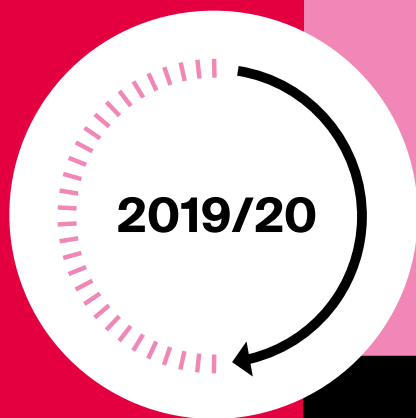


renewable



Corporate Sustainability
Interim Report

CWS in figures

2019

Economic key figures

Turnover (€ million)	1,188
Operating result before one-off effects (€ million)	155
Haniel's shareholding (%)	100*
Sites	in 16 countries

Ecological key figures

Direct energy consumption in laundries (GJ)	779,463
Total water consumption in laundries (m ³)	1,860,042
CO ₂ emissions (Scope 1-3; t; market-based)	76,288

Social key figures

Employees (reporting countries)	10,745
Training (in hours)	36,102
Share of audited relevant suppliers	93.8%

* Franz Haniel & Cie. GmbH acquired all minority shares of CWS previously held by Rentokil Initial plc on 31st July 2019.

Dear readers,

Sustainability has been at the heart of CWS' activities for a number of years now. In the meanwhile, the world has changed noticeably. And not only with respect to the COVID-19 crisis, which has us all on edge.

The impacts of climate change and the shortage of resources are omnipresent. Even before the pandemic, public pressure concerning sustainability was growing rapidly; politicians and economists responded with corresponding programmes. During and after the COVID-19 crisis, the focus will remain on responsibility for people and the environment.

CWS' service model is based on sustainable actions. We do not consider cost-efficiency and sustainability as opposing forces; for us, sustainability is also an economic driver.

With this interim report, we are inviting you to take a closer look at the current developments in our company. I really hope you enjoy reading it!

A handwritten signature in black ink, appearing to read 'Jürgen Höfling', with a stylized, cursive script.

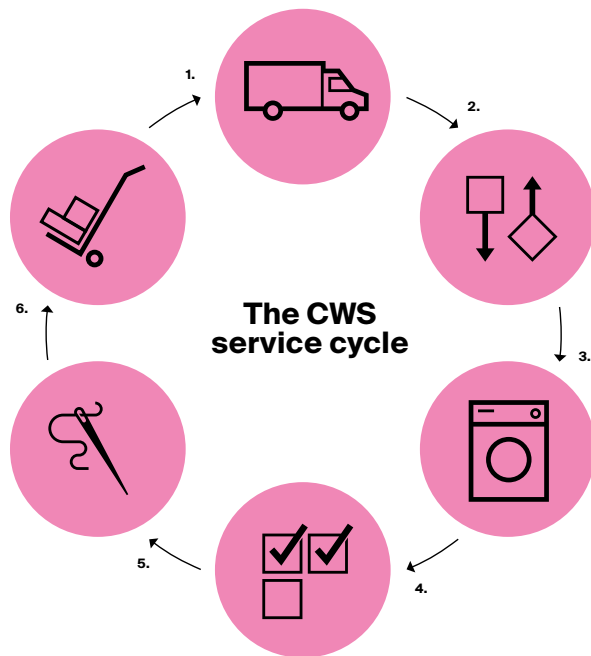
Best regards,
Jürgen Höfling

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The company and sustainability

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CEO Jürgen Höfling explains how sustainability is anchored in CWS' strategy and how the company is making a contribution to a healthier and safer future with the principle of the circular economy.



1. Collection
2. Sorting
3. Washing & drying
4. Quality control
5. Repairs & replacement
6. Delivery

Hygiene

10 “Seeing the big picture”

The subject of hygiene has been thrust into the public focus in 2020. CWS has already been working on developing sustainable hygiene solutions for many years. Frank Reisgies, General Manager Hygiene Core Business, offers insights into the division's work and the solutions available for people and the environment.



Workwear

14 The complete cycle

CWS has been a main member of the innovative industry association wear2wear™ since 2019. The partner companies design and produce completely recyclable clothing. As such, our Workwear division is taking the next logical step on the road to sustainability.



20 Optimise cycles

The success of our business is driven by our sustainable thinking and we strive to improve our cycle processes every single day.



22 Putting people first

Our focus is always on people and the health and safety of our staff determines how we act at all times.



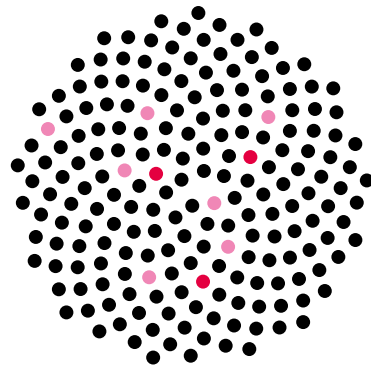
24 Sustain business

We are a learning organisation. We try to perform even better in our core competences every day anew.

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Sustainability – facilitating success



Jürgen Höfling, CEO of CWS

We started reporting on our sustainability activities back in 2010. And if these years have made one thing clear, it is that corporate responsibility cannot develop and flourish in a vacuum. Every sustainability strategy needs to take social and corporate circumstances into consideration. And, of course, we are aware that we need to keep evolving with the times in order to remain trustworthy and react appropriately to changing situations. Not only that, but also in order to continue to lead the way in the field of sustainability and set new standards. Last but not least, in order to utilise sustainability as an economic lever, as we also have a responsibility for turnover.

