

Communication on Progress 2018



Principle	Approach	Implementation and Measurement	Reference to GRI indicators
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HUMAN RIGHTS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	According to a risk assessment, there is a particularly high risk of violations of social and labour rights in our supply chain and especially in our textile supply chain. Violations of this sort can be translated into reputational risks not only for CWS-boco but for our customers as well. Furthermore, such violations at the sites of our contractors can present legal risks. Regulatory drivers such the national action plan for business and human rights set the stage for regulatory risks.	Our Company & Sustainability 9-10, Products & Origin 31 - 35, Data 2	G4-HR 9
Principle 2: make sure that they are not complicit in human rights abuses.	Purchasing and supply chain sustainability is managed by CWS-boco Supply Chain Management GmbH (CWS-boco SCM). To take on this responsibility and manage these risks, CWS-boco SCM analyses its supplier structure (Tier 1 and 2) annually.	Our Company & Sustainability 9-10, Products & Origin 31 - 35, Data 2	G4-HR1, G4-HR10
LABOUR	Tier 1 suppliers in countries with a high risk of social and labour right violations, which are commonly countries with weak governance indicators, according to BSCI, are audited by third parties biennially. CWS-boco works closely together with its suppliers and its contractors to improve quality and to implement corrective action plans following audits and strives for long-lasting partnerships.		
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Every relevant supplier has to sign and accept CWS-boco's Code of Conduct, which is based on the BSCI Code of Conduct, which refers to the ILO core labour standards and meets all the requirements stated in the UNGC principles for labour and human rights (freedom of association, collective bargaining, elimination of forced or compulsory labour, abolition of child labour, elimination of discrimination). The Code of Conduct also applies to the supply chain of CWS-boco's suppliers.	Products & Origin 31 - 35, Data 2	G4-HR4
Principle 4: the elimination of all forms of forced and compulsory labour;	Every textile care supplier with an annual purchasing volume > € 10,000 and every washroom care supplier with an annual purchasing volume > € 20,000 has to sign and accept the Code of Conduct. Should a supplier refuse to comply with our Code of Conduct, the supplier is reported to CWS-boco SCM's Executive Board and a process is initiated to find a different supplier who is willing to comply.	Products & Origin 31 - 35	G4-HR6
Principle 5: the effective abolition of child labour; and	Target: By 2020, all our material suppliers have to comply with CWS-boco's Code of Conduct. CWS-boco SCM is an active member of the partnership for sustainable textiles of the German Federal Ministry for Economic Cooperation and Development and BSCI to promote sustainable change in textiles and differentiate itself as an industry leader. In 2016, CWS-boco was the industry leader in terms of the use of sustainable cotton in workwear.		G4-HR5
Principle 6: the elimination of discrimination in respect of employment and occupation.	No form of discrimination based on personal characteristics, whether this be due to gender, age, extraction or nationality, social background, political or religious beliefs or sexual orientation, will be tolerated at CWS-boco. CWS-boco employs people from 60 nations. Career opportunities and the right of co-determination are open to every single employee. Target: CWS-boco aims to support 100 % of its staff with a training and further education management system by 2020."	Data inside cover	G4-10, G4-LA1, G4-LA9, G4-LA11

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ENVIRONMENT

<p>Principle 7: Businesses should support a precautionary approach to environmental challenges;</p>	<p>The management of CWS-boco's environmental impact focuses on three areas, which were identified as most relevant, both by internal and external stakeholders and assessments of environment-related business risks: energy efficiency, carbon emissions and water consumption. CWS-boco washes and dries more than 100 million articles per year in its 44 laundries in Europe. The articles are collected and distributed by more than 1,500 services drivers, covering more than 50 million km per year. Considering these dimensions, every increase in efficiency can be translated into a direct business case for CWS-boco, especially in anticipation of increasing energy costs. Further regulatory changes for emissions standards concerning our service fleet can become business risks. The Paris agreement 2015 emphasises the necessity to take action.</p> <p>Targets (2020 vs 2012) Improve energy efficiency by 30 % Reduce carbon emissions by 20 % Reduce water consumption by 10 %</p> <p>Our energy and carbon emissions hotspots are our laundry services and especially the drying processes: This represents 61.23 % of our energy consumption. Our own service fleet (leased and owned) contributes to 18.08 % of our energy consumption. Purchased electricity in laundry operations is equal to 9.53 % of our energy consumption. Measures to reduce energy consumption and improve efficiency focus on the named hotspots. The measures taken include modernisation of the laundry operations and service fleet, route optimisation and the procurement of green electricity. Currently, 61 % of our purchased electricity is considered green. To keep track of our energy consumption, we monitor the energy efficiency of our laundry operations by type of laundry (kwh/kg) on a monthly basis.</p> <p>Our laundry services are our main source of water consumption. To achieve our target, we optimise our washing loads and reuse water (water from cotton towel rolls can be used to wash mats). We monitor our water consumption by type of laundry (l/kg) on a monthly basis.</p> <p>As a company offering textiles on a rental basis, we exert a level of high control on end-of-life treatments. This is not just a chance to increase resource efficiency, but also a chance to differentiate ourselves from our competitors. Towel roll dispensers are recycled. We are considering different options for a sustainable end-of-life treatment for textiles.</p>	<p>Our Company & Sustainability 18-19, Products & Origin 31 - 35, Laundries & Logistics 37 - 41, Data inside cover</p>	<p>G4-EN1, G4-EN2, G4-EN3, G4-EN4, G4-EN5, G4-EN5, G4-EN7, G4-EN10, G4-EN15, G4-EN16, G4-EN17, G4-EN19, G4-EN30, G4-EN32</p>
<p>Principle 8: undertake initiatives to promote greater environmental responsibility; and</p>			
<p>Principle 9: encourage the development and diffusion of environmentally friendly technologies.</p>			

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ANTI-CORRUPTION

<p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p>CWS-boco strives to achieve a transparent business culture. In 2011, we introduced an internal Code of Conduct. The Code of Conduct sets out rules on responsible, morally correct and respectful business practices while observing strict ethical standards. A compliance officer is responsible for ensuring that compliance training sessions focusing on competition law and the combatting of corruption are held. To this end, the company specifically clarifies how staff in the relevant areas, essentially purchasing and sales, should conduct themselves when acting on behalf of the company.</p> <p>Above and beyond this, the company set up a compliance helpline in September 2013, which is currently available to all staff in Germany, Switzerland, Austria, Sweden and Ireland. If they so wish, staff may remain anonymous and call this line to receive advice on legally correct conduct for business activities or report abuses. Should colleagues, superiors or entire bodies within CWS-boco fail to act correctly or breach the above-mentioned Code of Conduct, an external law firm can be called or e-mailed. The external compliance helpline also offers assistance with conflicts between business and personal interests.</p> <p>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 main shareholder Haniel.</p>	<p>Our Company & Sustainability 9-10</p>	<p>G4-56 G4-58 G4-S04</p>
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