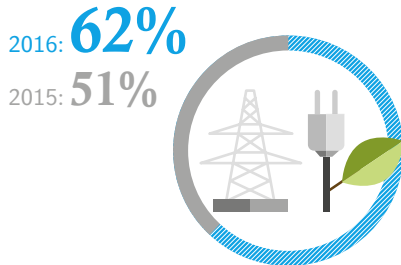


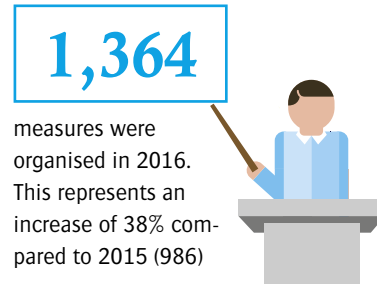


CWS-boco in figures

Share of electricity from renewable sources*



Training and further education measures*

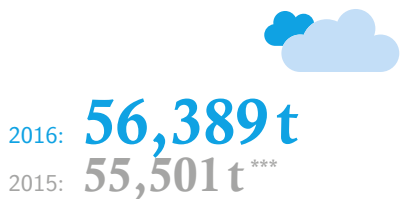


Number of washed items*

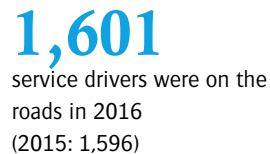


CO₂ emissions*

(Increased total weight with a proportionately significantly higher order volume from some 5,500 additional customers)



Service drivers*



Cotton from sustainable sources*



Key figures in the CWS-boco Group	2016	2015
Economic key figures**		
Turnover (€ million)	800	779
Operating result before one-off effects (€ million)	79	77
Operating result (€ million)	77	75
Haniel's shareholding in the CWS-boco Group (%)	100	100
Sites	In 19 countries	In 19 countries
Ecological key figures*		
Energy consumption (GJ)	1,002,017	996,109
Water consumption (m ³)	1,340,849	1,273,435
Detergent consumption (t)	3,425	3,419
CO ₂ emissions (Scope 1-3; t)	56,389	55,501***
Social key figures*		
Employees (reporting countries)	6,931	6,777
Further training (in days)	6,114	5,690
Occupational accidents	237	232

* Unless stated otherwise, all the information in this report relates to the 2016 calendar year and the nine companies in the CWS-boco Group with the highest revenue: CWS-boco Deutschland GmbH; CWS-boco Suisse SA; CWS-boco Italia S.p.A.; CWS Nederland B.V.; CWS-boco Sweden AB; CWS-boco Österreich GmbH; CWS-boco Ireland Ltd.; CWS-boco Polska Sp.z o.o.; CWS-boco BeLux N.V.

** Our key annual financial figures and our capitalisation are published at CWS-boco International GmbH level within the scope of the Haniel annual report.

***Corrected figure from Intermediate Sustainability Report 2016.



At CWS-boco we are motivated by three things: Safety, cleanliness and hygiene. This triad is a great way for us to achieve an even greater goal: We want the very best for our customers, for our employees and for the environment. The best way to achieve these aims is by improving on a daily basis. To become more efficient and more innovative. The future lies in these three steps.”

Contents

2 Editorial

The Company & Sustainability

- 4 Sustainability on a daily basis. And in our corporate DNA.
- 5 Growth means ever-growing challenges. Our response: Sustainability.
- 6 Sustainability demands continuity. And an endless stream of innovative ideas.
- 7 Partnership means achieving success together. And taking on joint responsibility.
- 8 Added value through reuse.
- 9 Values and CR guidelines at CWS-boco.
- 10 Legal and regulatory compliance at CWS-boco and its partners.
- 11 Sustainable corporate management in the CWS-boco Group.
- 12 The most important instrument for sustainable stakeholder dialogue: Feedback.
- 14 Revalidation of key areas of activity and report boundaries.
- 18 Sustainability strategy and programme.

21 Reporting areas (detail index)

22 Customers & Employees

34 Products & Origin

46 Laundries & Logistics

Appendix

- 58 Initiatives & memberships.
- 59 About this report.
- 60 GRI Content Index.
- 70 Facts & figures.
- 74 Imprint.

Dear reader,

Our company's development can be easily described: "CWS-boco continues to grow." And that is undoubtedly a good thing. Yet this also brings with it new challenges. After all, in our sector, growth and responsibility go hand in hand. Our employees work tirelessly to offer our customers safer, cleaner and more hygienic solutions, yet without neglecting our commitment to the environment.

A key reason for this is the fact that, as a provider of textile rental services, we rely on the availability of natural raw materials. We know from daily experience, for instance, just how precious water is, including from a pragmatic economic perspective. Every litre of water which we save is not only a plus for the environment, but also makes our company more cost-efficient. The same goes for every kilometre less covered by our logistics fleet. We keep journeys as short as possible using state-of-the-art IT (see page 55 of this report). We have even taught our soap dispensers to use resources more sparingly (see page 40).

Our corporate strategy affords top priority to efficiency and a consistent approach. That's why we have used the last few months to reflect once again on the main sustainability issues which have become central to our corporate strategy over the years. We have revalidated the relevant areas of activity, taken a close look at our goals and made changes to our strategy wherever necessary.

In the report you are now holding in your hands we would like to invite you on a journey with us. A journey which will lead us to become the most sustainable business in our sector. We hope that by offering vivid background stories on value creation in the three reporting areas "Customers & Employees", "Products & Origin" and "Laundries & Logistics", we will be able to capture your imagination for an issue which is so important to us.

After all, here at CWS-boco the issue of sustainability fills us with enthusiasm and creativity on a daily basis. We want to share this excitement as best we can – whether this be in workshops for our staff (page 31) or trips to schools aimed at raising awareness for hygiene issues (page 27).

It goes without saying that we want our business partners to accompany us on this journey. We ensure that they support our values and code of conduct and observe international social and environmental standards. To this end, we travel far and wide - even to our partners in India (page 37).

We hope that this report will also spark your enthusiasm!

Yours,

Carsten Bettermann and Detlef Kröpelin



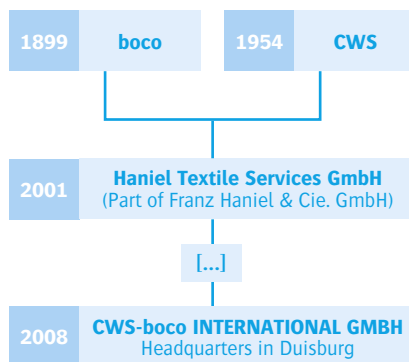
**Carsten
Bettermann**
Chief Divisional
Officer
Washroom Care



**Detlef
Kröpelin**
Chief Divisional
Officer
Textile Care

Sustainability on a daily basis. And in our corporate DNA.

CWS-boco GROUP OVERVIEW



Cleanliness is our job; hygiene is our calling: CWS-boco has been offering its customers workwear, protective and cleanroom clothing, washroom equipment, dust control mats and flat linen as a rental service for many decades now. The challenges which our energy-intensive business faces are formidable: After all, each year we clean around 176,147 tonnes of textiles in our own laundries and deliver more than 130 million items to our customers.

It goes without saying that as a service provider dedicated to cleanliness and hygiene that we are committed to working in harmony with the environment and, as an international commercial enterprise, that we take the interests of our growing number of stakeholders into account. Sustainable management, a resource-friendly approach and respectful interaction with humans and nature are the self-evident prerequisites which we must reconcile with our day-to-day work. Along the entire value-added chain – from production through to service. A complicated yet invaluable task.

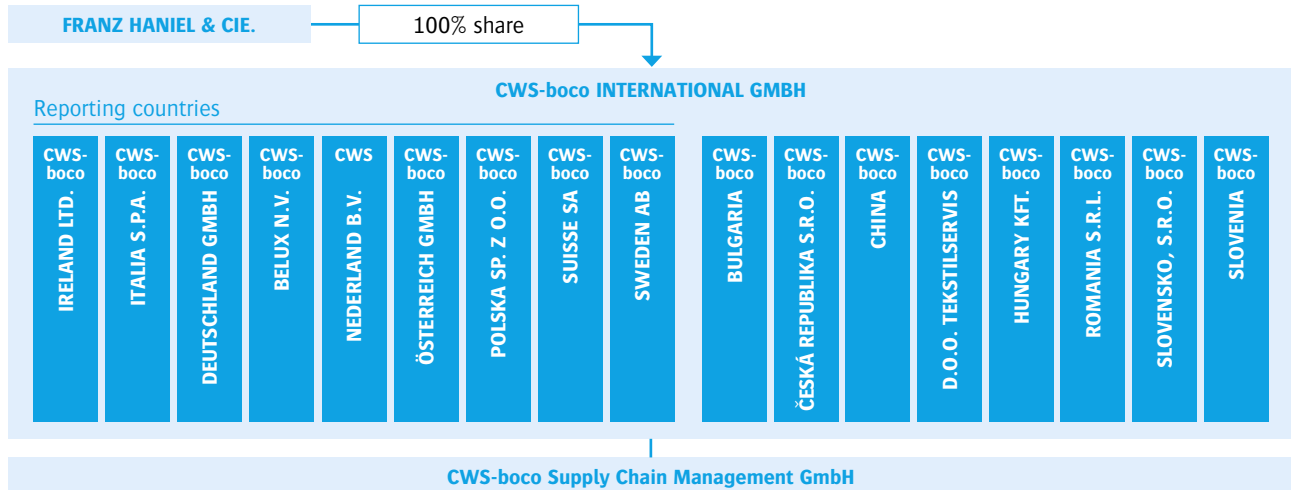
Since our field of work means we are faced with a plethora of questions relating to hygiene and safety, over the years we have evolved into an ambassador for such issues. We aim to set the very highest standards here. For this reason, we have made health and safety a central pillar of our work. We work tirelessly to encourage our suppliers to sign our Code of Conduct and become cooperation partners – in this way they become a sustainable link in a sustainable supply chain.

Growth means ever-growing challenges. Our response: Sustainability.

As a medium-sized company, we look back proudly on a history spanning 100 years in Germany. This solid foundation has enabled us to develop into an international player. For us, growth and internationalisation also bring increasing responsibilities and new challenges for sustainable management.

One of the most fundamental challenges posed by internationalisation lies in communicating our approach to sustainability clearly and precisely. Both externally and internally. Ultimately, we will only manage the huge tasks ahead if we are able to get all members of our Group on board. A long-sighted managerial approach which automatically takes account of the ecological and social impact of our business actions must be practised internally. By every single employee. This philosophy then no longer ceases to apply at the company's doors or at national borders.

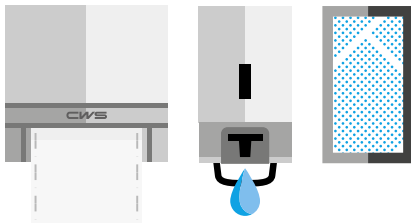
BUSINESS AREAS IN THE CWS-boco GROUP



2017 will see the CWS-boco Group grow further following the merger with Initial. With this joint venture, we aim to enhance our position as an innovation leader. Following integration of Rentokil Initial's Central European business, our shareholder Haniel will hold an around 82% share in the hygiene, workwear and cleanroom sectors. Rentokil Initial will retain an approx. 18% share. The new company under the management of CWS-boco will employ some 10,800 members of staff and generate a turnover of approx. € 1.1 billion.

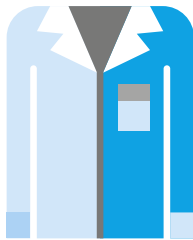
Sustainability demands continuity. And an endless stream of innovative ideas.

CWS-boco PRODUCTS



**Approx.
250**

CWS products



**Approx.
2,400**

boco products

Even we are sometimes amazed by the breadth of our range. In the hygienic wash-room equipment sector alone, CWS-boco offers around 250 CWS products, including towel, soap and fragrance dispensers as well as consumables such as foam soap. All dispenser systems are offered for rental including installation, maintenance and repair. Moreover, our dust control mat range for enhanced safety and cleanliness in entrance areas and at workstations comprises more than 30 articles.

Under the boco brand, CWS-boco also offers some 2,400 workwear products, which make everyday working life safer, cleaner and more hygienic. And, not to forget, the comprehensive range of sector-specific workwear items, highly functional protective and safety clothing as well as representative business fashion – including expert reprocessing. Given the high standards in the personal protection equipment (PPE) and cleanroom sectors, CWS-boco has been awarded special certification here. Additional items such as occupational safety accessories, vests, shirts, scarves and ties round off the portfolio.

Our range also includes textiles for the workplace, such as cleaning cloths for industrial use and linens for hotels, gastronomy and healthcare facilities. In the health and healthcare sector, boco also cleans the private clothing of care home residents. The impressive product portfolio of our subsidiaries is managed centrally by CWS-boco Supply Chain Management.

It is, first and foremost, the continual pursuit of innovation and quality which has made, and indeed still makes, CWS-boco one of the leading providers in the textile service industry. Of course it is in our own economic self-interest that our laundries and service logistics use the available resources as sparingly as possible. Maybe the secret of our success couldn't be simpler: What we do, makes good sense!

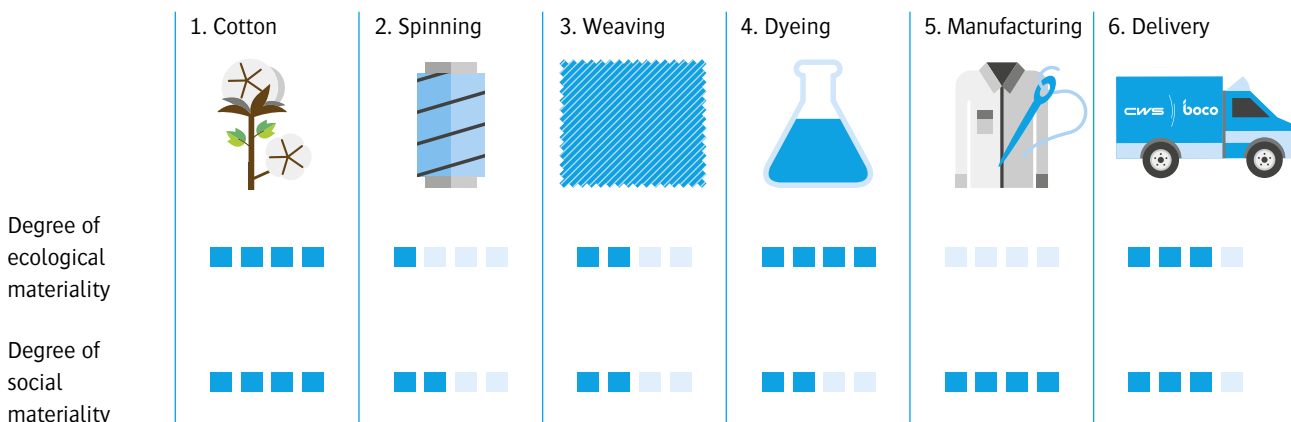
Partnership means achieving success together. And taking on joint responsibility.

Our corporate strategy sets high standards: We want to achieve robust economic growth, both nationally and internationally, whilst also taking responsibility for the environment and society as a whole. The specific challenge here lies in the fact that our impressive growth and the increasing number of partners serve to extend our supply chain continually. We can only rightly claim that our value-added chain is sustainable if we fulfil the resulting obligations to this end.

Current number of strategic suppliers	2016	2015
Total number of suppliers (end products, trade goods and raw materials)	312	315
of which "contractors"	10	9

We work hard to translate this sustainable approach into our day-to-day business activities. Right along the supply chain we manage the risks, unlock potential and keep an eye on the implications of our actions and those of our business partners on the environment and society. In doing so, we take numerous criteria into account, from the geographic distance of suppliers and linguistic and cultural barriers through to sector-specific factors. For example, we have introduced a strict risk monitoring system for workwear production in order to measure the influence on the environment and society on a permanent basis.

ECOLOGICAL AND SOCIAL MATERIALITY IN THE DEEPER SUPPLY CHAIN



Further information on sustainability in the creation of value and along the supply chain can be found on pages 42-44.

Added value through reuse.

OUR SERVICE CYCLE

1 Collection

Our service drivers collect the rental textiles for reprocessing in the laundry from customers at regular intervals.

2 Sorting

The textiles are sorted at the laundry in order to feed them into different wash programmes. This ensures that each item gets precisely the type of cleaning it requires.

3 Washing & drying

We wash around 29 million towel rolls, 9 million mats and 92 million items of clothing per year in our European laundries – in a way that is as resource-friendly as possible.

4 Quality control

The quality of our products is under constant scrutiny at all stages of our service cycle: During collection and delivery and by employees at all the stations in the laundry.