In 2019, we examined our business development once again in terms of sustainability aspects and investigated potential for sustainable value creation. To this end, we considered our sustainability aspects and their measures along the entire value creation chain.

Our approach of offering our products as a service as part of the circular economy and setting great store by durability, repairability and practical recycling at the end of the product life cycle remains of central importance to us. We view sustainability as a superordinate corporate goal: we want to be the most sustainable company in our industry by 2024. And we are already making great progress; we have laid stable foundations in employee health and safety, supply chain sustainability and resource conservation in our service model. In addition, we now also want to gear the areas of product development and end-of-life

concept consistently to sustainability – we see great potential for our business there.

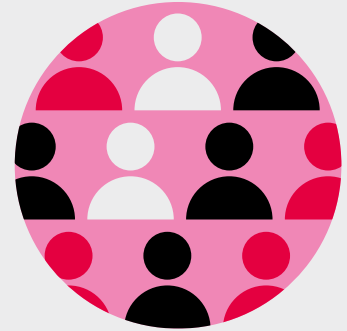
Sustainability and CWS go hand in hand. It is a central part of our corporate strategy and therefore also explicitly anchored in the division strategies. There, we have established, regularly reported on and audited specific priorities and targets to improve, thus also making them the basis for measuring our success. For example, goals were set for 2020 for the sustainability of our products, durability of our products, reducing plastics in the laundries and cutting CO₂ emissions.

In aiming to achieve these goals, we rely on interdisciplinary excellence: representatives of all specialist departments work together closely with the sustainability team, and our interdepartmental CR Council analyses the strategic issues. The results are then discussed in the Extended Leadership Team and changes of direction implemented where necessary. In addition, we communicate regularly with the management team of our shareholder, Haniel, for whom sustainability is a particular strategic priority.

“Sustainability and CWS go hand in hand. It is a central part of our corporate strategy.”

Even with our wealth of experience and knowledge, we are now being made aware of the fact that there are still factors and events beyond our control that directly affect our company. We rise to this challenge and view it as another opportunity to learn and improve. After all, even if today's sustainability perhaps isn't tomorrow's sustainability, we know that we need to establish the best foundations in the scope of what is possible. In this way, we do our best every day today for the future.

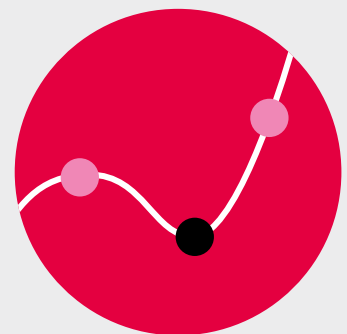
Our activities rest on three pillars



Putting people first




Optimise cycles



Sustain business

**Offering sustain-
able solutions
which protect
people and nature –
that's what
drives CWS
day in, day out.**



With our sustainable products and services, we make a contribution to a safer and healthier future. The innovations and products in the Hygiene and Workwear divisions are shining examples of how well this works.



“Seeing the big picture”

Frank Reisgies has been managing the Hygiene division at CWS since the beginning of 2019. Aligning the core business to a sustainable future is a matter which is particularly close to his heart. Below he tells us more about digital washroom solutions, complete hygiene concepts and microplastic savings.

Mr Reisgies, hand hygiene is one of the main topics of 2020. The COVID-19 pandemic has raised everyone's awareness of the importance of correct handwashing. What solutions do the specialists in the Hygiene division at CWS offer?

Frank Reisgies How important hand hygiene is for good health was clear even before COVID-19 struck. Around 80 per cent of all infectious diseases are transmitted via our hands, and yet infection rates can be almost halved with proper handwashing. To help with this, we introduced the sensor-controlled CWS SmartWash mixing system, which functions completely contact-free, on the market in the summer of 2019. It dispenses a premixed solution of soap and water, pauses so as to give the

Water is one of our most valuable resources. At CWS, we develop sustainable solutions which protect health and the environment in equal measure.

user sufficient time to lather their hands properly and then rinses the hands clean with fresh water. That means it is no longer possible to skip the use of soap. An animation on the mirror in the washroom demonstrates the correct way to wash hands. We had hoped to introduce the new system officially at InterClean in May 2020, but the event was unfortunately cancelled due to the pandemic. The bitter irony of fate one might say.

As a sustainable washroom solution, CWS SmartWash aims to protect not only users' health but also the environment. What factors play a role in this?

Frank Reisgies SmartWash is a digital dispensing system which prevents water and soap being wasted. As both components are dosed in advance, it is possible to save up to 90 per cent water and 60 per cent soap with every use. This means the soap lasts one and a half times longer than with a classic dispenser with a soap reservoir. Thanks to our collaboration with the Dutch charity Made Blue, every SmartWash system rented guarantees ten schoolchildren in Africa access to 10,000 litres of drinking water for a whole year.

CWS has always strived to think outside the box. Are sustainability and complete solutions two concepts that you feel should always be considered together?

Frank Reisgies Yes, most definitely. That is why we also set great store by comprehensive and sustainable hygiene solutions. The focus is no longer on selling individual products, but rather on the complete furnishing of public washrooms. From soap dispensers to cotton towel rolls right up to toilet seat disinfection systems, we design all-round solutions which are tailored to the requirements of the respective customer segment and all of the elements dovetail optimally. One such concept for nurseries has already been available on the market since February 2020; four further concepts for other areas of application are set to follow by the end of the year.



