated with or complementary to catering services; to acquire, use, sell, or transfer to any company, any moveable or immovable property; to take part in any transactions or operations for the purpose of operating, managing and administering any business or entity; and to purchase or lease any real estate required for the Company to achieve its corporate purposes.

- Lead and coordinate the entities of the Group by actively participating in the implementation of their strategies and providing them with specific services, notably for administrative, legal, accounting, financial or real estate matters.

More generally, the Company is authorized to directly or indirectly conduct any and all transactions or operations of a legal, economic, financial, trading or non-trading nature that are directly or indirectly related to the corporate purposes set out above or to any similar, connected or complementary purposes that could contribute to the implementation or furtherance of said corporate purposes.

5.1.2 FISCAL YEAR (ARTICLE 22 OF THE BYLAWS)

The Company's fiscal year covers the 12-month period from October 1 to September 30 of each calendar year.

5.1.3 MANAGEMENT BODIES

5.1.3.1 Board of Directors (Articles 15 to 17 of the Bylaws)

The Board of Directors has adopted a set of rules of procedure (the "Rules of Procedure") that define the terms and conditions of its operation.

Article 1.3 of the Rules of Procedure provides that the Board of Directors' prior express consent (based on a straight majority vote) is required for certain strategic decisions, and that such decisions cannot be taken by the Chief Executive Officer or Deputy Chief Executive Officer(s) without said consent.

The decisions concerned are detailed in Chapter 3, "Corporate Governance – AFR", of this Universal Registration Document.

5.1.3.2 Membership Structure of the Board of Directors (Article 15 of the Bylaws and Article 2 of the Rules of Procedure)

The Company is administered by a Board of Directors comprising at least three and no more than eighteen members, except where otherwise permitted by law.

If the Company meets the conditions set out in Article L. 22-10-7 of the French Commercial Code, the Board of Directors must include one or two directors representing employees ("employee representative directors").

Employee representative directors are not taken into account for the purposes of either (i) determining the minimum and maximum number of directors on the Board as provided for in Article L. 225-17 of the French Commercial Code, or (ii) applying the first paragraph of Article L. 22-10-3 of said Code.

Directors are appointed, elected, re-elected or removed from office in accordance with the terms and conditions provided for in the applicable laws and regulations as well as in the Bylaws.

Pursuant to Article L. 22-10-7 of the French Commercial Code, an employee representative director is appointed by the Group Works Council as provided for in Article L. 2333-1 of the French Labor Code.

If the number of directors elected by the Company's shareholders exceeds eight, a second employee representative director is appointed based on the same process as for the first employee representative director, within six months of the ninth director being elected by the shareholders.

If the number of shareholder-elected directors subsequently falls to eight or less, the second employee representative director will continue their term of office until the end of that term but will not be re-appointed.

The number of shareholder-elected directors taken into consideration for determining how many employee representative directors the Company should have corresponds to the number in office at the date on which the employee representative director(s) is/are appointed.

If, for any reason, one or more seats of employee-representative directors fall(s) vacant, said seat(s) will be filled in accordance with the terms and conditions of Article L. 225-34 of the French Commercial Code.

If the Company no longer meets the conditions set out in Article L. 22-10-7 of the French Commercial Code that require the appointment of directors representing employees, the term(s) of office of the employee representative director(s) in office at that time will end six months after the meeting at which the Board places on record that the Company no longer meets said conditions.

Directors are elected for four-year terms. However, shareholders in an Ordinary General Meeting may elect certain directors for a term of less than four years, or, if appropriate, reduce the term of one or more directors, in order to ensure that Board members are re-elected on a staggered basis.

Directors may be re-elected, and they may be removed from office at any time by way of a decision taken in an Ordinary General Meeting.

No more than one third of the Board's members may be aged over 80. If this threshold is exceeded and no director aged over 80 resigns voluntarily, the oldest director on the Board shall be deemed to have resigned. However, if the threshold is exceeded due to a decrease in the number of Board members, this automatic resignation provision shall not apply, if, within a period of three months, new directors are elected such that the proportion of directors over the age of 80 returns to less than one third of the Board's total members.

Directors may be individuals or legal entities. Legal entities elected to the Board are required to appoint a permanent representative who is subject to the same conditions and duties and has the same responsibilities as if he were a director in his r own right (without prejudice to the joint and several liability of the legal entity he represents), and whose term of office will be of the same duration as that of the legal entity he represents.

If a legal entity removes its permanent representative from office, it must immediately notify the Company thereof in writing and provide the Company with the details of its new permanent representative. The same requirements apply in the event of the death, resignation or prolonged incapacity of a permanent representative.

All directors, other than directors representing employee shareholders, are subject to a minimum stock ownership requirement.

The Board of Directors comprises at least one independent member.

A director is deemed to be independent when he or she has no relationship of any kind whatsoever with the Company, the Group or the management of either that may affect his or her judgment or create a conflict of interests between the director and the Company, the Group or the management of either.

Consequently, an independent director is a director who:

- Is not, and has not been in any of the past five years:
  - an employee or executive director of the Company;
  - an employee or director of a shareholder that holds (directly or indirectly) over 10% of the Company's capital or voting rights;
  - an employee or executive or non-executive director of an entity that the Company consolidates;
  - an employee or executive or non-executive director of the parent of the Company or an entity consolidated by the Company's parent.
- Is not an officer of an entity in which the Company holds a directorship, directly or indirectly, or in which an employee or officer of the Company (currently in office or who has held such office in the past five years) is a director.
- Is not, and does not have any direct or indirect ties with, a customer, supplier, commercial banker, investment banker or consultant:
  - that is material for the Company or for the Group; or
  - for which the Company or the Group represents a substantial proportion of its business.

  The assessment of whether or not any relationship that a director may have with the Company or Group is significant must be debated by the Board of Directors and the quantifiable and qualitative criteria used for this assessment must be explicitly set out in the corporate governance report.

In addition, an independent director must not:

- Have close family ties with a director or officer of the Company or the Group or with a shareholder that owns (directly or indirectly) over 10% of the Company's capital or voting rights.
- Have served as a statutory auditor of the Company or another Group entity at any time in the past five years.
- Have served as an executive of the Company or another Group entity at any time in the past five years.
- Have served as a director of the Company for more than twelve years.
- Receive, or have received, material compensation from the Company or the Group, (other than directors' remuneration), including all forms of share-based payments and all other forms of performance-related compensation.

The Chairman of the Board may be deemed independent even if he is an officer of the Company, if this classification can be justified in view of the above criteria.

A list of the members of the Board of Directors is provided in Chapter 3 of this Universal Registration Document.

5.1.3.3 Chairman of the Board of Directors (Article 17 of the Bylaws)

The Board of Directors appoints from among its members a Chairman, who must be an individual and whose term of office as Chairman may not exceed that of his term as a director. His term may be renewed an unlimited number of times.

If the Chairman is temporarily unable to perform his duties, or in the event of his death, the Board of Directors may appoint another director to act as Chairman. In the case of temporary unavailability, the acting Chairman will be appointed for a set period, which may be renewed. In the event of the Chairman's death, the acting Chairman will remain in office until such time as a new Chairman is appointed.

The age limit for the Chairman of the Board of Directors is 70. If a Chairman in office reaches the age of 70, his term of office will automatically expire at the close of the first Board meeting held after his 70th birthday.

The Chairman of the Board is responsible for (i) organizing and leading the Board's work, (ii) overseeing that the Company's governance structures function effectively, and (iii) ensuring that directors are in a position to fulfill their duties.

The Chairman is informed of any related-party agreements concerning routine operations entered into on arm's length terms and he provides a list of these agreements, with details of their purpose, to the members of the Board and the Statutory Auditors. However, this duty to inform the Chairman does not apply to agreements whose purpose or financial implications are not material for any of the parties concerned.

5.1.3.4 Honorary Chairman of the Board of Directors (Article 15.6 of the Bylaws)

The Board of Directors may appoint an Honorary Chairman of the Board, who must be an individual who has served as a Company officer. The Honorary Chairman is appointed for a term of four years, which may be renewed an unlimited number of times.