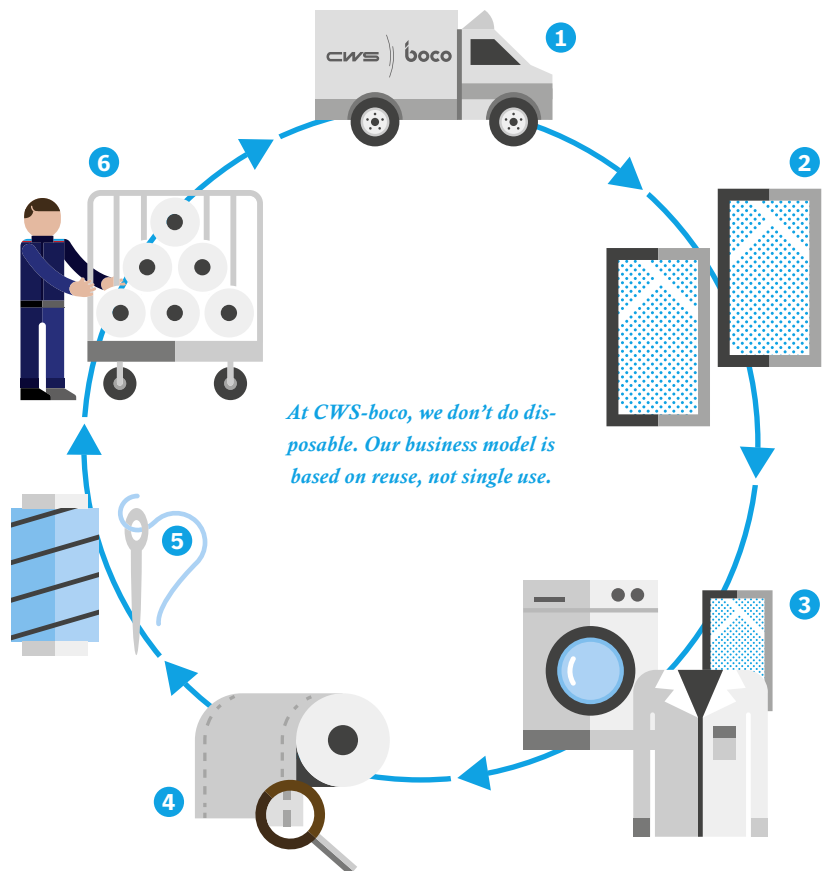
5 Repair & replacement

Areas affected by wear are repaired directly in the laundry. If this is not possible, the item is replaced.

6 Delivery

The items our service drivers return to customers are freshly washed, dried and have been subjected to a quality control. Day after day. All over the world.

The textile rental service is our most important field of activity, whereby hygienic reprocessing is just as important as the long service life of the products. To achieve this, we have created a resource-friendly service cycle which can be completed multiple times by towel rolls, workwear and mats. A towel roll, for example, can be washed and reused up to 100 times, meaning that it can be used for drying hands up to 15,000 times in its life cycle – without producing a single piece of waste. When developing new products with a shorter life cycle, such as toilet paper, we look for alternatives. For example, we apply the cradle-to-cradle principle, which means that at the end of their life time, products are returned to biological cycles as nutrients (page 38).



Values and CR guidelines at CWS-boco.

Values and guidelines are only of any real worth if they are observed, followed and practised by all staff. For an internationally operating, dynamically expanding company like CWS-boco, it is nevertheless important to formulate these common values clearly and to use them to develop our CR guidelines, which take account of both the interests of current stakeholders and of those of future generations.

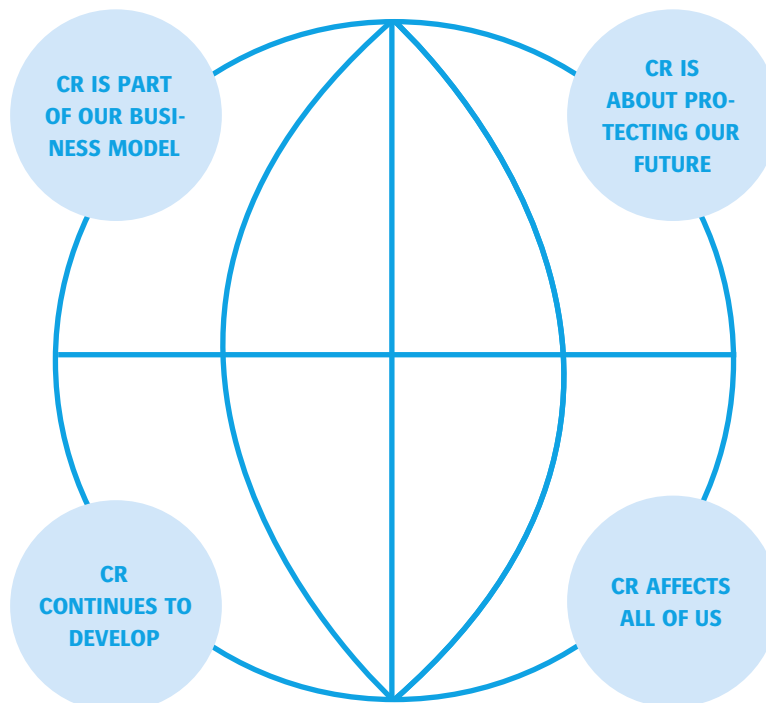
ONLINE INFORMATION ON THE CWS-boco VALUE SET



www.cws-boco.com/en-US/company/our-values

The concept of reuse is central to our business model. We rent out our textiles and re-process them time and time again so they can be used anew, against which background we regard the careful handling and use of resources as a matter of course. We are further developing our sustainable approach with the aim of minimising our ecological footprint – to the benefit of the world we live in but also of our own business as well.

Just as the fundamental economic conditions are subject to change, so too are the challenges faced by our company with regard to social and ecological efforts. This is why we continuously check and optimise our sustainability activities. We regard CR as an entrepreneurial task which is never completed but remains an ongoing process.



By investing in modern technologies and the further training of our employees, we are ensuring the efficiency and future viability of our company. What's more, our commitment today to society and the environment will benefit future generations.

At CWS-boco, the support of management goes hand in hand with commitment and efforts of all departments and staff to ensure that sustainability is embraced and fostered.

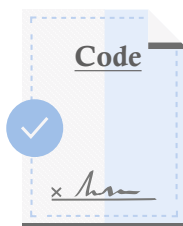
Together we can make sustainability a success at CWS-boco.

Legal and regulatory compliance at CWS-boco and its partners.

CLEAR RULES FOR HANDLING CASES OF NON-COMPLIANCE

In the reporting period 21 cases of legal infringements and breaches of regulations were reported or detected: 17 of these were classed as compliance cases. Cases of non-compliance are discussed in a special committee and, depending on the circumstances and objective assessment, this can result in individual hearings and consequences.

93%
of our procurement volume originates from suppliers who have signed CWS-boco's **Code of Conduct** (page 43).



Compliance with legal regulations and internal guidelines is as self-evident at CWS-boco as the daily observance of internal requirements. To guarantee conformity with the various rules and regulations in our daily working lives, we enhance our compliance programme further each year. To this end, a compliance committee has been established at CWS-boco International which discusses issues of relevance for compliance together with the departments and prepares the subsequent implementation thereof in order to anchor the notion of compliance firmly in our corporate culture. The following aspects and mechanisms are included in the compliance programme:

INTERNAL REPORTING SYSTEM

A reporting system in the form of a telephone hotline has been introduced by the CWS-boco Group to deal with violations of the Code of Conduct and our compliance rules. This reporting system has already been rolled out in Germany, Ireland, Austria, Sweden and Switzerland.

PREVENTATIVE MEASURES

Country-specific preventative measures are implemented at the various sites to prevent compliance risks. In addition, we aim to offer anti-corruption training throughout the Group.

COMPLIANCE MANAGEMENT SYSTEM

Our Group uses an internal accounting and performance-related control system. The risk potential is regularly assessed using the management system. Amendments are made at regular intervals and in cooperation with our 100% owner, Haniel.

The extensive reach of our Code of Conduct.

Above and beyond the legal regulations, we have laid out our understanding of value-compliant behaviour clearly in our Code of Conduct. We require our employees and our business partners to adhere to this Code in their daily interactions. The Code of Conduct for suppliers applies to all suppliers of our procurement company CWS-boco Supply Chain Management GmbH and its subcontractors as well as other business partners. It serves to ensure safe working conditions, respectful and dignified interactions and ecologically sustainable processes throughout the entire international supply chain.

Sustainable corporate management in the CWS-boco Group.

For us corporate governance means the management and monitoring of a sustainable company. We operate in various economic and social systems and thus have to take different cultural and national standards as well as legal requirements into consideration. This makes it all the more important that management works to foster a joint understanding of openness and integrity throughout the entire Group.

In this respect, CWS-boco is committed to clear communication and management structures with flat hierarchies, which enable efficient decision-making at both national and international level. For example, international synergies are created and sustainable solutions are identified within the Group at departmental level.

Alongside the implementation and control of guidelines, laws and codes of conduct, our corporate governance system also comprises transparent decision-making processes at Group level.

INTERNATIONAL MANAGEMENT RECRUITMENT

On the one hand, we place value on filling managerial positions from within our own ranks in order to channel the extensive expertise of our departments into managerial level. At the same time, we are committed to increasing the share of managers with international experience and the percentage of women in top management across the Group in the coming years.

CULTURE OF JOINT DECISION-MAKING

INTERNATIONAL MANAGEMENT



- Four members
- Defines the Group's goals and its strategic orientation
- Meets with the Country Executive Committees each quarter to discuss market- and country-specific issues

INTERNATIONAL DECISION-MAKING



International management

Managing directors of all national subsidiaries

Heads of the central departments of the international holding company

The decision-makers discuss Group-wide issues, e.g., the shaping of innovation and corporate culture, several times a year.

EMPLOYEES FROM ALL NATIONAL SUBSIDIARIES

NATIONAL MANAGEMENT



- One managing director
- Management committee with one or several members
- A managing director as a central contact person for international management

NATIONAL DECISION-MAKING



Managing director

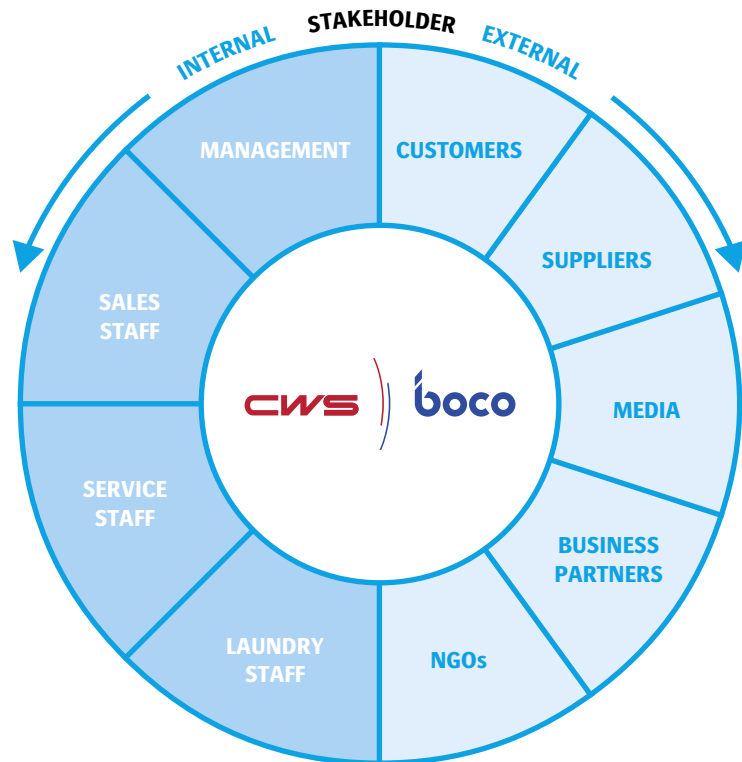
Head of national key functions (representative of all areas)

Meet regularly in all countries to agree upon the key issues within the national subsidiary.

EMPLOYEES FROM THE NATIONAL SUBSIDIARY

The most important instrument for sustainable stakeholder dialogue: Feedback.

As a commercial enterprise, CWS-boco directly affects the interests of many people in a whole range of different sectors and countries. For this reason, we actively seek out continuous, open and respectful dialogue with our internal and external interest groups and stakeholders.



In 2014 we initiated a systematic stakeholder management system in order to determine the key sustainability issues of strategic relevance to our company. After having identified and prioritised the stakeholders, these were then divided into internal and external groups. We systematically established the main topic areas in various dialogue formats and subsequently assessed them from strategic perspectives.

The results of our stakeholder and environment analysis as well as the internal strategic evaluation continue to apply today. The aspects and areas of activity are validated each year whereby our sustainability strategy is laid out for several years. We have set ourselves the goal of achieving the aims in our areas of activity by 2020. Nevertheless, this deadline merely represents an interim stage. After all, the challenges posed by sustainable business models know no end. The same goes

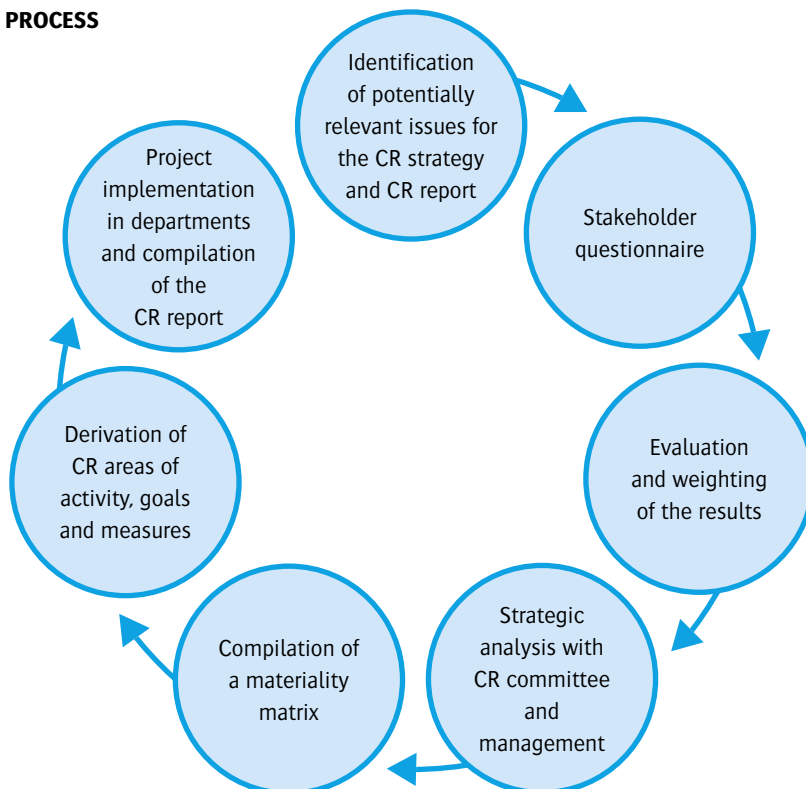
for the continuous exchange with our company's stakeholder groups, i.e., all the people and organisations with legal, financial, operational or ethical interests in CWS-boco.

In addition to distinguishing between internal and external stakeholders, we also make the classic differentiation between primary and secondary stakeholders. Our customers and staff most definitely belong to the first group. We have further classified our staff according to the area in which they work (Marketing, Sales, Service and Laundry). Our Sales and Customer Service staff regularly initiate a dialogue on sustainability issues with customers on site, which is then enhanced and intensified by our back office.

We also foster a regular dialogue with our suppliers and other partners, e.g., banks. Regular exchanges on sustainability matters at different levels are held with the Haniel holding company, which holds a 100% share in the CWS-boco Group and is thus one of our most important stakeholders.

In essence, the goal of the various dialogue formats and levels is to validate the main aspects of our sustainability strategy as well as to realign our goals and objectives if necessary and possibly also to redefine our principal issues. The latter point did not prove necessary in the last two reporting years. Thanks to constructive cooperation with our stakeholders we have been able to determine our main issues and areas of activity with impressive accuracy and pursue our strategic goals on this basis.

MATERIALITY ANALYSIS PROCESS



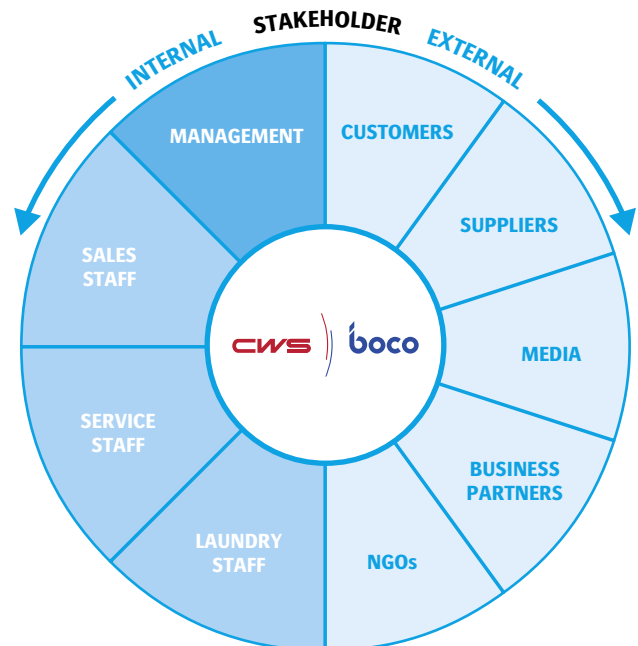
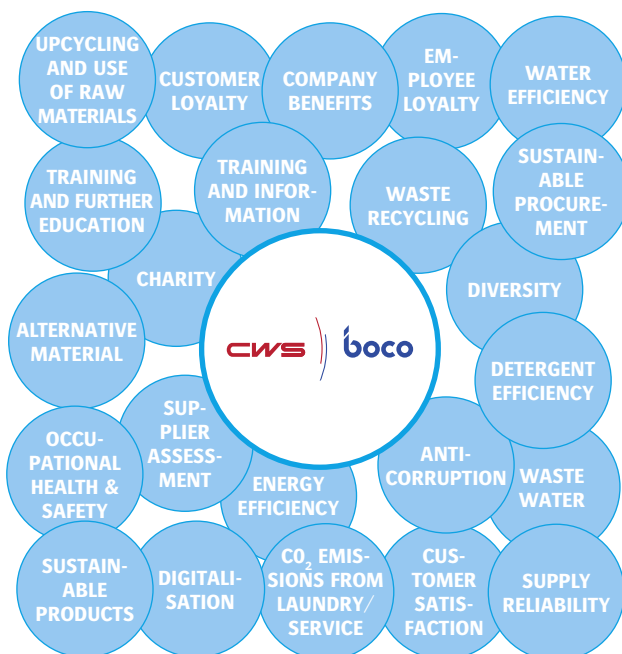
Revalidation of key areas of activity and report boundaries.