Frank Reisgies, General Manager
Hygiene Core Business at CWS

Of course, there are also projects for a more sustainable product portfolio too. For example, in the Floor Care division, we are already extending the useful service lives of our dust control mats by means of repair projects, so as to decrease waste considerably. And it doesn't stop there. Increasing shares of recycled material should make the mats themselves even "greener" at CWS in the future.

SmartWash

1.5 x longer

The soap lasts one and a half times longer than with a classic dispenser with a soap reservoir.

Microplastics



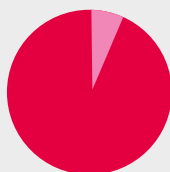
45 cosmetic products were clinically inspected and the chemical formulas adapted if necessary.

31,000 kg

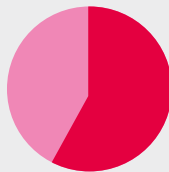
of solid microplastics are avoided every year by this changeover.

SmartWash

The maximum savings for one washing procedure are:



**90%
water**



**60%
soap**

2019



Complete furnishing of public washrooms

The CWS Complete Washroom Concept for nurseries was developed in 2019 and has been on the market since 2020. Further concepts for trade, industry and office spaces are set to follow.

Dust control mats

The repair quota for mats should increase by at least



“With every mat that remains in circulation for longer, we are reducing the ecological footprint.”

10,000 l

of drinking water are made available to ten schoolchildren in Africa for a whole year for every rented SmarWash mixing system thanks to our cooperation with the Dutch charity Made Blue.

The superordinate goal is for it to be possible to produce the CWS dust control mat completely circularly in the future. We are currently participating in a European research project following the development of a closed recycling cycle for floor coverings. Worn-out “green” mats could then be used to create completely new dust control mats which meet the high CWS quality standards and which would continue to support our customers on a daily basis.

Which sustainability innovation are you particularly proud of?

Frank Reisgies We have rendered the environment a great service by banning solid microplastics from all of our soaps. The minute particles enter rivers and seas via the wastewater and cause provable damage in the biosphere. From there, they are passed along the food chain and ultimately end up in our bodies. Filtration systems are not capable of removing these minute plastic elements from the water completely, so it is vital that they do not end up in the environment at all. For this reason, we subjected all of our 45 cosmetics products to a critical assessment. Wherever necessary, the chemical formulas were adapted. This change allows us to avoid 31 tons of microplastic every year. We have also been successful in eliminating so-called liquid microplastic, which is often employed as a chemical stabiliser, from almost all of our products.

Is this omission of solid microplastics detrimental to the products' cleaning capacity?

Frank Reisgies No, because we have replaced the plastic particles with natural substances. These are just as effective, as can be seen from the example of our CWS Abrasiva soap, which has been on the market with a new formula since January 2020. Abrasiva is popular in workshops where lubricants, oil and rust often stick to the workers' hands. Abrasive particles in the soap make it easier to remove this stubborn soiling from the skin. Instead of using tiny plastic pearls, we now achieve the same results just as effectively with corn cob meal, which is produced from threshed corn cobs so as not to waste any foodstuffs.

Replacing plastic with corn seems very pragmatic. Sustainable solutions clearly don't always need to be complicated...

Frank Reisgies We often discover that obvious solutions in particular deliver very positive effects. You just need the courage to look for such solutions specifically and then implement them consistently. The extended service lives of our dust control mats is an apt example of this. With every mat that remains in circulation for longer, we are reducing our ecological footprint. That's why we want to increase the repair quota by at least 20 per cent.

What insights have you personally gained from your involvement with sustainability issues?

Frank Reisgies The fact that many measures can be effective even if you barely notice a difference to begin with. Take, for example, the use of untreated cardboard boxes. You can't tell just by looking at them that they are far easier to recycle than coated cardboard boxes. Nevertheless, we are sure that our customers appreciate the added value for the environment.



CWS delivers hygiene across the board with sustainable solutions for all washroom requirements.

The complete cycle



CWS has been a main member of the innovative industry association wear2wear™ since 2019. The partner companies design and produce completely recyclable clothing. As such, our Workwear division is taking the next logical step on the road to sustainability.

We can't say for certain whether garments have a soul. One thing is for sure though: they can be re-born. The rEvolution Hybrid outdoor jacket is "living proof" of that. It is one of the first of its kind in the whole world to pass through the entire textile recycling circle. Made from old clothes and recycled PET, it can be completely recycled again after use. A jacket is turned into a jacket is turned into a jacket.

The rEvolution Hybrid is produced by the European industry partnership wear2wear™, whose members are committed to sustainable textile production. We have been one of the main partners in this association since 2019. "With our rental service, our approach has been determined by the circular economy for a long time," explained Ricarda Hefke, Lead Buyer Textiles and wear2wear™ project manager at CWS. "But we want to go even further and recycle old clothes to produce new ones on an industrial scale."

The expertise cycle

Each wear2wear™ company imparts its expertise with the goal of recycling clothing completely. If we add the rEvolution Hybrid to our workwear range, this will work as follows: We supply the jacket to the customer in the scope of the rental scheme. It is worn, washed and repaired until it reaches the end of its useful service life.

The jacket is then forwarded for recycling, where it is shredded and reprocessed. Our partner company Carl Weiske converts the polyester fibres into granulate, which TWD Fibres GmbH then spins into a recycled thread. Schoeller Textil AG combines the thread with a recyclable membrane from Sympatex to produce a high-tech fabric. The Russian textile manufacturer BTK takes the individual components and produces a jacket that we can then provide to customers again. The whole cycle restarts from the beginning.