The Honorary Chairman may be invited to attend Board meetings in a purely consultative capacity (without prejudice to the voting rights that he may hold if he is also a director or a permanent representative of a corporate director). The Honorary Chairman is required to abide by the Board's Rules of Procedure.

5.1.3.5 Senior Independent Director (Article 2.3 of the Rules of Procedure)

Based on the recommendation of the Nominations Committee, the Board may appoint a Senior Independent Director from among the independent directors who have been a member of the Board for at least one year.

The Senior Independent Director is appointed for a period that may not exceed his term of office as a director. His term as Senior Independent Director may be renewed based on the recommendation of the Nominations Committee and he may be removed from office at any time by the Board of Directors.

The Senior Independent Director's main role is to ensure that the Company's governance structures function effectively. To this end, he is responsible for:

- Preventing and managing any conflict of interests by raising awareness about facts or circumstances that may lead to such conflicts. He is informed by each director of any actual or potential conflicts of interest that may arise and relays this information to the Board of Directors. He also informs the Board of any actual or potential conflicts of interest that he may have identified himself.
- Overseeing the periodic assessments of the Board of Directors' operating procedures.

As part of his work, the Senior Independent Director may suggest to the Chairman of the Board of Directors:

- that additional points be included in a Board meeting agenda; and/or
- that the Board of Directors meet to discuss a particular agenda concerning an important or urgent matter requiring an extraordinary Board meeting.

The Senior Independent Director ensures that the directors have the possibility of meeting the Group's executive managers and Statutory Auditors, in accordance with the provisions of the Rules of Procedure.

More generally, the Senior Independent Director ensures that the directors receive all the information they need to exercise their duties in the best possible conditions, as stipulated in the Rules of Procedure.

Once a year, the Senior Independent Director reports to the Board of Directors on his work.

By way of decisions at its July 26, 2017 meeting, the Board of Directors appointed Gilles Auffret as Senior Independent Director.

5.1.3.6 Vice Chairman (Article 2.4 of the Rules of Procedure)

The Board of Directors may appoint a Vice Chairman, who can be either an individual or a legal entity. The Vice Chairman is appointed for a period that may not exceed his term of office as a director. He may be re-appointed and may be removed from office at any time by the Board of Directors.

The Vice Chairman replaces the Chairman of the Board of Directors if the Chairman is temporarily unable to perform his duties or in the event of the Chairman's death. In the case of temporary unavailability, the Vice Chairman chairs the Board until the Chairman is able to take up his duties again. In the event of the Chairman's death, the Vice Chairman chairs the Board until a new Chairman is appointed.

Like the Chairman, the Vice Chairman's roles and responsibilities include the following:

- He is informed of major events that occur within the course of the Group's operations, during regular meetings with the Chief Executive Officer.
- He may meet with key Group executives and make site visits in order to act on a fully-informed basis.
- He may meet with shareholders at their request, and passes on to the Board any concerns they may have concerning the Company's governance.

5.1.3.7 Board Committees (Article 16.4 of the Bylaws and Article 4 of the Rules of Procedure)

The Board of Directors may decide to set up committees tasked with examining issues submitted to them by the Board or its Chairman. The membership structure and roles of each of these committees, which perform their duties under the responsibility of the Board of Directors, are determined by the Board in its Rules of Procedure.

As at the date of this Universal Registration Document the Board of Directors has set up the following standing committees:

(i) An Audit Committee

(ii) A Nominations Committee

(iii) A Compensation Committee

(iv) A Strategy, Investments and CSR Committee

5.1.3.8 Non-voting Directors (Article 19 of the Bylaws)

Shareholders in an Ordinary General Meeting may elect one or more non-voting directors for a term of up to four years.

Non-voting directors are called to Board meetings which they attend in a purely advisory capacity. They may or may not be shareholders and receive remuneration set by the Board of Directors. Their term of office ends at the close of the Annual General Meeting called in the year in which their term expires for the purpose of approving the financial statements for the previous year.

5.1.3.9 Operating Procedures of the Board of Directors (Article 16 of the Bylaws and Article 3 of the Rules of Procedure)

The Board of Directors meets as often as required in the interests of the Company. Board meetings may be called by any method, including verbally, by the Chairman of the Board or any other of its members. They are held at the Company's head office or any other venue specified in the notice of meeting.

A Board meeting is validly constituted, even if it is not called in advance, if all of the Board's members are present or represented. At least half of the Board's members must be present in order for a meeting to be validly constituted.

Decisions of the Board are generally made by a straight majority vote of the directors present or represented and in the case of a split decision, the Chairman has a casting vote. However, the Rules of Procedure may provide that certain decisions require a larger majority.

The Rules of Procedure specify that directors who take part in Board meetings by video-conference, or by any other form of telecommunications or remote transmission technology that complies with the technical conditions set down in the applicable laws and regulations, are considered as being physically present for the calculation of the quorum and voting majority.

Directors may give proxy to another director to represent them at a Board meeting, but no director may hold more than one proxy at any single meeting.

5.1.3.10 Remuneration Paid to Members of the Board of Directors (Article 15 of the Bylaws and Article 3.5 of the Rules of Procedure)

The aggregate amount of basic remuneration allocated to directors for their role as Board members ("directors' remuneration") is set by shareholders at the Annual General Meeting, and the Board allocates said aggregate amount among its members based on the recommendation of the Compensation Committee. The amount allocated to each director takes into account their actual attendance at meetings of the Board and its Committees.

An additional amount of directors' remuneration, or special compensation, may be paid to any director entrusted with specific duties or assignments, such as the role of Senior Independent Director. Any such payment of additional remuneration or special compensation is subject to the procedure applicable to related party agreements.

5.1.4 EXECUTIVE MANAGEMENT (ARTICLE 18 OF THE BYLAWS)

5.1.4.1 Appointment of a Chief Executive Officer

The Company's executive management is performed either by the Chairman of the Board, in which case he is given the title of Chairman and Chief Executive Officer, or by another individual appointed by the Board, who may or may not be a Board member and is given the title of Chief Executive Officer.

The Board of Directors may decide whether to separate or combine the duties of Chairman and Chief Executive Officer at any time, and must review the decision on the expiration of each term of office of the Chief Executive Officer or the Chairman when the Chairman is also responsible for the Company's executive management.

The duration of the term of office of the Chief Executive Officer and any Deputy Chief Executive Officer(s) appointed is set at the time of their appointment. However, if the Chief Executive Officer and/or the Deputy Chief Executive Officer(s) are also directors, said duration may not exceed that of their term of office as director.

The age limit for serving as Chief Executive Officer is 70. If a Chief Executive Officer turns 70 during his term of office, said term will automatically expire at the close of the first Board meeting held after his 70th birthday.

The Chief Executive Officer may be removed from office at any time by the Board of Directors, as may the Deputy Chief Executive Officer(s) if so recommended by the Chief Executive Officer. If the Chief Executive Officer is removed from office unfairly, he may be entitled to compensation unless he is also the Chairman of the Board of Directors.

If the Chief Executive Officer ceases to, or is unable to fulfill his duties, unless otherwise decided by the Board of Directors the Deputy Chief Executive Officer(s) will remain in office and continue to exercise the same responsibilities until a new Chief Executive Officer is appointed.

The Board of Directors determines the compensation paid to the Chief Executive Officer and the Deputy Chief Executive Officer(s).

5.1.4.2 Powers of the Chief Executive Officer

The Chief Executive Officer has the broadest powers to act on behalf of the Company in all circumstances, within the scope of the corporate purposes, except for those powers directly vested by law in shareholders and the Board of Directors.

The Chief Executive Officer represents the Company in its dealings with third parties. In its relations with third parties, the Company is bound by any actions of the Chief Executive Officer that fall outside the scope of the Company's corporate purposes unless it can be demonstrated that the third party knew – or in light of the circumstances could not have been unaware – that such actions exceeded the remit of the corporate purposes. Publication of the Bylaws does not, in itself, constitute adequate proof thereof.

