

CORPORATE
RESPONSIBILITY
REPORT

20
18

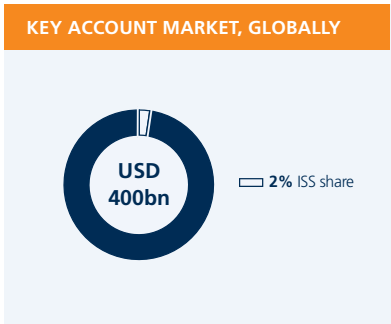


OUR BUSINESS MODEL AND STRATEGY

ISS helps the world work better
ISS deliver services in offices, factories, airports, hospitals and other locations across the globe. We help our customers to drive the engagement and well-being of **people** – including employees, passengers or patients – by creating outstanding workplaces and great service moments. We help our customers minimise their impact on the **environment** by reducing their consumption of energy, carbon and water and cutting their production of waste. And we help to protect and maintain **property** – buildings and the key assets inside – to ensure optimal performance. We bring all of this to life through a unique combination of data, insight and service excellence. 485,908 trained and empowered colleagues are at the heart of our self-delivered offering. They help to facilitate our customers’ purpose via the power of the human touch.

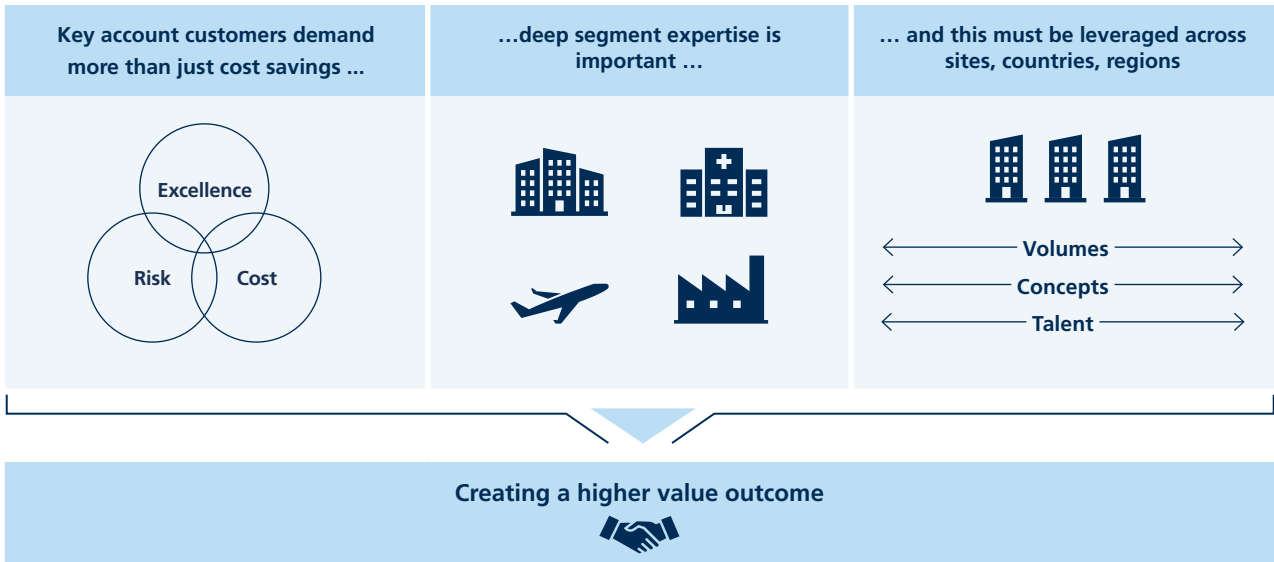
Creating value via the ISS way
Our strategy – The ISS Way – has guided our choices for the past decade. If we are to deliver stakeholder value consistently and sustainably, we need to focus on those customers, geographies and services that play to our strengths and afford the greatest opportunity for growth.

Strengthening our focus on key account customers
Increasingly, we are choosing to focus on key account customers. These customers demand a higher value outcome from the work we perform. They require **cost savings** but not at the expense of **service excellence** or **risk assurance**. Industry segment expertise is critical, and they expect us to deliver solutions that support their core business needs. We believe this key account market comprises around 40% of the total outsourced



facility management market of one trillion USD. It remains highly fragmented with only a small handful of players being able to credibly offer national or multinational solutions. ISS is a leader in this market with an estimated market share below 2%.

Key account customers – what are they looking for and how does that impact the way we need to serve them



CORPORATE OVERVIEW






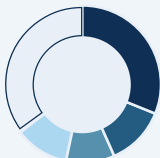
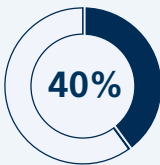
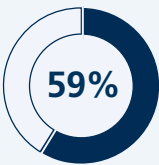
OUR TOTAL WORKFORCE

485,908

Outstanding customer solutions

... by combining data, insight and service excellence

 PEOPLE	Enhancing the engagement and well-being of building users .
 ENVIRONMENT	Minimising customer consumption of energy, carbon, and water and reducing waste.
 PROPERTY	Protecting and maintaining customer assets . Optimising the design, impact and efficiency of customer work space .

CUSTOMER SEGMENTS ¹⁾	IFS SHARE ¹⁾	KEY ACCOUNT SHARE ¹⁾
 <ul style="list-style-type: none">32% Business Services & IT12% Industry & Manufacturing11% Healthcare10% Public Administration35% Other	 40%	 59%

¹⁾ Of Group revenue.



MELIA ALITA
Cleaning, ISS Indonesia

TABLE OF CONTENTS



Letter to our Stakeholders



Our Approach

- 6 Our approach
- 6 Sustainable Development Goals
- 7 Our framework for Corporate Responsibility
- 8 Mitigating risks and challenges
- 10 Key sustainability recognitions
- 12 Focus on compliance



People

- 14 Reaching our full potential
- 14 Leading the ISS Way
- 14 Future leaders
- 16 Improving customer service
- 16 The Human Touch
- 16 Engaged people
- 16 UK Modern Slavery Act
- 16 Competencies and diversity
- 18 Case: A multi-cultural workplace
- 19 Case: ISS Social Mobility project
- 20 Health and Safety
- 21 Risk and due diligence
- 22 Case: Employment Opportunities
- 23 Overview of 2018 People Performance



Planet

- 24 Reducing our impact on environment and climate
- 24 Going further than policy and pressure
- 24 Our targets
- 25 Risk and due diligence
- 26 Case: Climate change
- 27 Overview of 2018 Planet Performance



Profit

- 28 Competing on fair terms
- 29 Handling personal data with care
- 30 Case: 'Speak Up'
- 30 Internal Controls and Assurance
- 32 Case: Complying with expenses policy
- 33 Overview of 2018 Business Integrity Framework and Activities



Independent Auditor's Assurance Report

- 34 Independent Auditor's Assurance Report



Reporting Principles and Compliance

- 36 External principles and guidelines
- 36 Internal guidelines
- 36 Changes and future outlook



Our Performance and Targets

- 38 Our performance and targets
- 41 Performance against objectives and targets for 2018



GRI and UNGC Compliance Tables

- 42 GRI disclosures
- 48 United Nations Global Compact table



LETTER TO OUR STAKEHOLDERS

In 2018, we made bold strategic choices to accelerate growth from our key accounts. We are sharpening our focus even further and simplifying our organisation by divesting non-core activities. We are reallocating this capital via a two-year accelerated investment programme to further strengthen our service capabilities and truly capitalise on the growth opportunities afforded by a vast, global market.

We are very pleased that we ended the year delivering on our promises for organic growth, operating margin and cash conversion. This was achieved despite the challenges from currency headwinds for the third consecutive year, large contracts being phased in and out and underperformance in certain countries.

Thanks to many large contract wins and extensions, combined with strong demand for non-portfolio work, we delivered organic growth of 3.9% (continuing business), which was at the top end of our guidance. The operating margin of 5.7% (continuing business) ended at the low end of our guidance. Finally, cash conversion remained strong at 101%. Netprofit for the year ended lower than in 2017, mainly due to significant impairment losses on the back of our intention to divest activities. We therefore propose to keep the ordinary dividend stable at DKK 7.70 per share.

Both organic growth and operating margins improved towards the end of 2018. Combined with the launch of many new contracts in 2019 as well as the expected turnaround of certain underperforming local operations, we are set to deliver a year of strong organic growth and improving margins in 2019.

CONTINUE TO WIN, GROW AND RETAIN CUSTOMERS

Our commercial momentum was strong throughout the year, and we recorded significant wins and extensions with both local and global key accounts. We had a high retention rate among large key account customers during 2018 and successfully renewed major contracts (annual revenue of more than DKK 200 million) with no losses. Our accomplishments in 2018 demonstrate that our key account focus is already delivering.

We secured and converted one of our largest banking customers, UBS, into a global key account and entered into a new seven-year agreement. We extended our relationship with Nordea for another five years and also expanded the PostNord contract across the Nordics. ISS and Vattenfall entered into one of Sweden's and the Nordic countries' largest agreements for integrated facility services with a seven-year Vested partnership. Swisscom and ISS renewed their partnership for five years from 1 January 2019 until the end of March 2024 under a new contract model that emphasises transparency, efficiency and innovation.

We also won and started up several large hospital contracts in Turkey, Australia and the UK, while the full scope of our contract with Shire (acquired by Takeda earlier this year) is now up and running. Furthermore, we are transitioning the largest contract ever in ISS history – Deutsche Telekom.

Customers have expressed their confidence in us. Our customer Net Promoter Score increased to 50 in 2018. It measures the willingness of customers to recommend a company's products or services to others.

Globally, for the sixth year in a row, we received the highest score possible from the International Association of Outsourcing Professionals (IAOP), who ranked us as 'Super Star' of the Global Outsourcing 100. Recently, ISS was also selected the Best of The Global Outsourcing 100 and the Best of The World's Best Outsourcing Advisors, also by IAOP. In the UK, we were rated the most customer-focused brand in the FM market.

OUR PEOPLE

At the heart of our value proposition are our own highly engaged people. This year we went paperless with our people engagement survey across all levels in 44 countries and 47 languages, reaching 301,957 employees digitally. 86% of the respondents have scored favourably towards Engagement and 90% towards being Enabled. These are strong results and we will continue our efforts to improve on these parameters.

We received recognition from various industry forums during the year for our focus on people development, including awards in Ireland, Austria and Switzerland.

At ISS, diversity is in our DNA; this includes diversity of age, gender, perspectives and cultural backgrounds. We consistently nurture that diversity, because different opinions, views, backgrounds and perspectives lead to better solutions and better business results. In 2018, one of our key focus areas within diversity was to improve gender diversity. Looking across our entire global business, we see gender parity with 50% women and 50% men. Furthermore, we endeavour to promote a stronger representation of women in various ISS leadership development and graduate programmes across the Group and at the global head office. As a result, we had 25% female representation at our 2018 annual Global Leadership Conference (22% in 2017), 20% female participation in our Leadership Mastery development programme and 46% female recruits to the Global Management Trainee programme. We also increased female diversity at the level below the Executive Group Management team by 5 percentage points from 12% to 17%.

We continued our focus on making ISS a safe and healthy workplace. We are happy to report that our Lost Time Injury Frequency (LTIF) decreased to 2.9 in 2018 from 3.5 in 2017, the lowest incident rate we have ever had. This is a 78% decline from our 2010 baseline of 13. Regrettably, we had one work-related fatality in 2018. We are deeply affected by this incident, and our sympathy goes out to family, friends and colleagues. Any fatality at work is simply unacceptable and we will work ceaselessly to bring this number to zero.

INVESTING FOR GROWTH

The ISS Way strategy has guided our direction and our choices since 2008. In December, we announced that we will intensify our focus on and our investment in key account customers and our resulting intention to divest activities in 13 countries. This was not an easy decision to make, and it means we will be saying goodbye to many good friends and colleagues as new owners of these businesses are found. We would like to thank every one of them for their tremendous support and loyalty to ISS, which in some cases has spanned many years.

The resulting platform will be simple, aligned and nimble. It will be our strongest ever platform for growth. We are encouraged by our success with key accounts, be it global, regional or local, and are ready to make bigger and bolder investments in order to unleash our full potential. Principal areas of investment will include: catering services, technical services, workplace management, technology and data, fully funded by proceeds from the divestment of non-core activities. We will also allocate net proceeds after reinvestment towards either share buy-backs or extraordinary dividends during 2019.

We will strengthen ISS's delivery capabilities to key accounts, aiming to drive industry-leading medium-term organic growth of 4%-6%.

Our market place is evolving, and we are moving ahead rapidly to capitalise on the opportunities that lie ahead of us. The steps we have taken to come this far and the bold strides we are taking were made possible by the incredible talent within our global organisation and our strong partnerships with our customers. We thank our colleagues, customers and shareholders for their support to date on this journey. We are excited to embark on our ambitious growth plan in 2019.

Our commitments

We remain committed in our support of the United Nations (UN) Global Compact as we have been since 1999. We continuously align our strategy and operations with the ten principles of the UN framework. We are committed to the UN Guiding Principles for Business and Human Rights and, in terms of climate change, committed to reducing greenhouse gas emissions related to our operations. In last few years, we have specifically focused on strengthening our due diligence systems in order to implement the 'Protect, respect and remedy' framework in accordance with UN Guiding Principles on Business and Human Rights.

New reporting guidelines

This report reflects the new requirements of the Danish Financial Statements Act concerning Corporate Responsibility reporting. In ISS, we welcome the increased focus on transparency and the principle of 'knowing and showing' the full scope of our non-financial responsibilities.

Jeff Gravenhorst, Group Chief Executive Officer
Lord Allen of Kensington Kt CBE, Chairman





VISION

We are going to be the world's greatest service organisation

MISSION

Service performance facilitating our customers' purpose through people empowerment

STRATEGY

Our strategy, The ISS Way, has choice-making at its core:

- clarity on the customer segments we target,
- the services we provide, and
- the places on the globe where we provide them.

Furthermore, through consolidation and alignment of our capabilities, our strategy drives the skill and scale benefits of being a large, global organisation.

We strive to extract these benefits of skill and scale by leveraging our volume through:

- aligning procurement and business processes,
- sharing of the concepts and best practices our organisation develops,
- and proactive management of our comprehensive talent pool.



OUR APPROACH

ISS is a responsible corporate citizen. We are committed to creating value for society, our employees, investors and our customers. We create long-term value for our business and thus also for the world around us by addressing our main sustainability challenges.

We contribute to sustainable development around three thematic areas, as reflected in the structure of this report:

- **People:** Promoting safe working conditions and human rights;
- **Planet:** Reducing our impact on environment and climate;
- **Profit:** Complying with sound business standards.

This year's report gives an overview of how ISS addresses sustainability challenges in each of these three areas, and then delves into case studies which show what our policies mean in practice. In this way, we explain the engagement we have with, and our impact on, stakeholders and broader society.