We began determining and defining the key aspects and boundaries of our approach to sustainability management and the corresponding documentation back in 2014 within the scope of a conventional materiality process. Both the internal and external stakeholders were included here.

The relevant fields and areas of activity were validated once again in the last reporting year. We strive to reproduce the strategically important issues in our external communication with a high degree of transparency. Moreover, this goal was taken into consideration when delimiting the relevant and reportable aspects and issues.

The central issues identified in the stakeholder dialogue were revalidated by management. The focus of our sustainability activities continues to be on the eleven strategic areas of activity which have already been defined.

REVALIDATION PROCESS FOR KEY AREAS OF ACTIVITY



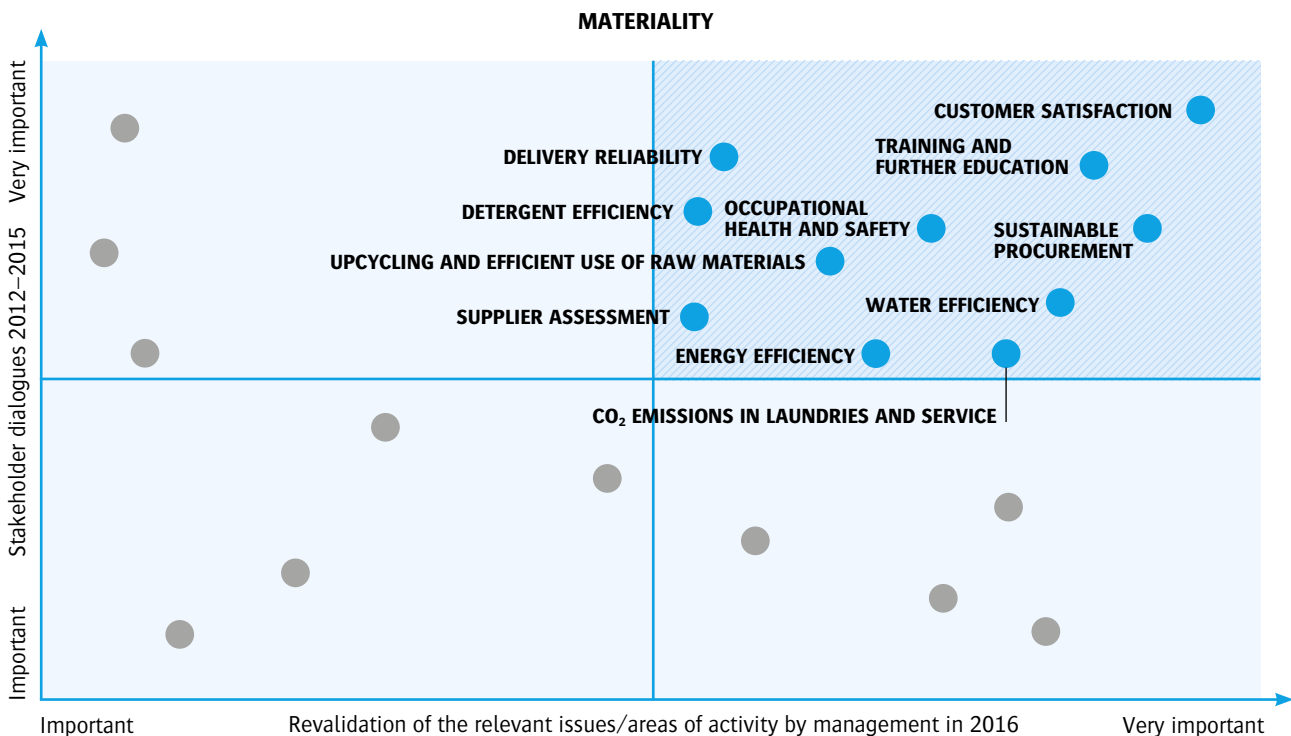
The reporting areas in this report reflect the areas of activity derived from the materiality analysis. Since the reporting year 2016, the laundries & technology and logistics & service areas have been combined as they include various overarching issues.

As such, we now have three reporting areas which aptly depict our core business and which still allow us to report along the entire value creation chain:

1. Customers & Employees (no change)

2. Products & Origin (no change)

3. Laundries & Logistics (new)



Eleven areas of activity.

The following eleven areas of activity are subordinate to our business model-specific reporting area structure:

OCCUPATIONAL HEALTH AND SAFETY

In addition to our administrative staff, we employ many colleagues in our laundries as well as in service capacities and in the field. In order to improve occupational health and safety on an ongoing basis, our employees regularly undergo safety training. Service drivers also participate in driver safety training sessions. Furthermore, we are planning to expand our risk monitoring system in the future.

TRAINING AND FURTHER EDUCATION

Our quality promise is based on the expertise and skills of our staff. That is why we want to introduce more structure to our international training and further education activities and align them more closely with the respective market. To this end, we have introduced an international training monitoring system and are working on international training guidelines.

ENERGY EFFICIENCY

CWS-boco operates 43 laundry sites around the world. To ensure we work in the most energy-efficient manner possible, we invest in the modernisation of our laundry network every year. We opt for efficient systems, employ heat exchangers and install mangles and dryers which run on gas instead of steam.

WATER EFFICIENCY

Since we wash enormous volumes on a daily basis, the responsible handling of water is a matter of course for us. That's why we reuse water, for example by using it for hand towel rolls first and then for dust control mats. We also treat water and test alternative washing techniques requiring less water.

UPCYCLING AND EFFICIENT USE OF RAW MATERIALS

There are more than 2.6 million rented CWS dispensers installed in our customers' washrooms. These contain valuable resources which can be reused or recycled, for example for the production of new dispensers. We are working on the development of an upcycling concept for the CWS-boco Group, which will also include textiles: Here, for example, cotton towel rolls which have come to the end of their service life will be converted into mops.

CUSTOMER SATISFACTION

Customer satisfaction is a critical factor for the success of our business. Our national subsidiaries take individual approaches to guaranteeing this in the long term. In Germany, for example, we provide the employees in our Sales and Customer Service departments who are in regular contact with our customers with training on special evaluation methods for assessing customer satisfaction.

DETERGENT EFFICIENCY

We use detergents in a considered and pragmatic manner. One way we manage this is through the reuse of washing water in which the washing agents are still active and working. In addition, we work continuously to achieve the optimal interaction between detergent, washing cycle length and temperature, etc. Further tools include comparisons between our laundries and harmonisation of detergent suppliers.

CO₂ EMISSIONS IN LAUNDRIES AND SERVICE

We employ route optimisation systems to ensure that our service fleet covers the shortest possible distances and to reduce the CO₂ emissions of our vehicles to a minimum when collecting and delivering textiles. We also regularly replace the fleet. This means we boast a modern fleet of vehicles with economical drives.

DELIVERY RELIABILITY

Delivering on time is one of our top priorities. We have an OTD rate of 97%, which is both a vindication of our approach and a powerful motivator for us to lift our game even further through targeted measures. These include country-specific monitoring systems and greater inclusion of this field of activity in the scope of our projects to restructure our ERP systems.

SUPPLIER ASSESSMENT

CWS-boco stands for a responsible and sustainable supply chain. Our goal is to get our strategic partners to adhere to the social and environmental standards in our Code of Conduct for suppliers. We monitor this by means of external audits. If the need for improvement is identified with a partner, we work in close cooperation with them and assist them to meet the requirements of the code.

SUSTAINABLE PROCUREMENT

We expect our suppliers to demonstrate social and ecological sustainability as well as compliance with the relevant standards. In the textile sector in particular, we have been working together with our partners over many years. This allows us to keep control over the materials used to create our products. We only use high-quality goods to ensure that our products meet the high standards of the rental business.

CHALLENGE DIGITALISATION

In a world of ones and zeros, we aim to be the number one: Digitalisation presents tremendous opportunities if handled with intelligence and caution. From an external perspective, this means improved communication with customers, a greater understanding of their needs and more flexible, rapid solutions. Digitalisation will render our company more agile and give it a more dynamic edge. Internally, digital technologies make our procedures and processes more harmonious and efficient. For this reason, we feel certain that digitalisation will become the twelfth area of activity in our sustainability strategy in the future.

Sustainability strategy and programme.

CWS-boco's sustainability efforts are guided by the demands of our stakeholders. In 2014, a year which was characterised by the strategic further development of our corporate responsibility activities, we specified and extensively developed our CR strategy. To this end, in the first step, expert workshops were organised to assess the impacts of our actions within and outside of our organisation and to determine which stakeholders are affected and how. We then prioritised these impacts by applying an opportunities and risks analysis and by engaging in dialogue with our stakeholders.

In doing so, we defined the key aspects for our sustainability management. The most important strategic issues are customer satisfaction and occupational health and safety. The latter aspect was rated in our materiality analysis by the internal stakeholders as one of the most important issues for our sustainability endeavours. The same goes for the training and further education of our staff, which, for its part, has a decisive influence on customer satisfaction. Delivery reliability is also fundamental to customer satisfaction and customer loyalty.

Further strategically relevant issues, both in terms of environmental protection and successful business operations, are: Energy efficiency, water efficiency and detergent efficiency. Our upcycling strategy, which we plan to operate in a more systematic manner in future, allows us to offer creative answers to questions relating to the use of materials.

Supplier assessment and sustainable procurement represent particular challenges from a strategic perspective. Here it is our aim to make the sustainability Code of Conduct, to which we are committed, the guiding force for the corporate actions of other companies. One of the most relevant issues for us is compliance with social and environmental standards which we have checked regularly by means of external audits.

An emerging trend: Our future sustainability strategy will also address the issue of digitalisation in detail in order, on the one hand, to improve our competitive position and, on the other hand, to become one of the biggest European providers in the sector against the backdrop of our ever-growing responsibility.

Area of activity	Status	2020 target	Measure
------------------	--------	-------------	---------

CUSTOMERS & EMPLOYEES REPORTING AREA

Customer satisfaction	Average duration of customer relationships: 13.3 years.	Achieve an average duration of customer relationships of 20 years.	Customised approaches in the various national subsidiaries; regular surveying of staff on quality of customer relations; assessment of customer satisfaction through dialogue with external and internal stakeholders.
Delivery reliability	In 2016, our delivery reliability was 97% in absolute terms.	Implementation of country-specific monitoring systems.	Connection with the restructuring of our ERP landscape.
Occupational health and safety	In 2016, there were 237 work-related accidents, which equates to a rate of 4.52. In 7 of the 9 reporting countries, a risk analysis was carried out in the industrial sector.	Complete avoidance of accidents.	Comprehensive health & safety campaign as well as systematic risk analysis.
Training and further education	A total of 203 H&S training sessions were held.	100% of our staff to be included in training guidelines. Regular health and safety training for all employees.	Redefinition of the goal: National training guidelines including average hours of training per employee category.

PRODUCTS & ORIGIN REPORTING AREA

Upcycling and efficient use of raw materials	Used dispensers which are still in good condition are reprocessed in our upcycling centre in Switzerland.	Holistic upcycling concept.	We are working on the development of an upcycling concept for the CWS-boco Group which will include textiles as well as washroom dispensers.
Supplier assessment	Strategic partners must commit themselves to compliance with our Code of Conduct for suppliers with regard to social and environmental standards.	Introduction of our standards for all material suppliers (based on defined categories).	Intensified and systematic audits; further development of our suppliers.
Sustainable procurement	We don't just work internally on social and ecological sustainability and the compliance of appropriate standards – we also work on this together with our suppliers.	All suppliers to have signed our Code of Conduct for suppliers (based on predefined categories).	Cooperation with initiatives such as the Partnership for Sustainable Textiles, Fairtrade and BSCI to define international and environmental standards along the supply chain.

LAUNDRIES & LOGISTICS REPORTING AREA

Energy efficiency Use of energy for washing and drying in our laundries.	43 laundries; consumption 2016: 1.09 kWh/kg laundry (hand towel rolls, mats, workwear).	Reduction in consumption by 30%.	Modernisation of laundry network. Increase in efficiency of systems through heat exchangers; mangles and dryers which run on gas instead of steam.
Water efficiency Water consumption for washing and drying in our laundries.	Water consumption 2016: 7.55 l/kg laundry (hand towel rolls, mats, workwear).	Reduction of 10% in consumption.	Large volumes of laundry and responsible use of water resources.
Detergent efficiency	Total consumption of detergent in laundries in 2016: 3,425 tonnes.	Development of a concept to harmonise detergent consumption.	Reuse of washing water in which the washing agents are still active and working.
CO₂ emissions direct and indirect	Kilometres covered by our fleet in 2016: 51,137,000 km, CO ₂ emissions: 20,027 tonnes. CO ₂ emissions from laundries: 35,856 tonnes.	Reduction of direct and indirect CO ₂ output by a total of 20%.	Route optimisation with OMD, renewal of fleet, younger fleet, economical drives. For measures regarding the reduction of CO ₂ emissions in our laundries please see energy efficiency.

The reporting areas.

Customers & Employees

- 23 For the people.**
With the people.
- 24** Marijn Opsomer:
“The chief conductor for customer relations.”
- 26 Customer relations management.**
Case: Sherlock Holmes and the school toilets.
Case: Germ-free handshakes.
- 28 Health and safety in the workplace.**
Case: So that one hand washes the other.
Case: Raising awareness of risks.
- 31 Training and further education at CWS-boco.**
Case: 100% committed to promoting young talent.
Case: Winners wear boco.
- 33 Status, goals, measures.**

Products & Origin

- 35 Our success has proven us right.**
Just like the hard facts.
- 36** Dirk Baykal:
“We are forerunners in Germany. And in India we are paving the way.”
- 38 Product responsibility and life cycle.**
Case: A new lease of life in Switzerland.
Case: The intelligent soap dispenser.
Case: The future is made of cotton.
- 42 Supply chain management.**
Case: Textiles partnership: Looking ahead to the future.
Case: Outstanding quality for top-ranking customers.
- 45 Status, goals, measures.**

Laundries & Logistics

- 47 Clean work for a clean environment.**
- 48** Paul O’Riordan:
“Turning throw-away ideas into ideas for life!”
- 50 The CWS-boco laundry: Not greenwashing – green washing!**
Case: Upgrade in Bad Oldesloe.
Case: When items of clothing go online.
Case: Riding the green wave.
- 54 Responsibility, measured in kilometres.**
Case: Putting a stop to unnecessary consumption.
Case: A one-way system for multi-efficiency.
- 57 Status, goals, measures.**

Customers & Employees

For the people. With the people.

It is our goal to make everyday life more convenient, healthier and safer, both for our customers and employees in equal measure. The success of our endeavours to this end is demonstrated by an impressive figure: In 2016, the average length of customer relationships was 13.3 years. This fills us with pride. But it doesn't mean we can rest on our laurels, rather we want to make our customer relations even longer-lasting with good work and a flawless service.

It goes without saying that the well-being of those who work tirelessly day after day to lay the foundations for these successful customer relationships is important to us. That's why we continually train our staff for ever more effective hygiene at the work place. This not only serves to protect our employees, but also enhances their ability to develop tailored solutions for our customers on the basis of their specific expertise.

We also take different approaches to the issue of occupational safety. For example, our colleagues in our Polish subsidiary have launched the "Safe at Work Coalition" initiative together with other Polish companies with the aim of optimising occupational health and safety in the long term. The events and campaigns which have been organised as part of this initiative have been extremely well received by other companies as well as the public and media channels. For us, this is in many ways an acknowledgement of our investment in safety.

Furthermore, targeted training and the long-term development of new talent help to create a healthy corporate climate and ensure high levels of employee satisfaction. The spectrum of initiatives and activities which we have set up extends from workshops to stop smoking and "Safety Challengers" campaigns, which serve to increase general awareness of risk when at work, through to efforts to synchronise our CRM measures and in-depth hygiene training.

“You might not be born with the skills, but you can learn them.” Marijn Opsomer

Marijn Opsomer is firmly focused on one goal: Long-term stable relationships between customers and the company.



“The chief conductor for customer relations.”

Customer satisfaction really is the be-all and end-all at CWS-boco and Marijn Opsomer is responsible for ensuring that this philosophy never fails to impress. He became Customer Delight Manager at CWS-boco BeLux in February 2016 and has since been ensuring that the company doesn't merely pay lip service to this notion, but that it is embraced and fostered in everyday practice.

A whole host of ongoing initiatives have been launched in this sensitive field over the years. It is Mr Opsomer's job to boost the sustainable impact of the measures and activities by bundling and coordinating them and, in doing so, create valuable synergies. One of his most important qualifications: He knows the company and our customers' perspectives like the back of his hand.

He began as a trainee in Sales, Marketing and Customer Service in 2014 and today he now trains his colleagues. Just like a conductor who attunes the orchestra to his musical idea, Marijn Opsomer aims to make the interaction and cooperation with colleagues a little bit better every single day. The difference being that his focus is not on crescendos and changes in tempo, but on customer satisfaction. This is the key factor in maintaining stable business relations over 10, 15 and even 20 years: “This is a demanding task and you can only expect to see results in the medium term,” explained Mr Opsomer in an initial summary. “However, after a while, customers will start to acknowledge your efforts and give positive feedback.”

The necessary prerequisites for thriving customer relations are agreements and guidelines which must be observed by the entire organisation. They provide clarity as regards what customers expect, and indeed can expect, from CWS-boco. To boost the overall effect of the launched projects, they are coordinated as closely as possible. The results are then assessed in annual customer surveys and the customers' responses are sent to colleagues as direct feedback.