"We integrated the design experience from our sustainable collections in the development of the rEvolution Hybrid," explained Ricarda Hefke. "The jacket was designed in strict compliance with Design2Recycle principles. For example, the zip is



The rEvolution Hybrid outdoor jacket.

attached with a PVA thread which dissolves at high washing temperatures."

Sustainable production

wear2wear™ is the next logical step on the road to sustainability for us. After all, we have been employing sustainable materials in our own collections for some time now already. "In 2019, we launched almost 300,000 garments made with Fairtrade cotton onto the market," explained Frank Georgi, CEO of CWS-boco Supply Chain Management GmbH.

Sustainability is particularly important for polyester and cotton. Polyester in particular is often viewed ambivalently: On the one hand, it requires large quantities of resources and energy. On the other hand, it gives textiles very long service lives. "Using recycled polyester allows us to reduce resource and energy consumption, plus we have a very long-lasting product at the same time," said Michael Stielow, Head of Product Management Workwear.



Quality check – Textiles are inspected for damage, stains and wear.

With the triad of sustainable production, durability and recycling, the Workwear division is now all set for the future.

“We launched our first collection made with recycled polyester on the market in 2020 and use it for our drivers’ uniforms.”

Cotton also has its pitfalls from a sustainability perspective. The plant requires a lot of water but must be very dry before it can be harvested. For this reason, it is only grown in arid regions. The immense consumption of fresh water and frequent use of pesticides often make the plantations a problem for humans and nature alike.

“For all these reasons, we use Fairtrade cotton for the garments we produce ourselves. We have been offering a total of four collections since 2019,” said Mr Georgi. “Fairtrade ensures appropriate pay and prohibits child and forced labour. Sustainable water management and the avoidance of pesticides are also guaranteed.”

Durability testing

Long-lasting products are also part of our sustainability strategy. Before we adopt a new garment into our range, it has to be tested for durability. This is done by introducing the new textiles into the running washing operations in a test laboratory in the workwear laundry in Bielefeld, Germany. There, they are washed thirty times with clothing from the very industry in which they are subsequently intended to be used. They only make it onto the market if they still satisfy our quality requirements after the last washing cycle.

In addition, we also set great store by shared use and recycling. “We don’t simply dispose of textiles which are no longer required,” explained Eva Liedtke, Head of Quality Assurance. “Instead, we check to see whether other customers could use them.” That happens among other places in Międzyrzecz, Poland, where up to 7,000 garments are thoroughly inspected for damage, stains and wear every day. Around half pass the quality control and can be used again. The remainder are repurposed, often as cleaning cloths.

With the triad of sustainable production, durability and recycling, the CWS Workwear division is now all set for the future of the circular economy. In the case of the rEvolution Hybrid outdoor jacket, the three components have already come together perfectly, as the durability test passed with flying colours in the laundry in Bielefeld proves. “Recycled, long service life and then recycled again,” summarised Ricarda Hefke. “What else can you ask for in terms of a product’s sustainability?”

Sustainable production



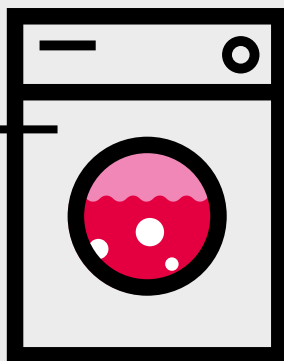
2.3 million
items of workwear
were repaired in
Germany in 2019.

**Garments pro-
duced in the
company using
Fairtrade cotton:
300,000
in 2019**

Workwear test laboratory

**Durability of
clothing
30x**

Prototypes are washed thirty times with clothing from the very industry in which they are subsequently intended to be used. The quality of the fabric, soiling and shape are inspected after the first, fifteenth and thirtieth wash cycle.



Sustainable supply chains



**of the relevant
suppliers have
signed the Code
of Conduct.**

7,000

used items are inspected
in the Customer Fulfillment
Center in Poland every day.

rEvolution Hybrid outdoor jacket



**One of the first
jackets to pass
through the entire
textile recycling
circle.**



From internal processes and safety concepts to supply chains and resources for in-house production: CWS is working towards a healthier and safer future day after day.

Sustainability is part of the DNA at CWS. It determines the way we think and act as well as the corporate vision.

Optimise cycles



Life without clean water simply isn't imaginable. CWS is committed to protecting this valuable resource.

Protecting resources

Water recycling: 80 per cent

Clean drinking water is a valuable resource. CWS began looking into saving resources in its laundries early on. We invest in technology and solutions which minimise water consumption there. Alongside innovations such as the Flat Mat Washer, which only requires half as much water as the regular mat-washing process, this includes low-consumption laundry lines as well as the

reuse and reprocessing of water. In this way, as many products as possible can be washed with as little water as possible. We currently reuse up to 80 per cent of the water we use.

To this end, the majority of the CWS laundries are organised as combination operations, meaning that different types of products, such as cotton towel rolls, workwear and dust control mats, are all washed at the same site. For example, once the towel rolls have been washed, the same water can be reused to clean the mats without any problems. This offers double benefits for the environment: the water is already hot and contains washing agents, so both energy and detergent are saved in the second cycle. The water is then reprocessed to be used again from the beginning.

In addition, we also help our customers save water with innovative products such as the SmartWash mixing system.

Optimising for the climate



Good prospects for clean air – we managed to reduce our CO₂ emissions again in 2019.

Climate protection is a task for society as a whole and demands comprehensive transformation. CWS is also doing everything in its power to reduce its CO₂ footprint. In 2019, the company managed to decrease its overall CO₂ emissions by 7 per cent. Process optimisations in the laundries made it possible to reduce emissions by 15 per cent per kilogram of washed laundry.