Decisions taken by the Board of Directors that restrict the Chief Executive Officer's powers are not binding on third parties. For internal purposes, certain strategic decisions cannot be taken by the Chief Executive Officer without the Board of Directors' prior express consent, given by a straight majority vote (See Chapter 3, Section 3.1.5, "Restrictions on the Chief Executive Officer's Powers").

The Chief Executive Officer and Deputy Chief Executive Officer(s) may, within the limits set down by law, delegate any of their powers that they deem fit to any representative(s) of their choice – even to representatives that do not form part of the Company – for said representative(s) to act individually or as part of a committee or commission, with or without the power of substitution, and subject to the restrictions provided for under the applicable law. Any such delegations of powers may be permanent or temporary and, where applicable, will remain in force even if the terms of office of the Chief Executive Officer or Deputy Chief Executive Officer(s) who granted them have expired.

5.1.4.3 Deputy Chief Executive Officers (Article 18 of the Bylaws)

On the recommendation of the Chief Executive Officer, the Board of Directors may appoint one or more Deputy Chief Executive Officer(s), who must be individuals rather than legal entities. The maximum number of Deputy Chief Executive Officers that may be appointed is five.

The age limit for serving as Deputy Chief Executive Officer is 70. If a Deputy Chief Executive Officer turns 70 during his term of office, said term will automatically expire at the close of the first Board meeting held after his 70th birthday.

In agreement with the Chief Executive Officer, the Board of Directors determines the scope and duration of the powers vested in the Deputy Chief Executive Officer(s). The Deputy Chief Executive Officer(s) have the same powers as the Chief Executive Officer in their dealings with third parties.

As at the date of this Universal Registration Document, the Company does not have any Deputy Chief Executive Officers.

5.1.5 RIGHTS, PRIVILEGES AND RESTRICTIONS ATTACHED TO SHARES

5.1.5.1 Form of the Shares (Article 9 of the Bylaws)

Fully paid-up shares may be held in registered or bearer form, at the shareholder's discretion, in accordance with the terms and conditions provided for in the applicable laws and regulations.

5.1.5.2 Voting Rights (Article 10 of the Bylaws)

Each share carries the right for its holder to vote – either directly or by proxy – at shareholders' meetings, in accordance with the applicable laws and the Bylaws. None of the Company's shares carry double voting rights.

5.1.5.3 Rights to Dividends and Profits (Article 10 of the Bylaws)

Subject to the rights allocated to each separate class of shares, if any different classes of shares are subsequently created, each share entitles its holder to a portion of the Company's profits and assets equal to the proportion of capital represented by the share.

Shareholders are liable for losses only up to the amount of their capital contributions.

The rights and duties attached to shares are transferred with title to the shares. Share ownership automatically requires shareholders to comply with the Company's Bylaws and the decisions taken in General Shareholders' Meetings.

Where a shareholder is required to own a specific number of shares to exercise a particular right, shareholders owning fewer than the number of shares required to exercise the rights concerned are personally responsible for obtaining said number.

5.1.5.4 Pre-emptive Subscription Rights

The Company's shares carry pre-emptive subscription rights for capital increases, in accordance with the terms and conditions provided for in the French Commercial Code.

5.1.5.5 Restrictions on Voting Rights

The Bylaws do not contain any clauses that restrict the voting rights attached to the Company's shares.

5.1.6 AMENDMENTS TO THE RIGHTS OF SHAREHOLDERS (ARTICLE 20.6 OF THE BYLAWS)

Shareholder rights as set out in the Company's Bylaws may only be amended at an Extraordinary General Meeting. However, an Extraordinary General Meeting may only take decisions that increase shareholders' commitments or affect their equal treatment if unanimously agreed by all of the shareholders, other than in the case of operations resulting from a properly performed reverse stock split.

5.1.7 GENERAL SHAREHOLDERS' MEETINGS (ARTICLE 20 OF THE BYLAWS)

General Shareholders' Meetings are called and held in accordance with the terms, conditions and timeframes provided for by law, either at the Company's head office or any other venue specified in the notice of meeting.

5.1.7.1 Attending and Voting at General Shareholders' Meetings

All shareholders are entitled to participate in General Shareholders' Meetings, either in person or by proxy.

Prior to each meeting, the Board of Directors may decide that shareholders may participate in the meeting via video-conference or any other form of telecommunications or remote transmission technology (including the Internet) that enable them to be identified in accordance with the conditions provided for in the applicable laws and regulations, in which case they will be deemed as being physically present for the purpose of calculating the quorum and voting majority. In such a case, the Board's decision must be published in the notice of meeting.

Any shareholder may vote remotely or by proxy as provided for in the applicable laws and regulations, using a form drawn up by the Company and returned to the Company in accordance with the terms and conditions of the applicable laws and regulations, including electronically or by remote transmission (if so decided by the Board of Directors). This form must be received by the Company in accordance with the applicable regulatory terms and conditions in order for it to be taken into account.

5.1.7.2 Organization of General Shareholders' Meetings

The agenda of each General Shareholders' Meeting is drawn up by the person who issues the notice of meeting and is included in said notice.

Shareholders may not deliberate on any issues that are not included in the agenda of a General Shareholders' Meeting. However, as an exception to this rule, shareholders are always entitled to deliberate on removing one or more directors from office and electing their replacements.

One or more shareholders whose shareholding represents at least the proportion of the Company's capital required by law may put forward resolutions to be included in the agenda of a General Shareholders' Meeting, in accordance with the terms, conditions and timeframes provided for by law.

An attendance register containing all of the information provided for by law is kept for each General Shareholders' Meeting.

General Shareholders' Meetings are chaired by the Chairman of the Board of Directors or, in his absence, by a director specifically authorized by the Board of Directors to act in the capacity of Chairman. Failing that, the General Shareholders' Meeting elects its own Chairman.

The role of scrutineers at a General Shareholders' Meeting is carried out by the two shareholders present at the Meeting who hold or represent the largest number of voting rights and who agree to take on the role.

The meeting officers thus appointed then appoint a secretary, who may or may not be a shareholder.

The meeting officers are responsible for checking, certifying and signing the attendance register, ensuring that discussions during the Meeting take place in an appropriate manner, dealing with any incidents that may arise during the Meeting, checking the votes of the shareholders and verifying that they are properly cast, as well as ensuring that the minutes of the Meeting are drawn up.

Minutes are prepared for each General Shareholders' Meeting and copies or extracts thereof are certified and issued in accordance with the applicable laws and regulations.

5.1.8 ARTICLES OF THE BYLAWS OR THE RULES OF PROCEDURE THAT COULD HAVE AN IMPACT IN THE EVENT OF A CHANGE IN CONTROL

There are no clauses in the Company's Bylaws or the Rules of Procedure that could have the effect of delaying, deferring or preventing a change in control of the Company.

5.1.9 IDENTIFICATION OF SHAREHOLDERS AND DISCLOSURE THRESHOLDS

5.1.9.1 Identification of Shareholders (Article 13 of the Bylaws)

The Company uses available legal procedures to identify its shareholders.

To this end, the Company may request, at any time, in accordance with the applicable laws and regulations, information on the name (or corporate name), address and nationality of holders of bearer shares and other securities carrying immediate or deferred rights to vote at General Shareholders' Meetings, as well as the number of securities held in each case and any restrictions applicable to the securities.

5.1.9.2 Disclosure Thresholds (Article 14 of the Bylaws)

In addition to the disclosures required by law, any person or legal entity, acting alone or in concert within the meaning of Articles L. 233-10 *et seq.* of the French Commercial Code, that comes to own, directly or indirectly, a number of shares representing at least 1% of the Company's total shares or voting rights, is required to disclose the interest to the Company by registered letter with recorded delivery, before the close of trading on the fifth trading day following the threshold being crossed. This disclosure requirement applies each time the shareholder's interest exceeds any further multiples of 1%

of the Company's total shares or voting rights. The same disclosure formalities must also be followed each time a shareholder's interest is reduced to below any 1% threshold as explained above.

All of the forms of shareholding covered by Articles L. 233-7 *et seq.* of the French Commercial Code must be taken into account for the calculation of the above-mentioned thresholds.

Such disclosures must contain all of the information required pursuant to the applicable laws and regulations.