Enthusiasm is infectious – this is something the colleagues of the Customer Delight Manager learn straight away in each training session.



Customer satisfaction as a hero product: A further highlight at the CWS-boco site in Puurs is the innovative water recovery system.



Engaging in dialogue: People like to talk about it, but Marijn Opsomer puts his money where his mouth is!

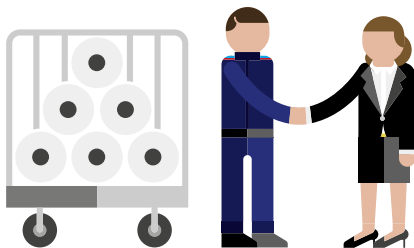
Customer relations management.

HIGHLIGHTS 2016 – CUSTOMERS



13.3 years

is the average duration of our **customer relations**. In 2015 this figure was 12.9 years.



28,247

is the number of **customer contacts** our service drivers have each day.

The letters CRM stand for “Customer relationship management” or, in other words, the art of ensuring customer loyalty. This is an important factor behind our success. After all, every reported success for CWS-boco starts with a satisfied customer. Customer satisfaction is also a top priority for our stakeholders in their list of requirements.

We take this into account by continually measuring and assessing customer satisfaction. Alongside more subjective processes such as customer surveys, there are, of course, also strict objective criteria which we apply to ensure that we are on track. Take for example delivery reliability: Our team documents compliance with delivery terms on an ongoing basis. In the future we want to be able to understand our customers’ requirements even more precisely and react to them even more flexibly. In the medium-term, we want to extend the average length of our customer relationships to 20 years – an ambitious goal.

For us, cooperation is an important aspect of strong customer relations. This is why we work to develop our products continuously in close cooperation with our customers. And in order to implement the resulting goals in the best possible way, we are continually adapting our internal structures in line with these specifications.

The triad for improved CRM at CWS-boco is as follows:

1. Even more precise anticipation of customers’ wishes.
2. Increased use of state-of-the-art technologies in processes and products.
3. Optimised interaction within the company to exploit synergies and best practices.

With this in mind, the company has switched from a functional to a divisional structure. The Washroom Care and Textile Care divisions now span all countries to allow us to react more quickly and be more innovative as well as to offer maximum future viability to customers and employees.

Safety which is perfectly tailored to our customers.

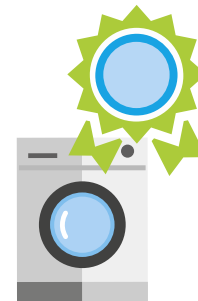
When providing personal protective equipment to our customers, health and safety go hand in hand. After all, this is a service which demands absolute trust. We therefore carefully check the functionality of the equipment each time it is washed and make any necessary repairs.

To make sure that the clothing retains its protective function, even during challenging and risky deployments, we maintain and process it professionally in compliance with the relevant standards. These precautionary measures guarantee the health and

safety of our customers. A certified hygiene management system which is now in place in 72% of our laundries also means that our washing processes are extremely environmentally friendly.

Our expertise in terms of hygiene, health and safety is reflected twofold in our activities. On the one hand, it is the driving force behind the development of our products and ensures that we offer customers exactly what they want. On the other hand, it makes a key contribution to the quality of the advice we offer customers on site.

HIGHLIGHTS 2016 – CUSTOMERS



72%

of our laundries have a certified **hygiene management system**.

CASE

Sherlock Holmes and the school toilets.

Ensuring hygiene is in all of our hands, even the smallest ones. CWS-boco launched an exciting campaign in order to raise awareness of the fact that health-conscious behaviour starts in primary school toilets: Primary schools throughout Germany had the opportunity to apply for a visit from the incorruptible hygiene detective “Inspector Clean”.

Using his tools, magnifying glass, hygiene quiz and bacteria test, the expert detective explained to the pupils and teachers what proper hand hygiene involves during a tour of the “crime scene”. After all, just because fingers look clean doesn’t mean they are clean.

The Sherlock Holmes of washrooms opened the pupils’ eyes to hidden health risks and pathogens in toilets. This entertaining campaign helped to raise awareness of the importance of handwashing and hygiene in schools significantly. The pupils were given an official “handwashing diploma” at the end of the day.



“Inspector Clean” shows Year 4 pupils in a primary school in Berlin what proper hand hygiene involves.

CASE

Germ-free handshakes.

A sales meeting always starts with a handshake – which brings us nicely to the next point. Did you know that up to 80% of all infectious diseases are transmitted from hand to hand?* An extremely effective antidote here is: Soap. By taking the issue of hand hygiene seriously, employers make an effective contribution to preventing employee sickness.

CWS-boco in Switzerland drew attention to this fact in its new campaign and, at the same time, underscored our expertise in the field of hand and washroom hygiene. As an accompanying measure alongside posters, a brochure and exhibition roll-ups, the Marketing team at CWS-boco developed a web tool which presents the most important facts on correct hand hygiene at work in a rapid and entertaining manner – it can even be used in meetings with customers. It graphically explains which issues must be taken into account when selecting washroom hygiene products.

* Source: WHO

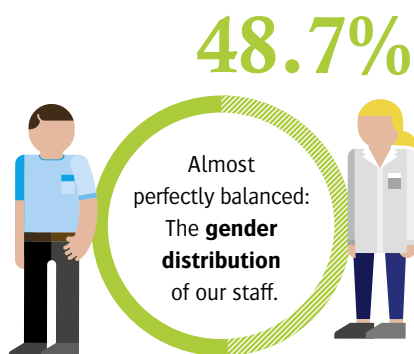


*The web tool:
www.cws-boco.ch/de-CH/haendehygiene-am-arbeitsplatz*



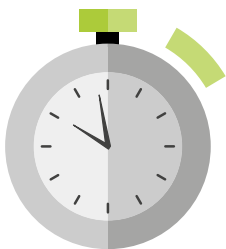
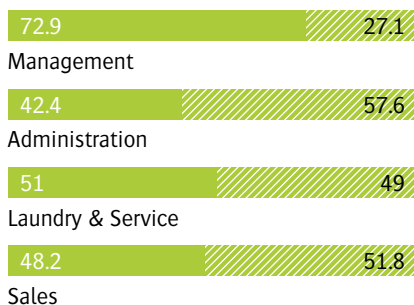
Health and safety in the workplace.

HIGHLIGHTS 2016 – EMPLOYEES



51.3%

Distribution per area (in %)



203

health & safety training sessions were organised for staff in 2016 (2015: 191).

For CWS-boco, health comprises both internal and external well-being. Since the passion and expertise of our staff are the drive behind our positive corporate development, we conduct regular employee surveys to assess satisfaction. According to the results of these questionnaires, health and safety in the workplace is the top-ranking issue for staff.

Whilst it is unlikely that we will ever be able to avoid accidents completely, we use a comprehensive and gap-free risk management system to get as close as possible to this ideal value. By 2020 we hope to achieve improved safety and health through a Group-wide risk analysis and risk management system. A central pillar of this is avoiding accidents by planning ahead. We want to keep hazard sources as far away as possible from the workplace.

The responsibility for performing these measures aimed at avoiding accidents and improving health lies with the national subsidiaries. In joint workshops, organised by CR at Group level, the countries developed a strategy for this and agreed on common goals. The quantifiable interim goals to achieving the 2020 goal of accident avoidance involve the performance of risk assessments and certification in accordance with OHSAS 18001.

The joint workshops also provided a great opportunity to exchange ideas: What are the best practice examples from the countries, how were these measures implemented, which challenges had to be tackled? For the purpose of documentation we have created a health & safety manual which specifies the approaches taken by the different countries.

Healthy body, healthy mind.

We only want the best for our employees – and surely that is good health! That's why we took a closer look at how to eliminate the classic causes of illness and also have a positive impact on our employees' health. In addition to the annual flu bugs, stress is growing in relevance in terms of absenteeism. For example, the stress caused by trying to balance professional and family life. Another key aspect is good posture at work.

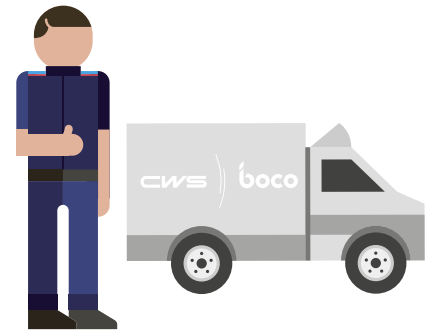
With this in mind, our national subsidiaries have taken the initiative to tackle the factors behind illness and promote a healthy lifestyle with a wide portfolio of measures. The spectrum of health-friendly measures ranges from encouraging sporting activities and the introduction of healthy alternatives to canteen food through to workshops on giving up smoking. This portfolio is complemented by workshops focusing on ergonomics, and given that the expertise is available in-house, training in proper handwashing.

Risk-free service.

We take a pragmatic and effective approach to preventing accident hazards. First and foremost, this involves determining the most frequent causes and sites with the greatest accident potential. Since the accident risk in the laundries and in service is proportionately the greatest, we conducted special risk assessments here and examined the individual work steps for possible hazard sources as well as the severity of the potential hazards. Above and beyond this, we calculated how likely the hazards were to occur and then derived suitable measures.

In the period under review, we performed risk assessments for our Group in the following countries: Belgium, Germany, Italy, Luxembourg, the Netherlands, Poland and Sweden. These assessments comprised the workplaces of 90% of our laundry and service staff. In Belgium, Germany, Italy, Luxembourg, the Netherlands and Sweden, the occupational safety and health management system is also certified in accordance with OHSAS 18001.

HIGHLIGHTS 2016 – EMPLOYEES



1,601

service drivers were on the road for the customers of the CWS-boco Group in 2016!
(2015: 1,596)

CASE

So that one hand washes the other.

CWS-boco has been organising regular training courses for its sales staff since 2015. The aim of these activities is to raise awareness of the importance of hygiene among participants, with the intention that this hygiene awareness is then communicated to a wider audience.

For this reason, the company's management decided to teach 200 colleagues the most important "hygiene basics for sales" in a specially developed road-show last year. Sector specific as well as more fundamental questions such as: "What are viruses and what are bacteria? Why is handwashing and proper drying so important? When must hands be disinfected?" were discussed in detail using practical examples.

A great side effect of clean hands: Sales were "handed" even more convincing arguments for dealing with customers. Which means they can offer the best possible advice.



Healthcare is hands-on work.

HIGHLIGHTS 2016 – EMPLOYEES



CASE

Raising awareness of risks.

CWS Nederland employed so-called “Safety Challengers” to achieve better compliance with and continuous optimisation of safety measures. The “Challengers” work voluntarily to increase awareness of risks. An external trainer showed them how to approach this subject over the course of three workshops.

One of the focal points was on addressing the issue correctly: How can I sensitise colleagues for the need for safety-compliant conduct in a productive way? What should I say if I note conduct which could endanger safety (for instance, if someone is not wearing safety shoes)? How do I handle potential safety risks? In addition, the concept of intervision was developed, which aims to anchor the notion of safety firmly in the workforce’s consciousness. A precise analysis of the various safety risks in the operation’s different departments, which was conducted at the very start, helps the Safety Challengers to do their job.

The initial feedback is positive. Although this initiative was launched just a year ago and is therefore still in its infancy, it has already made significant progress. For example, one employee from the laundry has already dedicated herself to the issue of safety. She now holds regular talks and offers colleagues valuable advice on how to optimise processes and also reflect on one’s own behaviour. The Safety Challengers from HR also offer new staff on their first day tips on how to set up their workplace as ergonomically as possible.



Fact sheet for a healthy future: Safety Challengers stop health risks in their tracks.

Training and further education at CWS-boco.

The ongoing and systematic training and further education of our staff is not an end in itself. Rather, just like our innovative products which are tailored to customers' needs, it serves the goal of continually improving the quality of our services.

For this reason, we have developed effective instruments for further education. For example, a further education programme has been established for our sales staff in cooperation with the European School of Management and Technology in Berlin.

Another core component of our corporate strategy involves encouraging staff to take on new tasks. This strategy has proven a major success; the idea of providing support and encouragement through offering new challenges is well received by all. Staff feel they gain a lot and remain highly motivated as they are able to enhance their range of expertise and skills continually.

CWS-boco aims to support 100% of its staff with a training and further education management system by 2020. For reasons of efficiency, training is organised and conducted decentrally; the training data is collated at Group level. For CWS-boco Deutschland, CWS-boco International and CWS-boco Supply Chain Management GmbH the data is collated by the "Talent Management" tool, whereas the other regions currently still employ manual data collection methods.

We are fully committed to developing young talent in order to remain ideally prepared for the future. Applicant management is also handled by the online platform "Talent Management". This results in greater transparency and improved comparability and we are able to manage all training sessions as well as numerous personnel processes such as qualification measures and target agreements using a single platform.

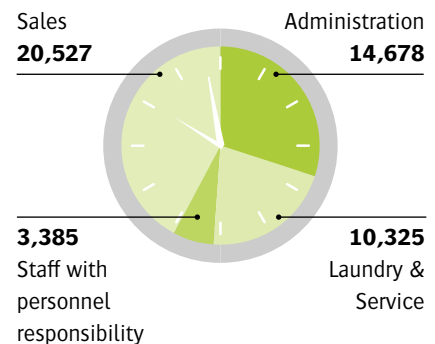
HIGHLIGHTS 2016 – EMPLOYEES



38%
(2015: 986).

48,915

training hours were distributed as follows in 2016:



CASE

100% committed to promoting young talent.

If you want the best people, you have to train them yourself. With this in mind, CWS-boco has been offering youngsters the opportunity to train as industrial management assistants, apparel sewers and warehouse logistics specialists for a number of years now.

Training which is as exciting as it is diverse, with customers including well-known car manufacturers, hospitals, hotels and airlines as well as smaller trade businesses. CWS-boco controls its global operations for the entire Group from its headquarters in the Hessian town of Lauterbach. Textile product development, procurement and supply chain management for the CWS-boco subsidiaries around the world are all managed from here.

In addition to a clear emphasis on team work and self-managed project work in preparation for future cross-departmental projects, the focus is also on a number of other aspects.

In particular, the structured training plan, intensive personal support combined with selected additional qualifications such as English courses with Chamber of Industry and Commerce certificates and telephone training are also of central importance. The range of further dual study courses available to young talents at CWS-boco opens up a world of opportunities. And this concept works: The number of trainees who are subsequently employed is an impressive 100%!



100% satisfaction: Our trainees can look forward to a successful future.

CASE

Winners wear boco.

Some choose to become a European champion first before becoming a master of their trade. The reference here, of course, is to the most talented newcomers to the crafts, trade, industry and services sectors. These talents competed against each other at the EuroSkills 2016. A total of 500 participants from 30 European nations and regions put their skills to the test in 35 different professions.

The team from Germany sent 22 young specialists in 16 individual and three team competitions to the event. What they all had in common was their outfits, as CWS-boco was selected as the sponsor for the German national team. With our comfortable and safe workwear, we played our part in the top performances displayed and also kept the participants looking smart, even when not competing.

The goal of WorldSkills, the “world cup for the trade, industry and service sectors”, is to introduce young people to the professions on display. We at CWS-boco regard the competition as an opportunity to promote youth and training simultaneously. This is why we have been sponsoring this competition for more than 15 years: As a company we wish to take responsibility for talented youngsters. Our clothing contributes in its small way to the success of this fantastic event.



Ingeborg Mell, CWS-boco trade expert, supported the German national team at EuroSkills 2016.

Status, goals, measures.

Area of activity	Status	2020 target	Measure
Customer satisfaction	Average duration of customer relationships: 13.3 years.	Achieve an average duration of customer relationships of 20 years.	Customised approaches in the various national subsidiaries; regular surveying of staff on quality of customer relations; assessment of customer satisfaction through dialogue with external and internal stakeholders.
Delivery reliability	In 2016, our delivery reliability was 97% in absolute terms.	Implementation of country-specific monitoring systems.	Connection with the restructuring of our ERP landscape.
Occupational health and safety	In 2016, there were 237 work-related accidents, which equates to a rate of 4.52. In 7 of the 9 reporting countries, a risk analysis was carried out in the industrial sector.	Complete avoidance of accidents.	Comprehensive health & safety campaign as well as systematic risk analysis.
Training and further education	A total of 203 H&S training sessions were held.	100% of our staff to be included in training guidelines. Regular health and safety training for all employees.	Redefinition of the goal: National training guidelines including average hours of training per employee category.

Products & Origin

Our success has proven us right. Just like the hard facts.

We are getting a lot right! This has even been confirmed by a scientific study, which concluded that our cotton towel rolls are superior to paper hand towels in almost all areas. Less waste, fewer greenhouse gases – one thing is certain: We are on the right track.

But we would not be CWS-boco if we weren't committed to improving the environmental record in the paper hand towel segment too. Our Dutch national subsidiary caused a global sensation with its CO₂-neutral, eco-effective paper made from 100% recycled paper. Moreover, most of the paper from our international range bears environmental labels such as the FSC, EU Ecolabel and PEFC.

In addition to recycling, we are also successfully pursuing upcycling activities. Hand towel dispensers in need of repair are given a new lease of life by our Swiss experts and are then made available to customers as fully functional replacement goods as required. Only when the dispenser has definitively reached the end of its life cycle is it finally dismantled into its component parts and the materials used to produce new devices.

The notion of sustainability is also integral to workwear; take for example our cotton from Fairtrade certified sources. In fact, our CR coordinator at CWS-boco Supply Chain Management GmbH travelled all the way to India to get an insight into the situation there. On the journey over, he asked himself the question: Is Fairtrade as good in practice as it is in theory?