The scope of our business around the world means we must contribute to solving some of the most pressing sustainability challenges in the world today. We strongly support the transformation to a more resilient and just international community, as expressed in the 17 UN Sustainable Development Goals (SDGs), and at the bottom of this page you can find an explanation of how we address the seven SDGs relevant to our business.

Sustainability is the foundation of future growth and we aim to lead our industry by example. Wherever we operate, we aim to positively influence the market, and this is particularly important given the global scale of the organisation. We operate in unstable regions and some countries with limited legislation, which provide challenges to – and can be positively influenced by – the ISS global standards.

These standards are closely related to the fundamentals of our company, on which we build a resilient business – vision, mission, values and strategy. These are complemented by our guidance framework of policies, standards, manuals and procedures. The main reference point for these is the United Nations Global Compact, and we explain how these are embedded in the organisation on the following page.

Our approach to corporate responsibility is built on taking good care of our employees and the environment, as well as our customers. Our value proposition requires us to deliver excellent service to our customers and protect their brand and reputation while working on their sites.

The world is changing rapidly and we must be alert to what is going on where we operate, from mega-trends to local culture. The materiality assessment is key to management of our responsibility across the entire value chain. We interviewed key internal stakeholders as part of this process. The findings were validated and confirmed internally and externally. The materiality assessment was updated in 2018 and will be again next year (see page 8).

SUSTAINABLE DEVELOPMENT GOALS



SUSTAINABLE DEVELOPMENT GOAL 5 **Achieve gender equality and empower all women and girls**

ISS is a multicultural company and embraces and encourages diversity. Women make up nearly half our workforce. Female representation in management, leadership development and graduate programmes has high priority and is progressing. Our Diversity Policy continues to bring results, with more initiatives to identify female candidates and promote women to more senior roles. Training programmes educate, enforce and embed policies against harassment and discrimination.



SUSTAINABLE DEVELOPMENT GOAL 6 **Ensure availability and sustainable management of water and sanitation for all**

Consumption of water is one of the main impacts on the environment from our activities. We apply a documented process and management approach called Cleaning Excellence to reduce environmental impact. Cleaning Excellence contracts can reduce the use of detergents by 75%, and water consumption and



SUSTAINABLE DEVELOPMENT GOAL 8 **Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all**

Minimum wages, the right to organise and a safe working environment are basic standards at ISS. As a dedicated people company, we invest significantly in developing employees at all levels of our organisation. We take continuous action at all levels to eradicate injuries and fatalities. We have zero tolerance of forced labour, child labour, modern slavery and human trafficking in our operations and this is strictly enforced through governance controls, including audits.

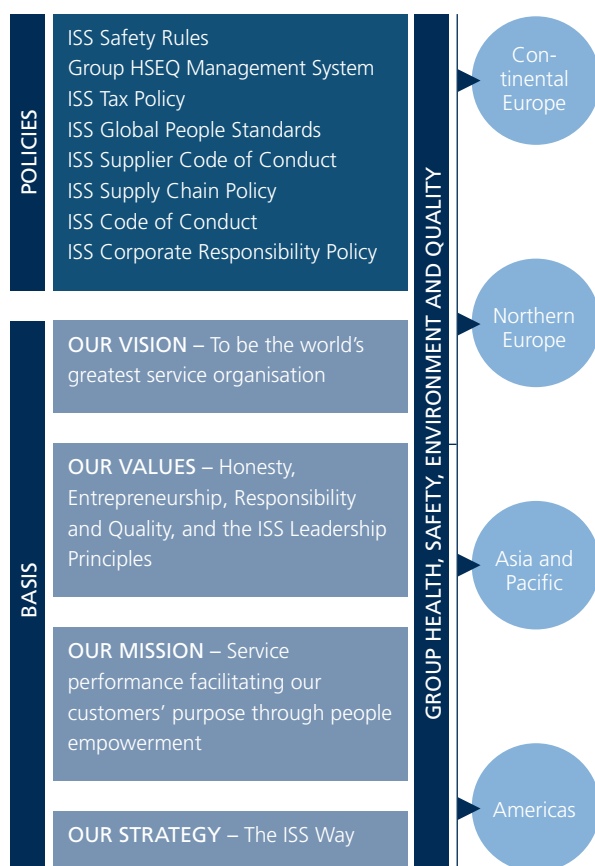


SUSTAINABLE DEVELOPMENT GOAL 10 **Reduce inequality within and among countries**

As one of the world's largest private employers, ISS provides the economic foundation for many individuals and families around the world. There is an increasing number of

disposal by up to 70%. We reduce our environmental impact through our ISS Green Offices Programme, which changes our behaviour to use resources more efficiently.

OUR FRAMEWORK FOR CORPORATE RESPONSIBILITY



How we are building a resilient business

Our framework for corporate responsibility shows the origin of our mindset and how we embed our Group strategy locally. It is based on our business fundamentals – the vision and mission, our values and our business strategy: The ISS Way.

As a global business, a major task is to integrate the Group Strategy for Health, Safety, Environment and Quality (HSEQ) and Corporate Responsibility (CR) and related policies into our local operations. This effort is essential to reaching our business goals.

In each country, a designated HSEQ manager is responsible for implementing the Group strategy into the country business strategy. Countries report their performance to Group HSEQ and CR. Group HSEQ and CR is responsible for driving the strategy, monitoring and reporting on HSEQ and CR and works in close alignment with the Executive Group Management. By reviewing performance and actions, Group HSEQ and CR helps the countries achieve the common Group goals.

Key activities are:

- Ensuring a healthy and safe work environment;
- Driving a responsible supply chain;
- Reducing our environmental footprint;
- Mitigating risks through internal education;
- Building strong leadership capabilities.

Policies are available at <http://inv.issworld.com/policies.cfm>

refugees in our workforce, as well as people with mental and physical disabilities, social challenges or little academic education. We offer employees the chance to develop their skills through education programmes, increasing their job and career opportunities.



SUSTAINABLE DEVELOPMENT GOAL 12 **Ensure sustainable consumption and production patterns**

We aim to reduce the consumption of chemicals through our Cleaning Excellence programme, working with strategic suppliers to develop and test new tools and processes that will reduce the environmental impact. We focus on green innovation projects, such as the comprehensive Diversey SURE range of cleaning products. These are plant based and 100% biodegradable, designed to deliver superior results while being safe for people and kind to the environment.



SUSTAINABLE DEVELOPMENT GOAL 13 **Take urgent action to combat climate change and its impacts**

ISS is committed to continuously reducing any negative impact

on the environment due to our operations, and we also work with customers to help them reduce their own environmental footprint. We work at our customers' premises, meaning we gain insight into their performance and use this knowledge to help them manage and reduce their impact and reach their targets.



SUSTAINABLE DEVELOPMENT GOAL 16 **Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels**

We aim to eradicate all forms of discrimination and unethical behaviour through the ISS Code of Conduct and the Global People Standards. These policies are the basis of our learning tools and programmes, including an extensive onboarding course in which all new employees are trained in our way of working and our values. Corruption and bribery are illegal and against our values, and we promote the "Speak Up" system to allow employees to raise concerns on these matters, anonymously and without fear of reprisal.



MITIGATING RISKS AND CHALLENGES

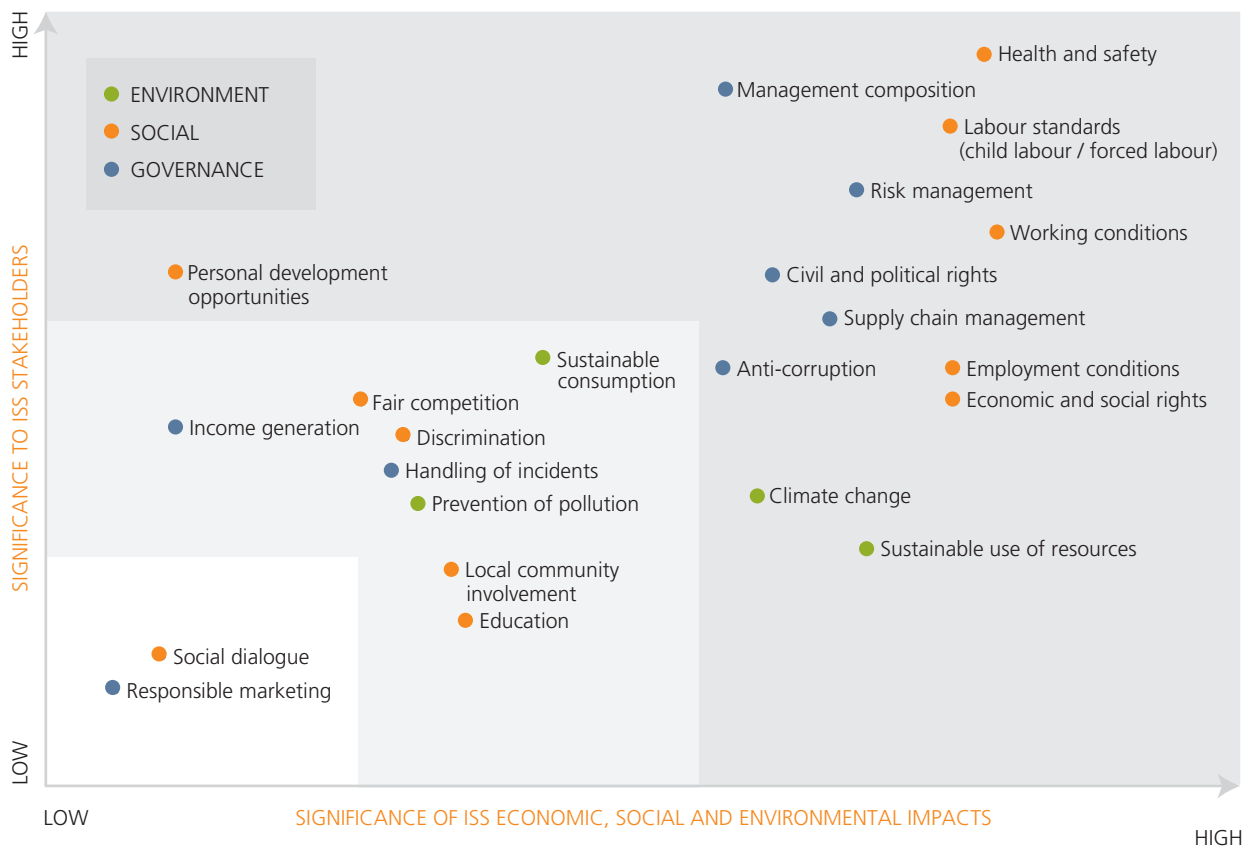
The mitigation of risks is an essential part of our corporate responsibility efforts. Risks can have a negative impact on our business, harm people and damage the environment and climate, but managing them well can also create opportunities – not only for ISS but also for our employees and customers, and the wider global society.

Our customers are increasingly asking us to help them improve their working environment and impact on climate. We are equally strengthening the compliance requirement in our own supply chain. Hence, we support the creation of a level playing field globally in all aspects of sustainability and aim to achieve this through an ambitious and systematic approach. Nevertheless,

challenges remain and so our efforts should be considered as part of a continuous and proactive development.

Our employees help us discover and address non-compliance when they report incidents through the “Speak Up” system. This is a reporting channel for raising serious and sensitive concerns, and there is a guarantee of protection from reprisals or retaliation for anyone who makes complaints in good faith. You can read more about the system in our compliance case study on page 13.

We recognise our responsibility for mitigating risks in our role as employer, business partner and corporate citizen. We act on our knowledge and seek to do this in a constructive and transparent manner. The overview, below and opposite, presents risks, impacts and actions related to the UN Global Compact principles on responsible business.



	RISKS	IMPACT	ACTIONS
	Given the large and increasing number of employees around the world, complying with anti-corruption rules may pose a risk. Although bribery and corruption are illegal and against ISS policies, we acknowledge that we cannot always prevent breaches of rules or legislation.	Foul play by just one of our 485,908 employees somewhere in the organisation can seriously harm our company at a corporate level. Adverse effects could include financial costs, corporate liability, and reputational damages with the potential to destroy business opportunities. Corruption affects society by e.g. endangering the rule of law and destabilising economic growth.	Our global standards are part of the training for all ISS employees. Enforcing the anti-corruption and bribery rules requires constant focus and the commitment from our top management is unambiguous. Local management must work actively to implement the standards. We monitor and ensure that each case of non-compliance gets escalated and treated seriously.
	Reducing our environmental footprint is a clear ambition in ISS. We manage two different risk categories: our own operations and our customers'. As for our own operations, consistent reporting and coordinated initiatives remain a challenge. In relation to our customers, it is a challenge to pursue the highest standards on their behalf.	With our global reach, improving resource productivity will have a significant impact on the environment by decreasing the use of water, energy and materials. When we transfer our standards to customers' businesses, the impact will grow accordingly.	Based on a systematic approach we aim to achieve continuous improvement in quality and performance. We set standards and targets for improvements, and measure and report on our performance. Credible and effective management of environmental and climate-related risks are part of our value proposition to our customers.
	As a global organisation our people have numerous interactions every day. This tests our ability to respect human rights, particularly in regions affected by instability and weak law enforcement. We have identified three main areas posing a risk: child labour, forced labour and right to privacy. They reflect the vulnerability of the people we interact with.	Breaching the rights of vulnerable people is particularly problematic: their exposed situation is worse, and feeling defenseless they may not claim their rights. Influenced by local sub-cultures, this could also impact people in general.	We recognise that certain individuals and groups require increased awareness and attention to protect against potential abuse. Our policy on safeguarding children and vulnerable people is being implemented via a thorough programme. It is part of our onboarding programme, training of top management and leaders and also included in our Global People Standard. Our work on privacy is detailed on page 29.
	Our policy is to ensure that slavery and human trafficking are not taking place in any part of our business and our supply chain. We recognise that certain categories of our supply chain carry higher risk of child and slave labour. Here, we specifically seek to secure adequate risk controls.	People who become part of slavery or human trafficking usually do not know their rights. They are victims of a cruel business exploiting vulnerable humans. Apart from the human costs, the negative societal and economic consequences are significant.	ISS is committed to help eradicate slavery and human trafficking; hence we have a systematic and proactive approach to ensure this. We conduct internal audits to verify our standards to manage these risks. In relation to our supply chain, we require self-assessments and carry out audits to verify our suppliers' labour standards and performance.
	The management of working conditions and supply chain risks are becoming more important as compliance with international standards grows. Operating in unstable regions with limited legislation can be challenging to enforce ISS global standards which impose decent working conditions.	As we operate a global company with around 485,000 employees and managing a vast number of sub-contractors and suppliers every year, we directly or indirectly impact labour rights for a significant number of people.	Working with private sector partners as well as civil society and labour organisations, we seek to promote labour rights both globally and locally. We support the UNI Global Union's 12 fundamental principles and we manage labour rights on the foundation of these shared goals.