If a shareholder fails to comply with these disclosure rules, at the request of one or more shareholders with combined holdings representing at least 3% of the Company's capital or voting rights, the shares in excess of the threshold concerned will be stripped of voting rights, in accordance with the conditions and subject to the limits set down by law.

See Section 5.3 below for details of the disclosure thresholds crossed during fiscal 2019-2020.

5.1.10 SPECIFIC PROVISIONS GOVERNING CHANGES IN THE COMPANY'S SHARE CAPITAL

There are no specific provisions in the Company's Bylaws governing changes in its share capital. Article 7 of the Bylaws simply provides that the Company's capital may be increased, reduced or redeemed in accordance with the terms and conditions provided for under law and the Bylaws.

5.1.11 RULES APPLICABLE TO AMENDMENTS TO THE BYLAWS

The Bylaws may be amended in accordance with the applicable regulations.

5.2 INFORMATION ABOUT THE SHARE CAPITAL – AFR

5.2.1 ISSUED CAPITAL AND AUTHORIZED BUT UNISSUED CAPITAL

At December 31, 2020, the Company's share capital amounted to €1,741,478.23, represented by 174,147,823 fully-paid shares, all of the same class, with a par value of €0.01 each.

The table below shows the financial authorizations granted to the Board of Directors by shareholders at the March 20, 2020 Annual General Meeting and which are in effect as at the date of this Universal Registration Document.

Resolution number	Description of authorization granted to the Board of Directors
18	**Type of authorization**: To issue shares and/or other securities with pre-emptive subscription rights for existing shareholders. **Duration**: 26 months. **Maximum nominal amount of capital increase(s):** €520,000 (for information purposes, representing approximately 30% of the Company's share capital as at the March 20, 2020 AGM). This amount represents a blanket ceiling covering any capital increase(s) carried out under the 18th, 19th, 20th and 22nd resolutions of the March 20, 2020 AGM and the 21st resolution of the March 22, 2019 AGM. **Maximum nominal amount of debt securities:** €675 million. This amount represents a blanket ceiling covering any debt securities issued under the 18th and 19th resolutions of the March 20, 2020 AGM. If a third party launches a public offer for the Company's securities, the Board of Directors may not use this authorization during the offer period without the express prior approval of shareholders in a General Meeting. This authorization superseded the unused portion of the authorization given for the same purpose in the 16th resolution of the March 22, 2019 AGM.
19	**Type of authorization**: To issue shares and/or other securities by way of a public offer, without pre-emptive subscription rights for existing shareholders but with a compulsory priority subscription period for existing shareholders. **Duration**: 26 months. **Maximum nominal amount of capital increase(s)**: €260,000 (for information purposes, representing approximately 15% of the Company's share capital as at the March 20, 2020 AGM). This amount represents a sub- ceiling covering any capital increase(s) carried out under the 19th, 20th and 22nd resolutions of the March 20, 2020 AGM and the 21st resolution of the March 22, 2019 AGM. The nominal amount of any capital increase(s) carried out under this resolution will also be included in the blanket ceiling on capital increases set in the 18th resolution of the March 20, 2020 AGM. **Maximum nominal amount of debt securities:** €335 million. The nominal amount of any debt securities issued under this resolution will be included in the blanket ceiling on debt security issues set in the 18th resolution of the March 20, 2020 AGM. If a third party launches a public offer for the Company's securities, the Board of Directors may not use this authorization during the offer period without the express prior approval of shareholders in a General Meeting. This authorization superseded the unused portion of the authorization given for the same purpose in the 17th resolution of the March 22, 2019 AGM.

Resolution number	Description of authorization granted to the Board of Directors
20	**Type of authorization**: To issue shares and/or other securities in payment for shares and/or other securities in another company contributed to the Company in transactions other than public tender offers. **Duration**: 26 months. **Maximum nominal amount of capital increase(s):** 10% of the Company's share capital as at the March 20, 2020 AGM. The nominal amount of any capital increase(s) carried out under this resolution will be included in (i) the sub-ceiling on capital increases set in the 19th resolution of the March 20, 2020 AGM and (ii) the blanket ceiling on capital increases set in the 18th resolution of the March 20, 2020 AGM. If a third party launches a public offer for the Company’s securities, the Board of Directors may not use this authorization during the offer period without the express prior approval of shareholders in a General Meeting. This authorization superseded the unused portion of the authorization given for the same purpose in the 18th resolution of the March 22, 2019 AGM.
21	**Type of authorization:** To increase the Company’s capital by capitalizing reserves, profit, the share premium account or other eligible items. **Duration**: 26 months. **Maximum amount of capital increase(s)**: The maximum eligible amount as per the applicable law and regulations at the date on which the Board uses the authorization. If a third party launches a public offer for the Company’s securities, the Board of Directors may not use this authorization during the offer period without the express prior approval of shareholders in a General Meeting. This authorization superseded the unused portion of the authorization given for the same purpose in the 19th resolution of the March 22, 2019 AGM.
22	**Type of authorization**: To issue shares and/or other securities to members of an employee share ownership plan, without pre-emptive subscription rights for existing shareholders. **Duration**: 26 months. **Ceiling**: 2% of the Company’s capital as at the date on which the authorization is used. The nominal amount of any capital increase(s) carried out under this resolution will be included in (i) the sub-ceiling on capital increases set in the 19th resolution of the March 20, 2020 AGM and (ii) the blanket ceiling on capital increases set in the 18th resolution of the March 20, 2020 AGM. If a third party launches a public offer for the Company’s securities, the Board of Directors may not use this authorization during the offer period without the express prior approval of shareholders in a General Meeting. This authorization superseded the unused portion of the authorization given for the same purpose in the 20th resolution of the March 22, 2019 AGM.
23	**Type of authorization**: To reduce the Company's capital by canceling shares. **Duration**: 24 months. **Ceiling**: 10% of the Company’s capital as at the date of the authorization. This authorization superseded the unused portion of the authorization given for the same purpose in the 22nd resolution of the March 22, 2019 AGM.

At the March 22, 2019 Annual General Meeting, the Company's shareholders granted the Board of Directors the following authorization:

21	**Type of authorization**: To grant new or existing shares free of consideration, with a waiver of existing shareholders' pre-emptive subscription rights for the vested free shares. **Duration**: 38 months. **Ceiling**: 2.7% of the Company's share capital as at the grant date and not representing more than 1% of the Company's share capital in any given year. The number of free shares granted to Company officers may not exceed 30% of the total free shares granted by the Board of Directors pursuant to this authorization. The nominal amount of any capital increase(s) carried out under this resolution will be included in (i) the sub-ceiling on capital increases set in the 19th resolution of the March 20, 2020 AGM and (ii) the blanket ceiling on capital increases set in the 18th resolution of the March 20, 2020 AGM. This authorization superseded the unused portion of the authorization given for the same purpose in the 32nd resolution of the March 9, 2018 AGM.

5.2.2 SHARES NOT REPRESENTING CAPITAL

The Company has not issued any shares that do not represent capital.

5.2.3 TREASURY SHARES, OWN SHARES AND SHARE BUYBACK PROGRAMSSHARE BUYBACK AUTHORIZATIONS

On March 20, 2020, the Company's shareholders granted the Board an eighteen-month authorization to carry out a share buyback program in accordance with Article L. 22-10-62 of the French Commercial Code. Under this authorization – which superseded the one given for the same purpose on March 22, 2019 – the maximum amount that may be invested in the buyback program is €340 million (net of transaction expenses) and the number of shares that may be bought back may not exceed 10% of the total number of shares making up the Company's capital. The maximum per-share repurchase price under the program was set at €20 (excluding transaction costs).

