

Modern Slavery Act 2015: Slavery and Human Trafficking Statement

INTRODUCTION FROM THE CHIEF EXECUTIVE OFFICER

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 (the **Act**) and sets out the steps that Johnson Service Group PLC (the **Company**) and its subsidiaries (together, the **Group**) have taken and will be taking to ensure that slavery and human trafficking is not taking place in any part of our business, or that of our supply chain.

The Group is committed to running its business responsibly, striving to maintain high ethical principles and having respect for human rights. One of our core values is to behave, and to be recognised, as a good citizen in the communities in which our businesses operate. As part of this value we are aware of our legal and moral obligations towards combatting forced, bonded or compulsory labour, human trafficking and other kinds of slavery and are committed to monitoring and improving our practices in this area on an ongoing basis.

The Group does not knowingly conduct business with individuals, agencies, or companies that conduct, support, condone or facilitate human trafficking or slavery.

OUR BUSINESS

The Group, which is incorporated, domiciled and trading in the UK, provides textile rental and related services across the UK. Our 'Workwear' business is the leading supplier of workwear and protective wear in the UK, offering these services through the Apparelmaster brand. Our 'HORECA' business provides premium linen services for the hotel, restaurant and catering markets through the Stalbridge, London Linen, Bourne, Afonwen and PLS brands.

The Group currently has over 5,000 employees and in the year ending 31 December 2016 reported revenue from continuing operations of £256.7 million. A full list of subsidiaries as at the same date is set out on page 105 of our 2016 Annual Report.

OUR POLICY ON SLAVERY AND HUMAN TRAFFICKING

We are committed throughout the Group to high standards of corporate governance which we consider are critical to business integrity and to maintaining investors' trust in us. We expect all of our directors, employees and suppliers to act with honesty, integrity and fairness. Our business principles set out the standards we set ourselves to ensure we operate lawfully, with integrity and with respect for others.

As part of this commitment, we are committed to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains or in any part of our business. We fully acknowledge our responsibility to respect human rights as set out in the <u>International Bill of Human Rights</u> and we are also committed to implementing the <u>United Nations Guiding Principles on Business and Human Rights</u> throughout our operations.

OUR SUPPLY CHAIN

The Group sources a wide range of goods and services from suppliers based both in the UK and overseas. In all of our dealings with those suppliers we strive to ensure that the highest ethical standards are reached at all times. As part of our tendering process, we require our suppliers to support and demonstrate our values, which is an essential component of our approach to Corporate Social Responsibility.

EMPLOYEES AND TRAINING

All new employees are subject to pre-employment checks to confirm their identity and eligibility to work in the UK prior to their starting work within the Group. Information is provided to all employees on their statutory rights including sick pay, holiday pay and any other benefits they may be entitled to by virtue of their employment. We pay all directly employed labour at least the living or minimum wage, as relevant. Where recruitment agencies are used, we ensure they comply with all legal requirements. These procedures collectively help to address our on-going commitment to protect our employees' human rights and the elimination of all forms of forced and compulsory labour.

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, all Directors have been briefed on the subject and we provide training to relevant members of staff. Through this training, as well as through Group wide internal communications, all employees are encouraged to identify and report any potential or actual wrongdoing that they consider to be negligent, improper or illegal via a dedicated and confidential Whistleblowing line, which is available 24 hours a day.

FURTHER STEPS AND SUPPLIER DUE DILIGENCE

We believe that the risk of slavery and human trafficking within our own organisation is substantially mitigated as a result of our strong collective sense of vision and purpose, our cultural values and commitment to ethical behaviour, supported by our policies and procedures, however, we are not complacent and we recognise that there is always more that can be done. We will continuously seek to develop our practices where possible and to work with our suppliers and contractors to be as certain as we can be that they hold the same values as us.

Wherever possible, we will expect suppliers to have suitable anti-slavery and human trafficking policies and processes within their businesses and to cascade those policies to their suppliers. Our standard supplier contractual terms and conditions will be revised to include a provision requiring suppliers (and each of their sub-contractors) to comply with the Act. The standards we expect will address a broad spectrum of working conditions including fair remuneration, working hours, no child labour, respect, non-discrimination, health, safety and wellbeing, as well as freedom from forced labour.

As part of any tender process, we will ask prospective suppliers to confirm compliance with the Modern Slavery Act at the pre-qualifying questionnaire stage. We will not progress to working with any supplier which does not comply with the Act.

We will also commence an audit programme, initially on a risk based approach, within our existing supply chain to verify compliance with the Act and throughout the life cycle of any supply agreement we reserve the right to conduct audits on our supplier contracts. We will assess any instances of non-compliance on a case-by-case basis, taking any remedial action accordingly.

APPROVAL BY THE DIRECTORS

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and was approved by the Johnson Service Group PLC Board of Directors on 23 November 2017 and signed on its behalf by:

Chris Sander
Chief Executive Officer
JOHNSON SERVICE GROUP PLC