

Modern Slavery Statement for Financial Year 2018

This statement has been published in accordance with s.54 of the Modern Slavery Act 2015. It is made by Stericycle (comprising the divisions: Shred-it, SRCL, Stericycle ComSol and Stericycle ExpertSOLUTIONS) and outlines the steps taken and is continuing to take to ensure that modern slavery or human trafficking is not taking place within our business or supply chain and is not facilitated in any way.

As highlighted in our Code of Conduct, it remains a fundamental policy to conduct our business with honesty, integrity and in accordance with the highest ethical standards. We also remain committed to the ongoing review of our policies and practices to ensure we continue to meet the requirements of the Act and to uphold our highest ethical standards.

Business Structure

Stericycle is the UK and Ireland's leading compliance solutions provider, delivering medical waste, sharps management, compliance, pharmaceutical waste, radioactive waste, information destruction, communication solutions and recalls.

Being an ISO 9001, ISO 14001, OHSAS 18001 and ISO 27001 accredited organisation, Stericycle has in place robust and externally audited systems and processes to ensure its supply chain is managed in accordance with the law and best practice.

Risk of Modern Slavery

We have in place policies and systems to ensure that we identify, assess and mitigate potential risk areas in our supply chains, source goods and services ethically, identify individuals being forced to work against their will and protect whistle blowers. Details of these policies and systems are set out below.

We consider the risk of slavery and human trafficking in our own labour and employment practices to be non-existent. We are a highly professional business with compliant global labour practices and policies which ensure that we continue to provide employment opportunities free from discrimination, modern slavery and human trafficking. A summary of our labour policies is set out below.

We recognise an increased risk within our supply chains as we are at least one step removed from our operations and labour practices for some goods we procure to deliver the services. However, our supply chain policy and methods for selecting suppliers greatly mitigate this risk. We require all suppliers to sign up and adhere to our own Ethical Sourcing Policy and Supplier Code of Conduct and we conduct routine and regular supplier audits. A summary of our supplier policies is set out below.

We consider that the steps we are taking, and continue to take, are effective in ensuring we are not exposed to modern slavery and human trafficking. We have several communication channels and mechanisms for reporting concerns (anonymously if preferred) and we record and report any instances of concern raised. Immediate action is taken where appropriate.

We strongly believe that further improvements are most likely to come from increased collaboration with our suppliers, including increasing the depth and breadth of supplier assessments and audits through tier 2 and tier 3. To assist with this, we explored utilising a professional third party to supplement our risk assessment processes, however during the evaluation process we felt the involvement of a third party wouldn't provide any added value as the onus is the suppliers to undertake "self-assessments" instead of completing due diligence on our behalf.

Ethical Policies

We operate a number of internal policies to ensure that we are conducting business in an ethical and transparent manner. These include:

1. **Modern Slavery Policy.** This policy sets out Stericycle's stance on modern slavery and explains how employees can identify it and where they can go for help.
2. **Ethical Sourcing Policy.** This policy sets out how we source goods and services in an ethical and humane manner.
3. **Recruitment Policy.** We operate a robust recruitment policy, including conducting eligibility to work in the UK checks for all employees to safeguard against human trafficking or individuals being forced to work against their will.
4. **Suppliers Code of Conduct.** This code explains the way in which we expect our suppliers to act.
5. **Whistleblowing Policy.** We operate a whistleblowing policy so that all employees know that they can raise concerns about how colleagues are being treated, or practices within our business or supply chain, without fear of reprisals.

Labour Policy

Wherever possible, Stericycle employs team members directly. All recruitment is managed in accordance with a robust policy incorporating authorisation touch points. However in the event the business needs to rely on agency support, it uses only specified, reputable employment agencies that have been approved through our supply chain management process to source labour.