KEY SUSTAINABILITY RECOGNITIONS IN 2018

BEST PEOPLE DEVELOPMENT

ISS Ireland wins the award for Best People Development at the Facilities Management Awards. This is given to the organisation that invests the most in the development of their people across facility management through coaching and mentoring, for example. With its submission for the award, ISS Ireland highlighted such programmes as Service with a Human Touch, First Line Manager Programme and the Key Account Manager Certification, putting special emphasis on the aim of empowering people and working to translate the company's vision into action.

TOP 100 LIST

For the sixth year in a row, ISS achieves the highest possible rating on the IAOP Global Outsourcing Top 100 list.

Every year, the International Association of Outsourcing Professionals releases a ranking of global outsourcing companies across all industries and once again ISS receives five stars.

February
2018

February
2018

March
2018

April
2018

May
2018

BEST SERVICE PROVIDER

ISS Germany is awarded Best Service Provider for Medium-Sized Companies 2018 within property and facility services by the prominent German business magazine WirtschaftsWoche, for the second year in a row. The award is based on a survey of medium-sized companies that assessed service providers on consulting and support, cost-performance ratio, service quality, and employee competence.

EXCELLENCE AWARD

ISS Hong Kong receives the ERB Excellence Award for Employer, at the 10th ERB Man-power Development Scheme Award Presentation Ceremony organised by The Employees Retraining Board. The scheme is the first accreditation system to assess the level of maturity of organisations' people training and development strategies and practices in Hong Kong.

EXCELLENCE AWARD

ISS Turkey wins the 2018 Brandon Hall Excellence Award in Talent Acquisition for the Line Manager Orientation Programme. In addition, they won the Turkey Education Development Platform Association's Gold medal for the Programme.

BEST RECRUITER

ISS Austria achieves Gold in the Best Recruiter Award in Austria, and ISS Switzerland is awarded Gold for the Best Recruiter in the Facility/Security Services segment.

TOP FACILITIES BRAND

In the largest industry brand survey in the UK, ISS retains its position as the top facilities management brand and further improves on last year's results. ISS UK takes top position in two more categories: Most Innovative and Most Visible in the Market. This is in addition to again being voted Top Service Provider, Most Customer Focused and Best Value for Money.

June
2018

July
2018

October
2018

December
2018

EQUALITY AND INCLUSION

ISS UK & Ireland wins two awards from the Employers Network for Equality & Inclusion (ENEI): Employer of the Year Private Sector and Inclusive Culture Private Sector. ENEI is the UK's leading employer network covering equality and inclusion in the workplace, and its annual awards recognise achievements in developing a truly inclusive organisational culture.

WORKPLACE HEALTH PROMOTION AWARD

ISS Taiwan wins the Taiwan government's award for the prevention of occupational diseases for providing safe, healthy and a supportive working environment through programmes addressing quitting smoking, reducing weight, healthy meals and providing courses on healthy mind, healthy body, balanced diet and CPR and First Aid training.



FOCUS ON COMPLIANCE

Compliance is sound business, and can create value for our customers as part of our overall value proposition.

Internal controls ensure our standards. We operate inside the sites of our customers and they depend on us to effectively manage their risks in terms of health and safety and environment (HSE) and human and labour rights. Corporate responsibility related issues are being increasingly monitored by media, NGOs and countries around the world.

Group Internal Audit carries out an elaborate set of assurance activities to monitor our performance on business integrity and good practice.

Group HSEQ and CR also perform audits against the ISS Global People Standards, the Group HSEQ Manual, the ISS Safety Rules and the ISS Code of Conduct. In 2018, we carried out 9 audits and the main findings were in the area of:

- Control of substances hazardous to health;
- Method statement and Permit to work;
- Fire safety.

Next level supplier compliance

Brand protection and risk control are two of our key value propositions. ISS's self-delivery strategy helps our employees to account for the compliance of our total business at any given time. This also means holding our many valuable suppliers worldwide to the same high standards.

In ISS, the route to compliance starts with transparency. It also supports consistency, efficiency, and not least the purpose

of our key accounts. Over the last years, ISS has significantly strengthened the global procurement and supply chain management approach (for more details, see the 2017 Sustainability Report). We focus on where the risks are and establish close relationships with key suppliers and clients in order to implement our policies, standards, knowledge, processes and solutions.

2018 highlights include:

- **GROUP POLICY IMPLEMENTATION** – The ISS Procurement Policy is being implemented. It builds on and supports ISS's strong commitment to complying with the United Nations Guiding Principles on Business and Human Rights. The Group Procurement Policy also brings governance, good practices and minimum requirements to the countries to harmonize practices and apply them in a local context and consistent with ISS's operational model. ISS Group functions now pull together in implementing RiskManagement@ISS, developing Supplier Assurance at Global Key Accounts, and more.
- **STRATEGIC SUPPLIERS BRING VALUE TO THE BUSINESS** – Focus is on the strategic and preferred suppliers now constituting a large part of our spending. In 2018, we held the first Strategic Supplier Conference. Participants were senior leadership, discussing ISS's strategic objectives and how they can help bringing innovation and excellence to our clients. As a result, global partners like Diversey now work closely with ISS teams at all levels to unlock operational efficiencies and improve consistency. This is an exciting journey, moving the supplier relationship from total cost of ownership to total client value. This ambition will bring Supply Chain and Procurement much closer to the business and our Key Accounts.

THE KEY STAKEHOLDERS WE ENGAGE WITH

EMPLOYEES

Relation with designated manager and invitation to our annual global Employee Engagement Survey.

CUSTOMERS

Ongoing dialogue to meet expectations and feedback from annual Customer Experience Survey. Our Customer Experience Survey score increased in 2018 to 49.6 from 44.0 in 2017.

INVESTORS

Close dialogue through e.g. road shows, conference calls, investor meetings and announcements.

SUPPLIERS

Increased dialogue to ensure a responsible and strong supply chain to the benefit of both parties. This engagement is carried out on a continuous basis during the year.

MEDIA AND NGOs

Proactive and constructive communication with media and NGOs on a broad variety of platforms.

UNIONS

Constructive interaction with international works councils, unions and employee representatives. Quarterly with the EWC and semi-annually with UNI.

- **SUPPLIER VETTING AND QUALIFICATION** – 20+ ISS countries, representing 71% of our spend, have now activated ProcurePASS, the ISS Group solution for supplier vetting and qualification. These countries are inviting existing and new suppliers on a daily basis to participate in the mandatory self-assessment portal and qualification process. In 2019, ProcurePASS will be rolled out to the rest of the ISS countries and migrated to a brand new IT-platform to further improve the supplier experience and process efficiency for all parties.
- **COMPLIANCE AND CONSISTENCY TO CUSTOMER LEVEL** – Our global spend visibility and contract management platform now gives insight into which supplies are used on which key customers across countries, and how the suppliers are qualified and contracted with. Furthermore, ISS has started to implement Coupa as a common procure to pay system in the largest countries, representing 80% of the spend. The results include improved process control, preferred supplier compliance, product harmonisation and user experience.



A SYSTEMATIC APPROACH TO COMPLIANCE

With the continued focus on key account customers, we are experiencing growing demand for risk transfer, operational risk management and contract compliance. In response, we are strengthening our efforts to address risk appropriately.

We aim to deliver best-in-class risk management within the facility management industry, in a documented and ISO 31000 aligned approach. As part of this, risk and compliance tools have been implemented in order to support automation of operating processes and risk management compliance.

Specifically, in 2018 we initiated the implementation of an IT platform to monitor risk management compliance for selected key risk areas. This tool, RiskManagement@ISS, is configured to include a risk registry, control self-assessment and incident data base. The output is a dynamic dashboard showing the status across ISS at the various levels.

All key policies and standards are monitored through the IT platform at group, country, key account or site level as appropriate. Furthermore, for selected key controls, evidence must be uploaded to demonstrate compliance.

The global functional process owner (such as Group HSEQ) will use the system to oversee compliance with selected key global standards and policies. The tool will also be used by Group Internal Audit to perform audits and assess the effectiveness of the controls in place.

ENSURING A RESPONSIBLE SUPPLY CHAIN THROUGH DUE DILIGENCE

ISS ProcurePASS (Procurement-Partner Assured Sourcing Solution) is a common, transparent solution for supplier compliance and qualification across the countries ISS operates in.

WHY

ProcurePASS directly supports our customers' growing need for working with sustainable business partners as it enhances our valuable supplier relationships, compliance and quality standards. We aim for a transparent supply chain and assured adherence to the highest ethical standards, as expressed in the ISS Supplier Code of Conduct.

WHAT

We collect a wider range of data about our suppliers and business partners. Our partner Achilles, a global supply chain risk management solution provider, supports existing and new suppliers. ProcurePASS supports high-performing and risk-reduced delivery of our services. The main CR risks in supply chain are:

- Human rights
- Labour practices
- Work time/overtime
- Environment
- Information security
- Fraud and bribery

HOW

ProcurePASS builds on a common ISS risk model and a three stage self-assessment questionnaire approach, from simple screening to enhanced screening with supplier audit. Registration to ProcurePASS is by invitation.

All suppliers have an obligation to keep their information up-to-date. All suppliers' risk level is re-evaluated annually, as part of a standard renewal process operated by Achilles.





PEOPLE

REACHING OUR

FULL POTENTIAL

Our employees enable us to deliver on our promises to our customers and create millions of memorable moments throughout each working day. With around 485,000 people working across more than 40 different countries, we have a huge responsibility to not only create a safe working environment, but one that nurtures and develops our people, enabling them to reach their full potential.

We believe that development is a continuing process for every employee at every level of the organisation. We are committed to give everyone equal access and opportunity to learn and develop. We strive to empower our people to deliver service excellence every day for our customers and to help us become the world's greatest service organisation.

By investing in people through learning and development we can ensure that we harness their full potential and help focus their energies to meet the needs of our customers whilst fulfilling their need for personal development and job satisfaction.

Our drive for quality and consistency of leadership will allow us to maximise the Power of the Human Touch. This is why we continue to invest in developing our leaders through Group-wide ISS University programmes that are focused on driving:

1. Leadership Development;
2. Business Excellence;
3. Service Culture;
4. Effective on-boarding.

Leading the ISS Way

Ensuring that our leaders are equipped to communicate our strategy and engage the organisation is a key focus area for leadership development. Our leadership programmes provide our employees with an essential understanding of our strategy and give them tools relevant for their day-to-day work.

During 2018, our Leading the ISS Way programme has been embraced and embedded by senior leaders across the globe, with more than 30 leadership teams completing this individualised learning journey.

The programme facilitates clear and structured feedback which allows leaders to gain insights into their personal style, strengths and development areas. It has provided clarity regarding business wide leadership behaviours underpinned by our Leadership Competency Framework, allowing the effective discussion of leadership capability and mobility across the global business.

We continue to run the ISS Leadership Mastery programme, a comprehensive five-module programme for selected senior executives. The focus is on personal leadership development and behaviour, developing a team, securing a deep understanding of our strategy and facilitating greater understanding of customers and employees. So far, more than 100 senior leaders have graduated from the Leadership Mastery programme and in the 2018 People Review, another 24 participants were identified for the sixth cohort commencing Q1 2019. The impact of this has been particularly felt with 38 leaders advancing into new roles in different geographical areas.

Future leaders

In parallel to the significant focus on developing current leaders, we are looking ahead, and building our pipeline of future leaders through the ISS Global Management Trainee programme. This is directed at university graduates and we select the brightest and the best in a rigorous assessment process. The benefits of the programme are twofold; it enables us to build a sustainable talent pipeline for the future, while at the same time building our global employer brand in the external marketplace.

Our trainees go through an 18-month programme, including an international assignment, before being assigned to their first line appointment. The programme is structured in modules which first enable candidates to build an understanding of the ISS business model and strategy, before moving on to build knowledge of operational excellence and basic key account management capabilities. On graduating from the programme, the trainees typically take up key account manager, contract manager or contract support roles.

Since its launch in Europe in 2013, 191 trainees have gone through the programme, and to date, the retention rate has been 85%. For 2018, we have recruited 51 new trainees and launched the programme in the Americas region, therefore ensuring we have our programme in all regions in 2018.



ISS NOVARTIS TEAM
ISS Spain



Improving customer service

With the growth of key accounts being central to our strategy, the need to ensure we have the right people with core business acumen managing and improving our services to customers is clear. This is why our Key Account Management Certification Programme (KAMC) remains the foundation for building commercial and operational capability, helping develop value propositions for our customers that are aligned with global tools.

We currently have 1,200 certified key account managers, and will be continuing to increase the reach of our business programmes with the introduction of both a Site Manager Programme and a Global Account Leadership Programme to support our business succession planning.

The Human Touch

Service with a Human Touch is our game-changing cultural programme aimed at developing concrete service behaviours. This programme has been deployed across the ISS world in 46 countries with more than 180,000 employees taking an active part in developing their own service behaviours and finding their purpose.

We take great pride in how we introduce new people to the ISS world, ensuring that they are empowered to deliver Service with a Human Touch. Our Welcome to ISS induction programme promotes a sense of belonging for new employees on their first day; safeguarding time to support collaboration and meet new colleagues and customers. This is also the time when expectations and behaviours are discussed and agreed giving each new employee the encouragement to work to discover their purpose.

Engaged people

Employee engagement is critical for our ability to serve our customers – engaged and enabled employees have a direct impact on the customer experience. For this purpose we survey our employees on how engaged and enabled they are in working for ISS and, more importantly, what we can do better to drive engagement of our people.

In 2018, we carried out our seventh global employee engagement survey covering 44 countries and conducted in 47 languages. Scope has been expanded each year since inception, we removed all paper surveys and provided our employees the opportunity to complete the survey online to match our commitment to the environment and reduce time and cost for processing data. In 2018, more than 300,000 employees were invited to participate, with 230,824 responding with an impressive response rate of 76%.

The measure of engagement was expanded by additional key questions to help us understand the results and the addition of enablement allows us to have directly actionable results. The survey revealed an overall employee engagement which was 86% favourable and an overall enablement score of 90% favourable, which we consider a very positive feedback to our efforts. As part of the survey, we also measure the loyalty of

our employees and their willingness to recommend ISS as an employer (eNPS). Our eNPS is 59.8 this year, which is slightly behind last year's score of 62.

In response to previous learnings from the survey, we are continuing the Service with a Human Touch programme, focusing on our frontline employees. The programme is a key strategic game-changer driving cultural change, communicating our mission and translating customer value propositions into concrete service behaviours for thousands of service professionals.

We will continue the work to continuously improve engagement, which in turn increases the overall sense of purpose of our people in the delivery of our services. We see a clear correlation between employee engagement and customer satisfaction, making them key drivers of financial and operational performance.

