



Sustainability Policy

Ergonomic Solutions International Limited
and Subsidiary Companies

In November 2021, we introduced a shredder machine that allows us to reuse incoming cardboard as packing material within our packing process



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Purpose

Ergonomic Solutions (ES) is a fast growing and innovative organisation that provides its customers with solutions that simplify the implementation and use of technology, through an empowered team and a valued partner network. We seek to protect the environment, create a sustainable society and drive sustainable ambitious economic development as part of a transition to a low carbon future.

ES's sustainability aims and objectives are shaped by the three pillars of sustainability:



Environment



Social



Governance

We are committed to include impact mitigants into all our decision-making processes, to achieve a thriving workplace environment, to empower our employees and customers to make sustainable choices, to deliver sustainable returns to shareholders and to create shared value in the communities in which we operate. We strive for continuous improvement in our overall Environment, Social, Governance (ESG) strategy and are committed to embed ESG factors into our long-term business strategy.

To do this, sustainability considerations are woven throughout a suite of interdependent policies and procedures, which are implemented collectively in order to deliver the objectives of this Sustainability Policy.



Proud to support the EET Group A/S “Green Friday” initiative and have donated 10,000 trees to be planted in the EET forest

Scope

To realise our sustainability purpose, we are committed to communicating these objectives to our suppliers, employees, customers and wider stakeholders.

This is achieved via our website and social media, procurement processes, and existing communication channels to employees including our intranet, newsletters, team briefings and the employee induction process. As referenced, some activities within the scope of this Policy are covered by additional dedicated policies and procedures to ensure that the objectives of this Policy are delivered.



Principles

For ES to realise these commitments and to provide an effective framework, this Sustainability Policy sets out ES's values driven approach, as follows:

1

Follow our core beliefs “**STARS**”– Strive to be the best, **T**ake responsibility for our actions, **A**ct with integrity, **R**espect our planet, **S**eek opportunities for Improvement.

2

To maintain a **balance** between People, Planet and Prosperity, and to integrate sustainability considerations into all our business decisions.

3

To comply with, and exceed where practicable, all applicable legislation, regulations and codes of practice.

4

To identify, assess and reduce negative impacts of our **operations across our value chain**.

5

To support the development of **innovations and technologies** to sustain operations, deliver growth and shape the future for ES.

6

To disclose commitments and **communicate** sustainable performance transparently for continuous development, including reporting our annual impacts online.

7

To ensure that all team members are fully aware of our Sustainability Policy & all other relevant policies and are committed to implementing and improving them.

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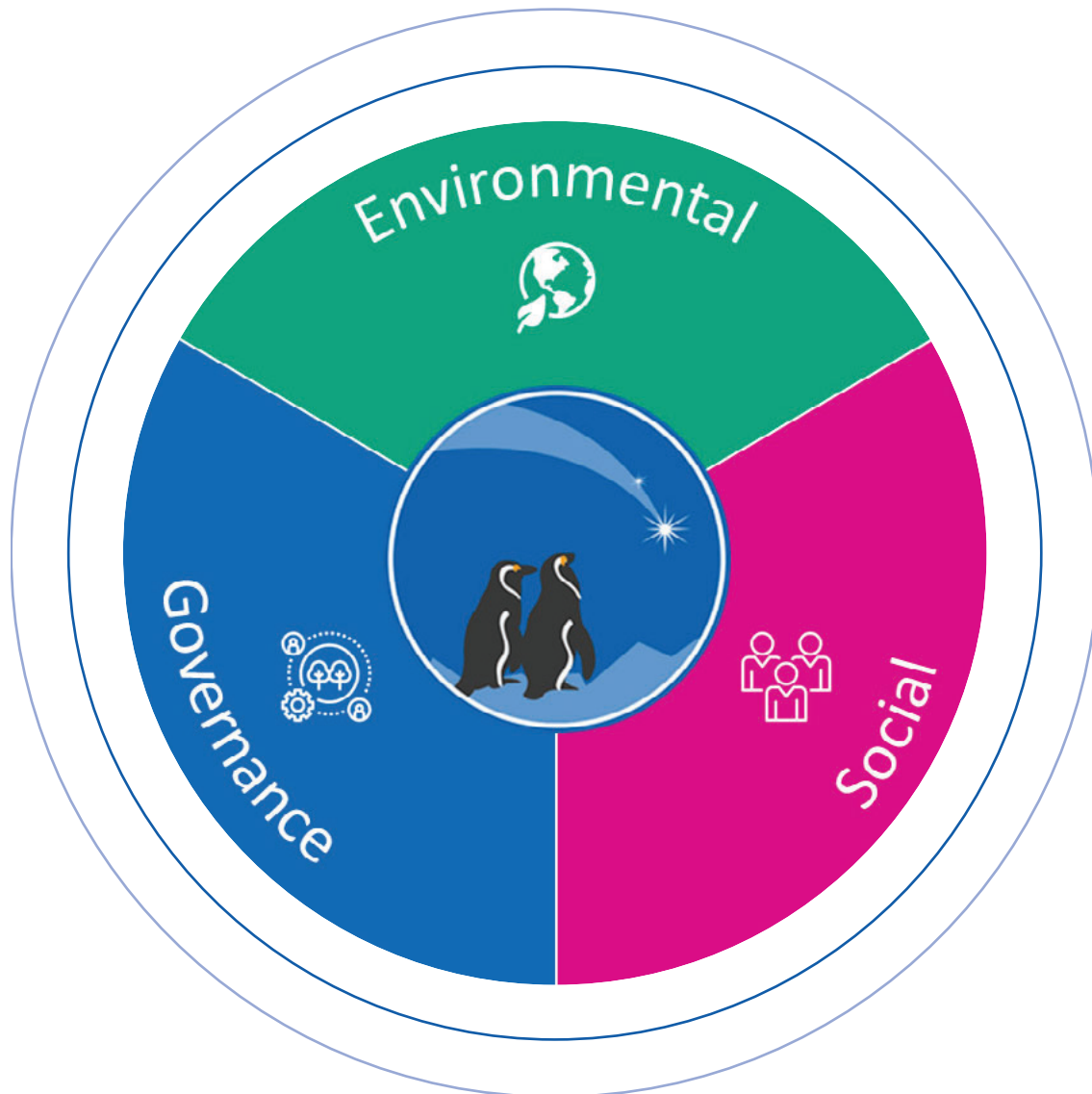
To keep reviewing the progress of our **corporate governance** related to social and environmental initiatives and to mitigate against risks while maximising opportunities.