Washing is where CWS uses the most energy: it accounts for 50 per cent of the company's CO₂ emissions. With the aim of reducing greenhouse gas emissions, CWS is systematically replacing oil with natural gas. The gas share in the laundries has now been increased to 77 per cent and the oil share decreased to 1.8 per cent.

Innovative washing methods at particularly low temperatures also offer additional savings. Optimised washing agents guarantee the same efficiency with considerably lower energy requirements. CWS is already washing 90 per cent of all cotton towel rolls and approximately 20 per cent of the workwear across Europe using new low-temperature procedures.

Service logistics also account for a large share of the CO₂ footprint, which is why the company is permanently optimising route planning and investing in a modern leasing fleet. Furthermore, a project launched in 2019 aims to test the use of modern electrical vehicles.

EcoVadis



Gold is not enough: Platinum for sustainability

At the beginning of 2020, the internationally acclaimed and independent testing organisation EcoVadis awarded the company the Platinum rating for its particularly sustainable business model. This amazing result means that CWS is among the 1 per cent of all the audited companies to receive the absolute best rating from EcoVadis. The EcoVadis sustainability audit is increasingly being considered a new decision-making aid by major customers when choosing their partners. The German national subsidiary of the CWS Group has already enjoyed Gold status for five years and now achieved an even better audit result.

Putting people first

Customer and employee feedback

Improve systematically

CWS has a goal: a healthier and safer future. With this in mind, we want to improve a little every day and systematically utilise the feedback we receive from our employees and customers. After all, their satisfaction is our success. To this end, we regularly calculate the net promoter score (NPS). The NPS is a parameter indicating how likely our customers (cNPS) and employees (eNPS) are to recommend CWS as a company. It is calculated by establishing the difference between promoters (customers who rated us with at least nine out of ten points) and detractors (customers whose rating was less than six out of ten).

Satisfied employees make satisfied customers. For this reason, we systematically collected feedback from our entire staff across all the solution areas in 2019. The workforce is surveyed throughout the year with each individual having two opportunities to offer their opinions, suggestions and feedback. In 2019, an overall value of +1 was determined for the eNPS. That means that the majority of CWS employees would recommend their employer. CWS uses dialogue-based communication and a structured process to ensure that the feedback is used and improvements implemented.

As regards the customer survey - the cNPS - we managed to improve by 15 per cent over the course of 2019. We are still not satisfied with this result and will continue to work on increasing the cNPS value with the help of differentiated root cause analyses and targeted improvement measures. We will do so using the valuable information we gather from the surveys. It spurs us on and offers us the opportunity to identify customer wishes in a more focused way and to evolve continuously.



We bring our solutions directly to our customers – and pay attention to our colleagues' safety at all times.

Occupational safety

Safety first

At CWS, the safety of our staff is our top priority. The responsible organisational unit Quality, Environment, Safety & Health (QESH) introduced important measures in 2019 and we have already been able to celebrate some initial successes on the way to reaching our target of an accident quota of 0.

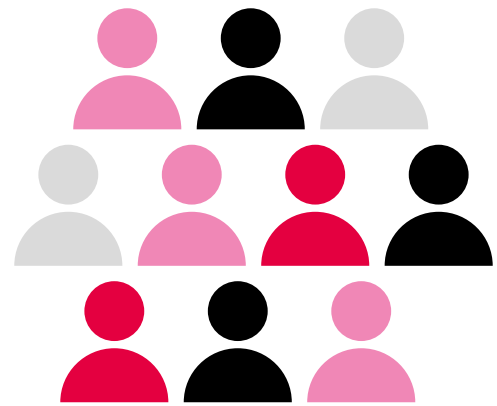
- We have decreased the accident quota by 8 points across all sites.
- We have stepped up communication of the topic of occupational health and safety. Detailed guidelines for all solution areas and regular brief training sessions help reduce the number of accidents in the workplace.
- Regular exchange among the QESH representatives in the different countries and a standardised means of assessing the accidents which happen allow a concentrated and rapid reaction to possible safety risks in the workflows.
- The audits performed in all of the countries have been successful and the existing certifications have been maintained.

Targeted nurturing of employees

420 managers from all countries and solution areas completed the Strategy, Execution and Talent (SET) training programme for the first time in 2019. One of the important focuses of the programme is on providing managers with a common understanding of the corporate strategy and its tools. In addition, it offers methods for how employees can be consistently encouraged and supported. After all, targeted further training of employees starts with the managers. In addition, four new e-learning programmes on the topics of compliance, data protection, IT security and occupational health & safety were also developed in 2019.



At CWS Fire Safety in particular we nurture colleagues with other professional backgrounds and train them as fire safety experts with training sessions and further education courses.



Diversity

A diverse future

Nobody should be the victim of discrimination as a result of their gender, nationality, ethnic background, religion and ideology, disability, age or sexual orientation and identity. That is a fundamental requirement at CWS. Beyond that, diversity also means a variety of ideas and perspectives for us. We believe that new ideas for a healthier and safer future can only develop when a spectrum of different approaches come together. Diversity is a relevant factor for corporate success for CWS. And that was how, in 2020, the idea came about to found a Diversity Council, which systematically promotes diversity in the company. The council has now started its work. The diversity quota in key positions was 19% in 2019. In future, we want to continue to promote diversity and establish a shared understanding of diversity in the company. This also includes defining our ambitions in a vision and making them measurable in key figures. This allows us to steer our progress with precision and anchor diversity in our company.