UK Modern Slavery Act

Our policy is to ensure that slavery and human trafficking are not taking place in any part of our business and in any part of our supply chain. This is consistent with our Code of Conduct, Corporate Responsibility Policy, Supplier Code of Conduct and Global People Standards. Our Global People Standards cover, among other areas, pre-employment checks, zero tolerance for forced and compulsory labour, right to privacy, and child labour.

We conduct internal audits to verify we manage these risks in our operations. We recognise that certain categories of our supply chain carry a higher risk of child or slave labour and we therefore in 2017 implemented a new Supply Chain Policy and ISS ProcurePASS.

Competencies and diversity

As one of the world's largest private employers and with operations globally and around 485,000 employees, we are committed to fostering and cultivating a culture of diversity and inclusion in the broadest sense.

The Board and the EGM recognise the importance of promoting diversity at management levels and have implemented policies regarding competencies and diversity in respect of Board and EGM nomination, according to which we are committed to selecting the best candidate while aspiring to have diversity in gender as well as in broader terms. Emphasis is placed on:

- Experience and expertise (such as industry, strategy and value creation, leadership of large international companies, transformational change, people development and succession, sales and marketing, IT and technology, finance, risk management, and corporate responsibility);
- Diversity (including age, gender, new talent and international experience) as well as diversity of perspectives brought to the Board or the Executive Group Management Board;
- Personal characteristics matching ISS's values and leadership principles.

The Board has adopted a gender diversity target of at least 40% women on the Board by 2020. Currently, 33% of our

Board members are women. The target was not reached in 2018. The Board found that it in broad terms possessed a high level of diversity and did not nominate new candidates in 2018.

In order to promote, facilitate and increase the number of women in management level positions at ISS's global head office, we continue to leverage our Diversity Policy, which defines a number of initiatives. These include our recruitment policy, requiring that we shortlist at least one female candidate in all internal and external searches for vacant positions. Furthermore, it is our policy to continuously develop our succession planning with the aim of identifying female successors and tabling the matter of women in leadership at ISS for discussion at least once a year at EGM level.

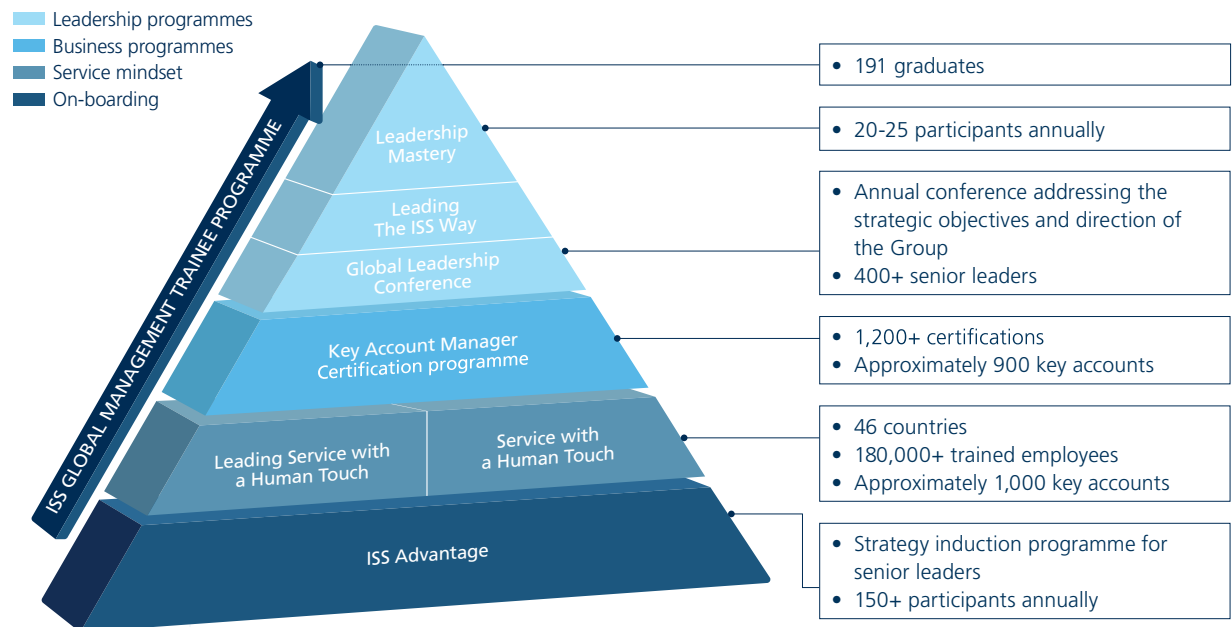
In 2017, we launched our 2020 Talent Vision which has specific targets for female representation in succession plans for EGM and their direct reports, and the succession plans, diversity targets and progress were reviewed by the EGM as well as the Board. It is our policy to ensure strong representation of women in various ISS leadership development and graduate programmes across the Group and at the global head office.

We had 25% female representation at our 2018 annual Global Leadership Conference, 20% female participation in our Leadership Mastery development programme, and we actively identify female candidates for these to ensure adequate gender diversity. We increased the proportion of female leaders at the level below EGM by 5 percentage points during 2018 and 46% of the Global Management Trainees recruited in 2018 were women.

For 2019 we aim to have 35% female participation on Leadership Mastery and 33% representation at our 2019 annual Leadership Conference. The representation of women at management level at the global head office increased slightly in 2018 compared to 2017 and gender diversity remains a focus area in 2019.

The Diversity policy and these initiatives create an increased focus on gender diversity across the organisation, leading to satisfactory progress.

ISS UNIVERSITY – THE GROUP-WIDE LEARNING ACADEMY





CASE:

A MULTI-CULTURAL WORKPLACE

ISS has a strong commitment to diversity across the company, which is an essential part of our identity as a global people business.

Last autumn, ISS Finland started active recruitment through the Startup Refugees volunteer network, which aims to help asylum-seekers find work or start their own business.

Startup Refugees brings immigrants and employers together, mapping the skills, educational background and motivation of asylum-seekers, and creates a knowledge profile based on each applicant's personal information. The network then seeks to connect the applicants with employers, or to help them to set up their own business or pursue further education or training.

"The Startup Refugee network has many skilled and motivated applicants, and it goes without saying that we want to employ them. We have, in any case, employees from 75 countries at ISS Finland," says Chief People & Culture Officer Sari Suono-Rasehorn from ISS Finland.

Startup Refugees has a significant number of applicants who are interested in the industries ISS operates in, says Maiju Mitrunen, Head of Business and Employment Programs at Startup Refugees.

"Our co-operation with ISS Finland has been brilliant. It is great that we – Startup Refugees and ISS Finland – can support each other this way. Work has a huge importance regarding the way of life that our immigrants will have in their new homelands, and work is also a really important motivator when people are integrating into the new society, for example in learning the Finnish language," Maiju Mitrunen explains.

"From our point of view, ISS Finland is one of the most multi-cultural workplaces in the Nordic countries. The people that ISS has hired through our network are very happy with their employer. And we are happy to help ISS in every step before and after the recruitment."

One of the employees that ISS Finland has hired through Startup Refugees is Israa Saaed Hasan, who came to Finland from her native Iraq. She loves to cook and is happy to work in an ISS restaurant. "ISS is a great company. I'm so proud of this elegant workplace. I work in a team where we are all friends together and we also have fun at work," Israa says.



STARTUP REFUGEES

is a non-profit voluntary network supporting refugees and newcomers with employment and entrepreneurship in Finland. The network consists of 500 parties, including companies, government officials, NGOs, universities, congregations, research institutes, communities and individuals who all support newcomers with starting businesses and entering the Finnish labour market.

So far, Startup Refugees has mapped the skills of over 2700 refugees and asylum seekers and offered them more than 500 jobs, 3000 education and skills development opportunities and supported 60 businesses of newcomers to get started.

CASE:

ISS SOCIAL MOBILITY PROJECT

The social mobility initiative was designed to educate front-line staff in India who come from an under-privileged and a poor socio-economic background in a holistic way.

The main areas of focus were:

- Acknowledging the aspirations of ISS staff and the key challenges in working towards fulfilling their dreams;
- Creating an environment for frontline staff to break through the barriers of illiteracy/inadequate education/ socio-economically challenging backgrounds thus opening the possibility of moving to a higher-paying job for themselves/employment for other family members;
- Working on a pre-defined action plan oriented towards skill and confidence enhancement enabling them to take the first step towards uplifting their socioeconomic status.

The participants were trained on goal setting, confidence, communication, time and stress management, grooming, corporate etiquette and customer service. Training also emphasised basic IT skills and digital literacy, where the participants were exposed to internet banking, making transactions, online payments, rail and bus ticket bookings, online shopping etc. There was an industry visit to expose the participants to the industry standards.

The key highlights of the project were:

- Customised training sessions for the participants;
- Continuous monitoring of the progress of each participant by highly skilled trainers;
- Strict monitoring of weekly and monthly reports to track participants' progress;
- Creation of 500 resumes;
- Parallel English communication course;
- Creating LinkedIn profiles for top performers and helping them update the profiles;
- ISS Mitra – a platform for participants to share their feedback and learning after every session via sms and calls;
- Maintaining a dashboard to track success stories within ISS;
- Maintaining a testimonials bank for each site;
- Monthly R&R at each site to recognize the top performers each month.

TESTIMONIALS FROM THE PROJECT

AVINASH GUGHANE, PANTRY BOY – BARCLAYS, HINJEWADI

In his journey with ISS, Avinash has been an exemplary performer. He is currently working as a Pantry Boy at Barclays, Hinjewadi and aspires to be a Facility Supervisor. He has distinguished himself for his enthusiasm and positive approach towards work. Avinash was promoted from a Houseman to a Pantry Boy after the ISS Social Mobility programme. His understanding of English has improved and he greets the guests and employees in crisp English. He operates computers and is able to send emails. He believes that the training has truly helped him to become more professional and is ready to take on new challenges.

IMRAN SHAIKH, PANTRY BOY – CITIBANK, EON KHARADI

Imran has been working with ISS for more than three years but was not able to find a way to progress in his career. Once he joined the ISS Social Mobility programme, his confidence level increased and he cleared the client interview and was promoted to Pantry Boy. He has been one of the most responsible employees, working diligently with a constant smile on his face. Imran performs well in challenging situations and his high calibre has set him apart from others. He is able to provide excellent customer service and has set out to achieve more in his journey with ISS.

NILESH SAWALKAR, PANTRY BOY – CITIBANK, EON KHARADI

Nilesh is an outstanding ISS staff member, whose enthusiasm while performing his role is commendable and deserves appreciation. He has been promoted to Pantry Boy and is an excellent team player, supporting all his colleagues and going the extra mile to serve the guests. He is an asset to the organisation and role model for many. He has received appreciation from all quarters and exhibited reliability and genuineness in his work.

KHAIRAL ISLAM, PANTRY BOY – CITIBANK, EON KHARADI

Khairal recalls how very little he knew about computers. It was daunting, but he was determined to learn and grow within the company. He believes that with a great team and a great attitude, it is possible to overcome any challenge and he aspires to be a supervisor. Before the ISS social mobility programme, he displayed low confidence while conversing in English. Today, the way he has transformed himself and picked up things that were taught in the training is commendable. He now converses in English at work, uses computers competently and is appreciated by supervisors. He is looking to more such opportunities and to excel in his career.

FACTS

TOTAL PARTICIPANTS ENROLLED	1200+
NUMBER OF GRADUATES	500
ELEVATED	54



HEALTH and SAFETY

At ISS, we have an ambitious 100 vision. That means we want to be number 1 in our industry in terms of health, safety and environmental performance; operate with 0 fatalities at our workplaces; and incur 0 serious incidents or occupational injuries at our workplaces.

As a responsible company, it is our obligation to ensure that our 485,908 employees go home to their families and loved ones in the same condition as they started their workday at ISS.

In the last decade, we have established a systematic approach to drive this vision. Simply put, we need to have a culture where safety is second nature and part of our working culture.

Our HSEQ Management system is the backbone of this approach. The integrated management system, which was first implemented in 2010, was updated to reflect the new ISO standards in 2016 and was certified by our global certification partner, DNV GL, in February 2017. The Group HSEQ Management system sets the minimum bar for how we manage our risks in these areas and is mandatory for all our operating countries.

To embed accountability, we have also implemented a global HSEQ IT tool so our operations can report incidents, carry out investigations and take corrective actions to address the root causes. We have used the IT system to create awareness in our operations, as reporting incidents classified as a "Near Miss" is a key component. We launched an app for the IT tool to make reporting and carrying out inspections possible using smart phones, to encourage employees to report "Near Miss" incidents and possible hazards.

Me and You

In 2018, we continued our quarterly "Me and You" safety campaigns in all countries focusing on slips, trips and falls, electrical safety, working at heights, and driving safely. The campaign uses posters produced by Group HSEQ and CR that are translated into more than 20 languages. These are supplemented by bi-weekly toolbox talks, facilitated by Toolbox Talk Calendars, translated into 20 languages and providing operations with topics and discussion points.

We performed bi-monthly safety inspections for all our large global key accounts during 2018. The inspections build accountability and transparency as results are reported directly into the global HSEQ IT tool. At the same time, the inspections provide documentation that we are living up to the HSEQ requirements included in contracts.

All our processes require commitment from everyone, starting from our Executive Group Management (EGM) to our colleagues delivering services to our valued customers. We have embedded this commitment at the management level; the EGM have all signed Personal Safety Action Plans (PSAPs), and we start all our senior leadership meetings with a safety moment.

At middle management levels, we are also embedding PSAPs and creating "Safety Ambassadors" by asking our employees to be role models by, for example, holding the handrails when using the stairs, ensuring everyone uses their seat belts in the car and not holding mobile phones while they drive.

At the operational sites, some of the actions include holding toolbox talks, near miss reporting and stopping unsafe work. Our responsibilities also include the health and safety of our customers as we work side by side with them daily. If we instigate our own strong safety culture, we will also have a positive impact on our customers.

Fatalities

Regrettably, we had one work-related fatality in 2018; in 2017, we had six. We are deeply affected by every fatality, and our sympathy goes out to family and loved ones. Any fatality at work is simply unacceptable and we will work ceaselessly to bring this number to zero.

The fatality in 2018 occurred in Indonesia and was related to working with electricity. We have investigated the incident to

THE ISS SAFETY RULES COVER THE FOLLOWING ACTIVITIES



Stopping unsafe work



Permit to work



Energy isolation



Electrical safety



Working with chemicals



Housekeeping



Manual handling



Working at heights



Confined space entry



Driving safety

ensure we determine the root causes and take corrective actions to ensure they are not repeated. As a result, we sent a Global Safety Flash to the whole organisation to ensure we learn from this and take preventive actions. As per our Group Escalation Policy, each fatality and serious injury is reported to our top management within 24 hours.