Stericycle is a good employer and provides conditions of work that are of a high standard. We provide decent and fair conditions of employment in line with market rates aligned with the designated job role, which are paid directly to the employees, subject only to deductions permitted by law. Compensation for overtime is in accordance with prevailing laws and regulations and Stericycle respects the prohibition of mandatory / enforced overtime.

Stericycle also provides decent and fair conditions of work with regards hours of work, holidays, sickness, maternity / paternity protection and the ability to combine work with family responsibilities. Stericycle provides a work-life balance that is at least comparable to that offered by similar employers. Stericycle encourages all employees, customer and other business partners to report any concerns related to the direct activities, or the supply chains of the organisation.

This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking. Stericycle respects freedom of opinion and expression, therefore the whistleblowing procedure is designed to make it easy for employees to make disclosures without fear. Employees, customers and others who have concerns can use our confidential helpline/online service.

Stericycle does not engage in activities that infringe, obstruct or impede the economic, social and cultural rights of any person.

Procurement and Supply Chain Management Policy and Due Diligence Processes

Stericycle will not support or deal with any business knowingly involved in slavery or human trafficking. We have zero tolerance for such activity in our supply chain. Our procurement activities encompass the planning and management of all activities involved in sourcing, procurement and logistics management. This includes coordination and collaboration with our partners, which can be suppliers, service providers and customers.

We ensure that all potential and incumbent suppliers are dealt with professionally, fairly and ethically and that we uphold the principles of sustainable procurement at all times. We favour suppliers that operate under recognised ethical codes of conduct and so our Ethical Sourcing Policy and Supplier Code of Conduct is circulated to all potential

and incumbent suppliers. Suppliers are required to acknowledge and agree to the terms of these if they wish to maintain a relationship with Stericycle.

Prior to new suppliers being added to our supply chain, we undertake due diligence audits using a prescribed 'supplier assessment questionnaire'. This addresses areas such as accreditation, registration, insurance policies, director checks, financial risk analysis, human resource policies, ethical sourcing and supplier code of conduct, anti-bribery, quality systems, manufacturing inspection and testing, equipment maintenance, returns and complaints processes and internal audits.

In addition to the above, as part of our contract with suppliers, we require that they confirm to us that:

1. They have taken steps to eradicate modern slavery within their business
2. They hold their own suppliers to account in respect of modern slavery risks
3. (For UK based suppliers) They pay their employees at least the national minimum wage / national living wage (as appropriate)
4. (For international suppliers) They pay their employees any prevailing minimum wage applicable within their country of operations
5. We may terminate the contract at any time should any instances of modern slavery or human trafficking come to light.

During 2019 we will develop further risk screening tools including a balanced scorecard utilising our supplier self-assessment questionnaires to prioritise, escalate and mitigate risks within our supply chain.

Training

We have conducted refresher training for our Procurement Team who are responsible for our supply chain so that they can recognise the signs of modern slavery or human trafficking and the appropriate action to take if they suspect that it is taking place within our supply chain. Additionally, during 2018 all staff members across the globe undertook webinar training for Code of Conduct and Ethics, strengthening Stericycle's awareness and commitment to the Modern Slavery Act.

Lastly, our Vice-President of Ethics and Compliance provided one-to-one training for Senior Management.

Our Performance Indicators

We work in highly-regulated sectors for a wide variety of public sector customers. The effectiveness of the steps that we are taking to ensure that slavery and/or human trafficking is not taking place within our business or supply chain will be known if no reports are received from employees, the public, our customers, regulators or law enforcement agencies to indicate that modern slavery practices have been identified.


We will continue to review the effectiveness of the steps we have taken this year to ensure that there is no slavery or human trafficking in our supply chains, and during the review process we will identify further steps to combat slavery and human trafficking and our plans regarding ongoing external audits.

Approval for this Statement

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Stericycle's slavery and human trafficking statement for the financial year ending 31st December 2018.

Name: Robert Guice, Executive Vice President International, Stericycle

Signature:



Date:

16/1/19