Sustain business

Compliance

Embodying ethics

Aligning its actions with ethical principles is part of the CWS Group's basic corporate philosophy, which is why we also assume responsibility beyond the legal requirements. We use ongoing measures to ensure that employees and business partners are aware of our compliance guidelines.

In 2019, CWS expanded the scope of its compliance training programme and updated the online training courses. E-learning modules on cartel law and anti-corruption were held in Germany, Austria, Poland, Ireland, the Netherlands, Sweden, Switzerland, Belgium and Romania. With the help of examples, employees learned how to conduct themselves in problematic situations. 70% of the employees for whom compliance subjects are relevant received training in the scope of this measure in 2019. Training programmes on additional topics, especially data protection, are set to follow.

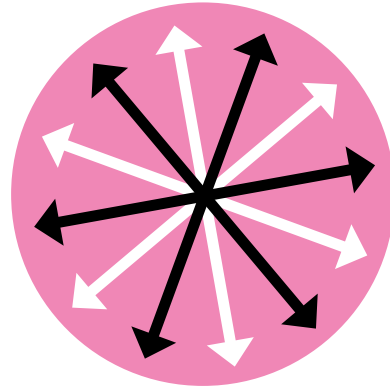
Social compliance: The supply chain in check

In parallel, we are also working on minimising breaches of labour and social laws in our supplier companies. The CWS Group has a good control over its own supply chain thanks to its Supply Chain Organisation, in which the production of its own collections is largely self-coordinated.

The company's Code of Conduct (CoC) by the CWS Supply Chain Management GmbH is an important instrument for social compliance. It defines BSCI principles based on compliance with human rights and the ILO standards. Around 80 per cent of our relevant suppliers committed to comply with the code in 2019. If materials originate from risk coun-

tries with poor governance indicators, the suppliers are audited every two years to ensure compliance with the BSCI principles.

All our direct production partners have successfully passed a BSCI audit. We procure 90 per cent of our materials from countries with a low risk of labour and social law breaches. We also set great store by solid partnerships to ensure permanently good working conditions in our supply chain: we have been working with half of our direct production partners for more than ten years and with 72 per cent of our trade partners for at least five years.



The shared focus on key figures helps us achieve goals more quickly.



Daily performance management

A little better day after day

Continuous improvement is a process of little steps. That's why we started integrating daily performance management (DPM) in our day-to-day work back in 2018. The DPM method standardises the daily workflows of the local teams and makes the key figures of the respective key daily goals visible to everyone. That allows us to identify deviations from our standards with precision and solve issues in a structured manner.

This way of working promotes a continuous learning process, which minimises the need for ad hoc measures. The DPM approach actively integrates employees in improvement processes by making the key operational figures transparent for everyone. The prospect of rapidly achieving quantifiable successes in this way noticeably boosts employee motivation. Some examples of the improvements:

DPM has helped our laundry in Bad Oldesloe, Germany, to reduce the number of complaints received by an impressive 31 per cent. Thanks to DPM, the customer service team in our Dutch Customer Care department has managed to reduce the average processing time of queries and complaints to below ten days.

In the scope of the DPM process, the team members document their work progress in hourly reports. Day after day, the important key figures are evaluated and the specifications for the daily goal updated. Daily problem-solving meetings identify possible deviations from the goals. This makes it easier to categorise recurring problems and monitor them over extended periods of time. Urgent issues are tackled immediately. There are now 62 sites/functions across the Group employing the DPM process for day-to-day work, with more set to follow.

Goals 2018 – 2025

Sustain business!

↑ Compliance



100%

of the employees for whom the compliance subjects are relevant completed corresponding training in 2019.

↗ Employee diversity

55%

(Current focus: gender diversity in key roles)

diversity candidates

→ Customer and employee satisfaction

+70*

*NPS/eNPS = supporter in %
– detractor in %, (supporter value => 10, detractor value =< 6)

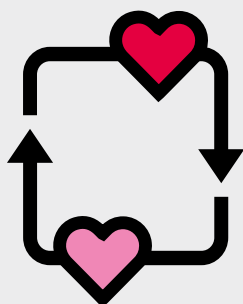


Net promoter score for customers and employees

Putting people first!

↗ Social standards along the supply chain

Audits of suppliers with risk potential: 100% implementation of complaint mechanisms for cases of non-compliance, especially for CMT partners in risk countries.



Checking of due diligence obligations concerning human rights

↗ Training and further education

Top talent quota: 20%

of the employees should be identified as top talent and supported accordingly.

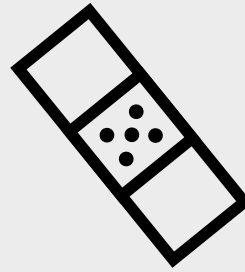
Promotion rate: 20%

of the key roles should be filled with internal candidates.

Succession planning: 1 short-term, 1 medium-term

(New) talent should be identified and supported accordingly for each key position.

↗ Occupational health and safety



accident quota

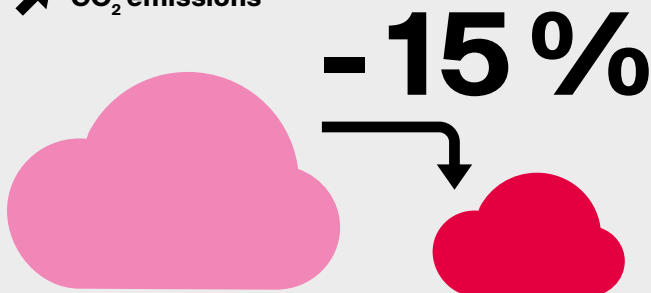
0*

sickness quota 3.5%**

*Number of reported accidents x 200,000/number of effectively worked hours, **Absence quota (in %): absence/scheduled working hours x 100

Optimise cycles!

