MODERN SLAVERY ACT 2015 TRANSPARENCY STATEMENT

Compass Group PLC ("the Company") presents its annual statement pursuant to the provisions of section 54 of the Modern Slavery Act 2015 for the year ended 30 September 2016.

The Company's business comprises the provision of food and support services to millions of people around the world every day. The Company operates in over 50 countries across the Business & Industry, Education, Defence, Offshore & Remote, Sports & Leisure and Healthcare & Seniors sectors as more fully described in the annual report for 2015 which can be found at www.compass-group.com/ar15.

Our policy in respect of slavery and human trafficking is to eliminate it both from our business and from our supply chain. This is consistent with our Human Rights Policy, our Code of Business Conduct and our Code of Ethics which can be found in our annual and corporate responsibility reports for 2015 at www.compass-group.com/ar15 and www.compass-group.com/cr15 and on the Company's website at www.compass-group.com.

Compass Group recognises the importance of maintaining both visibility and transparency within its supply chain in order to continue to protect those who work within it from potential abuse and exploitation and to this end, we take great care in selecting the companies who supply us. Our Global Purchasing and Supply Chain Policy, a copy of which may be found at www.compass-group.com/cr15, is underpinned by a robust set of Supply Chain Integrity Standards (the "Standards"), which clearly define our responsible sourcing principles and the standards with which we expect our suppliers to adhere.

Our Standards encompass the nine point Ethical Trade Initiative (ETI) Base Code whereby:

- Employment is freely chosen
- Freedom of association and the right to collective bargaining are respected
- Working conditions are safe and hygienic
- Child labour shall not be used
- Living wages are paid in country of supply/production
- Working hours are not excessive
- No discrimination is practised
- Regular employment is provided
- No harsh or inhumane treatment is allowed

Our suppliers are required to confirm signed acceptance and compliance with these criteria. Notwithstanding this requirement, our suppliers often have their own complex supply chains and consequently, it is not possible for us to directly monitor or control the working conditions of each individual supplier. However, we are committed to reducing supply chain complexity so that any vulnerabilities can be more easily identified and addressed through a comprehensive risk-based assessment.

Compass Group is a member of The Supplier Ethical Data Exchange 'SEDEX', a not for profit organisation dedicated to driving improvements in responsible and ethical business practices across global supply chains. It enables sharing of ethical supply chain data which allows members to access information about their suppliers in four key areas – labour standards, health and safety, the environment and business ethics.

Compass recognises that certain categories of procured products and services potentially carry a higher risk of child or slave labour being used in the supply chain. We therefore continue to conduct independent audits to verify labour standards and identify any poor practice. Any supplier breaches that are uncovered via audit or any other means will be fully investigated and, where possible, remedied. Repeat breaches or those that cannot be remedied will result in the immediate termination of the relevant supplier.

In some of its business sectors and in certain geographic regions where the Company operates, the risk of child or slave labour being used is higher. For example, in relation to the Group's offshore sector, we have retained a global labour supplier to supplement our own offshore workforce flexibly to meet our clients' requirements. This supplier meets our businesses' supply chain standards and has committed to act within the principles of our policies and procedures (including in respect of slavery, human trafficking and the Codes of Business Conduct and Ethics) and in accordance with applicable laws and regulations. Any breaches of our policies, applicable laws or regulations by the supplier entitles the Company to terminate the supplier's contract.

Our businesses in the UAE, Qatar and Saudi Arabia source the majority of labour from India, Nepal, Bangladesh and Philippines. Strict vetting procedures are in place for all overseas labour agencies and we only contract with those registered and approved by local government agencies. All labour agencies are required to adhere to our Code of Business Conduct and would be terminated for any breach. Additional checks and controls are in place from recruitment through to commencement of employment to confirm that our standards and procedures are adhered to.

The Company has developed an e-learning programme for the Group's procurement teams which is designed to raise awareness of the issue of slavery and human trafficking and to help identify and mitigate potential slavery and human trafficking risks from the Company's global supply chain.

The Board has concluded that, taken together, our policies and procedures provide reasonable, but not absolute, assurance that the Company has reduced the risk that slavery and human trafficking could be found in our business or in our supply chains. Concerns about slavery and human trafficking may be raised by employees, suppliers and others through our existing Speak Up helpline at www.compass-speakup.com.



Susan Murray
Chairman
Corporate Responsibility Committee
On behalf of the Board of Compass Group PLC
1 October 2016