This authorization provides that the shares can be purchased at any time – except during a public offer for the Company's shares – within the limits specified in the applicable laws and regulations and by any authorized methods, for any of the following purposes:

- For subsequent cancellation.
- To be held and subsequently used in exchange or as payment in connection with external growth transactions, provided that the number of shares used for such transactions does not exceed 5% of the Company's capital.
- For allocation on exercise of rights attached to securities redeemable, convertible, exchangeable or otherwise exercisable for the Company's shares.
- To hedge the risks arising on the Company's financial instrument obligations, particularly the risk of fluctuations in the Elior Group share price.
- To allocate shares for the implementation of (i) stock option plans, (ii) free share plans or (iii) employee share ownership plans, in operations complying with Articles L.3331-1 *et seq.* of the French Labor Code, and/or (iv) grants of shares to employees and/or officers of the Company or of any related entities.
- To maintain a liquid market for the Company's shares under a liquidity contract entered into with an investment services provider that complies with a code of ethics recognized by the AMF.
- And more generally, to carry out any transactions or market practices currently authorized or that may be authorized in the future under the applicable laws and regulations, including the regulations of the AMF.

Use of share buyback authorizations

1/ By way of a decision on March 20, 2020, the Company's Board of Directors used the authorization granted by the shareholders on that same date to set up a share buyback program. The purpose of the program is to maintain a liquid market in the Company's shares under a liquidity contract entered into with Oddo BHF and Natixis that complies with the practices authorized by the applicable regulations. A total of €3 million has been allocated to this contract.

From October 1, 2019 through September 30, 2020, the Company carried out the following transactions under the liquidity contract:

- 1,027,637 Elior Group shares were purchased for an aggregate €8,950,123.57 (at an average per-share purchase price of €8.71); and
- 933,755 Elior Group were sold for an aggregate €8,172,072.70 (at an average per-share sale price of €8.75).

At September 30, 2020, the Company's liquidity account comprised 152,189 shares.

2/ On December 6, 2019, the Board of Directors used the shareholder authorization granted in the 22nd resolution of the March 22, 2019 AGM to cancel the 4,268,550 Elior Group shares that the Company held following the Board-mandated buyback carried out on June 28, 2019 (see Section 5.2.3.1 of the 2018-2019 Universal Registration Document).

3/ On January 21, 2020, the Board of Directors used the shareholder authorization granted at the March 22, 2019 AGM to launch a share buyback program with a view to subsequently canceling the repurchased shares and reducing the Company's capital.

The Company therefore mandated Natixis to purchase Elior Group shares representing up to €20 million (gross amount, excluding transaction costs) at a maximum per-share price of €13.50, on the Euronext, Chi-X, Turquoise and Bats markets before March 19, 2020.

Pursuant to this mandate, the Company bought back 1,703,594 of its own shares (representing 0.97% of its share capital at September 30, 2020), at an average per-share price of €11.74. The related transaction fees amounted to €12,000 excluding taxes.

Following these buybacks, Elior Group directly holds 183 of its own shares (excluding those held in connection with the liquidity contract).

The Company has not carried out any further buybacks since October 1, 2020, apart from under the above-mentioned liquidity contract.

5.2.3.1 Share Equivalents

As at the date of this Universal Registration Document, the Company has not granted any stock options or performance shares other than those under the plans described in Chapter 3, Section 3.1.6.3 of this Universal Registration Document. The Company does not have any other share equivalents.

5.2.4 INFORMATION ABOUT AND THE TERMS OF ANY ACQUISITION RIGHTS OR OBLIGATIONS OVER AUTHORIZED BUT UNISSUED CAPITAL

N/A.

5.2.5 INFORMATION ABOUT THE SHARE CAPITAL OF ANY GROUP ENTITY WHICH IS UNDER OPTION OR AGREED TO BE PUT UNDER OPTION

N/A.

5.2.6 SIGNIFICANT CHANGES IN SHARE CAPITAL

At October 1, 2011, the Company's share capital was €1,395,220.58, represented by 139,522,058 shares with a par value of €0.01 each.

Date	Transaction type	Increase/(decrease) in share capital (in €)		New share capital (in €)	New number of shares
		Per-share par value	Premium included		
Feb. 2, 2012	Capital reduction (not for the purpose of absorbing losses)	0.01	349,692,363.00	1,088,203.58	108,802,358
June 10, 2014	Capital increase (Fidelior merger)	0.01	3,610,131.98	1,093,864.62	109,386,462
June 10, 2014	Capital increase (Sofilior merger)	0.01	3,468,744.04	1,099,186.42	109,918,642
June 10, 2014	Capital increase (Eurelior merger)	0.01	3,468,949.03	1,104,508.22	110,450,822
June 10, 2014	Capital increase (Financière Elior merger)	0.01	5,145,047.72	1,113,023.01	111,302,301
June 10 2014	Capital reduction (Fidelior merger)	0.01	(3,491,219.40)	1,107,361.97	110,736,197
June 10, 2014	Capital reduction (Sofilior merger)	0.01	(3,414,990.67)	1,102,040.17	110,204,017
June 10, 2014	Capital reduction (Eurelior merger)	0.01	(3,414,990.67)	1,096,718.37	109,671,837
June 10, 2014	Capital reduction (Financière Elior merger)	0.01	(4,818,033.03)	1,088,203.58	108,820,358
June 11, 2014	Capital increase (Bercy Présidence merger)	0.01	949,011.73	1,088,859.85	108,885,985
June 11, 2014	Capital increase (Novelior merger)	0.01	741,623.25	1,112,013.89	111,201,389
June 11, 2014	Capital reduction (cancellation of ABSA shares with equity warrants attached)	0.01	(741,000.00)	1,109,013.89	110,901,389
June 13, 2014	Capital increase	0.01	784,467,782.12	1,641,217.27	164,121,727
June 13, 2014	Private placement	0.01	1,340,720.92	1,642,126.85	164,212,685
Sept. 10, 2014	Exercise of stock options	0.01	864,467.70	1,643,643.46	164,364,346
Sept. 30, 2014	Exercise of stock options	0.01	35,397.00	1,643,705.56	164,370,556
Dec. 31, 2014	Exercise of stock options	0.01	3,705.00	1,643,712.06	164,371,206
Feb. 28, 2015	Exercise of stock options	0.01	48,135.30	1,643,796.36	164,379,636
March 24, 2015	Exercise of stock options	0.01	159,708.70	1,644,076.06	164,407,606
June 30, 2015	Exercise of stock options	0.01	938,048.58	1,645,716.64	164,571,664
July 24, 2015	Capital increase for allocation of shares to Emesa	0.01	134,979,075	1,722,891.64	172,289,164

Date	Transaction type	Increase/(decrease) in share capital (in €)		New share capital (in €)	New number of shares
Sept. 30, 2015	Exercise of stock options	0.01	206,249.10	1,723,252.44	172,325,244
Dec. 31, 2015	Exercise of stock options	0.01	165,151.40	1,723,541.44	172,354,144
March 31, 2016	Exercise of stock options	0.01	288,440.60	1,724,046.14	172,404,614
June 30, 2016	Exercise of stock options	0.01	589,972.80	1,725,077.94	172,507,794
Sept. 30, 2016	Exercise of stock options	0.01	724,315.81	1,726,344.75	172,634,475
Dec. 31, 2016	Exercise of stock options	0.01	613,311.00	1,727,417.85	172,741,785
April 13, 2018	Capital increase following shareholders' exercise of stock dividend option	0.01	36,249,209.20	1,748,892.50	174,889,250
April 26, 2018	Capital increase following the set-up of the Group employee share ownership plan	0.01	15,229,987.00	1,759,490.96	175,949,096
March 19, 2019	Exercise of stock options and grant of free shares	0.01	421.98	1,759,912.94	175,991,294
April 16, 2019	Capital increase following shareholders' exercise of stock dividend option	0.01	27,305,703.96	1,783,191.46	178,319,146
Dec. 5, 2019	Grant of free shares	0.01	422.43	1,783,613.89	178,361,389
Dec. 6, 2019	Capital reduction by canceling shares previously acquired under a share buyback program	0.01	42,685.50	1,740,928.39	174,092,839
March 11, 2020	Exercise of stock options and grant of free shares	0.01	324.29	1,741,252.68	174,125,268
Oct. 27, 2020	Exercise of stock options and grant of free shares	0.01	225.55	1,741,478.23	174,147,823

The main changes in the Company's share capital during the past three fiscal years were as follows:

- Successive capital increases following the exercise of stock options under the 2010 and 2011 plans described in Chapter 3, Section 3.1.6.3 of the fiscal 2016-2017 Registration Document.
- A capital increase carried out on April 13, 2018 following shareholders' exercise of the option to receive their dividend for fiscal 2016-2017 in shares as authorized at Elior Group's Annual General Meeting of March 9, 2018.
- Issue of shares on April 26, 2018 to members of an employee share ownership plan, without pre-emptive subscription rights for existing shareholders, as authorized at Elior Group's Annual General Meeting of March 9, 2018.

