

**G&K SERVICES, INC.**  
**Board of Directors**  
**Corporate Governance Guidelines**

The Board of Directors (the “Board”) of G&K Services, Inc. (“G&K”) has adopted these Corporate Governance Guidelines to assist the Board in the performance of its duties and the exercise of its responsibilities.

**1. BOARD ROLES AND RESPONSIBILITIES**

**A. *Role of the Board***

G&K’s shareholders elect directors to serve on the Board to oversee the actions and performance of management and help give direction to G&K. In discharging its responsibilities, the Board shall act in the best interests of G&K to advance long-term value for G&K’s shareholders. In the best interest of G&K, and as provided by law, in discharging its responsibilities, the Board may also consider the interests of various stakeholders, including employees, customers, suppliers, creditors, and the communities in which G&K operates.

**B. *Board Responsibilities***

In carrying out its responsibilities, the Board shall exercise sound, informed and independent business judgment. The Board recognizes that doing so requires individual preparation by each director and group deliberation by the Board. Except as otherwise required under applicable law, G&K’s Articles of Incorporation or G&K’s Amended and Restated Bylaws, the Board may delegate certain decision-making and oversight responsibilities to its committees. In discharging these various obligations, directors are entitled to rely on the honesty and integrity of G&K’s senior executives and its outside advisors and auditors.

**C. *Expectations of Individual Directors***

Among other things, the Board expects each director to (a) understand G&K’s business and the marketplace in which G&K operates; (b) regularly attend meetings of the Board and of the committees on which he or she serves as well as the annual meetings of G&K’s shareholders; (c) review and understand the materials provided in advance of meetings and any other materials provided to the Board from time to time; (d) monitor and keep abreast of general economic, business and management news and trends, developments in G&K’s competitive environment, and G&K’s performance; (e) actively, objectively and constructively participate in meetings and the strategic decision-making processes; (f) share his or her perspective, background, experience, knowledge and insights as they relate to the matters before the Board and its committees; (g) be reasonably available when requested to advise management on specific issues not requiring the attention of the full Board but where an individual director’s insights might be helpful; and (h) not engage in conduct, or make any public statement, likely to prejudice G&K’s business or likely to harm, defame or otherwise bring discredit upon or denigrate G&K, fellow directors or G&K’s employees.

**D. *Directors’ Code of Conduct***

The Board shall establish, maintain and monitor a Code of Conduct for the Board.

***E. CEO Evaluation***

Each year the Corporate Governance Committee, in consultation with the Chair (if not the Chief Executive Officer (“CEO”), the Independent Directors (as that term is defined below) and, if applicable, the Lead Director, shall develop and approve criteria to be used to evaluate the CEO’s performance. After discussion and approval by the Board, the Lead Director and the Chairs of the Corporate Governance and Compensation Committees of the Board will meet with the CEO to discuss the completed evaluation.

**2. BOARD SELECTION AND COMPOSITION**

***A. Number of Directors***

G&K’s Amended and Restated Bylaws provide that the number of directors serving on the Board shall be no less than three (3) and no more than twelve (12). The Board will periodically review the appropriate size of the Board.

***B. Number of Independent Directors***

The majority of the directors will be Independent Directors. Directors who are determined by the Board to have a material relationship with G&K that would preclude Independent Director status may nonetheless make valuable contributions to the Board and to G&K by reason of their experience and judgment. In determining independence, the Board will consider the definition of “Independent Director” in the listing standards of The NASDAQ Stock Market LLC and any applicable rules and regulations of the Securities Exchange Commission.

***C. Nomination and Selection of Directors***

The Board, as a whole, will be responsible for nominating individuals for election to the Board at each annual shareholders’ meeting of G&K, and to fill vacancies on the Board that may arise between annual meetings. The Corporate Governance Committee, in consultation with the CEO, will be responsible for identifying, screening, personally interviewing and recommending candidates to the Board. In nominating candidates, the Board shall take into consideration recommendations of the Corporate Governance Committee and such other factors as the Board deems appropriate. Generally, non-employee directors should be persons of diverse backgrounds with broad experience in areas important to the operation of G&K and should possess qualities reflecting integrity, independence, wisdom, vision, a proven record of accomplishment and an ability to work with others. The Corporate Governance Committee will consider any suggestions offered by management, other directors or any shareholder with respect to potential directors.

