

BERENDSEN MODERN SLAVERY STATEMENT 2016

This statement has been published in accordance with the Modern Slavery Act 2015.

It addresses the steps taken by Berendsen plc¹ to prevent modern slavery in its business and supply chain during the financial year ending December 2016. As such, this statement provides transparency for customers and shareholders, so they continue to have confidence in the products and services they buy and support.

Introduction

Modern slavery is a global issue that unfortunately continues to grow. Alongside this growth however, there has also been an increase in understanding and acknowledgment of the devastating impact that forced labour and human trafficking has on individuals, communities and society. We are committed to improving our practices to combat slavery and human trafficking and for this reason; Berendsen Plc has a zero tolerance approach to modern slavery in any form.

Our business structure and supply chain

As a European textile, hygiene and safety solutions business we provide our customers with specialist services that are integral to the smooth and effective operation of their businesses. The markets which we serve, through our network of laundries and production facilities, are divided into four different Business Lines; Workwear, Healthcare, Hospitality and Facility. We operate from more than 140 sites across 16 European countries and our revenue in 2015 was £1,006m.

Although our main suppliers are located in Europe, we continue to source our textiles from the Indian subcontinent and Asia, including Pakistan, Cambodia, Vietnam, China, Philippines and Bangladesh.

Our position and policies

We have a zero tolerance policy towards any breach of human rights, including modern slavery and human trafficking.

We became a signatory to the United Nations Global Compact on 27th January 2009 and are committed to adhering to its 10 principles; six of which are dedicated to human rights and labour.

The Berendsen Plc [Ethics Policy](#) requires all employees to act with the highest degree of integrity and morality in all matters and to understand and comply with all relevant laws and regulations. Our Core values of determination, caring, empowerment, teamwork, safety and integrity underpin this and set the example of how we expect our employees to conduct themselves every day.

In addition, we have a [Whistleblowing Policy](#) which is available and applicable to our employees and to those working for our suppliers.

¹ This statement sets out the steps taken by Berendsen plc and all of its subsidiaries which fall into the scope of section 54(2) of the Modern Slavery Act 2015.

This policy encourages employees and those working for our suppliers to report any wrongdoing or suspected wrongdoing to a confidential hotline without risk to themselves or their business relationship with us. All reports are fully investigated, and relevant remedial actions are taken. The hotline we use is available in multiple languages to ensure language does not act as a barrier to reporting.

Our [Suppliers Code of Conduct](#) requires our suppliers to follow and share high standards of business practice and ethics. The key principles of our code of conduct require suppliers to:

- Recognise and respect the protection of internationally proclaimed Human Rights;
- Abide and work in line with the United Nations Global Compact principles on human rights and labour;
- Ensure the provision of a safe working environment for employees;
- Strictly prohibit the use of child labour or any form of slavery, forced labour and human trafficking as defined in the Modern Slavery Act 2015;
- Ensure labour conditions are fair; wages reflect work performance and all legal requirements are complied with; and
- Prevent any form of discrimination based upon any distinction such as; race, gender, age, ethnicity, political opinion, origin etc.

Our supplier code of conduct is available on our website: www.berendsen.com/suppliers

Assessment of Modern Slavery risk within our business

As a business which operates predominantly within Europe, Berendsen Plc's main risk regarding modern slavery relates to our suppliers.

One of the Group Key Risks, as communicated through the Risk Management section of our Annual Report, is that 'Textile suppliers are found not to be adopting appropriate employment and human rights practices'. As such, this risk holds high priority in all of our risk management processes.

We rank, assess and manage our risk in relation to this by focusing on the higher risk countries from which we source our products and textiles. We therefore focus on our sourcing efforts in the Indian subcontinent and Asia, including Pakistan, Cambodia, Vietnam, China, Philippines and Bangladesh.

Due diligence and management of modern slavery risk

Our focus on modern slavery and human trafficking is part of a larger effort towards supply chain transparency and accountability. We take multiple actions to verify, identify and address the risk that our suppliers are complicit in the practices of forced or compulsory labour, slavery, servitude and human trafficking.

We believe that our suppliers and any other third parties should work in accordance with our ethical standards. We understand that if we work in partnership with suppliers or third parties that condone unethical behaviour, our reputation is also at stake. As such, we require our suppliers to comply with the Berendsen supplier code of conduct. This includes the following mandates:

- The Supplier Code of Conduct is referenced and confirmed in all supplier contracts
- The code is recomunicated to large suppliers on an annual basis; it is also available on our website.
- We apply a consistent screening process to all suppliers based in Asia. A supplier screening audit through an external auditor is required before taking on new suppliers. For existing suppliers, external audits are completed on a two year rolling basis.

We also regularly conduct supplier visits and have teams of quality managers working at the supplier and plant level. Quality managers' responsibilities include the duty to maintain a clear focus on corporate responsibility matters, including human rights. We are in the process of developing clear checklists to facilitate company visits; ensuring our whistleblowing policies are appropriately communicated to plant level employees is one criterion on this list.

Monitoring our effectiveness at preventing Modern Slavery

Our internal processes are complemented by our assurance provider's independent audits which report on each supplier's level of compliance and alert us to any areas that require improvement. We use an independent third party, Intertek, as our external expert assurance provider to complete this screening and ongoing audit of suppliers to ensure that slavery and human trafficking is not taking place in our supply chains.

The audit process specifically looks for and reports on forced/prison labour, slavery and bribery. If required, follow-up audits are completed to confirm timely issue resolution.

No concerns relating to modern slavery were reported through our Whistleblowing system or raised through audits in 2016.

Modern Slavery Training


Dedicated training is completed at appropriate levels in the procurement and supply chain teams. This training covers modern slavery and human trafficking, and includes information on where prominent risks lie and how individuals can identify and prevent this.

Further steps and monitoring

We understand that the steps we take regarding our risk associated with modern slavery should not be static. We will continue to monitor our current actions, review our approach and continue to build on this in the year ahead.

This Statement was approved by the Berendsen plc Board.

Signed

A handwritten signature in blue ink, appearing to read 'J. Drummond', is enclosed within a thin green rectangular border.

James Drummond CEO, Berendsen plc