The answer: You bet! Health, education, participation – our efforts are also bearing fruit from a social perspective. This provides us with the passion and enthusiasm to encourage our suppliers to commit to our strict Code of Conduct. After all, it's not just our customers who need us. The environment and the people involved in the production of our products rely on us too.

“A supply chain is only ever as strong as its weakest link.” Dirk Baykal



*Globalisation's friendliest face:
Dirk Baykal is making
CWS-boco's supply chain
stronger, and more sustainable.*

“We are forerunners in Germany. And in India we are paving the way.”

A true professional has got everything covered, including environmental and social sustainability: That's why, at the beginning of 2016, CWS-boco presented its very first workwear collection with Fairtrade-certified cotton. The “Profi Line” makes CWS-boco a pioneer when it comes to rental sustainable workwear. A special Fairtrade code allows the origin of the cotton to be traced precisely.

The Fairtrade principles, which, in a sense, are weaved into the workwear, comprise, in addition to strict environmental standards, a whole range of social requirements, namely: Fairtrade minimum prices, the Fairtrade bonus and the prohibition of forced labour, exploitative child labour and discrimination.

In order to get a better understanding of the implementation of these standards by our partners, Dirk Baykal, CR coordinator at CWS-boco Supply Chain Management GmbH, travelled to India in November 2016 to see the conditions on site for himself. During this trip, he took a close look at the production and processing of cotton by the cooperative Pratima Agro & Paper Pvt. Ltd./Pratima Organic Grower Group in Titlagarh, Odisha, and also cast a critical eye over the various projects financed using the Fairtrade bonus.

His conclusion: “The development is positive!” The money from the bonus has enabled numerous, expedient initiatives to be launched in the cooperative, which was granted Fairtrade certification back in 2010. Today, in 172 villages and communities comprising a total of 3,800 farmers, 2,000 people work under the protection of the Fairtrade seal. “Scholarships are available to the children of farmers and workers,” said Mr Baykal, illustrating the benefits. “Storage facilities were provided for growers without their own rooms.” And since around 30% of the costs of cultivation result from the purchasing of seeds, this was also financed.

“Smallholders now have tractors at their disposal, as these have been financed in part by the bonuses,” added Dirk Baykal. Ponds and dams have been created which act as a drinking water supply, can be used for fish farming and serve to protect against monsoon flooding. They also allow for longer irrigation and thus a second harvest later in the year. In addition, separate toilets were created for women and schools were equipped with computers.

The farmers meet up regularly to decide how the Fairtrade bonuses are to be used. Consultation groups have emerged which help the members to open bank accounts and only apply for the loans which make good financial sense. Alongside social and ecological aspects, the partners' economic development is also taken very seriously within the scope of our supply chain management.



A motor for progress: Tractors financed with the Fairtrade bonus help to advance the cooperatives.



Dirk Baykal took a hands-on approach to his visit to India.



The acid test: Dirk Baykal was impressed by the quality of the processes and products.

Product responsibility and life cycle.

HIGHLIGHTS 2016 – PRODUCTS



A code in the label

(German example) Our boco Profi Line products provide details of the origin of the Fairtrade cotton.

Certified quality – only textiles which have been given the seal of approval get admitted into the boco washing cycle.



International initiatives

We support the C2C approach throughout the Group as well as the principles of the UN Global Compact, the world's largest corporate responsibility initiative.



WE SUPPORT

Our guiding interest with the rental model is to ensure a long life cycle for our products. For this reason, CWS-boco only uses high-quality materials in its products so that their functionality is barely affected even if they are used intensively over a long period of time. For the same reason, extensive product test series – wash, safety and load tests – play a major part in the product development process. Furthermore, all the textiles which have been newly introduced to the wash process are subject to thorough testing in our test centres. This guarantees that customers benefit from flawless, safe clothing. After all, only the items which pass these tests are admitted to the boco washing cycle and are ultimately delivered to customers. As well as the reflection properties of high-visibility clothing, the form and colour stability and protective properties of products with chemical, weather and ESD protection are also checked.

But CWS-boco goes one step further still: To render our rental service as efficient as possible, we strive to have strict controls in place throughout the entire life cycle of our products. This means that at the end of its active service life, a cotton towel roll can become the basis for a mop. We are working to incorporate this idea of up-cycling into a company-wide concept and to implement it in the interest of a healthier environment.

Life cycles made in Holland: Cradle-to-cradle.

Our sustainability portfolio also includes the in-house development of products based on the cradle-to-cradle principle. This means that instead of just minimising the environmental impact, we actively work towards protecting the environment, in line with our corporate philosophy.

One milestone to this end originated in the Netherlands: In 2017, CWS Nederland launched Cradle to Cradle (C2C) toilet paper as its own brand on the market. The CO₂-neutral hygiene paper is made from 100% recycled paper and bears the "FSC recycled" seal and the European eco-label. Even the packaging of the C2C toilet paper sets new sustainability standards thanks to innovative production processes.

The CWS C2C toilet paper and paper hand towel products enhance CWS' product range strategically and sustainably. What's more, these innovative products once again serve to highlight CWS-boco's efforts to become a sector leader.

CASE

A new lease of life in Switzerland.

To be precise, the concept of reuse is more a concept of re-reuse at CWS-boco. That's why the specialist in washroom hygiene and workwear from Dreieich, Germany, employs not only textiles but also hand towel dispensers time and time again. Just because a device has to leave the field due to functional problems, doesn't automatically mean the end of its career. The raison d'être of the state-of-the-art rehab centre in the Swiss municipality of Diepoldsau is to return its patients to the world of work.

The upcycling centre is growing in importance and has a large catchment area. Discarded hand towel dispensers from Germany, the Netherlands, Switzerland and Italy all make their way here for treatment. It goes without saying that the experts from St. Gallen are not miracle workers. Nevertheless, of the 60,623 dispensers delivered to this Swiss municipality in 2016, 73% were subsequently returned to CWS-boco washrooms. However, it is still not all over for those which didn't make the grade!

Oliver Hirschberg, Managing Director of CWS-boco Supply Chain Management GmbH, explained the principle: "The dispensers have to undergo a fitness test." If the device passes this acid test, it is admitted to the upcycling programme.

In the case of those devices who have to say a final farewell to the washroom, the next step is recycling instead of upcycling. The plastic share is used to produce its successors; the metal parts are disposed of in a complex process. Oliver Hirschberg is visibly proud of this degree of environmental awareness: "We not only turn old into new, but waste into less waste" is how the quality fanatic explained the results of this 'tinkering around' on the veteran hand towel dispensers. And there is also an additional benefit. The teething troubles from production which are noted by the repair specialists in the upcycling centre are reported directly to Quality Assurance and improved by the CWS Development department to result in better, new models.



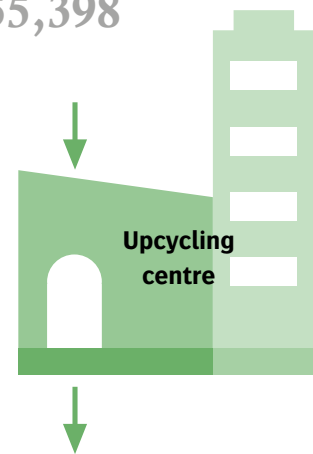
The "dispenser's organs" are examined in minute detail.

HIGHLIGHTS 2016 – PRODUCTS

Number of received, repaired and recycled dispensers at our upcycling centre in Switzerland.

Received

2016: **60,623**
2015: **55,398**



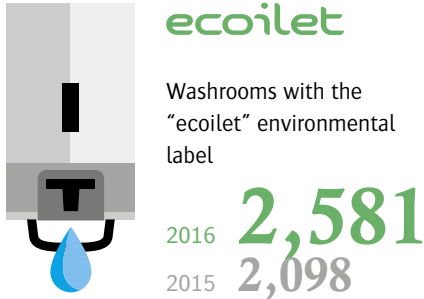
Repaired

2016: **44,506**
2015: **30,812**

Recycled

2016: **16,117**
2015: **24,586**

HIGHLIGHTS 2016 – PRODUCTS



Award-winning washrooms

Our environmental label “ecoilet” is awarded to washroom operators whose facilities satisfy particularly high sustainability standards through the use of cotton towel rolls, foam soap and recycled toilet paper. An ongoing success story: Just two years ago, only 439 washrooms bore this seal; in 2016, this figure had risen to 2,581.



Our gold standard

We have been awarded gold in the EcoVadis ranking for our environmental and social sustainability for the second time in a row.

CASE

The intelligent soap dispenser.

What defines a good washroom? The answer is simple: It is smart, networked and efficient. This may sound like science fiction, but, in fact, it is science without the fiction and a great example of the ‘Internet of Things’. Together with the Fraunhofer Institute for Integrated Circuits (IIS), with whom a collaboration has existed since 2014, CWS-boco took a giant leap towards the future. Wireless intelligence ensures that hand towel, soap and toilet paper dispensers are refilled as required and that procurement and storage are planned pragmatically. The newly developed information system is aptly called “CWS smartMate”. Thanks to an app and web portal, operators are kept up-to-date with the fill levels, user frequency and consumption values of dispensers in the washroom at all times, allowing them to initiate refilling if and as required.

Depending on the setting, information on the fill level and technical status is sent automatically via e-mail or push message. “With its precise measurement sensors in the dispensers and individually settable fill level values for messaging, smartMate is far more accurate than a mere traffic light system,” explained Jens Einsiedler, Head of Business Digitalisation at CWS-boco International, citing one of the greatest advantages of the CWS solution. Sanitary facilities are thus transformed into a washroom 4.0 which guarantees needs-based filling for users and also enables procurement and service to be planned more efficiently.

Cleaning staff therefore no longer have to visit the washrooms to check the fill levels. They are provided with an overview of the available resources, even when user frequencies fluctuate greatly. The ability to plan the equipment needed for tours precisely saves time and reduces the physical efforts required of cleaning staff. What does increase dramatically is the likelihood of the user encountering a sufficiently filled soap dispenser! This digital assistant therefore increases hygiene levels and makes all those involved a little bit happier!



*A technical edge:
Washroom operators
can work from their
tablets.*

CASE

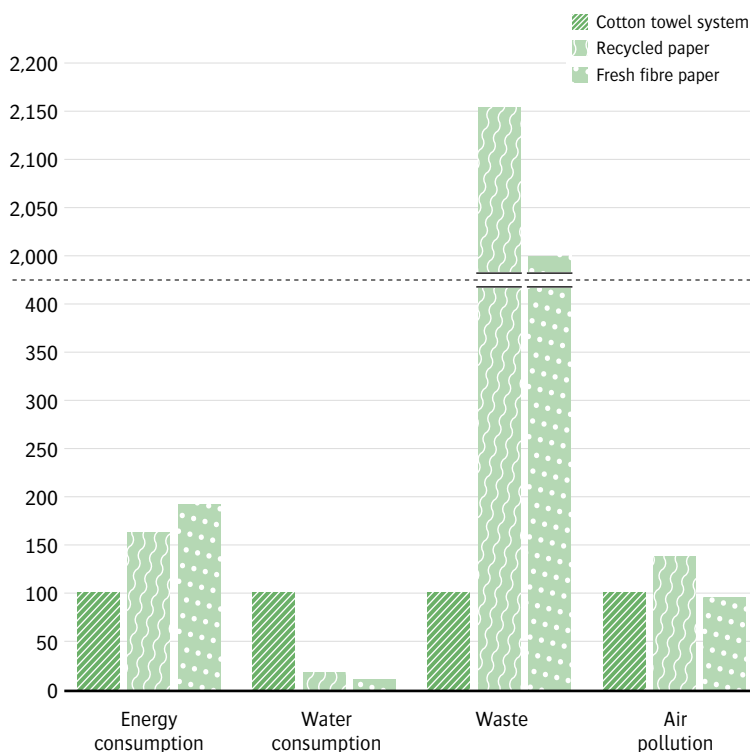
The future is made of cotton.

It is probably safe to say that almost none of our end customers who dry their hands stop to think about the contribution to the environment made by the cotton towel roll they are holding in their hands. However, a scientific study commissioned by the Wirtschaftsverband Textil Service e.V. (WIRTEX) and the European Textile Services Association (ETSA) has confirmed that cotton towel rolls as used by CWS-boco fare significantly better in terms of environmental friendliness when compared against paper towels. The entire life cycle was taken into account, from production through to disposal of the materials. The corporate consultants thinkstep conducted the study which was monitored by Dekra.

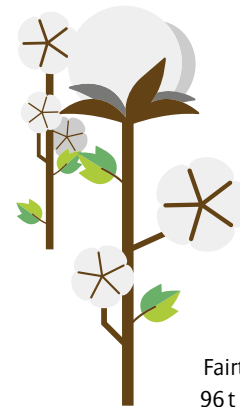
Cotton was ahead in almost all the comparative categories, and especially in connection with waste production: Cotton hand towels boast a 95% advantage here. Around 48% lower energy consumption is also an impressive figure and some 29% fewer greenhouse gases equate to a considerable improvement for the environment. The, in essence, extremely simple success principle is what makes the difference here: After all, a towel roll can be washed up to 100 times. Furthermore, the washroom operators also avoid waste. Materials which can no longer be used can be recycled into cleaning cloths, mops and insulation materials.

Selected examination categories

in per cent, related to the value of the cotton towel system



HIGHLIGHTS 2016 – PRODUCTS



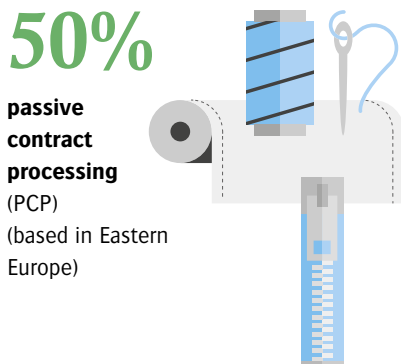
323 t

Cotton from sustainable sources.

Of which 227 t raw cotton in accordance with Fairtrade standards and 96 t organic raw cotton.

Supply chain management.

HIGHLIGHTS 2016 – ORIGIN



The key to guaranteeing that the ecological and social footprint of our value-added chain is as small as possible lies in the production of the goods purchased. Take for example here the impact on the environment of paper production. At the same time, we must not neglect the social risks which are linked with textile procurement and which can rapidly expand to present a risk to our reputation.

In order to maintain the quality of our value-added chain, we continually analyse our supplier structure. In the textile supply chain in particular, a larger share of producers are based in risk countries where compliance with social and environmental standards must be systematically checked.

For this reason, CWS-boco attaches importance to concluding an agreement with all suppliers which is based on the principles of the ILO core labour standards. In addition to prohibiting forced and exploitative child labour and specifying environmental protection regulations, this Code of Conduct also includes an undertaking to implement the objectives in underlying value-added chains: In this way, CWS boco actively contributes to social change.

The implementation of these measures along the supply chain is in the hands of our procurement company, CWS-boco Supply Chain Management. It works to ensure maximum possible sustainability in the chain extending from product development and material procurement right through to production. For example, a large part of our production takes place in Eastern Europe, where our employees ensure compliance with quality, environmental and social standards in our producers' operations. The pooling of this expertise with the stated goal of exercising the greatest possible influence over the supply chain was awarded second place in the category "CSR in the supply chain" in the 2016 CSR prize.

CWS-boco invests time and effort in helping producers to develop and improve their standards. Our production operations in risk countries are certified by external auditors every two years. If an audit uncovers too many or blatant faults, these operations are not merely left to their own devices, but rather are supported by us to implement a measurement plan to remedy the faults.

This trusting, partner-like cooperation with our production operations pays off. Most impressive is the length of our supplier relationships, which speaks for itself: We have enjoyed good working relationships with over 30% of our textile suppliers for longer than 10 years and have worked together with 50% for more than five years.

2016 audits: Improving together.

In an audit, we check whether the producer in question satisfies the strict requirements of our Code of Conduct. Should this not be the case, a measurement plan is drawn up and the implementation thereof is checked again in a re-audit. Of the 15 audits performed in 2016, four were so successful that subsequent improvements were not required. However, a re-audit has been scheduled for eleven companies.

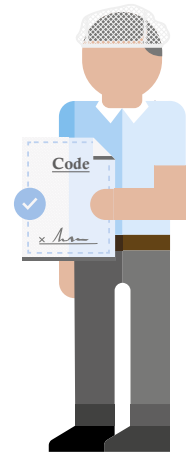
The reasons we picked fault with our suppliers were varied. The defects included an insufficient overview of pre-suppliers as well as incomplete management systems, complaints with regard to occupational health & safety (e.g., lack of escape routes) and a failure to pay overtime premiums.

All these are starting points to aid the ongoing development of our producers which we are driving forward with elan. The advances made here not only benefit the operations themselves but also us and, ultimately, our customers.

HIGHLIGHTS 2016 – ORIGIN

93%

of our procurement volume originates from suppliers who have signed CWS-boco's **Code of Conduct**.



CASE

Textiles partnership: Looking ahead to the future.

We are active in many areas, including in The Partnership for Sustainable Textiles. This partnership is a multi-stakeholder initiative made up of representatives from business and civil society, organisations and trade unions. The companies involved make up some 50% of Germany's textile sales. This makes this partnership an important forum for exchange as well as a significant platform for task forces.

CWS-boco is involved in the "Social standards & wages" and "Review process" task forces. As a member, we set ambitious goals in the fields of "Chemical and environmental management", "Social standards and wages" and "Use of natural fibres". Each year, an independent third party assesses the extent to which these goals have been achieved.



CASE

Outstanding quality for top-ranking customers.

Only a Dutch cheese producer was deemed better: In 2016, our subsidiary CWS-boco Supply Chain Management came second in the category “CSR in the supply chain” in the German CSR prize. This was certainly a moment to be proud, not least because we left giants such as Nestlé trailing behind.