***D. Board Leadership***

The Board currently does not have a non-executive Chair but retains the flexibility to adopt such a structure if it believes it to be in the best interests of shareholders. The Board shall periodically determine whether the role of Chair shall be a non-executive position or combined with that of the CEO, based on such things as the particular composition of the Board, the person then serving, or selected to serve, as CEO and the facts and circumstances at the time. Such determination shall be made by the non-management directors, with discussion guided by the Lead Director.

***E. Lead Director***

When the positions of Chair and CEO are combined, the Independent Directors shall annually appoint an Independent Director to serve as Lead Director for a one-year term. The Lead

Director will preside at any meeting of the Board at which the Chair is not present, including at executive sessions for Independent Directors, at meetings or portions of meetings on topics where the Chair or the Board raises a possible conflict, and when requested by the Chair. The Lead Director may call meetings of the Independent Directors, at such time and place as he or she determines.

The Lead Director shall preside at all meetings of the Board at which the Chair is not present, including executive sessions of the Independent Directors, serve as liaison between the Chair and the Independent Directors, approve any information sent to him or her by management for distribution to the Board, approve meeting agendas for the Board, approve meeting schedules to assure that there is sufficient time for discussion of all agenda items, have the authority to call meetings of the Independent Directors, and if requested by major shareholders, ensure that he or she is available for consultation and direct communication.

***F. Director Orientation and Continuing Education Program***

The Board and management will provide an orientation program for new directors (and, as appropriate, recommend continuing education programs or seminars for incumbent directors) that includes, as advisable, management meetings, and informational materials, such as G&K's organizational and governance documents, recent Board and committee minutes, strategic and operating plans, financial information, corporate structure and organizational charts, and information about G&K's businesses, products, services and the industries in which G&K operates.

***G. Director Retirement***

The Board will not nominate a director to stand for re-election to the Board if he or she will reach age 70 within six months of the date G&K intends to mail its proxy statement. In the event a director reaches age 70 during his or her term of service, the director shall attend the next regularly scheduled Board meeting and shall resign immediately thereafter. The Board does not believe that arbitrary term limits are appropriate, nor does it believe that directors should expect to be regularly renominated until they reach the mandatory retirement age.

***H. Change of Position***

Any member of management who is a director will offer his or her resignation from the Board at the time he or she discontinues active management responsibilities with G&K or ceases to hold the position held at the time of the last annual shareholders' meeting (excluding promotions). Any non-employee director who retires or changes the position held when the director became a member of the Board will submit his or her resignation to the Board. In each case, the Corporate Governance Committee will consider whether such resignation should be accepted and make a recommendation to the Board. The Board will determine whether such director will continue as a member of the Board.

***I. Service on Other Boards***

Directors must be willing to devote sufficient time to carrying out their duties and responsibilities effectively. Directors should notify the Chair of the Corporate Governance Committee before accepting a seat on the board of directors of another for profit business organization for consideration of, and to avoid, potential conflicts of interest.

***J. Service on Boards of Competing or Interlocking Enterprises***

A director will not serve as a director of any public company that is a competitor of G&K. Federal law regulates so-called "interlocking" directorates, and other restrictions are imposed where two or more directors of G&K serve together on another board or similar body. Directors should seek legal guidance from G&K's General Counsel concerning such memberships.

***K. Board Compensation***

The Board will determine directors' compensation after considering recommendations of the Compensation Committee. Members of management who are also directors will not receive additional compensation for their service as directors. The Board believes that it is important to align the interests of directors with those of G&K's shareholders. Accordingly, the Board believes that a significant portion of directors' compensation should be paid in stock, stock options or other forms of compensation that correlate with the market value of G&K. The Compensation Committee will periodically review directors' compensation and may recommend to the Board changes in such compensation.

**3. BOARD OPERATIONS**

***A. Number of Regular Meetings***

The Board normally will hold four meetings each fiscal year, one in each fiscal quarter. Special meetings shall be held at such times as the Board or management deems necessary or appropriate to properly discharge the Board's responsibilities. Every effort shall be made to schedule meetings sufficiently in advance to ensure maximum attendance at each meeting, or to permit participation by all directors telephonically or other appropriate means.

***B. Agendas and Materials***

Company management will consult with the Chair and, if applicable, the Lead Director in proposing an agenda for each meeting. In advance of each Board meeting, G&K's Corporate Secretary will send the agenda for such meeting to each director together with: (a) written materials pertaining to the matters to be presented for Board decision at such meeting; (b) summary financial information needed to understand the performance of G&K; (c) minutes of the most recent Board meeting and of any Committee meetings held since the distribution of materials for the most recent Board meeting; and (d) other pertinent written materials that are available in advance of the meeting. Directors may request additional information or changes in the scope, amount or format of the information provided.