- A capital increase carried out on March 19, 2019 following the exercise of stock options and grant of free shares under the 2016/1, 2016/2 and 2017/1 plans described in Chapter 3, Section 3.1.6.4 of this Universal Registration Document.
- A capital increase carried out on April 16, 2019 following shareholders' exercise of the option to receive their dividend for fiscal 2017-2018 in shares as authorized at Elior Group's Annual General Meeting of March 22, 2019.
- A capital increase carried out on December 5, 2019 following the grant of free shares under the 2017/1 plan described in Chapter 3, Section 3.1.6.4 of this Universal Registration Document.
- A capital reduction carried out on December 6, 2019 by canceling shares previously purchased under a share buyback program authorized at Elior Group's Annual General Meeting of March 22, 2019.
- A capital increase carried out on March 11, 2020 following the exercise of stock options and grant of free shares under the 2016/1 and 2016/2 plans described in Chapter 3, Section 3.1.6.4 of this Universal Registration Document.
- A capital increase carried out on October 27, 2020 following the exercise of stock options and grant of free shares under the 2016/2 plan described in Chapter 3, Section 3.1.6.4 of this Universal Registration Document.

5.3 THE COMPANY'S OWNERSHIP STRUCTURE – AFR

5.3.1 OWNERSHIP STRUCTURE AT DECEMBER 31, 2020 AND CHANGES IN OWNERSHIP STRUCTURE DURING FISCAL 2019-2020 AND UP UNTIL DECEMBER 31, 2020

At December 31, 2020 the Company's ownership structure was as follows:

Shareholder	Shares making up the Company's capital		Theoretical voting rights		Voting rights exercisable in AGMs	
	Number	%	Number	%	Number	%
BIM[1]	34,849,501	20.01%	34,849,501	20.01%	34,849,501	20.01%
Emesa	13,339,519	7.66%	13,339,519	7.66%	13,339,519	7.66%
FSP	9,050,000	5.20%	9,050,000	5.20%	9,050,000	5.20%
Free float[2]	115,085,448	66.08%	115,085,448	66.08%	115,085,448	66.08%
Treasury shares[3]	1,823,355	1.05%	1,823,355	1.05%	N/A	N/A
TOTAL	**174,147,823**	**100.00%**	**174,147,823**	**100.00%**	**172,314,419**[4]	**100%**

(1) A company in the Sofibim group, controlled by Robert Zolade.
(2) O/w held under employee share ownership plans: 0.4%
(3) In accordance with (i) a decision taken by the Board of Directors on January 21, 2020, and (ii) the shareholder authorization given in the twenty-second resolution of the March 22, 2019 Annual General Meeting, the Company bought back 1,703,594 of its own shares (representing 0.97% of the Company's capital at September 30, 2020).
(4) Theoretical voting rights less voting rights attached to shares held under the liquidity contract set up by the Company.

As far as the Company is aware, there are no other shareholders that directly or indirectly, alone or in concert, own over 5% of the Company's capital or voting rights.

As far as the Company is aware there have been no significant changes in the Company's ownership structure since December 31, 2020.

Disclosure thresholds (as specified in the applicable laws and/or the Company's Bylaws)

In accordance with Article L. 233-7 of the French Commercial Code, any person or legal entity acting alone or in concert must inform the Company and the AMF when their direct or indirect holding of shares or voting rights in Elior Group (or other interests treated in the same way as such shares or voting rights pursuant to Article L. 233-9 of the French Commercial Code) rises to above, or is reduced to below, 5%, 10%, 15%, 20%, 25%, 30%, one third, 50%, two thirds, 90% or 95% of the Company's capital or theoretical voting rights, within four days of the corresponding threshold being crossed.

In addition, the Company's Bylaws provide that any person or legal entity, acting alone or in concert within the meaning of Articles L. 233-10 *et seq.* of the French Commercial Code, that comes to own, directly or indirectly, a number of shares representing at least 1% of the Company's total shares or voting rights, is required to disclose the interest to the Company by registered letter with recorded delivery, before the close of trading on the fifth trading day following the threshold being crossed. This disclosure requirement applies each time the shareholder's interest exceeds any further multiples of 1% of the Company's total shares or voting rights. The same disclosure formalities and five-day timeframe must also be followed each time a shareholder's interest is reduced to below any 1% threshold. All of the forms of shareholding covered by Articles L. 233-7 *et seq.* of the French Commercial Code must be taken into account for the calculation of the above-mentioned thresholds. If a shareholder fails to comply with these disclosure rules, at the request of one or more shareholders with combined holdings representing at least 3% of the Company's capital or voting rights, the shares in excess of the threshold concerned will be stripped of voting rights, in accordance with the conditions and subject to the limits set down by law.

To the best of the Company's knowledge, no shareholders other than those listed below submitted any notifications under the applicable disclosure threshold rules during fiscal 2019-2020 and up until December 31, 2020.

Entity	Disclosure date	Disclosure threshold		Increase/ decrease in holding	% capital	% voting rights
		Under the Bylaws	Under the applicable laws			
La Financière de l'Échiquier	October 17, 2019	3%	-	Decrease	2.97%	2.97%
Franklin Resources, Inc	November 5, 2019	3%	-	Decrease	2.99%	2.99%
Sycomore Asset Management	November 1, 2019	2%	-	Decrease	1.99%	1.99%
Fonds Stratégique de Participations	December 6, 2019	5%	5%	Increase	5.11%	5.11%
Franklin Resources, Inc	December 17, 2019	2%	-	Decrease	1.88%	1.88%
BDL Capital Management	December 17, 2019	3%	-	Increase	3.17%	3.17%
BlackRock	December 31, 2019	5% - 4% - 3%	5%	Decrease	2.10%	2.10%
La Financière de l'Échiquier	January 16, 2020	3%	-	Decrease	2.94%	2.94%
BlackRock	January 27, 2020	2%	-	Decrease	1.47%	1.47%
AXA Investment Managers	February 13, 2020	1%	-	Increase	1.37%	1.37%
Sycomore Asset Management	February 12, 2020	1%	-	Decrease	0.99%	0.99%
Fidelity International	February 21, 2020	3%	-	Increase	3.05%	3.05%
Groupe Caisse des Dépôts	February 26, 2020	3%	-	Increase	3.08%	3.08%
La Financière de l'Échiquier	February 26, 2020	3%	-	Increase	3.01%	3.01%
La Financière de l'Échiquier	March 3, 2020	3%	-	Decrease	2.92%	2.92%
Groupe Caisse des Dépôts	March 4, 2020	3%	-	Decrease	2.99%	2.99%

Entity	Disclosure date	Disclosure threshold		Increase/ decrease in holding	% capital	% voting rights
		Under the Bylaws	Under the applicable laws			
BDL Capital Management	March 6, 2020	4%	-	Increase	4.2%	4.2%
Franklin Resources, Inc	March 10, 2020	1%	-	Decrease	0.94%	0.94%
BDL Capital Management	March 11, 2020	5%	5%	Increase	5.1%	5.1%
Wellington Management Group LLP	March 18, 2020	4%	-	Decrease	3.86%	3.86%
Edmond de Rothschild	March 26, 2020	1%	-	Decrease	0.60%	0.60%
Wellington Management Group LLP	March 27, 2020	4%	-	Increase	4.22%	4.22%
Citigroup	April 16, 2020	4%	-	Decrease	3.04%	3.04%
JO Hambro	April 16, 2020	1%	-	Increase	1.06%	1.06%
Groupe Caisse des Dépôts	April 17, 2020	3%	-	Increase	3.00%	3.00%
Groupe Caisse des Dépôts	April 22, 2020	3%	-	Decrease	2.83%	2.83%
Federal Finance Gestion	April 25, 2020	1%-2%	-	Decrease	0.48%	0.48%
Sycomore Asset Management	May 7, 2020	2%	-	Increase	2.03%	2.03%
JO Hambro	May 27, 2020	1%	-	Decrease	0.99%	0.99%
Wellington Management Group LLP	May 28, 2020	4%	-	Increase	4.01%	4.01%
Amundi	May 29, 2020	1%	-	Decrease	0.96%	0.96%
Wellington Management Group LLP	June 4, 2020	4%	-	Decrease	3.99%	3.99%
Wellington Management Group LLP	June 10, 2020	4%	-	Increase	4.00%	4.00%