“We are delighted by this success and see it is an incentive to improve even further,” beamed Frank Georgi, Managing Director of CWS-boco Supply Chain Management GmbH. “Our new boco workwear collection based on Fairtrade cotton is further confirmation to our customers of our commitment to sustainable procurement.”



Carolyn Wiegand, Corporate Responsibility Manager for the CWS-boco Group, Frank Georgi, Managing Director CWS-boco SCM, Dirk Baykal, CSR Coordinator CWS-boco SCM and Jens Nagel, chairman of the panel of judges and Managing Director of AVE.

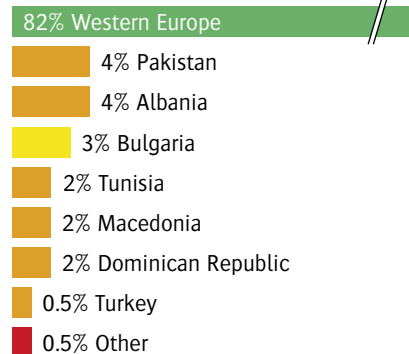
Sustainable procurement at CWS-boco.

Procurement is a central driving force behind the sustainable development of our business model. This is supported by our systematic supply chain management together with strict testing methods along the entire value-added chain.

When it comes to the regional assessment of social standards and corresponding risk potential, CWS-boco Supply Chain Management GmbH – our internal service provider for procurement, product development and supply chain management – is, in turn, assisted by an external partner in the form of the Business Social Compliance Initiative (BSCI).

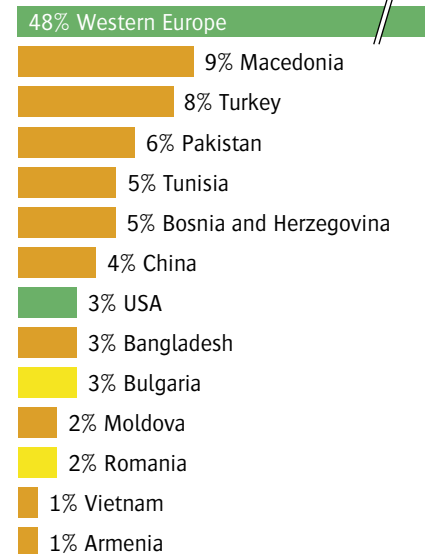
Textile Care

Tier 1



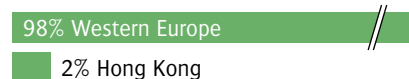
Textile Care

Tier 2



Washroom Care

Tier 1



Washroom Care

Tier 2



Risk classification

- No risk
- Low risk
- High risk

Status, goals, measures.

Area of activity	Status	2020 target	Measure
Upcycling and efficient use of raw materials	Used dispensers which are still in good condition are reprocessed in our upcycling centre in Switzerland.	Holistic upcycling concept.	We are working on the development of an upcycling concept for the CWS-boco Group which will include textiles as well as washroom dispensers.
Supplier assessment	Strategic partners must commit themselves to compliance with our Code of Conduct for suppliers with regard to social and environmental standards.	Introduction of our standards for all material suppliers (based on defined categories)..	Intensified and systematic audits; further development of our suppliers.
Sustainable procurement	We don't just work internally on social and environmental sustainability and the compliance of appropriate standards – we also work on this together with our suppliers.	All suppliers to have signed our Code of Conduct for suppliers (based on predefined categories).	Cooperation with initiatives such as the Partnership for Sustainable Textiles, Fairtrade and BSCI to define international and environmental standards along the supply chain.

Laundries & Logistics

Clean work for a clean environment.

We are washing ever more effectively, despite the growing volumes. These larger quantities please us. The continually optimised washing processes please our customers. Our efficiency pleases the environment.

Of course, our success story is also one of many challenges. Given that we have a total of 43 laundries, this is hardly surprising. And then there are the tougher times: For example, the relocation of a laundry, as was the case in Bad Oldesloe, presents personnel with new tasks and, at the same time, the introduction of technological innovations requires immense commitment and effort from all sides.

With the introduction of innovative procedures we are pursuing our clear goals: One of the most ambitious goals is to increase the energy efficiency in our laundries by 30% compared with 2012 by 2020. But it doesn't stop there: We want to reduce our greenhouse gas emissions compared with 2012 by 20%. After all, we have a duty not only to our customers but also to the environment.

The motivation we draw from our sense of corporate responsibility together with state-of-the-art technology helps us to achieve these challenging goals: For example, innovative RFID technology allows us to track items of clothing even more closely and thus reduce losses.

Moreover, in Germany, we are poised to switch over to 100% green electricity. The last laundry to be powered by conventional electricity will be connected to a green power grid in 2017. And within the scope of our strategic and tactical route planning, our "Optimize My Day" software plans the shortest routes for our drivers, thus helping to minimise fuel consumption. We aim to introduce this optimisation tool to all national subsidiaries in Europe in the very near future.

“The very best service ideas emerge when you reflect on sustainability.” Paul O’Riordan

*A focus on customers
and a passion for the envi-
ronment: Paul O’Riordan,
Sales and Marketing
Director Ireland.*



“Turning throw-away ideas into ideas for life!”

Question: What’s Irish for “uncompromising freshness”? Answer: “Keelings”. Keelings is a family owned Irish company with over 90 years experience. Well known for their succulent strawberries, they also grow other soft fruit alongside apples, pears and cherries on their farm in North Co. Dublin. A member of Origin Green, a national sustainability programme for food producers, the company is fully committed to sustainability and identifies strongly with the values of Corporate Responsibility: environmental protection, innovation and fairness are all key elements of the company policy. All well and good, but up until now there was one snag. Every day some 800 workers in the production facilities had to be kitted out with protective clothing for their work. And therein lay the problem: Keelings used to use disposable workwear.

Yet since it is virtually impossible to reconcile such suits with the philosophy of sustainable business management, the Keelings management team approached CWS-boco in the hope of finding a more environmentally friendly solution to its problem.

And this is where Paul O’Riordan came in. The Irish Sales and Marketing Director met up with the relevant managers from Keelings to go through the possible options. “I had the people at Keelings explain their specific requirements in terms of workwear in detail,” explained Mr O’Riordan. “I also inspected the changing rooms to get a feel for the premises.” Following this, I got together with the operational and service experts at CWS-boco. As a team, they developed a solution which is cost-efficient, easy to realise and truly sustainable.

In place of bulky lockers full of disposable coats in various sizes, CWS-boco proposed a flexible system with transport trolleys. The green work coats for Keelings staff are stored neatly on shelves in three sizes in these trolleys. Instead of huge volumes of packaging plastic, there is an opening in the trolley for staff to deposit their used clothing prior to its collection.

“Alongside waste and space savings, our model also saves time,” enthused Mr O’Riordan. Drivers can load and unload the trolleys quickly and simply and exchange the used clothing for fresh workwear in no time at all.

Mr O’Riordan’s enthusiasm was infectious. Keelings didn’t hesitate to award CWS-boco the order. “It was worth the effort to listen precisely to the customer and understand his requirements,” explained the resourceful manager. The satisfaction he gets from convincing an important and interesting customer of CWS-boco’s expertise with a truly intelligent and creative system is tangible, as is his pride at acquiring an impressive new reference for the Sales & Service team’s portfolio.



Transport trolley for freshly washed clothing, dirty items and a clean future.



United by green ideas: Desmond Ferris, Technical Director at Keelings and Glen Taaffe, National Sales Manager at CWS-boco Ireland.



Ireland has always been known as the Emerald Isle and CWS-boco has now made it that little bit greener.

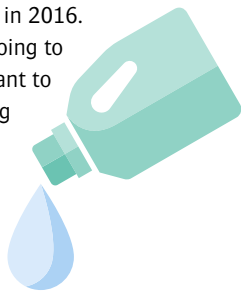
The CWS-boco laundry: Not greenwashing – green washing!

HIGHLIGHTS 2016 – LAUNDRY

Detergent consumption (g per kg laundry)

We optimised detergent efficiency in three of five areas across the Group in 2016.

But we are not going to stop there; we want to continue reducing consumption in the future.

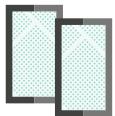


Towel rolls



2016: **19.92**
2015: **21.72**

Mats



2016: **0.66**
2015: **0.65**

Workwear



2016: **41.41**
2015: **39.94**

Flat linen



2016: **18.45**
2015: **18.86**

Cleanroom



2016: **14.29**
2015: **14.94**

At CWS-boco, we are well aware of the responsibility which comes with the economic management of natural resources. For our customers, too, it is increasingly important that we demonstrate a flawless sustainability record. As such, it is in all of our best interests to work in a resource- and cost-efficient manner and, at the same time, to contribute to containing the harmful effects of our activities on the climate.

Alongside issues such as staff health & safety, the environmental impact of our actions is also of central importance at our sites. We know full well that climate change and environmental issues affect us all, and not least the international economy. If there is an increase in extreme weather phenomena, this, of course, influences the availability and price of raw materials. For example, CWS-boco is affected directly by this in terms of the procurement of cotton. It is our duty as an employer to take care of our employees: Sustainable and forward-looking management are important pre-requisites for safeguarding jobs.

In addition to improved energy efficiency, we are also committed to reducing greenhouse gas emissions at our laundries. By 2020, we want to achieve a 20% reduction compared with 2012. The greenhouse gas emissions of our laundries make up the largest share of our environmental footprint. This is why we inspect them continually to identify potential savings. We collect data on water and detergent consumption and evaluate this on a monthly basis in order to isolate and utilise potential improvements early on in these areas too.

Our actions are guided by the company's self-evident sense of social responsibility. As such, we continually measure our influence on the environment and implement measures which serve to minimise environmental pollution. By doing this, the environmental footprint left by CWS-boco is kept as small as possible. After all, we prefer to make an impression with our sparkling performance.

CASE

Upgrade in Bad Oldesloe.

The laundry site in Bremen was relocated to Bad Oldesloe and given a technical makeover in the process. It wasn't just the existing facilities and laundry volumes which were moved to the northern German state of Schleswig Holstein, new technology solutions were installed too.

There is now a new laundry line, which reduces the daily workload for staff thanks to fully automated procedures. An integrated high-speed steam generator will reduce gas consumption in the future. And, ultimately, wastewater recovery will serve to harmonise overall processing even further.

There is no doubt that these technical changes are innovative, yet for the staff in Bad Oldesloe they also pose a major challenge: They now have to handle even larger volumes of laundry within a short period of time, familiarise themselves with the new machines and also train new employees. It's safe to say this has been a demanding time.

Jan Wäsche, Project Manager Maintenance, was keen to pay a compliment to all those involved: "This is a brilliant example of what CWS-boco can achieve when everybody rolls their sleeves up and gets stuck in!"

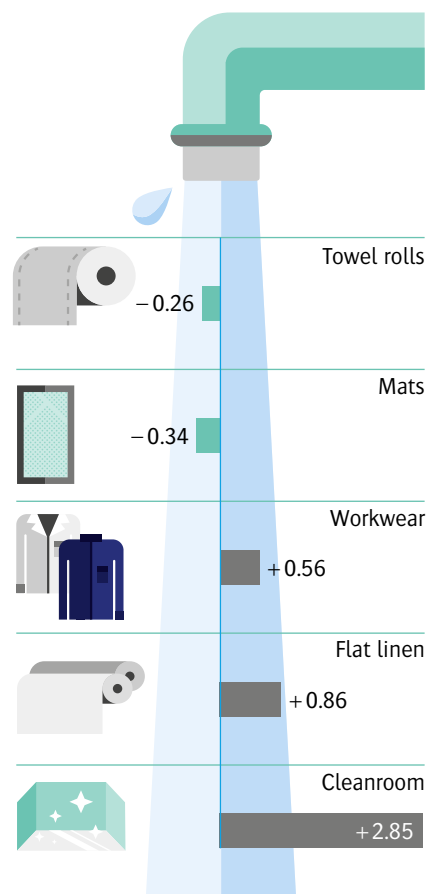


High-tech meets manual labour: This technological upgrade only functions when people and machines work hand in hand.

HIGHLIGHTS 2016 – LAUNDRY

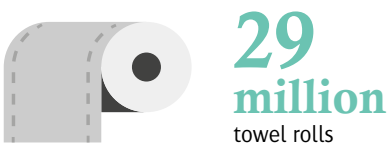
Water consumption
(l per kg laundry)

Increased or reduced consumption in 2016 compared to 2015.



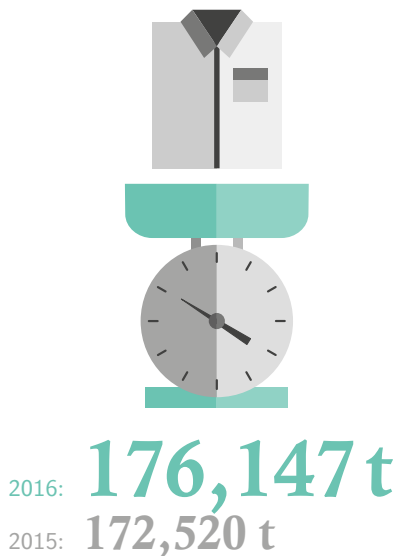
HIGHLIGHTS 2016 – LAUNDRY

Number of washed items in Europe



A sparkling performance

The total volume of laundry washed by us rose by 3,627 tonnes in 2016.



CASE

When items of clothing go online.

At the laundry sites in Wiesbaden, Puurs and Międzyrzecz CWS-boco has taken a large step towards Industry 4.0 with the use of RFID technology within the scope of a pilot project. RFID stands for radio-frequency identification. At our laundries, a transmitter and receiver system was employed to locate items of clothing automatically.

Whilst previously only individual items were “read in” at the laundry, RFID keeps track of all items. We defined three scanning points for this pilot project: 1. during sorting; 2. in the outgoing container; 3. upon delivery to the customer. UHF-RFID (ultra-high frequency) tagging, which is hoped will replace the existing ULF-RFID (ultra-low frequency) system, allows multiple items to be scanned simultaneously.

With this innovative technology we want, on the one hand, to reduce the amount of clothing we lose and thus cut resource consumption and, on the other hand, to ensure greater planning security for our customers. After all, thanks to RFID a service driver can check the data on site quickly using a scanner and react accordingly. RFID also pays off for Customer Service: Using the track and trace function, items of clothing can be called up whilst talking to the customer on the telephone.

The next innovative step will involve moving from process control to process management. If, one day, we become able to manage the selection of the washing cycle using RFID tags, then that would herald the start of Industry 5.0.



Keeping track of trousers: With RFID technology items of laundry are easier to track.

CASE

Riding the green wave.

What makes the city of Bielefeld different from the rest of Germany? The CWS-boco laundry in the west of Germany is poised to change over to 100% green electricity, whereas all our other laundries in Germany and numerous service depots are already operating, without exception, with energy generated from environmentally friendly sources.

Green electricity also flows at BSC (Brandschutz Service Center GmbH & Co. KG) in Dreieich and in the four washrooms of CWS Complete Washroom Concepts GmbH (these are toilets in the main train stations in Nuremberg, Bamberg, Würzburg and Regensburg).

Throughout Europe, too, our companies are joining the green revolution: CWS-boco's Dutch national subsidiaries are fully reliant on green electricity and the operations in Switzerland have also already switched over to green electricity. Given the terms of the older contracts, Widnau will make the switch at the beginning of 2017 and Glattbrugg and Kriens as of the 1st January 2019.

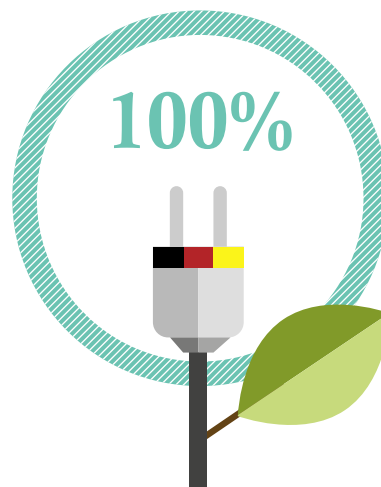


*We keep turning
the wheel of
history forwards.
Together with
the wind.*

HIGHLIGHTS 2016 – LAUNDRY

Energy from green electricity

(in Germany as of 2017)



Electricity mix

in the reporting countries

Conventional electricity

2016:

38%

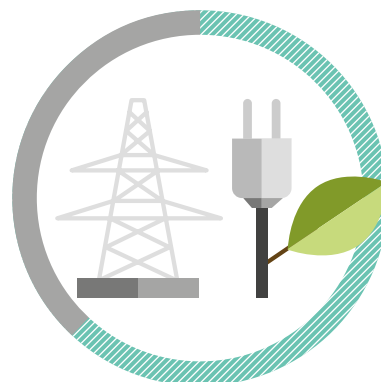
2015: **49%**

Green electricity

2016:

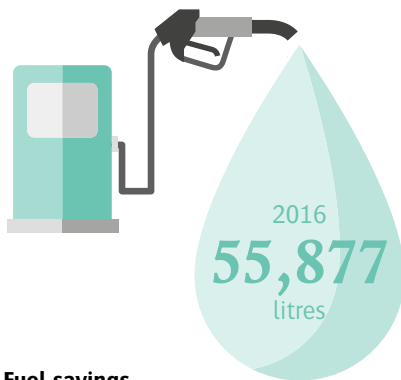
62%

2015: **51%**



Responsibility, measured in kilometres.