***C. Director Access to Management and Independent Advisors***

Subject to their availability and unless otherwise determined by the Board, G&K's CEO and General Counsel and Corporate Secretary will attend all meetings of the Board other than executive sessions. The Board encourages the CEO to bring other members of management and other employees into Board meetings to (a) make presentations to the Board regarding matters that involve the individual; (b) provide additional insight and perspective concerning matters under discussion by the Board; (c) expose the Board to individuals with high potential for significant leadership roles in G&K; or (d) otherwise assist the Board in its work. G&K's management will afford each Board member with access to G&K's employees and its independent auditors. Board member contact with such individuals shall be handled in a manner that would not be disruptive to the business operation of G&K. The Board shall have the authority to retain such outside professionals to act as advisors as may be deemed necessary or appropriate in the discharge of its duties.

***D. Executive Sessions of Independent Directors***

The Independent Directors shall hold regular executive sessions at which management is not represented. If the Chair of the Board is an Independent Director, the Chair shall preside over any meetings of the Independent Directors. If the Chair of the Board is not an Independent Director, the Lead Director shall preside over meetings of the Independent Directors.

***E. Board and Committee Self-Evaluation***

The Board and its various standing committees, acting through the Corporate Governance Committee, shall conduct self-evaluations at least annually to confirm that the Board and such committees are functioning effectively.

**4. BOARD COMMITTEES**

***A. Committee Structure***

The Board will normally have three standing Committees – Audit, Compensation and Corporate Governance. The Board may, from time to time, expand or reduce the number of standing committees. In general, and unless otherwise required by applicable law, the committees should function to identify, focus and review issues for discussion by the Board. Each committee Chair will report regularly to the Board on committee meetings and other committee activities.

***B. Committee Composition and Rotation***

The Board will determine the size, membership, and chairs of each committee. The membership and Chairs of the committees may be rotated from time to time by the Board, pursuant to the recommendation of the Corporate Governance Committee, to allow directors to serve on various committees during their tenure, while remaining mindful of the need for continuity of membership and leadership on each committee. All standing committees of the Board shall be comprised exclusively of Independent Directors. A director may participate in any committee meeting, except when such participation would present a conflict of interest or, in the case of directors who also are a part of management, the meeting is an executive session of the Independent Directors of the committee.

***C. Committee Meeting Materials***

The Chair of each committee will oversee the preparation of an agenda for each meeting. The agenda, together with: (a) written materials pertaining to the matters to be presented for consideration at such meeting; and (b) the minutes of the most recent meeting of the committee, will be provided to each committee member in advance. Copies of all committee meeting materials will also be provided to G&K's Corporate Secretary for inclusion in G&K's records on a regular basis and such materials shall be available for review by the Board.

***D. Management Attendance at Committee Meetings***

The Chair of each committee in consultation with the CEO will determine which members of management will attend each committee meeting. The CEO shall be permitted to attend any committee meeting as an ad hoc member, except meetings designated for executive session of Independent Directors, Compensation Committee meetings at which the CEO's compensation is being considered, or when such participation would otherwise present a conflict of interest.

**5. DIRECTORS' AND OFFICERS' SHARE OWNERSHIP**

The Board believes that directors and officers of G&K should be shareholders and, based on recommendation of the Compensation Committee, may establish guidelines for stock ownership by Board members and officers.

**6. LEADERSHIP DEVELOPMENT**

On an annual basis, the CEO will present to the Board for its consideration a report on management development and succession planning for key management positions in all corporate and business units, together with a proposed succession plan.

**7. MANAGEMENT SERVICE ON OTHER BOARDS**

The Board believes that management should devote its full attention to the business and to the operation and management of G&K. The Board likewise recognizes that members of management and G&K will benefit from service on the boards of directors (or other similar governance bodies) of other enterprises. It is the Board's policy to encourage such membership, as appropriate.

**8. CORPORATE COMMUNICATIONS**

Executive management has the primary responsibility to communicate with investors, analysts, the press, employees, customers, suppliers, and other constituencies. Directors are free to meet with or address the public or special groups concerning board practices generally, and other matters of interest to the directors not directly related to activities of G&K.

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