9

Our approach to sustainability is based on our commitment to responsible growth while making a positive impact on the world. We believe that our chosen strategy to grow while operating a sustainable business model helps to meet the needs of our customers. It also keeps our employees satisfied, manages an efficient & sustainable supply chain and delivers returns to our investors while addressing some of society's biggest challenges.

We use this approach to evaluate the ESG issues that are most material to ES, including around:

- a. Climate Change
- b. Circular Economy
- c. Labour and Human Rights
- d. Employee Wellbeing
- e. Leadership
- f. Sustainable Growth & Development
- g. Corporate Citizenship & Ethics



The Policy

All businesses have impacts through their operations, direct and indirect, intended and unintended. We want to ensure that our impacts are measured and managed appropriately, in line with our core beliefs and with the desire of making a positive impact on society, our communities and on our planet.

As a signatory of the United Nations (UN) Global Compact, we align our strategies and operations with universal principles on human rights, labour, environment and anti-corruption and take actions that advance societal goals. We will perform regular sustainability risk evaluations across our business to identify sustainability related challenges that could impact financial performance.

Our overarching Sustainability Policy is spread over the three sustainability pillars: Environment, Social and Governance.



Environment

1.1. Climate Change

1.2. Circular Economy

‘Respect our Planet’ is one of our core beliefs. ES recognises that a healthy environment is fundamental to the prosperity and wellbeing of our communities. We encourage the use of resources effectively, along with developing and supporting innovation to increase efficiency and reduce negative environmental impacts of our operations.

The Company has established, implemented, and maintained an “Environmental Management Framework”, setting clear targets for the reduction of emissions, energy, water consumption, biodiversity and waste management, and also continuously reviews our performance against these. We will train employees who are responsible for the performing, monitoring, measuring and reporting of environmental performance, ensuring the appropriate skill-level and competency.

Reference: Environmental Policy, Environmental Management Framework

1.1.1. Air Quality & GHG Emissions

Commit to measure, monitor and report our GHG emissions annually of scope 1, 2 and 3

Commit to set GHG emissions reduction targets through Science Based Targets initiative (SBTi)

ES encourages smart journey planning, the use of alternative modes of transport, limits CO₂ emissions from company cars and promotes the most sustainable option available

Continue to be ISO14001 accredited by renewing our certification annually



Reference: Environmental Policy, Environmental Management Framework

1.1.2.

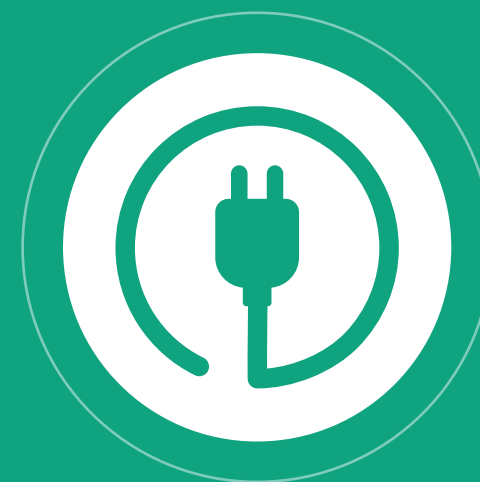
Energy & Fuel Management

One of ES's most immediate and impactful opportunities to reduce emissions is to increase clean energy procurement across our sites. We also aim to:

- Drive reduction in energy usage and switch to clean or renewable energy options for electricity and gas consumption
- Incorporate low carbon technology and improve the energy efficiency of existing buildings
- Reduce the number of deliveries and encourage our suppliers to change to biofuel/clean fuel for transportation

Reference: Environmental Management Framework

We are introducing EV charging points at our Danish manufacturing facility





Commit to environmental compliance and best management practices

1.2.1.