HIGHLIGHTS 2016 – LOGISTICS



Fuel savings

thanks to modern fleet management

(Calculation basis: Kilometres saved and average consumption of 12 l/100 km)



CO₂ emissions

(Increased total weight with a proportionately significantly higher order volume from some 5,500 additional customers)

2016: 56,389 t
2015: 55,501 t*

The principle is simple: Our drivers collect dirty items from our customers, take them to the laundries and then return them cleaned to the customers. The snag: High mileage equates to a major ecological challenge. CWS-boco operates a total of 43 laundries. Expressed as kilometres for 2016: Our service drivers covered 51,137,000 km. To live up to the responsibility linked to this output of greenhouse gases, we have drawn up a set of measures.

It is often forgotten that environmental protection is frequently fundamental to economic thinking! CWS-boco has long been aware of this fact. Since it can be expected that our vehicle fleet will be confronted with tougher regulations in terms of greenhouse gas emissions in the near future, we have simply pre-empted these political decisions. In the foreseeable future, it will only be possible to drive in the environmental zones in towns and cities subject to compliance with certain emissions limits. However, our service fleet still needs to get to its destinations reliably. As such, there are a whole host of reasons why new drive systems are inevitable in the long term.

The anticipated hikes in fuel prices also motivate us to stay ahead of socio-political events. To ensure that we are already ahead of this development and remain well set in the future, we are continually optimising the routes taken by our drivers as well as the loads in our service vehicles.

That is why CWS-boco will be following a two-fold strategy in the future: In the long-term, we are working to change the drive systems and, in the short- and medium-term, we will be reducing fuel consumption by covering fewer kilometres thanks to route optimisation. Improved loading and strategically clever positioning of warehouses and laundries will also help to cut consumption even further.

*Corrected figure from Sustainability Report 2016

CASE

Putting a stop to unnecessary consumption.

The tactic lies in short routes: Thanks to strategic and tactical route optimisation, we are able to identify and make efficient use of potential savings in terms of kilometres covered and fuel consumption. One important tool here is the “Optimize My Day” (OMD) software, which optimises the CWS-boco drivers’ routes quickly and flexibly: Based on the tasks for the day ahead, this program calculates the shortest and most environmentally friendly routes.

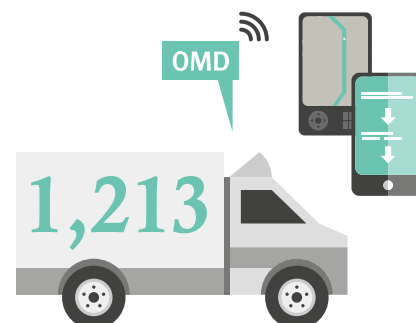
Every four weeks, the depot/team leader is sent an overview of the data of the service routes for which he is responsible via a separate OMD server. This allows the routes to be adapted at the depot in a timely manner, even between the respective strategic planning stages.

The national subsidiary in Ireland is a pioneer when it comes to this technology, which it has been using since the end of 2012. Roll-out of the OMD programme in Sweden is also planned for the very near future. And Austria and the countries in the Eurasian Economic Union (EEU) are set to follow suit in 2017. With roll-out now at over 80%, our strategic goal is within tangible reach: OMD connection in all CWS-boco countries.



*Less is more:
The name of the
route planning tool
OMD says it all.*

HIGHLIGHTS 2016 – LOGISTICS

**of our drivers used OMD in 2016**

(BeLux, CH, DE, IE, IT, NL)

With a total number of 1,609
drivers, that is around 75%.



905,627 km

saved kilometres

The sharp rise in saved kilometres by our fleet since 2014 can be traced to the blanket introduction of OMD technology and optimised reporting to our international sites.

CASE

A one-way system for multi-efficiency.

Our central workwear warehouse, the Customer Fulfilment Center in the Polish town of Międzyrzecz is a classic example of speed and efficiency. In especially urgent cases, items of clothing are tailored to wearers here in just four hours and then sent on their way. Intelligent logistics and the control of goods are the prerequisites for this flexibility.

And, in order not to lose sight of our goal of avoiding unnecessary kilometres, we plan our routes accordingly: The various deliveries to our national subsidiaries, including in different

countries, are collected and delivered in one vehicle; return journeys to Poland are planned so that new orders can be taken to avoid any empty trips.

The proximity to our supplier operations in Eastern Europe also helps us to make the best possible use of routes since the CFC represents the geographical link between our cooperation partners and our customers. This means our clothing doesn't make the same journey twice.



Efficient logistics and control of goods saves resources and ensures smooth-running delivery channels and satisfied customers.

Status, goals, measures.

Area of activity	Status	2020 target	Measure
Energy efficiency Use of energy for washing and drying in our laundries.	43 laundries; consumption 2016: 1.09 kWh/kg laundry (hand towel rolls, mats, workwear).	Reduction in consumption by 30%.	Modernisation of laundry network. Increase in efficiency of systems through heat exchangers; mangles and dryers which run on gas instead of steam.
Water efficiency Water consumption for washing and drying in our laundries.	Water consumption 2016: 7.55 l/kg laundry (hand towel rolls, mats, workwear).	Reduction of 10% in consumption.	Large volumes of laundry and responsible use of water resources.
Detergent efficiency	Total consumption of detergent in laundries in 2016: 3,425 tonnes.	Development of a concept to harmonise detergent consumption.	Reuse of washing water in which the washing agents are still active and working.
CO₂ emissions direct and indirect	Kilometres covered by our fleet in 2016: 51,137,000 km, CO ₂ emissions: 20,027 tonnes. CO ₂ emissions from laundries: 35,856 tonnes.	Reduction of direct and indirect CO ₂ output by a total of 20%.	Route optimisation with OMD, renewal of fleet, younger fleet, economical drives. For measures regarding the reduction of CO ₂ emissions in our laundries please see energy efficiency.

Initiatives & memberships.

INITIATIVES AND ORGANISATIONS SUPPORTED BY CWS-boco (SELECTION):



With its corporate responsibility guidelines, the CWS-boco Group is committed to interacting with the environment and society in a sustainable and responsible manner. As a quality and innovation pioneer in our business sectors, we are committed to pursuing a long-term sustainability concept to ensure a future worth living. As part of this undertaking, we work to encourage and promote our values beyond our factory gates and national borders.

As such, we attach great importance to campaigning for our sustainability ideals in national and international associations, initiatives and partnerships, for example in groups which work to promote a sustainable textile industry, including the Swiss Textile Care Association (VTS), the Dutch Textile Administration Federation (FTN), the European Textile Services Association (ETSA), the Wirtschaftsverband Textil Service e. V. (WIRTEX) and the Industrieverband Textil Service e. V.

Moreover, the national subsidiaries in the CWS-boco Group are organised in various associations focusing on specific areas of responsibility, e.g., occupational health and safety and sustainable procurement, for example the Safe at Work Coalition ("Koalicja Bezpieczni w Pracy") in Poland, the Procurement and Sustainability ("Acquisti & Sostenibilità") association in Italy and the numerous cooperations with purchasing associations such as BBG, Hogast, P.E.G. in Austria to name but a few.

The activities of CWS-boco Supply Chain Management GmbH are of particular relevance and sensitivity to our business model. It, too, is active in a range of initiatives and organisations, for example in the Deutscher Textilreinigungs-Verband e.V. (DTV), Bundesverband Materialwirtschaft, Einkauf und Logistik e.V. (BME), German Fashion/BESPO, Fairtrade and Dialog Textil-Bekleidung e.V. (DTB), the Business Social Compliance Initiative (BSCI) and the Partnership for Sustainable Textiles.

We also provide financial support to numerous charitable organisations and initiatives. Given the lack of available space, we are unable to list all these parties here. However, we take the same critical approach to deciding which projects and initiatives to support as we do to our daily work in our core area of business.

About this report.

The period under review in this publication is the 2016 calendar year. Additional information from the 2017 business year up to the time of going to press in the second quarter of 2017 has been used, in part, to amend the report contents.

The report provides information on existing and planned sustainability efforts as well as the strategic alignment of the Group. The report's target group includes the relevant international stakeholders.

The annual publication cycle for our Sustainability Reports, alternating between the Interim Report and Full Report based on the GRI framework shall remain unchanged for the time being.

CWS-boco does not publish a corporate report in addition to the Sustainability Report; the business figures are published in the annual consolidated financial reports of our 100% shareholder Haniel.

This report was compiled in accordance with the core option of the G4 Guidelines as developed by the Global Reporting Initiative (GRI). It has not been subject to any external review other than the review of the Content Index through GRI. The report is published in German and English and, in addition to the printed version, is also available online.

In as far as content refers to groups of persons and only the male form is used, this is done solely to improve readability and both genders are referred to on equal terms.

CONTACT FOR QUERIES

Talar Arzuyan-Kadoglou,
Head of Corporate Communications & Responsibility,
Dreieich Plaza 1B, 63303 Dreieich, Germany
Telephone +49 6103 309-1032
talar.arzuyan-kadoglou@cws-boco.com

Forward-looking statements

This Sustainability Report contains forward-looking statements. These statements are made on the basis of assumptions and expectations, which, in turn, are based on the information available at the time of the publication of the report. They are therefore associated with risks and are not to be deemed to constitute guarantees of projected developments and results.

Many of these risks and uncertainties are determined by factors which are beyond the control of CWS-boco International and which cannot be reliably assessed at the present time. These risk factors include future market conditions and general economic data, the achievement of anticipated synergies as well as legal and political decisions. CWS-boco International does not assume any obligation to update the forward-looking statements contained in this report

ONLINE INFORMATION

Sustainability at CWS-boco



www.cws-boco.com/sustainability

The Haniel Corporate Report



<http://haniel.corporate-report.com/en/>

GRI Content Index.



The CWS-boco Group Sustainability Report 2017 has been prepared based on the G4 Sustainability Reporting Guidelines published by the Global Reporting Initiative (GRI). The internationally recognized GRI guidelines define aspects and indicators which the company uses to measure its economic, social and ecological performance and the impacts of its commercial activity. The GRI guidelines facilitate transparency and comparability in the company's reporting on its various areas of activity.

GENERAL STANDARD DISCLOSURES

General Standard Disclosures	Pages	Omissions	Comments
STRATEGY AND ANALYSIS			
G4-1 CDO statements	2/3		
ORGANIZATION PROFILE			
G4-3 Name of the organization	Cover, U2		
G4-4 Most important brands, products, and services	6		
G4-5 Location of the organization's headquarters	60		Franz-Haniel-Platz 6-8, 47119 Duisburg, Germany.
G4-6 Countries in which the organization operates	5		
G4-7 Nature of ownership and legal form	U2, 60		CWS-boco International GmbH.
G4-8 Markets	5		
G4-9 Scale of the organization	U2		
G4-10 Employee structure	U2		
G4-11 Employees covered by collective bargaining agreements	60		The reporting companies are bound by individual and/or country-specific collective bargaining agreements which cannot be presented in a standardised manner for the reporting period.
G4-12 Description of the supply and service relationships	7, 42-45		
G4-13 Significant changes in the organization's size, structure, and ownership	5		2017: joint venture with Initial.
G4-14 Explanation of how the precautionary principle is addressed	16, 28, 33, 44		
G4-15 Externally developed charters, principles, and initiatives	58		Individual international subsidiaries of the Group support other regional initiatives which are not stated in this report.
G4-16 Memberships	58		Individual international subsidiaries of the Group support other regional associations and advocacy organisations which are not stated in this report.

General Standard Disclosures	Pages	Omissions	Comments
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			
G4-17 List of consolidated entities	7		
G4-18 Process for defining the report content	U2, 14, 15, 59		
G4-19 Material aspects	14, 15		
G4-20 Material aspects within the organization	14, 15, 16, 17		
G4-21 Material aspects outside of the organization	14, 15, 16, 17		
G4-22 Explanation of the effect of any re-statements of information provided in earlier reports	15		
G4-23 Changes in reporting scope, boundary, or measurement methods	15		
STAKEHOLDER ENGAGEMENT			
G4-24 List of stakeholder groups	12, 13		
G4-25 Identification of stakeholder groups	12, 13		
G4-26 Engagement of stakeholder groups	12, 13		
G4-27 Response to key concerns raised by stakeholder groups	12, 13, 14		
REPORT PROFILE			
G4-28 Reporting period	59		
G4-29 Date of most recent previous report	61		2016 (September).
G4-30 Reporting cycle	59		
G4-31 Contact point	59		
G4-32 Selected GRI G4 “in accordance” option	59		
G4-33 External audit	59		
GOVERNANCE			
G4-34 Governance structure of the organization	11		
ETHICS AND INTEGRITY			
G4-56 Mission statements, codes of conduct, and principles	9, 10, 11		
G4-58 Reporting compliance breaches	10		

SPECIFIC STANDARD DISCLOSURES

DMA, Indicators	Brief description	Pages	Omissions	Comments
-----------------	-------------------	-------	-----------	----------

CATEGORY: ECONOMIC**ASPECT: ECONOMIC PERFORMANCE**

G4-DMA	Disclosure on Management Approach	3, 5, 14-16		
G4-EC1	Direct economic value generated and distributed	U2		Cf. Haniel Annual Report 2016 (pp.86 ff.).

ASPECT: MARKET PRESENCE

G4-DMA	Disclosure on Management Approach	2, 3, 5		
G4-EC6	Hiring of local stuff	11		

ASPECT: INDIRECT ECONOMIC IMPACTS

G4-DMA	Disclosure on Management Approach	2, 3, 5		
G4-EC8	Significant indirect economic impacts	7, 37, 42-44		

ASPECT: PROCUREMENT PRACTICES

G4-DMA	Disclosure on Management Approach	42		
G4-EC9	Selection of locally based suppliers	62	Quantitative data regarding spending on local suppliers at significant locations of operation were not available for the 2016 reporting period. We are working on collecting data for the next reporting cycle.	Cf. pp. 42-45 on supply chain management.

CATEGORY: ENVIRONMENTAL**ASPECT: MATERIALS**

G4-DMA	Disclosure on Management Approach	15, 18, 35		
G4-EN1	Materials used by weight or volume	U2, 50, 51, 72, 73		
G4-EN2	Percentage of materials used that are recycled input materials	38, 39		

ASPECT: ENERGY

G4-DMA	Disclosure on Management Approach	18, 47, 54		
G4-EN3	Energy consumption within the organization	U2, 53, 71		
G4-EN6	Reduction of energy consumption	47, 71		
G4-EN7	Reduction of energy consumption for products and services	41, 71		

ASPECT: WATER

G4-DMA	Disclosure on Management Approach	18, 50, 51		
G4-EN10	Percentage volume of water recycled and reused	62	Quantitative data on the percentage and total volume of water reused were not available as at the content deadline for the CR report for the 2016 reporting period. We are working on collecting data for the next reporting cycle.	Cf. pp. 16, 25 and 51 for information on water recovery.

DMA, Indicators	Brief description	Pages	Omissions	Comments
ASPECT: EMISSIONS				
G4-DMA	Disclosure on Management Approach	17, 47, 50, 54		
G4-EN15	Direct greenhouse gas emissions (Scope 1)	U2, 57, 71, 72		
G4-EN16	Indirect greenhouse gas emissions (Scope 2)	U2, 53, 57, 71, 72		
G4-EN17	Other indirect greenhouse gas emissions (Scope 3)	U2, 57, 71, 72		
G4-EN19	Reduction of greenhouse gas emissions	54		
ASPECT: EFFLUENTS AND WASTE				
G4-DMA	Disclosure on Management Approach	2		
G4-EN22	Total water discharge	63	Quantitative data on the volume of planned and unplanned water discharge were not available as at the content deadline for the CR report for the 2016 reporting period. We are working on collecting data for the next reporting cycle.	Cf. pp. 16, 25 and 51 for information on water recovery. The CWS-boco laundry operations generally do not generate special waste water discharges, as no chemical cleaning processes are used. Collecting data and defining targets at Group-level has so far proven challenging. The implementation of processes for collecting this data Group-wide has been made difficult by various factors, including the fact that in Germany and elsewhere, authority to define the grades of waste water requiring treatment at sewage treatment plants rests with local municipalities. Furthermore, there is considerable variation among the various industrial/commercial zones (CWS-boco's laundry operations are for the most part located in these zones) in terms of the infrastructure (pumping equipment, etc.) used for disposal.
G4-EN23	Quantity of waste	63	Quantitative data on the volume of waste by type and disposal method were not available as at the content deadline for the CR report for the 2016 reporting period. We are working on collecting data for the next reporting cycle.	Depending on the type of cleaning undertaken, the CWS-boco laundry operations generate controlled waste comprising slurry, textile fibres and/or pollutants. These materials are bound, skimmed or pumped off and removed as controlled wastes by waste management companies.

DMA, Indicators	Brief description	Pages	Omissions	Comments
ASPECT: PRODUCTS AND SERVICES				
G4-DMA	Disclosure on Management Approach	4, 8, 16, 35		
G4-EN27	Initiatives to mitigate environmental impacts	38, 39, 40, 72		
G4-EN28	Reuse of packaging materials	39		
ASPECT: COMPLIANCE				
G4-DMA	Disclosure on Management Approach	10		
G4-EN29	Fines for non-compliance with environmental laws and regulations	64		Fines with significant monetary value for non-compliance with environmental laws and regulations either did not arise during the 2016 reporting period or were not reported within the Group.
ASPECT: TRANSPORT				
G4-DMA	Disclosure on Management Approach	6, 47, 54, 55		
G4-EN30	Significant environmental impacts of transporting products, goods, and materials, and transporting members of the workforce	54, 55, 56		
ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT				
G4-DMA	Disclosure on Management Approach	7, 17, 37, 42, 43		
G4-EN32	Screening of new suppliers using environmental criteria	64	No exact percentage was calculated at Group level for the 2016 reporting period. We are working on collecting data for the next reporting cycle.	Cf. pp. 7, 42, 43, 44 and 73 for information on our systematic supply chain management and on auditing and risk assessment by external partners.
G4-EN33	Significant environmental impacts in the supply chain	19, 37, 42, 43		
ASPECT: ENVIRONMENTAL GRIEVANCE MECHANISMS				
G4-DMA	Disclosure on Management Approach	7, 10, 43		
G4-EN34	Grievances about environmental impacts	64, 71		No grievances about environmental impacts were filed through formal grievance mechanisms during the 2016 reporting period. Any critical cases arising are assessed and actioned by external audit partners.