Improving personal safety of our people

The Lost Time Injury Frequency (LTIF) for 2018 was 2.9, down from 3.5 in 2017. This means we have reduced our LTIF by over 78% from our 2010 baseline of 13.

Lost Work Hours (LWH) is an important indicator of the general health and wellbeing of our employees. It is also closely linked to both operational and financial gains. LWH decreased by 65% compared to the 2010 baseline, well exceeding our target of a 55% reduction. The Total Reportable Cases Frequency (TRCF) was under 7.5, a decrease of over 67% compared to the 2010 baseline value of 23.

Risk and due diligence

We perform services with different personal health and safety risk profiles, depending on our customers' activities and on the individual site. We have for example implemented a standardised site risk register that provides an overview of the hazards and risks at a particular site. As part of our due diligence process to ensure we understand and comply with our customers' requirements, we have implemented an HSEQ compliance plan.

Each year, we build and distribute a Group HSEQ and CR Action Plan with actions for each country to implement. One of the actions in 2018 is for individual country management to develop a Personal Safety Action Plan (PSAP) with objectives and targets. This encourages and allows management to show their visible safety commitment and leadership through actions.

In addition to the Global Campaigns and Toolbox Talk Calendars that were rolled out, we made several e-learning modules mandatory – including the ISS Safety Rules, HSE E-Learning, Office Safety and Driver Safety – in our new learning management system, My-Learning. Previously, these modules were assigned to employees based on function.

During 2018 we further developed the Quality Management System (QMS) for the pharma sector. This QMS is under the overall HSEQ Management system and emphasizes our commitment to growth in this customer segment.

We also started to deliver HSEQ as a service at a global level, supporting the overall strategy to develop HSEQ and CR as a value proposition. This demonstrates that we have developed the capabilities to offer HSEQ and CR as a service to our existing and new customers.



PAULA DA SILVA
Cleaning, ISS Switzerland



CASE: **EMPLOYMENT OPPORTUNITIES** FOR THOSE AT **RISK OF EXCLUSION**



ROSA
Bankia Project, ISS Spain

ISS is working with Bankia to provide employment opportunities for customers of the Spanish bank, some of whom who have struggled to find work and keep a place to live during the economic crisis.

ISS Spain is closely collaborating in a project, supported by one of its customers, the bank Bankia, to provide employment opportunities to those at risk of exclusion.

During the long crisis period in Spain, a large number of the Spanish population became vulnerable and required strong collaborative support from private and public entities.

The scheme involves providing a decent job in the different service branches of ISS, which supports, prepares and trains the new recruits for their new employment, while respecting each employee's privacy, and thus helps to alleviate poverty and social exclusion.

One example is Rosa, who could not find a job for nine years and due to her extremely limited income, required a second mortgage from Bankia. Rosa has joined the ISS Catering team in Madrid. In 2018, the project was extended to Barcelona and in 2019 will be rolled out to Levante and Andalucía areas.

ISS Spain has matched the different profiles of potential employees according to the roles available in its different services, and job opportunities have been provided at Bankia sites and also at other customers' sites. Candidates were provided to ISS by the Spanish entities Cáritas, Fundación Tengo Hogar and Fundación Randstad.

Bankia has recognised the ISS Operations team in Madrid for providing important job opportunities to persons in vulnerable situations. As a result, ISS has helped disadvantaged people to find a decent job and demonstrated commitment to and alignment with its customer, Bankia, and its mission to improve the perception of the financial system. With this project, Bankia is acting in a sustainable way and improving its brand reputation.

The project has added value to Bankia on a daily basis and created a different mindset, with a strong collaborative team effort across different ISS service branches.

OVERVIEW OF 2018 PEOPLE PERFORMANCE

SUBJECT	ENABLED BY	ACTIVITIES	PROGRESS
Health and safety	<ul style="list-style-type: none"> ISS Safety Rules Group HSEQ and CR Action Plan The ISS Groups HSEQ Management Manual The ISS Group HSEQ and CR Reporting Manual HSE@ISS-IT system 	<ul style="list-style-type: none"> Personal safety action plans for individual management members Campaigns ISS HSE App 	<ul style="list-style-type: none"> Fatalities: 1 Lost Time Injury Frequency: 2.9 Decrease in lost work hours compared to 2010 baseline: 65%
Employee engagement	<ul style="list-style-type: none"> Engagement survey 	<ul style="list-style-type: none"> Survey performed 	<ul style="list-style-type: none"> 230,824 employees responded Survey available in 47 languages Four aggregate measures show continuous high performance with scores above four on a five point scale
Leadership and training	<ul style="list-style-type: none"> Training and development programmes 	<ul style="list-style-type: none"> Service with a Human Touch Key Account Manager Certification (KAMC) Leadership training programmes 	<ul style="list-style-type: none"> 180,000 employees completed the Service with a Human Touch programme, 1,200 completed the KAMC programme, 23 people graduated the Leadership Mastery programme Front line employees received 7,180,195 hours of class room training in 2018, compared to 6,561,432 hours in 2017. This is equal to over 15 hours per person in 2018. Subjects included health and safety, technical training, management, language training, leadership and supervisory, IT, security and fire prevention. White collar employees had 345,486 hours of training in 2018, compared to 339,906 hours in 2017 and equal to over 13 hours per employee
Human rights and Labour rights	<ul style="list-style-type: none"> ISS Global People Standards Diversity policy Formalised union and works council's co-operation 	<ul style="list-style-type: none"> Follow-up on implementation of ISS Global People Standards Further roll-out of ProcurePASS as part of Supply Chain due diligence 	<ul style="list-style-type: none"> Included controls in RiskManagement@ISS European Works Council conference Continued UNI Global Union collaboration



PLANET

REDUCING OUR IMPACT ON

ENVIRONMENT AND CLIMATE

Our environment is changing. The adverse impacts of climate change have become more evident in recent decades and are increasingly affecting the planet and all of us – our health, nature, economy and general well-being. We at ISS manage our impacts on the environment and climate through the design of the processes and equipment we use, and the portfolio of services we offer to customers.

We are committed to reducing our impact on the environment and climate. There is ever increasing pressure for more transparency, engagement, and evidence of proactive environmental initiatives from external stakeholders such as customers and investors. Furthermore, our employees expect ISS to be responsible and reduce its impact on the environment.

The main impacts from our activities come from the use of cars and air transport, energy consumption in buildings and the use of energy, water and chemicals in delivering our cleaning services, which account for 50% of our commercial offerings. We recognise that our success and future growth require us to carry out our operations in an environmentally friendly way.

We did not identify any significant non-compliance with environmental laws and regulations in 2018.

Our choices are integrated with the overall business strategy to enhance our competitive advantage. At the same time, our environmental strategy must be flexible and scalable so we can adapt to changing circumstances in the future. The foundation of our strategy is that whatever we do, it must:

- be consistent with the ISS Values;
- be consistent with our ambition of operational excellence;
- enhance our reputation;
- be manageable and measurable;
- be substantive and documented.

Going further than policy and pressure

ISS strives to comply with all evolving regulatory and customer requirements. In addition, we drive efficiencies in our operations that bring cost reductions and risk mitigation, providing a competitive advantage and increasing the bottom line. We achieve this through:

- a systematic approach to identify potential for more efficient use of resources, lower emissions and cost optimisation;
- proactive mitigation of environmental risk;
- anticipation of our customers' needs.

The ambition is to go beyond "Eco-Efficiency" to "Eco-Advantage", meaning we focus on how we can do more than just comply with environmental policies and pressures. We aim to go beyond the basics of cutting waste and becoming more efficient, and to embed such considerations into all aspects of our operations. The ambition is to be recognised as an environmental leader and to create significant economic value – for us, our customers and society – through environmental initiatives and activities. On top of cost reductions, we will create incremental economic value and enhance competitiveness through:

- improvement of resource productivity (energy, water and material) and realisation of significant cost savings;
- better managing environmentally-driven business risk;
- enhancing ISS' reputation.

Our targets

In the last few years, we have improved the quality of our data reporting in the environmental area through more frequent reporting and tighter quality control, and we believe that it correctly represents our current footprint. We have established relative targets that are meaningful and achievable:

- 5% reduction in electricity consumption (Mwh/revenue) over the 2018-2021 period, based on 2017 baseline data;
- 15% reduction in car emissions from leased cars (g/km), from 2014 over the leasing period of four years;
- 5% reduction in water consumption (m³/revenue), over the 2018-2021 period, based on 2017 baseline data.

Risk and due diligence

Our ISO 14000 certification helps us demonstrate our due diligence with respect to our environmental risks and stewardship of environmental resources.

Credible and effective management of our environmental and climate-related risks is part of our value proposition to customers. Therefore, we have adopted a systematic approach to achieve continuous improvement in quality and performance.

ISS manages these matters as critical business activities, sets standards and targets for improvement, and measures, appraises and reports on performance. We continuously look for ways to reduce the environmental impact of our operations and services.

We manage two different risk categories: the impact of our own operations and the impact of our customers'. The latter is gradually proving to be a new business opportunity as customers increasingly seek to improve their performance and impact.

We can provide unique insights into how their offices and sites function as we operate there daily, and often come to know these better than they do. In recent years, we have increasingly used this knowledge to add a new value proposition: helping customers manage and reduce their environmental impact.



REDUCING OUR CUSTOMERS' IMPACTS

We continuously work with our customers to reduce their environmental impacts with processes and systems such as:

- **The ISS Green Offices Programme:** Designed to reduce the impact of offices, sites and daily work practices on the environment. By changing people's behaviour, we can use resources efficiently and dispose of waste responsibly, thereby reducing our environmental footprint.
- **Waste process:** ISS can directly influence the environmental performance of our customers by managing waste from source using our onsite presence and influence over the supply chain. Our ability to integrate sustainable best practice into the heart of client organisations has helped us regularly achieve recycling rates above 80% and zero waste-to-landfill targets.
- **Audits:** We can carry out energy and water audits to help identify resource consumption and wastage. This helps identify operational and resource consumption saving projects. The audit process also supports our customers in achieving or maintaining their ISO certification.

PLANET – OUR WAY

AMBITION

Our strategic ambition is to be recognised as an environmental leader, advocating for more sustainable actions, measures and goals.

DRIVERS

Our environmental initiatives and activities are carried out through a systematic approach, whereby we identify potential for more efficient use of resources, lower emissions and cost optimisation. We proactively mitigate environmental risk and anticipate our customers' needs.

ENABLERS

Environmental Strategy: We work towards our goals of reducing greenhouse gas emissions, use of water and waste production.

Cleaning Excellence: This is a documented process to identify potential improvements of both service delivery and environmental impact. It can reduce the use of detergent and water significantly.

IMPACT ON SOCIETY

When we reduce our impact on the environment and climate, we contribute to solving the global challenge of climate change and creating a sustainable world for future generations.

IMPORTANT FOR ISS

As people are our most valuable resource, we are responsible for providing a safe and secure work environment with the opportunity for all to achieve their personal and professional potential.

WHAT'S NEXT

We will continue to work with our stakeholders (employees, customers and suppliers) in reducing our impact on the environment through behavioural change and developing solutions to reduce greenhouse gas emissions and resource consumption.





CASE:

CLIMATE CHANGE

In late 2018, the Intergovernmental Panel on Climate Change (IPCC) released a Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty.

Some of the core concepts central to the Report are:

- Human activities are estimated to have caused approximately 1.0°C of global warming above pre-industrial levels, with a likely range of 0.8°C to 1.2°C;
- Global warming is likely to reach 1.5°C between 2030 and 2052 if it continues to increase at the current rate;
- Warming greater than the global annual average is being experienced in many land regions and seasons, including two to three times higher in the Arctic.

Limiting global warming to 1.5°C would require rapid, far-reaching and unprecedented changes in all aspects of society, the IPCC said in a new assessment. Global net human-caused emissions of carbon dioxide (CO₂) would need to fall by about 45 percent from 2010 levels by 2030, reaching 'net zero' around 2050.

Commitment

At ISS, we are committed to reducing greenhouse gas emissions related to our operations. We are addressing our Scope 1, 2 and 3 emissions with initiatives to reduce them. We believe that awareness is a key to reduction and we have made climate change one of the four topics (in addition to plastic pollution, reducing water consumption and reducing energy consumption) we cover as part of our annual Global Environmental



Campaign for the last two years. In addition, the ISS Green Offices Programme (please see page 25) also raises awareness amongst our employees and customers by changing our behaviours that lead to reducing our environmental footprint. We believe that sustainable development and climate action are inextricably linked.

OVERVIEW OF 2018 PLANET PERFORMANCE

SUBJECT	ENABLED BY	ACTIVITIES	PROGRESS
CO ₂ emissions from leased cars	Reductions achieved through leasing more fuel efficient cars and changes in driver behaviour	<ul style="list-style-type: none"> • Driver Safety E-learning • Continued leasing of more fuel efficient vehicles 	Vehicle emissions decreased from 96,664 tonnes CO ₂ eq. in 2017 to 91,199 tonnes CO ₂ eq. in 2018
CO ₂ emissions from business travel	We encourage more online meetings to reduce air travel in particular	Use of webinars	Emissions from business travel increased from 18,217 tonnes in 2017 to 22,285 tonnes in 2018. The increase was due to the Global Leadership conference being held in Singapore and most of the participants traveled from Europe and the Americas. We continue to encourage online meetings to limit travel
Chemicals	We collaborate with suppliers to develop and test environmentally friendly products and materials that also offer reduced costs in use and increased productivity	Further integration of an IT tool to propose environmentally friendly solutions	This has led to a reduction in 2018 of: 105,000 kg. waste; 1,002,000 litres water consumed; and 257,000 kg. CO ₂ eq. in GHG emissions
Electricity (own)	Mandatory certification according to the ISS Green Offices Programme	Implementation of awareness and behaviour changing measures	In 2018, we consumed 44,707 MWh of electricity compared 48,554 MWh in 2017
Water (own)	Mandatory certification according to the ISS Green Offices Programme	Implementation of awareness and behaviour changing measures	In 2018, we consumed 311,339 m ³ water, a decrease from 332,442 m ³ in 2017; the decrease is due to improved awareness



PROFIT

COMPETING ON FAIR TERMS

Our ambition is to be the world's greatest service company. We are competitive, but we want to achieve this by fair means and by using our impact to positively influence the global business environment through sound financial performance and compliance with our business integrity framework.

ISS employees deal with our stakeholders hundreds of thousands of times every day. We want these relations – with customers and suppliers, as well as the financial community, regulators and competitors – to be based on good business practices. Thus, we have comprehensive measures in place to ensure the integrity of our business.