Entity	Disclosure date	Disclosure threshold: Under the Bylaws	Disclosure threshold: Under the applicable laws	Increase/ decrease in holding	% capital	% voting rights
Wellington Management Group LLP	June 17, 2020	4%	-	Decrease	3.99%	3.99%
AXA Investment Managers	June 30, 2020	1%	-	Decrease	0.97%	0.97%
Sycomore Asset Management	July 2, 2020	2%	-	Decrease	1.88%	1.88%
Wellington Management Group LLP	July 2, 2020	4%	-	Increase	4.01%	4.01%
Groupe Caisse des Dépôts	July 6, 2020	2%	-	Decrease	1.99%	1.99%
JO Hambro	August 12, 2020	1%	-	Decrease	0.97%	0.97%
Groupe Caisse des Dépôts	August 27, 2020	1%	-	Decrease	0.96%	0.96%
BlackRock	August 28, 2020	2%	-	Increase	2.08%	2.08%
BlackRock	August 31, 2020	2%	-	Decrease	1.87%	1.87%
Citadel	September 10, 2020	1%	-	Increase	1.25%	1.25%
Citigroup	September 10, 2020	4%	-	Decrease	3.46%	3.46%
BlackRock	September 11, 2020	2%	-	Increase	2.14%	2.14%
BDL Capital Management	September 14, 2020	6%	-	Increase	6%	6%
Citigroup	September 14, 2020	3%	-	Decrease	2.59%	2.59%
BlackRock	September 23, 2020	2%	-	Decrease	1.98%	1.98%
Brandes Investment Partners	September 24, 2020	1%	-	Increase	1.01%	1.01%
BlackRock	September 25, 2020	2%	-	Increase	2.14%	2.14%
BlackRock	September 28, 2020	2%	-	Decrease	1.80%	1.80%
BlackRock	September 29, 2020	2%	-	Increase	2.03%	2.03%
BlackRock	October 12, 2020	2%	-	Decrease	1.96%	1.96%

Entity	Disclosure date	Disclosure threshold: Under the Bylaws	Disclosure threshold: Under the applicable laws	Increase/ decrease in holding	% capital	% voting rights
BlackRock	October 13, 2020	2%	-	Increase	2.09%	2.09%
BlackRock	October 14, 2020	2%	-	Decrease	1.90%	1.90%
BlackRock	October 20, 2020	2%	-	Increase	2.02%	2.02%
Citadel	October 21, 2020	1%	-	Decrease	0.98%	0.98%
BlackRock	October 21, 2020	2%	-	Decrease	1.77%	1.77%
Sycomore Asset Management	October 27, 2020	2%	-	Increase	2.01%	2.01%
Fidelity International	November 5, 2020	3% - 2% - 1%	-	Decrease	0.76%	0.76%
Citigroup	November 10, 2020	3%	-	Increase	3.12%	3.12%
BlackRock	November 11, 2020	2%	-	Increase	2.13%	2.13%
Citigroup	November 12, 2020	3%	-	Decrease	2.96%	2.96%
BlackRock	November 12, 2020	2%	-	Decrease	1.89%	1.89%
Sycomore Asset Management	November 16, 2020	2%	-	Decrease	1.99%	1.99%
Caisse de dépôt et de placement du Québec	November 18, 2020	6% - 5% - 4% - 3% - 2%	5%	Decrease	1.99%	1.99%
BlackRock	November 24, 2020	2%	-	Increase	2.21%	2.21%
Caisse de dépôt et de placement du Québec	November 24, 2020	1%	-	Decrease	0.67%	0.67%
BlackRock	November 25, 2020	2%	-	Decrease	1.99%	1.99%
BlackRock	November 27, 2020	2%	-	Increase	2.12%	2.12%
BlackRock	November 30, 2020	2%	-	Decrease	1.86%	1.86%
Abu Dhabi Investment Authority	December 1, 2020	1%	-	Increase	1.03%	1.03%
Millennium	December 3, 2020	1%	-	Increase	1.0004%	1.0004%
Millennium	December 3, 2020	1%	-	Decrease	0.99%	0.99%

Entity	Disclosure date	Disclosure threshold: Under the Bylaws	Disclosure threshold: Under the applicable laws	Increase/ decrease in holding	% capital	% voting rights
BlackRock	December 29, 2020	2%	-	Increase	2.05%	2.05%

5.3.2 OWNERSHIP STRUCTURE AT DECEMBER 31, 2019 AND CHANGES IN OWNERSHIP STRUCTURE DURING FISCAL 2018-2019 AND UP UNTIL DECEMBER 31, 2019

At December 31, 2019 the Company's ownership structure was as follows:

Shareholder	Shares making up the Company's capital		Theoretical voting rights		Voting rights exercisable in AGMs	
	Number	%	Number	%	Number	%
BIM[1]	35,126,020	20.2%	35,126,020	20.2%	35,126,020	20.2%
Emesa	13,339,519	7.7%	13,339,519	7.7%	13,339,519	7.7%
CDPQ	11,916,251	6.8%	11,916,251	6.8%	11,916,251	6.8%
FSP	8,890,453	5.1%	8,890,453	5.1%	8,890,453	5.1%
Free float[2]	104,770,361	60.2%	104,770,361	60.2%	104,770,361	60.2%
Treasury shares[3]	50,235	0.0%	50,235	0.0%	N/A	N/A
TOTAL	**174,092,839**	**100.00%**	**174,092,839**	**100.00%**	**174,042,604**[4]	**100%**

(1) Entity controlled by Robert Zolade.
(2) O/w held under employee share ownership plans: 0.6%
(3) On December 6, 2019, the Board of Directors used the shareholder authorization granted in the 22nd resolution of the March 22, 2019 AGM to cancel the 4,268,550 Elior Group shares that the Company had repurchased under its share buyback program (see Section 5.2.3.1 above).
(4) Theoretical voting rights less voting rights attached to shares held under the liquidity contract set up by the Company.

Information on the crossing of disclosure thresholds and changes in the Company's ownership structure during fiscal 2018-2019 is provided in Chapter 5, Section 5.3 of the Universal Registration Document filed on January 18, 2020.

5.3.3 OWNERSHIP STRUCTURE AT DECEMBER 31, 2018 AND CHANGES IN OWNERSHIP STRUCTURE DURING FISCAL 2017-2018 AND UP UNTIL DECEMBER 31, 2018

At December 31, 2018 the Company's ownership structure was as follows:

Shareholder	Shares making up the Company's capital		Theoretical voting rights		Voting rights exercisable in AGMs	
	Number	%	Number	%	Number	%
BIM[1]	39,878,255	22.7%	39,878,255	22.7%	39,878,255	22.7%
Emesa	17,087,800	9.7%	17,087,800	9.7%	17,087,800	9.7%
CDPQ	11,580,582	6.6%	11,580,582	6.6%	11,580,582	6.6%
FSP	8,890,453	5.1%	8,890,453	5.1%	8,890,453	5.1%
Free float[2]	98,479,176	55.9%	98,479,176	55.9%	98,479,176	55.9%
Treasury shares	32,830	0.0%	32,830	0.0%	N/A	N/A
TOTAL	**175,949,096**	**100.00%**	**175,949,096**	**100.00%**	**175,916,266**[3]	**100.00%**

(1) Entity controlled by Robert Zolade.
(2) O/w held under employee share ownership plans: 0.6%
(3) Theoretical voting rights less voting rights attached to shares held under the liquidity contract set up by the Company.