DMA, Indicators	Brief description	Pages	Omissions	Comments
-----------------	-------------------	-------	-----------	----------

CATEGORY: SOCIAL, SUBCATEGORY: LABOUR PRACTICES AND DECENT WORK
ASPECT: EMPLOYMENT

G4-DMA	Disclosure on Management Approach	16, 18, 23		
G4-LA1	New employee hires and employee turnover by age group, gender and region	70		

ASPECT: OCCUPATIONAL HEALTH AND SAFETY

G4-DMA	Disclosure on Management Approach	18, 23, 28, 29, 30, 33		
G4-LA5	Workforce representation in health and safety committees	65	No exact percentage was calculated at Group level for the 2016 reporting period. We are working on collecting data for the next reporting cycle.	In all nine countries covered by the report there are managers responsible for occupational health and safety, particularly at our laundry sites.
G4-LA6	Injuries, occupational diseases, and work-related accidents	28, 33, 65	There is no exact breakdown of injuries by type for the reporting period. Work-related fatalities were not separately documented. No system of rules for the recording of accident statistics is applied at Group level. We are working on collecting data for the next reporting cycle.	
G4-LA7	Workers with high risk of diseases	28, 29		

ASPECT: TRAINING AND EDUCATION

G4-DMA	Disclosure on Management Approach	16, 18, 23, 31		
G4-LA9	Average hours of training per year per employee	28, 31, 70		
G4-LA10	Programmes that support the continued employability of employees	28, 29, 31	Data on transition assistance programmes provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment are not available at Group level for the reporting period. We are working on collecting data for the next reporting cycle.	
G4-LA11	Percentage of employees receiving a regular performance and career development review	65	No exact percentage was calculated at Group level for the reporting period. We are working on collecting data for the next reporting cycle.	Regular performance and feedback interviews with employees are held at all national subsidiaries. Measures for training and further education and career development are discussed at these interviews.

DMA, Indicators	Brief description	Pages	Omissions	Comments
-----------------	-------------------	-------	-----------	----------

ASPECT: SUPPLIER ASSESSMENT FOR LABOUR PRACTICES

G4-DMA	Disclosure on Management Approach	7, 17, 18, 37, 42, 43		
G4-LA14	Percentage of new suppliers that were screened using labour practices criteria	66	No exact percentage was calculated at Group level for the reporting period.	Cf. pp. 7, 42, 43, 44 and 73 for information on our systematic supply chain management and on auditing and risk assessment by external partners.
G4-LA15	Significant impacts on labour practices in the supply chain	19, 37, 42, 43, 44		

ASPECT: LABOUR PRACTICES GRIEVANCE MECHANISMS

G4-DMA	Disclosure on Management Approach	7, 10, 42, 43, 44		
G4-LA16	Grievances about labour practices	66, 71		No grievances about labour practices were filed through formal grievance mechanisms during the 2016 reporting period. Any critical cases arising are assessed and actioned by external audit partners.

CATEGORY: SOCIAL, SUBCATEGORY: HUMAN RIGHTS**ASPECT: INVESTMENT**

G4-DMA	Disclosure on Management Approach	35, 37		
G4-HR1	Significant investment agreements and contracts that include human rights clauses or that undergo human rights screening	66	No exact percentage was calculated at Group level for the reporting period. We are working on collecting data for the next reporting cycle.	

ASPECT: NON-DISCRIMINATION

G4-DMA	Disclosure on Management Approach	10		
G4-HR3	Incidents of discrimination and actions taken	71		

ASPECT: CHILD LABOUR

G4-DMA	Disclosure on Management Approach	10		
G4-HR5	Principles and measures to eliminate child labour	71		

ASPECT: FORCED OR COMPULSORY LABOUR

G4-DMA	Disclosure on Management Approach	37		
G4-HR6	Total number and percentage of operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labour	44		

DMA, Indicators	Brief description	Pages	Omissions	Comments
ASPECT: INDIGENOUS RIGHTS				
G4-DMA	Disclosure on Management Approach	37		
G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	67		In the reporting period, CWS-boco Supply Chain Management GmbH did not record any concrete incidents of violations involving rights of indigenous peoples nor any measures taken.
ASPECT: ASSESSMENT				
G4-DMA	Disclosure on Management Approach	10, 37		
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews and/or impact assessments	42, 43, 44, 73		
ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT				
G4-DMA	Disclosure on Management Approach	10, 37, 42, 43, 44		
G4-HR10	Percentage of suppliers and contractors that have undergone screening on human rights	43, 44, 73	Our quantitative assessment screens for observance of human rights by all strategic partners and suppliers. It is not possible to present a separate analysis of new suppliers. We are working on collecting data for the next reporting cycle.	
ASPECT: HUMAN RIGHTS GRIEVANCE MECHANISMS				
G4-DMA	Disclosure on Management Approach	10		
G4-HR12	Number of grievances related to human rights filed, addressed, and resolved through formal grievance mechanisms	71		

DMA, Indicators	Brief description	Pages	Omissions	Comments
-----------------	-------------------	-------	-----------	----------

CATEGORY: SOCIAL, SUBCATEGORY: SOCIETY**ASPECT: LOCAL COMMUNITIES**

G4-DMA	Disclosure on Management Approach	37		
G4-S01	Percentage of operations with implemented local community engagement, impact assessments, and development programmes	68	Consolidated information and exact percentage data on operations with implemented local community engagement, impact assessments, and development programmes are not available at Group level. We are working on collecting data for the next reporting cycle.	At strategically relevant locations (such as in India, cf. p. 37), CWS-boco Supply Chain Management GmbH assesses the need for and potential of these types of measures and implements them locally.

ASPECT: ANTI-CORRUPTION

G4-DMA	Disclosure on Management Approach	10		
G4-S04	Communication and training on anti-corruption policies and procedures	71		

ASPECT: COMPLIANCE

G4-DMA	Disclosure on Management Approach	10		
G4-S08	Fines and sanctions for non-compliance with laws and regulations	10		It is not possible to report quantitative data because no instances of non-compliance attracting significant fines or monetary sanctions were ascertained during the reporting period.

ASPECT: SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY

G4-DMA	Disclosure on Management Approach	10, 37, 42, 43, 44		
G4-S09	Percentage of new suppliers that were screened using criteria for impacts on society	44, 73	Our quantitative assessment screens for observance of human rights by all strategic partners and suppliers. It is not possible to present a separate analysis of new suppliers. We are working on collecting data for the next reporting cycle.	

ASPECT: GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY

G4-DMA	Disclosure on Management Approach	10		
G4-S011	Number of grievances about impacts on society files, addressed, and resolved through formal grievance mechanisms	71		

DMA, Indicators	Brief description	Pages	Omissions	Comments
-----------------	-------------------	-------	-----------	----------

CATEGORY: SOCIAL, SUBCATEGORY: PRODUCT RESPONSIBILITY
ASPECT: CUSTOMER HEALTH AND SAFETY

G4-DMA	Disclosure on Management Approach	6, 35		
G4-PR1	Percentage of significant product and service categories for which health and safety impact are assessed for improvement	69	Assessments are not undertaken by product and service categories and their potential health and safety impacts. Therefore, the indicator is not applicable.	Opportunities for improvement are continually being identified and assessed across the entire CWS-boco product range by CWS-boco Supply Chain Management GmbH and others.

ASPECT: PRODUCT AND SERVICE LABELING

G4-DMA	Disclosure on Management Approach	6, 35, 38		
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	38		
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	63		
G4-PR5	Results of surveys measuring customer satisfaction	25, 26, 27		

ASPECT: COMPLIANCE

G4-DMA	Disclosure on Management Approach	10		
G4-PR9	Significant fines concerning the provision and use of products and services	69		Fines with significant monetary value for non-compliance with environmental laws and regulations either did not arise during the 2016 reporting period or were not reported within the Group.

Facts & figures.

KEY FIGURES FROM SUSTAINABILITY MANAGEMENT*

Central employee data	2016	2015
Employee data at business levels		
Total number of employees	6,931	6,777
Total number of employees in Management	554	499
Total number of employees in Administration	663	621
Total number of employees in Operations	4,191	4,176
Total number of employees in Sales	1,523	1,481
Employee data according to gender and management level		
Percentage male employees	51	51
Percentage female employees	49	49
Percentage males in management	72.9	73.1
Percentage females in management	27.1	26.9
Percentage employees in management (under 30)	3.4	3.0
Percentage employees in management (30-50)	66.8	67.7
Percentage employees in management (over 50)	29.8	29.3
Employee data according to gender and fluctuation		
Total new male employees	847	589
Total new female employees	631	431
Percentage new male employees	57.3	57.7
Percentage new female employees	42.7	42.3
Percentage male employees who left the company in the reporting year	54	59
Percentage female employees who left the company in the reporting year	46	41
Employee data according to age and fluctuation		
Percentage new employees (under 30)	38.5	39.3
Percentage new employees (30-50)	49.1	48.4
Percentage new employees (over 50)	12.4	12.3
Employee data according to contract type		
Percentage employees with fixed term contract	14.4	13.0
Percentage employees with permanent contract	85.6	87.0
Employee data according to hours of training received		
Average hours of training in Management	6.1	9.4
Average hours of training in Administration	22.1	9.2
Average hours of training in Operations	2.5	2.3
Average hours of training in Sales	13.5	17.1

*Unless otherwise indicated, all the information in this report refers to the calendar year 2015 and the nine companies in the CWS-boco Group with the highest turnovers

Central employee data	2016	2015
-----------------------	------	------

Key figures on compliance and anti-corruption measures

Number of employees trained in anti-corruption	0	132
Number of calls to Compliance helpline	4	0

Employee data according to lost days due to accidents or illness

Total lost working days due to accidents	4,362	3,059
Lost working days due to accidents in Management	46	47
Lost working days due to accidents in Administration	368	159
Lost working days due to accidents in Operations	3,647	2,656
Lost working days due to accidents in Sales	301	197
Total injury rate	4.52	4.62
Injury rate in Management	1.07	0.28
Injury rate in Administration	3.07	1.91
Injury rate in Operations	5.89	6.82
Injury rate in Sales	1.79	0.79
Absenteeism (illness) in %	8	8

Central environmental data	2016	2015
----------------------------	------	------

Energy data

Total energy consumption (GJ)	1,002,017	996,109
Natural gas consumption (laundry operations; GJ)	574,001	563,985
Energy consumption owned service fleet (vans & trucks; GJ)	1,407	6,035
Energy consumption leased service vehicles (vans & trucks; GJ)	179,819	182,842
Energy consumption leased company cars (GJ)	98,189	95,338
Energy consumption from oil (laundry operations; GJ)	39,607	35,169
Total direct energy consumption (GJ)	794,834	788,031
Indirect energy consumption (GJ)	207,183	208,078
Purchased green electricity (for laundry operations; GJ)	59,218	49,227
Purchased grey electricity (for laundry operations; GJ)	36,297	47,580
Amount of steam imported (laundry operations; GJ)	13,479	15,933
kWh Energy (thermal & electricity) per kg towel rolls washed	1.18	1.20
kWh Energy (thermal & electricity) per kg mats washed	0.42	0.44
kWh Energy (thermal & electricity) per kg workwear washed	1.67	1.66
kWh Energy (thermal & electricity) per kg linen washed	1.37	1.29
kWh Energy (thermal & electricity) per kg cleanroom textiles washed	3.28	3.02

Emissions data

CO ₂ emissions (t)	56,389	55,501**
Scope 1 (laundry operations, service fleet; t)	52,385	50,950
Scope 2 (laundry operations; t)	3,498	4,330
Scope 3 (business travel, company cars; t)	506	221

**Corrected figure from Intermediate Sustainability Report 2016

Central environmental data	2016	2015
----------------------------	------	------

Water consumption data

Litres of water consumed per kg towel rolls washed	5.41	5.67
Litres of water consumed per kg mats washed	3.16	3.5
Litres of water consumed per kg workwear washed	14.1	13.54
Litres of water consumed per kg linen washed	8.24	7.39
Litres of water consumed per kg cleanroom textiles washed	27.09	24.24
Total of water consumed at laundries (m ³)	1,340,849	1,273,435

Detergent consumption data

Detergent consumption (g) per kg towel rolls washed	19.92	22
Detergent consumption (g) per kg mats washed	0.66	0.65
Detergent consumption (g) per kg workwear washed	41.41	39.94
Detergent consumption (g) per kg linen washed	18.45	18.86
Detergent consumption (g) per kg cleanroom textiles washed	14.29	14.94
Detergent consumption (t)	3,425	3,419

Key figures on logistics and transport	2016	2015
--	------	------

Kilometres travelled

Total number of km driven (k km per year)	51,137	50,638
Total distance (km) travelled by plane (business travel)	2,171,772	985,274
Total distance (km) travelled by train (business travel)	526,868	52,995

Fleet consumption and emissions data

Energy consumption owned service fleet (vans & trucks; GJ)	1,407	3,419
Energy consumption leased service fleet (vans & trucks; GJ)	179,819	177,358
Energy consumption leased company cars (GJ)	98,189	95,338
CO ₂ emissions owned service fleet (vans & trucks; t)	101	245
CO ₂ emissions leased service fleet (vans & trucks; t)	12,881	12,349
CO ₂ emissions leased company cars (t)	7,045	6,841

Key figures on sustainable product range	2016	2015
--	------	------

Upcycling/recycling of hand towel dispensers

Number of dispensers repaired in upcycling centre (total per year)	44,506	30,812
Number of dispensers recycled in upcycling centre (total per year)	16,117	24,586
Dispensers processed per month	5,052	4,616

Washrooms with “ecoilet” label

Number of ecoilet packages installed	2,581	2,098
--------------------------------------	-------	-------

Key figures on supplier and supply chain management	2016	2015
Classification according to supplier type (Textile Care and Washroom Care)		
Total number of suppliers	312	315
Total number of suppliers (finished, trading goods and raw materials)	283	272
Thereof "Contractors" (finished goods)	10	9
Thereof "Business partner" suppliers (trading goods and raw materials)	273	263
Total number of suppliers Washroom Care (trading goods and raw materials)	29	43
Audits		
Number of full time audits at suppliers	15	5
Number of re-audits at suppliers	1	8
Number of audits/re-audits passed directly	4	0
Number of audited suppliers where CAPs were formulated	11	0
Number of calls from suppliers to grievance hotline	0	1
Risk assessment according to region and supplier type (Textile Care)		
"Contractors": number of suppliers producing in no risk countries	1	1
"Contractors": % of volume spend of suppliers producing in no risk countries	1.1	1.4
"Contractors": number of suppliers producing in low risk countries	3	3
"Contractors": % of volume spend of suppliers producing in low risk countries	2.4	2.9
"Contractors": number of suppliers producing in risk countries	6	5
"Contractors": % of volume spend of suppliers producing in risk countries	7	9.3
"Business partners": number of suppliers producing in no risk countries	261	266
"Business partners": % of volume spend of suppliers in no risk countries	81.7	78.5
"Business partners": number of suppliers in low risk countries	6	7
"Business partners": % of volume spend of suppliers in low risk countries	0.77	1
"Business partners": number of suppliers in risk countries	6	5
"Business partners": % of volume spend of suppliers in risk countries	6.9	8.6
Risk assessment according to region and supplier type (Washroom Care)		
"Business partners": number of suppliers producing in no risk countries	28	no data
"Business partners": % of volume spend of suppliers producing in no risk countries	99.97	no data
"Business partners": number of suppliers producing in low risk countries	0	no data
"Business partners": % of volume spend of suppliers producing in low risk countries	0	no data
"Business partners": number of suppliers producing in risk countries	1	no data
"Business partners": % of volume spend of suppliers producing in risk countries	0.03	no data

Imprint.

CERTIFICATIONS



PUBLISHED BY

CWS-boco International GmbH
Franz-Haniel-Platz 6–8
47119 Duisburg
Germany

RESPONSIBLE PARTY

Talar Arzuyan-Kadoglou,
Head of Corporate Communications & Responsibility,
Dreieich Plaza 1B, 63303 Dreieich, Deutschland

CONTACT DETAILS

Should you have any questions concerning our report or its content please contact
Sabine Habermann, Corporate Publishing Manager,
CWS-boco International GmbH
e-mail: sabine.habermann@cws-boco.com

COORDINATION

International: Talar Arzuyan-Kadoglou, Sabine Habermann, Michael Brandin
National and departmental coordination: Dirk Baykal, Arjan Bolink,
Beat Büchi, Christoph Göschl, Oliver Hirschberg, Ewa Nowak, Paul O’Riordan, Anna
Perolfi, Gino Verbelen, Sandra Weih, Haidi Widén-Kullman, Roman Wolf

DESIGN, CONSULTATION AND REALISATION

HOFFMANN UND CAMPE X, Hamburg, www.hoca-x.de

PICTURE CREDITS

Unless specifically stated otherwise, all image rights are held by:
CWS-boco International GmbH
P. 24,25,36,37,48,49,51,52: Stephan Brendgen

PRINTED BY

Uscha printmedia Unterleider Medien GmbH, Rödermark, Germany

ONLINE VERSION

www.cws-boco.com/sustainability