The company strategy, The ISS Way, focuses on optimising the customer experience while driving cost efficiencies through the alignment of our organisation behind a set of common business fundamentals and scale benefits. We aim to create value for our shareholders by maximising the cash flow growth from our business in a sustainable way over the short and longer term.

Tax: honesty and responsibility

In order for ISS to grow sustainably, the local communities where we operate need to grow and benefit as well. The most important way ISS contributes to local communities is by providing jobs, income, training, social benefits and career opportunities. But we are aware that our payments of tax and duties are also important contributions to many communities around the world.

Paying our taxes on time and correctly is an essential part of how we do business.

Our Tax Policy is built on our values and leadership principles, with the focus on honesty and responsibility. The foundation of the Tax Policy is our commitment to comply with all local and international tax legislation. Governance of the Tax Policy is through yearly self-assessments, followed by close dialogue and tax review meetings with national authorities.

Governance structure explanation

ISS A/S is a limited liability company registered under Danish law and listed on the Nasdaq Stock Exchange. Management powers are distributed between the Board of Directors and the Executive Group Management Board (the EGMB). The members

PROFIT – OUR WAY

AMBITION

We are a competitive business, but we want to compete on honest, fair and equal terms. We aim to create value for our customers by allowing them to focus on their core business.

DRIVERS

The ISS Way is about optimising the customer experience while driving cost efficiencies through the alignment of our organisation behind a set of common business fundamentals, and benefits of scale.

ENABLERS

Audit programmes: A comprehensive set of assurance activities are conducted by Group Internal Audit to monitor our performance on business integrity and good business practices.

Compliance: The Code of Conduct is the overarching guidance for behaviour by anyone working for, supplying or representing ISS. Building on this, we have adopted policies on competition law and anti-corruption.

IMPACT ON SOCIETY

As ISS continues to be a prosperous and growing business, we impact many communities around the world through compliant ways of working and by paying tax and duties correctly and on time.

IMPORTANT FOR ISS

We intend to create value for our shareholders by maximising the cash growth from our business in a sustainable fashion over the shorter and longer term.

WHAT'S NEXT

We will retain our healthy pipeline of a growing number of large, international customers, and continue to deliver for their businesses throughout compelling value proposition. We will work with our customers to develop innovative solutions to their problems and apply our full range of concepts for creating value.



of the EGMB are the Group CEO and Group CFO and form the management registered with the Danish Business Authority. The Group has a wider Executive Group Management (the EGM), which comprises nine Corporate Senior Officers of the Group in addition to the EGMB.

DATA PROTECTION

CONCERN CASES WEB ENCRYPTED REVEAL
INTERNET TRUST
CONNECTION
SECURED INFORMATION ACTIVITIES CONTROL
PERSONAL PRIVACY E-MAILS ACCESS

HANDLING PERSONAL DATA WITH CARE

The EU General Data Protection Regulation (GDPR) is the most important change in data privacy regulation in 20 years and is fundamentally reshaping the way in which data is handled across every business sector. It aims to give citizens control of their personal data and create a high, uniform level of data protection.

ISS is responsible for holding a large amount of personal data on our employees, as well as customers and suppliers, and it is a responsibility we take very seriously. There has been a strong focus on preparing for GDPR and now, ensuring that it is implemented in full across the organization. To meet the requirements of the GDPR, ISS initiated a Data Protection Project, which has worked actively towards ensuring compliance and raising awareness in ISS.

One of the key tasks was to apply for approval of Binding Corporate Rules to enable ISS to transfer personal data between ISS entities in a safe and legally compliant manner. In May 2018, these were approved by the Danish Data Protection Agency, and ISS is now listed on the EU Commission's website for corporations with approved Binding Corporate Rules throughout the EU.

As part of the Data Protection Project, ISS has gone through a diligent mapping of systems and processes where personal data is being processed by ISS or third-party processors.

Further to this initiative, ISS is now in the process of implementing a Data Privacy Compliance system, which will assist ISS in maintaining and updating data processing activities, ensuring ongoing impact assessments of relevant systems,

supporting data subject rights, and ensuring a fast and efficient approach to potential data protection breaches.

The project has also included establishment of a number of data protection policies, including supporting standards and protocols, which have been implemented by the ISS Group entities.

Finally, as a part of Data Protection Compliance in ISS, several training programmes have been rolled out across the organisation. The ISS Data Protection Training Programmes include both e-learning and in-person training and have been rolled-out worldwide to all ISS managers and relevant employees with access to personal data.

It is important to be able to document that policies and protocols are adhered to, and ISS entities are audited on a regular basis. These include testing the awareness of complaints and data breach procedures, and are carried out by Group Internal Audit, other internal specialists, or by other ISS external auditors.

The Group Data Protection Officer oversees the audit activities performed by Group Internal Audit and provides advice to ensure that they address ISS' processing of personal data. This includes methods or ensuring that corrective and preventive actions will take place.

These measures are to ensure that ISS is both recognised and acknowledged for taking the safe-guarding of employees' and customers' personal data very seriously.



CHATERINE BOCANEGRA,
Facility Management, ISS Australia

CASE: SPEAK UP

High business integrity and ethical standards are critical to the success of ISS in achieving global leadership in facility services. An integral part of that service is customer security and trust – we work inside the facilities of our customers and they depend on us to effectively manage their risk.

The “Speak Up” Policy is designed to encourage people to report wrongdoing in the workplace. Anyone who reports wrongdoing in good faith will not be subject to retaliation or retribution.

In 2018, we have worked to further increase awareness of this system for employees, business partners and other stakeholders. It enables them to raise serious and sensitive concerns that could have an adverse impact on operations and performance of ISS and which, due to the nature of the concern, cannot be brought up through the normal reporting lines.

The nature of concerns could include:

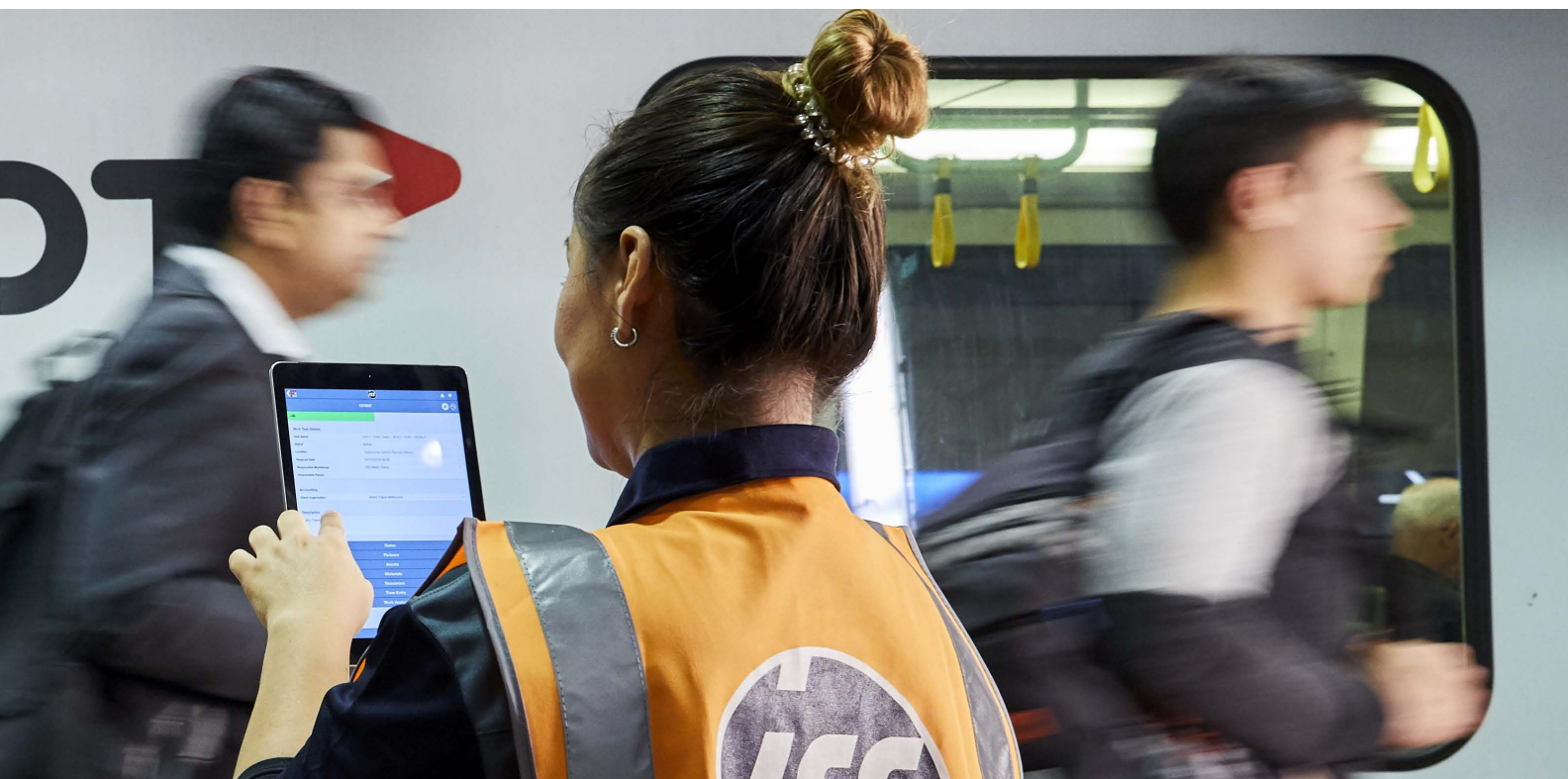
- unlawful activity;
- financial fraud;
- bribery or corruption;
- acts by senior management that cannot be reported using local channels;
- violation of competition laws;
- serious endangerment to environment, health and safety;
- activities, which otherwise by law, treaty or agreement amount to serious improper conduct.

We ensure that all concerns are treated seriously and appropriately, and each complaint is received by the Head of Group Internal Audit. We have established a local Skype number for people to call, so that they are not deterred by the cost of international phone calls.

During 2018, we have seen an encouraging effect of the efforts during recent years to raise awareness across the organisation about the Speak Up Policy and system. The strongest evidence of the increased awareness is the cases reported through the system and other channels, which have grown from 176 in 2017 to 234 in 2018.

Internal Controls and Assurance

The Speak Up system is essential to provide our colleagues with the possibility to report matters of concern and goes closely with the internal controls, which have been put in place to prevent issues from arising in the first place. During 2018 GIA performed a number of internal audits to provide assurance on the effectiveness and efficiency of the internal controls across the entire ISS Group, covering countries, contracts and key Group functions and projects. While the integrity of financial reporting is a key audit focus, business integrity and good business practices represent equally fundamental elements in the internal audits performed.



AUDIT PROGRAMMES

AUDITS COMPLETED 2018

EXAMPLES OF KEY FINDINGS IN 2018

A **baseline audit programme** that assesses the internal controls and compliance across 70 key control activities, with a view to ensure a strong foundation for the internal control environment across all key risks areas. This audit embeds CR issues such as Code of Conduct, anti-corruption, health and safety, child labour and working hours.

24 baseline audits

Incomplete induction training programmes for ISS employees or subcontractor employees; Requirements for strengthening of local compliance monitoring systems.

A **contract audit programme** which assesses the internal controls and contract compliance for key customer contracts. In terms of CR, the programme assesses the controls and processes for e.g. employee screening, training of new hires and performing of preventive maintenance programmes for critical equipment.

16 contract audits

Local records management to be fully aligned with contractual reporting criteria. Annual HSE Audits to be adjusted to contract-specific needs. Formal alcohol testing and vehicle inspections procedures to be fully enforced for transportation services.

Risk-based standardised audit programmes are providing assurance on the effectiveness of internal controls related to financial reporting and compliance with internal and external rules and regulations. This covers pay-roll, HR and HSE including over-time, timely payments and child labour as well as travel and entertainment expenses, and the accounting-to-reporting process.

11 risk-based audits

Individual cases of expired working permits; Formal Conflict of Interest declarations missing for individual managers; No structured monitoring of employee turnover and sick leave patterns.

OVERVIEW OF 2018 BUSINESS INTEGRITY FRAMEWORK AND ACTIVITIES

SUBJECT	ENABLED BY	ACTIVITIES	PROGRESS
Behaviour by anyone working for, supplying or representing ISS	Code of Conduct established in 2003 and revised in 2013. Areas covered: Personal Conduct of Employees; Anti-Corruption and Bribery; Compliance with Competition Laws; Business Partner Relations; Work place Standards; Corporate Responsibility	Code of Conduct is referenced in all documentation of contractual relationships: suppliers, customers and employees	E-learning training module was rolled out in 2018 and translated into the main 20 languages of the Group
Competition law	Competition Law policy adopted in 2014. Concerns risks such as: information sharing with competitors; market behaviour which might be perceived as price fixing; guidelines for participation in industry associations; how to handle inspections by authorities	Policy communicated and E-learning based training as part of Code of Conduct training	In 2018, 23,121 people completed the new Code of Conduct E-learning module
Anti-corruption	Building on the ISS Code of Conduct, the ISS Anti-Corruption policy was established in 2010. It states: <ul style="list-style-type: none"> ISS is against any form of corruption and bribery and is committed to combat such practices; ISS competes for business on fair terms and solely on the merits of its services; Regardless of local practice, any personal payments, kickbacks or bribes between ISS and customers, suppliers or public servants are strictly prohibited; It is unacceptable to receive gifts or other gratuities from business partners, – unless customary in the environment, of modest nominal value and serves a business purpose 	E-learning based training as part of Code of Conduct training. Training of relevant staff, both as stand-alone requirements and as part of the training programme: <ul style="list-style-type: none"> ISS Advantage (leadership) Training repeated every three years 	In 2018, 23,121 people completed the new Code of Conduct E-learning module
Contractual risks	Established Negotiation and Contract Process Framework and contract risk assessment tool, CRAM	Web-based tool to assess contract risks. Applied in the contract approval process	Revised our large customer contract approval process and established threshold for approval escalation
Access to remediation	“Speak Up” system established in 2013. It is a reporting channel for raising serious and sensitive concerns guaranteeing all persons making complaints in good faith protection from reprisals or retaliation	In 2018, we continued our efforts in raising awareness of the Policy and system; we increased the number of languages that people can report an incident in	The majority of the cases reported (87%) continue to relate to matters that are resolved at local level, e.g. employee misconduct and workplace safety concerns. In 2018, there was an increase from 10 to 27 in cases that required investigation by Group Internal Audit (GIA) covering violations of labour and tax regulation, senior manager conflict of interest, and ghost employee schemes



INDEPENDENT AUDITOR'S ASSURANCE REPORT

To Management and broader stakeholders of ISS A/S

We have reviewed the 2018 Corporate Responsibility Report ('the report'), which covers ISS' global activities from 1 January to 31 December 2018, to provide limited assurance that:

- all "People" data, "Planet" data, and "Income tax paid by employees" on page 38 and 39 in the report, have been stated in accordance with the reporting criteria;
- the report has been prepared in accordance with the requirements of sections 99a and 99b of the Danish Financial Statements Act (FSA) and the requirements of the UN Global Compact Communication on Progress Policy;
- the report has been prepared in accordance with the principles and reporting criteria defined in the Global Reporting Initiative (GRI) Sustainability Reporting Standards (Core level).