↗ CO₂ emissions



Reduction of CO₂

in laundries and logistics (kg CO₂ per kg washed laundry)

→ Water & washing processes

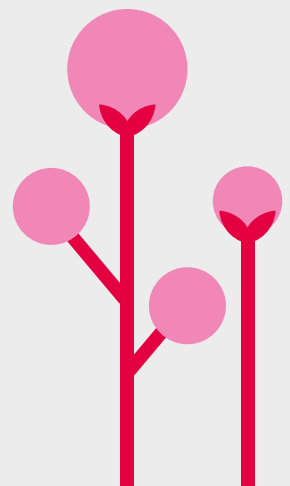
Reduction in use of environmentally hazardous chemicals



↗ Sustainable products

55 per cent

of the garments we produce ourselves are manufactured from sustainable materials (sustainable cotton, recycled polyester).



→ Circular economy



Development of concepts for implementing effective cycle processes in our operations. Reduction of waste and sparing use of resources

Facts and figures

Based on the GRI reporting standard

Key figures from sustainability management

The following table documents the consolidated key figures from the 35 companies in 15 European countries our Group with the highest turnovers in the respective subjects and areas of activity.

Central employee data	2018	2019
Employee data at business levels		
Total number of employees	10,800	10,745
... in management	711	692
... in administration	1,009	1,099
... in the laundries	4,798	3,912
... in customer services	2,567	3,143
... in sales	1,715	1,899
Employee data according to gender and management level		
Share of male employees (in %)	52	52
Share of female employees (in %)	48	48
Share of male employees in management positions (in %)	70	72
Share of female employees in management positions (in %)	30	28
Share of employees in management positions (aged <30; in %)	3	1
Share of employees in management positions (aged 30-50; in %)	60	63
Share of employees in management positions (aged >50; in %)	37	36
Share of male employees who left the company in the reporting year (in %)	53	56
Share of female employees who left the company in the reporting year (in %)	47	44
Employee diversity		
Number of diversity candidates for key roles (gender diversity)		18
Employee data according to contract type		
Employees with fixed-term contract (in %)	21	15
Employees with permanent contract (in %)	79	85
Total number of employees at the end of the year by type of contract		
Full-time (in %)	80	82
Part-time (in %)	16	17
Dormant contract/inactive (in %)	4	1
Full-time		
Male employees working full-time (in %)	48	48
Female employees working full-time (in %)	32	34
Part-time		
Male employees working part-time (in %)	4	4
Female employees working part-time (in %)	12	13
Dormant contract/inactive		
Share of male employees (in %)	1	0
Share of female employees (in %)	3	1

Central employee data	2018	2019
Employee data according to training and development		
Hours of training received		
Hours of training in management	1,315	4,818
Hours of training in administration	6,868	5,995
Hours of training in laundries and customer services	19,083	12,437
Hours of training in sales	19,791	12,853
Promotion quota to key roles (in %)		50
Successor quota to key roles		0.05
Top talent quota (in %)		12
Key figures on compliance and anti-corruption measures		
Share of compliance-relevant employees who received training in anticorruption measures (in %)	88	71
Number of calls to compliance hotline	5	4
Employee data according to lost days due to accidents or illness		
Total number of accident-related lost days	4,863	5,105
... in management and administration	214	164
... in the laundries	1,832	1,444
... in customer services	2,563	3,010
... in sales	254	459
Total injury quota (number of reported accidents × 200,000/number of effectively worked hours)	2.6	2.4
... in management and administration	0.8	0.1
... in the laundries	2.8	2.8
... in customer services	5.1	4.1
... in sales	0.4	0.5
Absences due to illness (in %)	8.1	8.0
Employee satisfaction		
Net promoter score for employees		1
Customer satisfaction		
Net promoter score for customers		-4

Central environmental data	2018	2019
Energy data		
Natural gas consumption (laundry operations; GJ)	812,487.60	730,176.92
Energy consumption from oil (laundry operations; GJ)	19,148.40	17,721.74
Energy consumption from wood pellets (laundry operations; GJ)	30,128.40	31,564.80
Total direct energy consumption (laundry operations; GJ)	861,764.40	779,463.46
Total indirect energy consumption (laundry operations; GJ)	175,896.00	161,937.70
Purchased green electricity (for laundry operations; GJ)	121,000	130,993
Purchased conventional electricity (for laundry operations; GJ)	42,980	22,839
Amount of steam procured (for laundry operations; GJ)	11,916	12,146
Emissions data		
Total CO2 emissions (market-based; t)	81,612	76,288
Scope 1 (natural gas, oil, internal owned and leased fleet, company cars; t)	73,687	71,352
Scope 2 (conventional and green electricity, steam; market-based; t)	7,698	4,676
Scope 2 (conventional electricity, steam; location-based; t)	24,143	30,159
Scope 3 (business travel, external service fleet; t)	101	124
Biomass	126	137

