

CORPORATE SOCIAL RESPONSIBILITY

Krogab UK Ltd recognises that our business has a responsibility to the communities within which it operates. In addition, our business and our staff are part of a wider community and we carry the responsibility to act in a way that respects the social, economic and environmental well-being of the wider world. Our reputation also depends on us all acting with integrity and respect in our dealings with staff, owners, customers, suppliers and all other stakeholders.

Krogab is committed to continuing a responsible and sustainable business that takes account of the social and environmental context in which it operates. Corporate social responsibility underpins our business operations at every level and this policy acts as a guide to all employees requiring that they act responsibly and with integrity in their dealings with all stakeholders.

Environmental Policy

We accept responsibility for the environmental impacts of our activities and business and we must endeavour to manage and reduce those impacts. We will comply with all environmental laws and regulations in every area in which we operate.

We will regularly review potential environmental issues and where appropriate we will establish policies and programmes to deal with specific issues. We will implement our policies and monitor the implementation and compliance. Where appropriate, we will carry out training and involve key employees.

Environmental considerations will be integrated into the business decision making and internal reporting systems of the company.

We are committed to minimising the environmental impact of our operations and where possible, encourage our suppliers also to take responsibility to minimise the environmental impact of their operations.

We encourage the development of environmentally friendly practices throughout the organization and we shall maintain under review our environmental performance and improvement.

Community

We aim to minimise any negative impact on local communities and environments and we will inform local communities of activities which might have an impact on them. We aim to manage any impact on the local community sensibly, improving on simply meeting legal requirements.

We strive to maximise the opportunities which make positive contributions financially, economically and socially in the communities where we operate.

We have the aim that communities in which we operate should benefit directly from our presence through the wealth and jobs created, and the investment of our time and money in the community.

We respect the different cultures and rights of individuals in all communities in which we operate.

Employment and Equal Opportunities Policy

We are committed to respecting internationally recognized labour rights and to providing a safe and healthy working environment for employees. We will comply with all employment laws and regulations.

We will not tolerate unlawful workplace conduct, including discrimination, intimidation and harassment. We commit to our equal opportunities and anti-harassment and bullying policy which is set out separately and will ensure compliance with that policy. That policy sets out the standards of behaviour expected from all members of staff by:

- a) Emphasising the need to treat everyone fairly;
- b) Drawing attention to the many forms of harassment, discrimination and denial of equal opportunities at work and to their serious adverse effects;
- c) Making explicit those behaviours which will not be tolerated;
- d) Providing practical guidance to all members of staff on how to deal with harassment, discrimination and a denial of equal opportunities

We have a separate health and safety policy and will apply any related programmes to ensure the implementation of that policy. We also have other employment related policies that are set out separately or form part of our employment contracts.

We are committed to training and investment in our employees to enable them to develop appropriate skills and to ensure that their careers with us are challenging and positive.

We operate a formal disciplinary and grievance procedure which is set out separately and will ensure compliance with that policy.

We will apply fair labour practices while respecting national and local laws.

We fully respect the rights and dignity of every employee and the differing cultures and recognised religious concerns of our employees in their local working conditions, we will treat them fairly and without discrimination.

We encourage team working and the sharing of knowledge throughout the organisation.

We adopt initiatives to attract and retain talented employees, achieve higher productivity and quality, and encourage in our workforce a commitment to achieving our company's mission.

Human Rights Policy

We will take all reasonable steps to ensure that the impact of our operations is positive and does not violate internationally recognised standards on human rights. We will take particularly proactive steps when operating or sourcing goods from countries with a record of human rights abuse to check that we do not violate human rights standards and that we do not benefit from nor use the products of others that do so.

We will not tolerate human rights abuse and we will not engage or be complicit in any activity that solicits or encourages human abuse.

We will treat people with dignity and respect and we will always strive to build trust, deliver mutual advantage and demonstrate respect for human dignity and rights in all relationships we enter into, including respect for cultures, customs and values of individuals and groups.

We do not permit the employment of children (meaning anyone younger than the age where compulsory schooling ceases) in any of our businesses or areas of operation.

We provide direction and training where appropriate to enable employees to address human rights matters in their activities.

We also encourage our supply chains to avoid complicity in human or employment rights abuse.

Ethics and Compliance with Legislation

We commit to honesty and integrity in all our activities and relationships with others.

We are committed to best practice standards of corporate citizenship and business ethics. We will endeavour to ensure that we conform in every area in which we operate with internationally recognised standards of corporate ethics on matters such as bribery and corruption. We prohibit the practice of bribery and have published a separate code on this issue.

We will comply with all competition laws and regulations in force in all countries in which we operate. We will comply with all data protection legislation in all countries in which we operate. In the UK we are registered in accordance with the Data Protection Act 1998 with the Information Commissioner.

We are aware of the importance of protecting all of our human, financial, physical, informational, social, environmental and reputational assets. We will advise our supply chain of our Corporate Social Responsibility Policy and will work with them to achieve consistency with this policy.

Supply Chain Standards

In our standard production procurement process, we incorporate our expectations and suppliers' obligations on specific topics. For example, our Social Responsibility and Anti-Corruption statement outlines our prohibition of child labour, forced labour (including human trafficking), physical disciplinary abuse and any infraction of the law. Our Environmental Statement sets out environmental requirements, including the elimination of materials of concern and increasing the use of sustainable materials whenever technically and economically feasible.

Internally, we have adopted Policy Letter 24, our Code of Human Rights, Basic Working Conditions and Corporate Responsibility, to address workplace issues such as working hours, child labour, forced labour, non-discrimination, freedom of association, health and safety and the environment. This policy applies to our own operations, and we encourage businesses

throughout our supply chain to adopt and enforce similar policies in their own operations. Furthermore, we seek to identify and do business with companies that have aligned standards consistent with Policy Letter 24, including working to cascade these expectations throughout their own supply chain.

Slavery and Human Trafficking

Slavery and forced labour can take many forms, including human trafficking or child labour. Krogab's Policy Letter 24: Code of Human Rights, Basic Working Conditions and Corporate Responsibility, clearly states that we will not tolerate forced labour (including human trafficking) or child labour in our operations and we conduct internal audits of our manufacturing locations to ensure compliance. Our processes include actions to safeguard against human rights abuses (including forced labour and human trafficking) in our supply chain, including:

Our Supplier Terms and Conditions forbid the use of forced labour, child labour and physically abusive disciplinary practices. Our definition of forced labour is inclusive of human trafficking as outlined in our Policy Letter 24: Code of Human Rights, Basic Working Conditions and Corporate Responsibility. Krogab require suppliers to certify compliance with our prohibition of forced labour, child labour and physical disciplinary abuse as part of our Terms and Conditions that govern the purchase by Krogab of goods and services from suppliers. We reserve the right to terminate our relationship with a supplier if issues of noncompliance with our policies are discovered and/or noncompliance is not addressed in a timely manner.

- **We regularly assess risk related to human trafficking and forced labour associated with our supply base.** Our preliminary assessment is based upon geography, the commodity purchased, supplier quality performance and the nature of the business transaction.
- **We regularly conduct internal training on our Policy Letter 24:** Code of Human Rights, Basic Working Conditions and Corporate Responsibility with our Purchasing staff, including management and supplier quality teams.

Nicholas Weston, Chief Executive

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