We express a conclusion providing limited assurance.

Management's responsibility

Management of ISS is responsible for collecting, analysing, aggregating and presenting the information in the report ensuring that data are free from material misstatement, whether due to fraud or error. The ISS "Group Health, Safety, Environment and Quality (HSEQ) and Corporate Responsibility (CR) Data Reporting Manual 2018" and the "Group Controlling Accounting Manual Nov 2016" contain Management's defined reporting scope for each data type.

Auditor's responsibility

Our responsibility is to express a limited assurance conclusion based on our engagement with Management and in accordance with the agreed scope of work. We have conducted our work in accordance with ISAE 3000, Assurance Engagements. Other than Audits or Reviews of Historical Financial Information and additional requirements under Danish audit regulation to obtain limited assurance about whether the selected CR data in the report are free from material misstatement.

Deloitte Statsautoriseret Revisionspartnerselskab is subject to International Standard on Quality Control (ISQC) 1 and, accordingly, applies a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by FSR – Danish Auditors (Code of Ethics for Professional Accountants), which are based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Considering the risk of material error, we planned and performed our work to obtain all information and explanations necessary to support our conclusion.

We performed our on-site review at the ISS Head Office in Denmark between December 2018 and February 2019. We have not performed site visits or interviewed external stakeholders. We have not performed any assurance procedures on baseline data, economic or financial data, except for reported "Income tax paid by employees". We have not performed assurance procedures on forward-looking statements, such as targets and expectations, or on individual case stories disclosed in the report. Consequently, we draw no conclusion on these statements.

Considering the risk of material error, we planned and performed our work so as to obtain all information and explanations necessary to support our conclusion. We used the ISS "Group Health, Safety, Environment and Quality (HSEQ) and Corporate Responsibility (CR) Data Reporting Manual 2018" and the "Group Controlling Accounting Manual Nov 2016" together with GRI reporting principles and criteria as an appropriate basis for our engagement. Our procedures included the following:

- reviewing ISS' processes for determining material issues to be included in the report and challenging the material text statements in the report;
- reviewing the key processes, tools, systems and controls for gathering, consolidating and aggregating data at group level and performing analytical review procedures and obtaining additional explanations of selected data performance from group functions;
- interviewing Management representatives across various group functions, including internal audit, as well as personnel responsible for data and reporting;
- obtaining relevant, available company documentation on a sample basis to verify the extent to which they support the information included in the report;
- evaluating the overall presentation of the report, including consistency of information;
- reviewing the report for adherence to the requirements of sections 99a and 99b of the Danish Financial Statements Act (FSA) and the requirements of the UN Global Compact Communication on Progress Policy;

- reviewing the report for adherence to the GRI principles for defining report content and ensuring report quality, as well as the GRI Standards disclosure requirements.

Limited assurance conclusion

Based on our work, nothing has come to our attention that causes us not to believe that:

- all "People" data, "Planet" data, and "Income tax paid by employees" on page 38 and 39 in the report, have been stated in accordance with the reporting criteria;
- the report has been prepared in accordance with the requirements of sections 99a and 99b of the Danish Financial Statements Act (FSA) and the requirements of the UN Global Compact Communication on Progress Policy;

- the report has been prepared in accordance with the principles and reporting criteria defined in the Global Reporting Initiative (GRI) Sustainability Reporting Standards (Core level).

Copenhagen, 22 February 2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Business Registration No. 33 96 35 56



Kirsten Aaskov Mikkelsen
State Authorised Public Accountant
MNE no 21358



Helena Barton
Lead Reviewer

Auditor's observations regarding the GRI Standards' Reporting Principles

Materiality and sustainability context

This report reflects ISS' ongoing commitment to ensuring responsible business practices and contributing to the UN Sustainable Development Goals. It also reflects Management's understanding of the Company's significant risks and impacts related to its global social, environmental and economic performance.

Comparability, completeness and timeliness

Quantitative information in relation to the material topics is presented such that stakeholders may analyse changes in performance over time. The boundary and publication date of the report are the same as the annual report, providing timely disclosure to all stakeholders on ISS' Corporate Responsibility performance.

Clarity and balance

The report provides a transparent and balanced presentation of the Company's 2018 Corporate Responsibility performance, showing both positive and negative performance trends, highlighting challenges and dilemmas faced within its own operations and the broader facility services industry.

Stakeholder inclusiveness

The report presents material stakeholder engagement activities undertaken globally and locally in 2018, especially with employees, customers and suppliers, and provides relevant examples of how ISS engages with its different stakeholder groups.

Accuracy and reliability

Through ISS' reporting principles, procedures and controls, the Company continues to promote accuracy and reliability across the group regarding Corporate Responsibility data and reporting. A new software platform has been implemented to help ensure more accurate data entry and consolidation. ISS' reporting in accordance with the new GRI Standards shows Management's commitment to continued accountability and transparency beyond compliance and in line with global good practice.

Recommendations to Management

We have no significant recommendations from our observations on the GRI Standards' Reporting Principles. We have communicated a number of minor recommendations for improvement to the Management of ISS.



REPORTING PRINCIPLES AND COMPLIANCE

This report, the eight comprehensive Corporate Responsibility report prepared by ISS, covers activities under our operational control in the calendar year 2018. The scope is all countries and assets that are under ISS operational control and include all employees (ISS employees, temporary workers and contract personnel). Our employee engagement survey was offered to employees that have worked for at least three months and work at least 10 hours a week and were not on leave of absence. In 2018, we have not added new data parameters. For divestments, data was included up to the time of the divestment taking effect and not thereafter. We have focused on improving the quality of our data. We have implemented a mandatory HSE@ISS-IT system for countries to report and investigate incidents in a systematic approach. To further ensure improvements in the quality of data, we have also held webinars with countries to explain the data parameters. However, we are on a journey of continuous improvement in terms of quality of our data.

External principles and guidelines

We have designed our reporting to be in line with the new GRI Standards by the Global Reporting Initiative (GRI), the world's most widely used sustainability reporting framework. We have chosen to be in accordance with the 'Core' option. An overview of the GRI Standards disclosures included in this report can be found in the tables from page 42 onward.

We have also used the ISO Standard ISO 26000 Guidance on Social Responsibility and the Danish Standard DS 49001 'Social responsibility management system – Requirements' as a basis of our analysis and reporting.

In addition, we also work with the principles of SA8000 pertaining to labour and human rights. The SA8000 Standard is a tool for implementing international labour standards to protect employees.

This is the statutory report on corporate social responsibility cf. §99 a and §99 b of the Danish Financial Statements Act.

The reporting furthermore serves to fulfil our obligation to Communicate on Progress (CoP) as required by the UNGC. In addition, it contributes to us meeting the requirements of the UK Modern Slavery Act.

Internal guidelines

As a basis for our reporting, ISS developed a Group HSEQ and CR Reporting Manual in 2010 to provide reporting principles and rules to ensure a consistent basis for reporting. This Manual is reviewed and updated yearly.

The Manual specifies the data that shall be available for monitoring performance and for reporting on corporate responsibility issues at Group level.

Number of employees are the total number of headcount full-time and part-time averaged over the 12-month reporting period. Full-time employees are defined as employees who work a minimum of 30 hours a week for ISS. Number of employees are specified into front-line and white collar employees.

Hours of training are hours registered as spent by internal and external trainers and hours spent by participants while preparing and participating. This includes any training participation, paid or unpaid, as a result of employment within ISS.

Incidents of discriminations are the registered number of incident of discrimination on grounds of race, colour, sex, religion, political opinion, national extraction, or social origin as defined by ILO.

Number of vehicles are all company vehicles: a vehicle that is owned or leased by the company and provided to an employee in order to carry out the requirements of their work i.e. to meet a particular business need, including pool vehicles. Personal company cars are excluded.

Number of vehicle accidents are any "contact" made between a vehicle and another vehicle, person or other object, regardless of whether there is property damage or personal injury, but **excluding**:

- damage to vehicle while it is parked in a legitimate parking area;
- environmental damage (e.g. hail storms, damage from wind, etc.);
- vandalism, break-ins; or
- stone chips.

Electricity consumption is calculated from utility invoices or meters. Fuel consumption is calculated using fuel purchases e.g. invoices from the supplier. Business travel emissions are calculated from data received from travel agencies and where this is not possible, emissions are calculated on flight type (short haul, medium haul, long haul), passenger kilometres travelled and emission factors from recognised bodies.

The source for emission factors for electricity and fuel is the International Energy Agency's CO₂ emissions from fuel combustion (2016 edition).

Changes and future outlook

As we have done in 2018, we will continue on improving the quality of our data in 2019.



HELENA KOEFOED SCHOU
Catering, ISS Denmark



OUR PERFORMANCE AND TARGETS

This section presents our key performance indicators and results against objectives and targets for 2018. Objectives and targets for 2019 are also communicated here.

We report on our performance within three areas:



PEOPLE




PLANET



PROFIT

	2018	2017	2016
Number of employees	485,908	488,946	494,233
– Full time %	76	76	74
– Part time % ¹⁾	24	24	26
Total workforce			
<u>Front line</u>	460,010	464,108	469,625
– % Front line	95	95	95
– % Male	51	51	50
– % Female	49	49	50
<u>White collar</u>	25,868	24,838	24,608
– % White collar	5	5	5
– % Male	56	55	53
– % Female	44	45	47
Turnover			
% All employees	43	44	43
<u>% Front line</u>	44	45	45
– Male	47	49	48
– Female	42	41	41
<u>% White collar</u>	25	21	20
– Male	25	22	20
– Female	24	20	20
Hours of training	7,525,680	6,901,337	6,454,887
– Front line	7,180,195	6,561,432	6,128,555
– White collar	345,486	339,906	326,332
Absentee rate %	2.1	2.0	2.0
Incidents of discrimination	13	9	18
Fatalities	1	6	6
Lost Time Injury Frequency (LTIF) ²⁾	2.9	3.5	4.7
Exposure hours (million hours) ³⁾	994.8	981.6	994.5
Number of vehicles	20,635	20,527	20,945
Number of vehicle accidents	3,531	3,515	3,445

	2018	2017	2016
Electricity consumption (MWh.)	44,707	48,554	52,781
Electricity emissions (Scope 2) (tonnes CO ₂ eq.)	14,804	16,498	16,563
Electricity costs (million DKK)	40.7	46.1	52.2
Fuel usage (million litres)	39.6	42.0	46.0
Vehicle emissions (Scope 1) (tonnes CO ₂ eq.)	91,199	96,664	106,353
Business Travel emissions (Scope 3) (tonnes CO ₂ eq.)	22,285	18,217	17,556
Water consumption (m ³) ⁴⁾	311,339	332,442	305,300

Financial highlights in 2018

REVENUE - MILLION DKK

73,592

ORGANIC GROWTH

3.9%

CASH CONVERSION


101%

OPERATING MARGIN

5.7%

NUMBER OF EMPLOYEES

485,908

	2018	2017 ⁵⁾	2016
Revenue (million DKK)	73,592	73,577	78,658
EBITA (million DKK)	4,226	4,236	4,543
Net Finance costs (million DKK)	590	498	465
Taxes paid (million DKK)	663	812	871
Staff costs (million DKK)	46,161	45,873	50,477
Income tax paid by employees (million DKK) ⁶⁾	13,191	12,778	12,859

¹⁾ Defined as employees working an average of less than 30 hours per week for ISS.

²⁾ A LTI is defined as any work-related injury which prevents that person from doing any work after the incident i.e. any work related injury which results in a person being unfit for his/her work for at least one full working day or shift. The LTIF is based on 1 million exposure hours. This includes contractors under ISS operational control.

³⁾ Exposure hours include contractors working under ISS operational control.

⁴⁾ Water consumption corrected for 2017 due to incorrect reporting from a reporting country.

⁵⁾ 2017 financial data adjusted for discontinued operations.

⁶⁾ Income tax paid by employees comprises estimated employment taxes, social charges and contributions paid either by ISS or directly by employees. 2018 data also includes ISS Global A/S.

For additional information, please see Reporting Principles and Compliance on page 36.





ROLAND BURGER
Technical services, ISS Switzerland


Performance against objectives and targets for 2018

Our most material issues are also the ones most directly supporting our strategy and are related to health, safety and

environment as well as monitoring of labour conditions for our employees. We set targets and carry out audits to ensure the organisation's focus remains on these subjects.

				
	AMBITION	PROGRESS	NEXT	ON TREND
Fatalities	0	Unfortunately we had one fatality. See page 20	Our target is 0	x
Lost Time Injury Frequency	Reduce 60% compared to 2010 to below 5	LTIF decreased by 78% from the baseline value of 13, to 2.9 in 2018	Our target in 2019 is less than 2.9	✓
Lost Work Hours	Reduce 55% compared to 2010	The number of Lost Work Hours per 1000 exposure hours reduced by 65%	Our target in 2019 is a reduction of 65%	✓
Employee engagement	To conduct an annual engagement survey with a response rate target of 75% of eligible employees	The survey covered 44 countries and was offered in 47 languages. In 2018, more than 300,000 employees were invited with 230,824 responding with a response rate of 76.4%	Move to electronic responses	✓

				
	AMBITION	PROGRESS	NEXT	ON TREND
CO ₂ emissions from electricity	5% reduction (MWh/revenue) from 2018-2021. A baseline was established: 16,498 tonnes CO ₂ eq. in 2017	There was a 10% reduction in 2018	5% reduction (MWh/revenue) from 2018-2021	✓
CO ₂ emissions from leased cars (g/km)	Reduce by 15% within four year lease period based on 2014 data	In 2018, we have reduced emissions from our leased cars (g/km) by 13.6% compared to the baseline figure in 2014	Reduce by 10% within four year lease period based on 2018 data	✓

				
	AMBITION	PROGRESS	NEXT	TREND
Audits with HSE and CR content	In at least 20% of countries where we operate	The scope of internal audits in more than 30% of countries included the ISS Code of Conduct, the ISS Safety Rules, child labour and working hours	In at least 20% of the countries where we operate	✓
Code of conduct e-learning	Embed the e-learning module in more levels of the organisation	Over 23,000 employees successfully passed new e-learning module	In 2019, we aim for 25,000 employees	✓



GRI AND UNGC COMPLIANCE TABLES

GRI DISCLOSURES

The following tables provides an overview of the GRI Standard disclosures included in the report. The tables show the indicator, the topic and the page(s) the topic is covered in the report.