Central environmental data	2018	2019
Emissions data		
CO2 (thermal & electricity) per kg of towel rolls washed (kg)	0.189	0.170
CO2 (thermal & electricity) per kg of mats washed (kg)	0.123	0.088
CO2 (thermal & electricity) per kg of workwear washed (kg)	0.319	0.308
CO2 (thermal & electricity) per kg of mop covers washed (kg)	0.033	0.087
CO2 (thermal & electricity) per kg of cleanroom textiles washed (kg)	0.529	0.366
CO2 (thermal & electricity) per kg washed laundry	0.233	0.195
Water consumption data		
Water per kg of towel rolls washed (litres)	5.3	5.4
Water per kg of mats washed (litres)	4.0	3.8
Water per kg of workwear washed (litres)	13.2	13
Water per kg of mop covers washed (litres)	7.8	7.5
Water per kg of cleanroom textiles washed (litres)	29.6	29.6
Total water consumption in laundries (m³)	1,909,734	1,860,042
Key figures on logistics and transport	2018	2019
Logistics		
Total number of km driven by service fleet (in thousand km)	68,892	63,892
Total number of service drivers	2,292	2,294
Fleet consumption and emissions data		
CO2 emissions of owned or leased service fleet (trucks and vans; t)	31,086	34,019
CO2 emissions of service fleet per kg washed laundry	0.167	0.179
Key figures on sustainable product range	2018	2019
Upcycling/recycling of hand towel dispensers		
Number of dispensers repaired in upcycling centre	41,574	42,059
Number of dispensers recycled in upcycling centre	16,090	16,841
Dispensers processed per month	4,905	4,908
Key figures on supplier and supply chain management	2018	2019
Classification according to supplier type		
Total number of suppliers (finished goods, trading goods and raw materials)	308	383
Of which Contractors (finished goods)	10	8
Of which Business partners (trading goods and raw materials)	298	375
Audits		
Number of full time audits at suppliers	22	12
Number of re-audits at suppliers	4	2
Share of audited suppliers with risk potential (in %)		93.8

Key figures on supplier and supply chain management	2018	2019
Risk assessment according to region and supplier type		
Contractors: number of suppliers producing in no risk countries	1	1
Contractors: share of volume spend of suppliers producing in no risk countries (in %)	9.6	8.7
Contractors: number of suppliers producing in low-risk countries	3	2
Contractors: share of volume spend of suppliers producing in low-risk countries (in %)	16	16.8
Contractors: number of suppliers producing in risk countries	6	5
Contractors: share of volume spend of suppliers producing in risk countries (in %)	74.4	74.5
Business partners: number of suppliers producing in no risk countries	282	357
Business partners: share of volume spend of suppliers producing in no risk countries (in %)	92.6	94.9
Business partners: number of suppliers producing in low-risk countries	8	9
Business partners: share of volume spend of suppliers producing in low-risk countries (in %)	1.1	0.8
Business partners: number of suppliers producing in risk countries	8	9
Business partners: share of volume spend of suppliers producing in risk countries (in %)	6.3	4.3
Further information on suppliers		
Number of "CMT partner" suppliers with a cooperation duration...		
... of <2 years	2	0
... of 2-5 years	2	3
... of 5-10 years	2	1
... of >10 years	4	4
Number of "Business partner" suppliers with a cooperation duration...		
... of <2 years	38	54
... of 2-5 years	70	48
... of 5-10 years	93	143
... of >10 years	97	130
Sustainable procurement	2018	2019
Sustainable products & services		
Share of FSC-certified paper / paper from sustainable sources (in %)	92.7	93.1
Share of Fairtrade cotton (workwear; in %)	12.4	22.9
Share of organic cotton (cotton towel roll, in %)	3.6	7.8
Share of garments produced internally from sustainable fabrics (workwear, in %)		17

Shaping the future

When it comes to our products and services, we've always thought in sustainable cycles. But we want more! After all, comprehensive sustainability isn't merely composed of products and processes, but rather also involves healthy employees, fruitful collaboration with business partners and satisfied customers. That's why we defined the three pillars of sustainability in which we want to achieve ambitious goals by 2025.

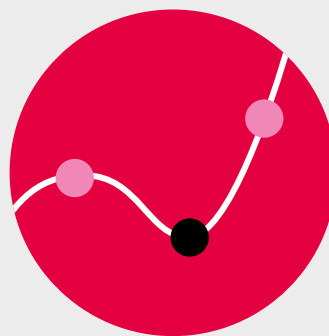
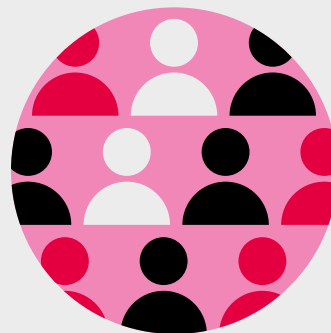


Optimise cycles!

This report has shown with a range of examples that we are already consistently thinking in cycles in many parts of the company. But that's not enough for us! In the coming years, we want to render our cycle processes even more efficient and anchor recycling and upcycling as central components in all elements of our economic activities. This will allow us to save resources and establish a sustainable service cycle for our customers.

Putting people first!

Our staff are our most valuable asset. Their health and safety is a matter particularly close to our heart. That's why we are striving to reduce the number of accidents per year in our operations to zero by 2025. At the same time, we are caring for the well-being of the people in our supplier companies too by checking the safety of our supply chain with the most stringent methods.



Sustain business!

As a service company, we are always on the lookout for partners who improve our offerings. We regularly survey our customers and employees to hear their opinions and ideas. We understand the diversity of our workforce as a rich source of knowledge, which we maintain and want to expand even more intensively in the future. In addition, we cooperate with start-ups, technical development partners and advisory boards in order to stay close to the market and bolster innovations. This is a path that we are consistently pursuing.

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Where relevant, reference is made to
the Global Reporting Initiative (GRI)
standards.

As the report does not go into the
same depth as the complete report,
it has not been additionally audited
externally.

In as far as content refers to groups
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