Information on the crossing of disclosure thresholds and changes in the Company's ownership structure during fiscal 2017-2018 is provided in Chapter 5, Section 5.3 of the Registration Document filed on January 24, 2019.

5.3.4 SHAREHOLDER VOTING RIGHTS

Each Company share carries one voting right. The Company's Bylaws do not provide for double voting rights.

At November 30, 2020, the total number of the Company's shares was 174,147,823, representing the same number of theoretical voting rights, and the number of exercisable voting rights was 172,314,419 at December 1, 2020. The difference between the number of theoretical voting rights and the number of exercisable voting rights corresponds to treasury shares which are stripped of voting rights (see Section 5.2.3.1 above for information about the share buyback program).

5.3.5 MEMBERSHIP STRUCTURE OF THE BOARD OF DIRECTORS AND SHAREHOLDING PATTERN OF THE COMPANY

As at the date of this Universal Registration Document, the shareholders who are members of the Board of Directors and are known to hold over 5% of the Company's capital are as follows:

- BIM, owned by the holding company Sofibim, a director of the Company and its historic and main shareholder. BIM and Sofibim are represented by Robert Zolade.
- Emesa Corporacion Empresarial, S.L. (represented by Vanessa Llopart), elected as a director at the Company's AGM on March 11, 2016.
- Fonds Stratégique de Participations (represented by Virginie Duperat-Vergne), which was elected as a director at the Company's AGM on March 9, 2018.

At its November 24, 2020 meeting, the Company's Board of Directors qualified five of its members as independent directors, including Emesa and FSP.

Based on the Compensation Committee's analysis (carried out by reference to the independence criteria set out in the AFEP-MEDEF Corporate Governance Code), the Board considered that the 7.66% and 5.20% ownership interests held in Elior Group by Emesa and FSP respectively do not affect these corporate directors' judgment nor do they create any conflict of interests.

The membership structure of the Board of Directors and the Board committees is set out in Chapter 3, Section 3.1 of this Universal Registration Document.

5.3.6 AGREEMENTS THAT COULD RESULT IN A CHANGE OF CONTROL

As at the date of this Universal Registration Document, to the best of the Company's knowledge there are no agreements in place that if implemented could, at a subsequent date, result in a change of control of the Company.

5.3.7 CONTROL STRUCTURE

The Company is not controlled, within the meaning of Article L. 233-3 of the French Commercial Code.

6

ADDITIONAL INFORMATION

6. ADDITIONAL INFORMATION

6.1 MATERIAL CONTRACTS

The Group's principal material contracts are as follows:

6.1.1 SENIOR FACILITIES AGREEMENT

See Chapter 4, Section 4.8.2, "Senior Facilities Agreement" of this Universal Registration Document.

6.1.2 RECEIVABLES SECURITIZATION PROGRAMS

See Chapter 4, Section 4.8.5, "Receivables Securitization Programs" of this Universal Registration Document.

6.2 DOCUMENTS AVAILABLE TO THE PUBLIC

Documents relating to the Company that are required to be made available to the public – notably its Bylaws, accounts, financial information and reports presented by the Board of Directors and the Statutory Auditors at General Shareholders' Meetings – can be viewed at the Company's headquarters at 9-11 allée de l'Arche, 92032 Paris La Défense cedex, France.

The provisional calendar for the publication of financial press releases for fiscal 2020-2021 is presented in Chapter 1, Section 1.8. of this Universal Registration Document.

These documents are also available on Elior Group's website at www.eliorgroup.com

6.3 PERSONS RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AND THE AUDIT OF THE ACCOUNTS – AFR

6.3.1 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

I hereby declare that having taken all reasonable care to ensure that such is the case, the information contained in the Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

I further declare that, to the best of my knowledge and belief, the financial statements have been prepared in accordance with the applicable accounting standards and present fairly in all material respects the assets, liabilities, financial position and results of the Company and the consolidated group. I also declare that the information contained in the management report gives a true and fair view of trends in the business operations, results and financial position of the Company and the consolidated group, as well as a description of the main risks and uncertainties facing those companies.

Original French version signed on January 12, 2021 by Philippe Guillemot, Chief Executive Officer

6.3.2 AUDITORS

	Date first appointed	Term	Expiration of current term
Statutory Auditors			
PricewaterhouseCoopers Audit Represented by Matthieu Moussy 63, rue de Villiers 92208 Neuilly-sur-Seine Cedex France Member of the Compagnie Régionale des Commissaires aux Comptes de Versailles.	October 26, 2006	Six fiscal years	At the Annual General Meeting to be called to approve the financial statements for the fiscal year ending September 30, 2023
Deloitte & Associés *Represented by Frédéric Gourd* 6, place de la Pyramide 92908 Paris-La Défense Cedex France Member of the Compagnie Régionale des Commissaires aux Comptes de Versailles.	March 20, 2020	Six fiscal years	At the Annual General Meeting to be called to approve the financial statements for the fiscal year ending September 30, 2025
Substitute Auditors			
BEAS (Deloitte group) *Represented by Laurent Odobez* 6, place de la Pyramide 92908 Paris-La Défense Cedex France Member of the Compagnie Régionale des Commissaires aux Comptes de Versailles.	March 20, 2020	Six fiscal years	At the Annual General Meeting to be called to approve the financial statements for the fiscal year ending September 30, 2025
Jean-Christophe Georghiou[1] 63 rue de Villiers 92208 Neuilly sur Seine France Member of the Compagnie Régionale des Commissaires aux Comptes de Versailles.	May 26, 2014	Six fiscal years	At the Annual General Meeting to be called to approve the financial statements for the fiscal year ending September 30, 2023

(1) Appointed to replace Yves Nicolas at the Annual General Meeting of May 26, 2014

6.4 INFORMATION INCORPORATED BY REFERENCE

In application of Article 19 of Regulation (EU) 2017/1129 of the European Parliament and of the Council dated June 14, 2017, the following information is incorporated by reference into this Universal Registration Document:

- The Group's consolidated financial statements and the related management report and Statutory Auditors report for the fiscal year ended September 30, 2020, presented in this Universal Registration Document.

- The Group's consolidated financial statements and the related management report and Statutory Auditors report for the fiscal year ended September 30, 2019, presented in the fiscal 2018-2019 Universal Registration Document filed with the Autorité des Marchés Financiers on January 18, 2020.

- The Group's consolidated financial statements and the related management report and Statutory Auditors report for the fiscal year ended September 30, 2018, presented in the fiscal 2017-2018 Registration Document filed with the Autorité des Marchés Financiers on January 24, 2019.

In application of Annex I of Regulation (EU) 2017/1129, Elior hereby states that there are no governmental, legal or arbitration proceedings that have had significant effects on the Group's financial position or profitability.

6.5 THIRD PARTY INFORMATION, STATEMENTS BY EXPERTS AND DECLARATIONS OF ANY INTERESTS

This Universal Registration Document contains information about the Group's markets and competitive positioning, in particular in Chapter 1, "The Elior Group".

Some of this information is based on publicly available data obtained from sources that the Company believes to be reliable, but which have not been independently verified, such as market research published by various external organizations, notably reports prepared by (i) Gira Foodservice for information on contract catering, (ii) INSEE/ESAN concerning the support services market, (iii) Technomic for markets in the United States, and (iv) Peter Roberts for markets in the United Kingdom. The Company cannot guarantee that a third party using different methods to collate, analyze or calculate data about those markets would reach the same conclusions. Other market information is based on research conducted by a well-known international specialist firm specifically commissioned by the Company.

Unless otherwise stated, all data included in this Universal Registration Document regarding the size, scale and share of markets relevant to the Group is based on the Group's own estimates and is provided for information purposes only.

The Company certifies that where information has been sourced from a third party, it has been accurately reproduced, and that as far as the Company is aware and is able to ascertain from information published or provided by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

6.6 CROSS-REFERENCE TABLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

The table below cross-references the Sections and pages of this Universal Registration Document with the key information required under Annexes 1 and 2 of Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 supplementing Regulation (EU) 2017/1129 of June 14, 2017.

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