GRI CONTENT INDEX

GRI 101 Foundation			
GRI 102 General disclosures	GRI Standard Number	Disclosure	Page number/comment
	102-1	Name of the organisation	Inside cover
	102-2	Activities, brands, products, and services	Inside cover
	102-3	Location of headquarters	Inside cover
	102-4	Location of operations	Inside cover
	102-5	Ownership and legal form	Annual Report
	102-6	Markets served	Inside cover
	102-7	Scale of the organisation	Inside cover
	102-8	Information on employees and other workers	Page 38
	102-9	Supply chain	Page 12; Our Supply Chain includes over 75,000 suppliers covering categories such as Cleaning, Fleet, Sub-contracting and Indirect spend
	102-10	Significant changes to the organisation and its supply chain	Annual Report
	102-11	Precautionary Principle or approach	Page 24
	102-12	External initiatives	Annual Report
	102-13	Membership of associations	Annual Report
	102-14	Statement from senior decision-maker	Pages 2 and 3
	102-15	Key impacts, risks, and opportunities	Pages 6-9
	102-16	Values, principles, standards, and norms of behaviour	Page 7
	102-17	Mechanisms for advice and concerns about ethics	Page 30-33

GRI CONTENT INDEX

GRI 102 General disclosures	GRI Standard Number	Disclosure	Page number/comment
	102-18	Governance structure	Pages 7 and 28
	102-19	Delegating authority	Page 7
	102-20	Executive-level responsibility for economic, environmental, and social topics	Page 7
	102-21	Consulting stakeholders on economic, environmental, and social topics	Page 12
	102-32	Highest governance body's role in sustainability reporting	Page 2; our Board reviews and approves the Report before it is published
	102-33	Communicating critical concerns	Page 30, 32
	102-34	Nature and total number of critical concerns	Page 33
	102-35	Remuneration policies	Annual Report
	102-36	Process for determining remuneration	Annual Report
	102-40	List of stakeholder groups	Page 12
	102-41	Collective bargaining agreements	Page 16; over 49% of our employees are covered by bargaining agreements
	102-42	Identifying and selecting stakeholders	Pages 6 and 12
	102-43	Approach to stakeholder engagement	Page 12; we regularly meet with stakeholders (meetings, seminars, Investor day); our stakeholder engagement throughout the year has served as input into our report preparation.
	102-44	Key topics and concerns raised	Pages 8 and 9
	102-45	Entities included in the consolidated financial statements	Annual Report
	102-46	Defining report content and topic Boundaries	Page 6-8 and 36
	102-47	List of material topics	Page 8
	102-48	Restatements of information	Page 39 (footnotes)
	102-49	Changes in reporting	Page 36
	102-50	Reporting period	Page 36
	102-51	Date of most recent report	2017
	102-52	Reporting cycle	Page 36

GRI CONTENT INDEX

GRI 102 General disclosures	GRI Standard Number	Disclosure	Page number/comment
	102-53	Contact point for questions regarding the report	Back cover
	102-54	Claims of reporting in accordance with the GRI Standards	Page 36
	102-55	GRI content index	Page 42
	102-56	External assurance	Pages 34 and 35

GRI 200 Economic Standards – Material topics	GRI Standard Number	Disclosure	Page number/comment
	103-1	Explanation of the material topic and its Boundary	Page 28
	103-2	The management approach and its components	Pages 28, 30, 31, 33 and Annual Report
	103-3	Evaluation of the management approach	Pages 30 and 33
Economic Performance	201-1	Direct economic value generated and distributed	Page 39 and Annual Report
Anti-corruption	205-1	Operations assessed for risks related to corruption	Pages 9, 30, 31 and 32
Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	Pages 30, 32 and 33; the Anti-corruption Policy has been communicated to 100% of all governance body members at Group, Regional and country levels. We do not report on the breakdown by employee category, region or business partner
Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	Page 32 and 33; we had 0 incidents related to corruption where contracts with business partners were terminated or not renewed; we had 0 public legal cases regarding corruption; we do not report the number of employees dismissed or disciplined
Anti-competitive Behaviour	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	We have not been involved in any anti-trust issue or anti-competitive behaviour, and not monopoly practices

GRI CONTENT INDEX

GRI 300 Environmental Standards – Material topics	GRI Standard Number	Disclosure	Page number/comment
	103-1	Explanation of the material topic and its Boundary	Page 24
	103-2	The management approach and its components	Pages 24 and 25
	103-3	Evaluation of the management approach	Page 27
Energy	302-1	Energy consumption within the organisation	Pages 27, 36 and 39
Energy	302-3	Energy intensity	Based on: Revenue: 0.6045 MWh/mill. DKK Exposure hours: 44.94 MWh/ mill. exposure hours
Energy	302-4	Reduction of energy consumption	Pages 27 and 39
Water	303-1	Water withdrawal by source	Pages 36 and 39; we only report on municipal water supplies
Emissions	305-1	Direct (Scope 1) GHG emissions	Page 39
Emissions	305-2	Energy indirect (Scope 2) GHG emissions	Page 39
Emissions	305-3	Other indirect (Scope 3) GHG emissions	Page 39
Emissions	305-4	GHG emissions intensity (Scope 1)	Based on: Revenue: 1.24 tonnes CO ₂ eq./ mill. DKK Exposure hours: 91.68 tonnes CO ₂ eq./mill. exposure hours
Emissions	305-5	Reduction of GHG emissions	Pages 27 and 39
Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	Page 24
Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	Pages 12 and 13; 100% of new suppliers screened
Supplier Environmental Assessment	308-2	Negative environmental impacts in the supply chain and actions taken	Page 13

GRI CONTENT INDEX

GRI 400 Social Standards – Material topics	GRI Standard Number	Disclosure	Page number/comment
	103-1	Explanation of the material topic and its Boundary	Page 14
	103-2	The management approach and its components	Pages 14, 15, 16 and 17
	103-3	Evaluation of the management approach	Page 23
Employment	401-1	New employee hires and employee turnover	Page 38; we do not report age group
Employment	401-3	Parental leave	The ISS Global People Standards: <ul style="list-style-type: none"> • Ensure paid maternity leave in accordance with local legislative requirements; • Provide women with the opportunity to access paid or unpaid maternity leave for a minimum of 12 weeks without risk of losing their employment
Labour/ Management Relations	402-1	Minimum notice periods regarding operational changes	We comply with European laws based on the European Union's Acquired Rights Directive (ARD) protecting the rights of employees in a business transfer situation, also known as TUPE
Occupational Health and Safety	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Pages 23 and 38; we do not report by region or gender
Occupational Health and Safety	403-4	Health and safety topics covered in formal agreements with trade unions	Health and safety are covered in the agreements with unions. In addition, at the European Works Council meetings, health and safety is on the agenda
Training and Education	404-1	Average hours of training per year per employee	Page 38; we do not break down according to gender
Training and Education	404-2	Programmes for upgrading employee skills and transition assistance programmes	Pages 14, 15 and 22
Training and Education	404-3	Percentage of employees receiving regular performance and career development reviews	It is mandatory for all employees; however, we cannot report on all completed data as some are completed on hard copies and registered in files and we are still working on implementing a system to collect the data

GRI CONTENT INDEX

GRI 400 Social Standards – Material topics	GRI Standard Number	Disclosure	Page number/comment
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Page 19 and Annual Report
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	Pages 19 and 38
Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Pages 9, 12, 13 and 30
Child Labour	408-1	Operations and suppliers at significant risk for incidents of child labour	Pages 8, 12 and 13; we have identified suppliers of work wear as the highest risk of child labour
Forced or Compulsory Labour	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Pages 8, 12, 13 and 31; we have identified suppliers of work wear as highest risk of forced or compulsory labour
Human Rights Assessment	412-1	Operations that have been subject to human rights reviews or impact assessments	Page 31
Human Rights Assessment	412-2	Employee training on human rights policies or procedures	Page 33; Human rights training carried out as part of On Boarding for all employees, and training such as ISS Code of Conduct E-learning module and Advantage
Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	Pages 12 and 13; 100% of new suppliers screened
Supplier Social Assessment	414-2	Negative social impacts in the supply chain and actions taken	Page 13
Public Policy	415-1	Political contributions	We do not contribute to political parties
Marketing and Labelling	417-2	Incidents of non-compliance concerning product and service information and labelling	We have not identified any non-compliance with regulations and/or voluntary codes concerning products and service information and labelling
Marketing and Labelling	417-3	Incidents of non-compliance concerning marketing communications	We have not identified any incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	We have not identified any substantiated complaints concerning breaches of customer privacy and losses of customer data



United Nations Global Compact (UNGC)

The following table provides an overview of the UNGC principles and the page(s) the principle is covered in the report.

UNITED NATIONS GLOBAL COMPACT (UNGC)

HUMAN RIGHTS		PAGE
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	3
Principle 2	Make sure that they are not complicit in human rights abuses.	9, 12, 23
LABOUR STANDARDS		READ MORE ON PAGE
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	12, 47
Principle 4	The elimination of all forms of forced and compulsory labour;	9, 12
Principle 5	The effective abolition of child labour; and	9, 12, 31
Principle 6	The elimination of discrimination in respect of employment and occupation.	16, 17
ENVIRONMENT		READ MORE ON PAGE
Principle 7	Businesses should support a precautionary approach to environmental challenges;	24
Principle 8	Undertake initiatives to promote greater environmental responsibility; and	24
Principle 9	Encourage the development and diffusion of environmentally-friendly technologies.	25
ANTI-CORRUPTION		READ MORE ON PAGE
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	28, 33



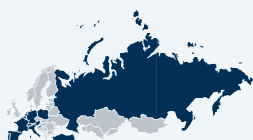
PETER EUDENBACH
Technical services, ISS Switzerland

REGIONAL PERFORMANCE

CONTINENTAL EUROPE

28.0
DKKbn
revenue

38%
of group



50%
key accounts

Revenue by country (DKK million)

Switzerland	5,242	Austria	2,107
Spain & Portugal	4,787	Netherlands	1,500
France	4,755	Italy	479
Germany	3,161	Poland	258
Belgium & Luxembourg	2,879	Russia	131
Turkey	2,707		

158,672
Employees

33%
of Group employees

6%
Organic growth

NORTHERN EUROPE

24.4
DKKbn
revenue

33%
of group



70%
key accounts

Revenue by country (DKK million)

UK & Ireland	10,543	Finland	3,021
Norway	4,047	Sweden	2,995
Denmark	3,807		

71,580
Employees

15%
of Group employees

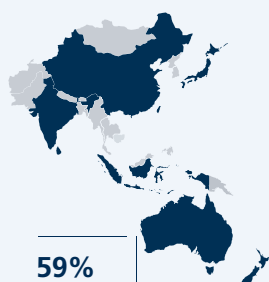
1%
Organic growth

ASIA & PACIFIC

12.7
DKKbn
revenue

17%
of group

59%
key accounts



Revenue by country (DKK million)

Australia & New Zealand	3,734	India	1,446
Hong Kong	2,440	China	776
Singapore	2,122	Taiwan	387
Indonesia	1,720	Japan	86
		Other countries – Asia	14

204,798
Employees

42%
of Group employees

6%
Organic growth

AMERICAS

7.8
DKKbn
revenue

11%
of group

54%
key accounts



Revenue by country (DKK million)

USA & Canada	7,072	Other countries	
Mexico	719	– Latin America	56

50,583
Employees

10%
of Group employees

1%
Organic growth

¹⁾ South Eastern (SE) Europe Cluster includes the Czech Republic, Greece, Hungary, Romania, Slovakia and Slovenia.

²⁾ Includes Estonia and Russia.

³⁾ Emerging markets.

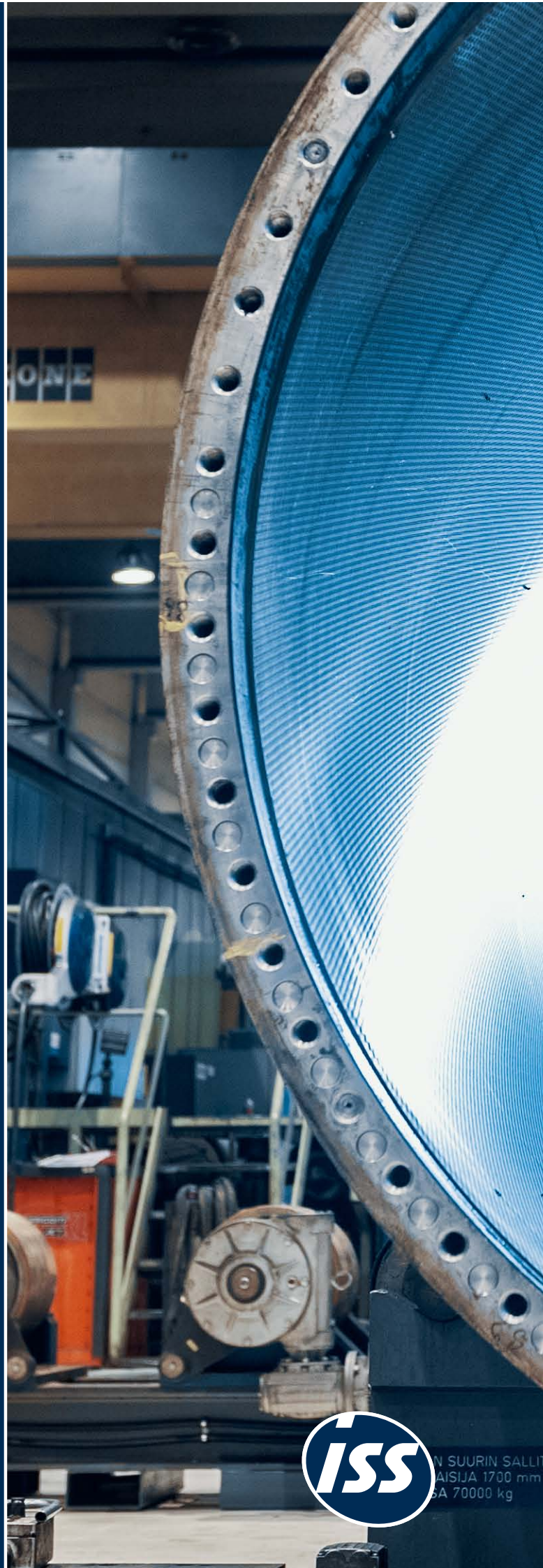
⁴⁾ Discontinued operations.

Share your opinion

We welcome your feedback as it is an important part of our dialogue with our stakeholders.

You are welcome to contact
Joseph Nazareth, Head of Group HSEQ and CR
at +45 3817 0000 or write to us at:

Head of Group HSEQ and CR
ISS A/S, Buddingevej 197
2860 Søborg, Denmark



N SUURIN SALLIT
AISIJÄ 1700 mm
SA 70000 kg