Responsible Consumption & Production

- Commit to creating eco-friendly products by integrating the concepts of Circular Economy i.e. Reduce, Reuse and Recycle in material consumption, design, quality, packaging and disposal
- Commit to environmental compliance and best management practices. Ensure compliance with all applicable quality standards, legislation, regulations and codes of practice and include quality considerations in all our decision-making
- Commit to the use of products, services and suppliers which cause least harm to the environment
- Promote a lifecycle approach to the procurement of goods and services. Ensure clear recycling instructions on packagingStrive for LEAN manufacturing processes
- Procure the services of local suppliers where possible to reduce emissions and protect indigenous people, where applicable
- Maintain and develop central/group procurement plans to ensure economic and sustainable purchasing
- Deliver the best in quality by continuously reviewing and improving our Quality Systems and performance
- Continue REACH and RoHS compliance to ensure clean products without harmful toxins and chemicals
- Continue to be ISO9001 accredited by renewing our certification annually



Reference: Environmental Management Framework, Quality Policy, Supplier Code of Conduct

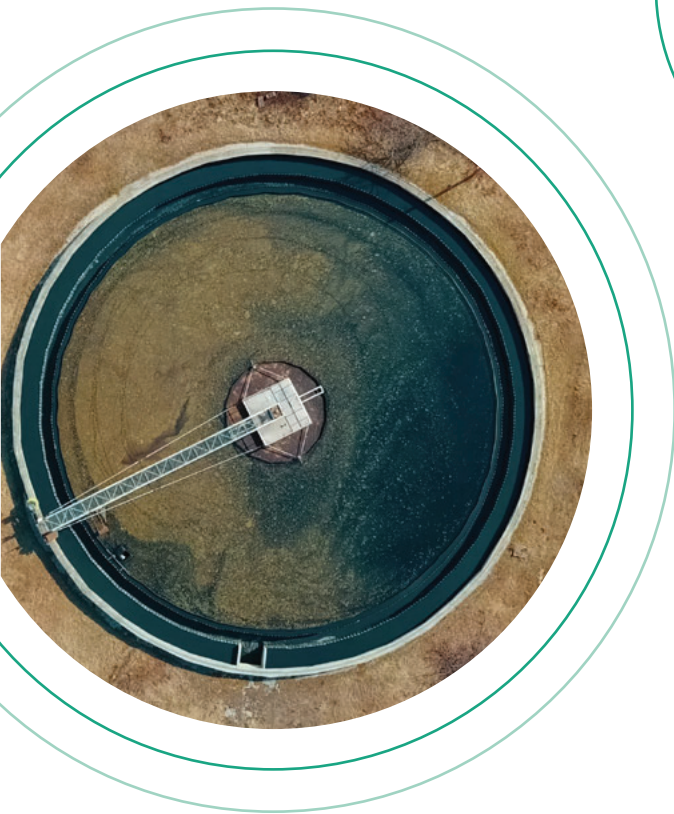
1.2.2.

Waste & Water Management

Commit to develop and implement documented procedures and action plans to measure, monitor and minimise waste & water. Reduce consumption through efficient operational use of assets i.e. re-use and recycling

Segregate waste in line with local environmental requirements across all locations

Educate employees to optimise waste & water management and achieve reduction targets on all worksites



Reference: Environmental Management Framework



Social

- 2.1. Labour & Human Rights
- 2.2. Employee Well-being

ES has long identified that its employees are the core of its operations and thus strives to foster a culture of internal development and growth, and one which enhances all round well-being. For this reason, attracting and retaining the best talent is a top priority on our leadership team agenda and our strategic goals.

Reference: Human Resource Policy, Ethics Policy and Professional Conduct Policy

2.1.1.

Fair Labour Practices & Human Rights



Commit to follow all relevant **labour laws and legislation** and **living wage standards**

Fair Labour Practices

- Commit to follow all relevant labour laws and legislation and living wage standards in the countries in which there is a Living Wage established
 - Favour a competitive, stimulating and fair remuneration structure offering an overall competitive and attractive compensation package
 - Conduct a regular satisfaction survey (VIBES) and also measure employee turnover and retention, sickness and other relevant metrics to understand employee satisfaction and engagement. If deemed necessary, make improvements to increase the level of satisfaction
 - All ES employees have written contracts which govern the terms of employment
- The HR Department aims to apply best practices while managing the recruiting process to ensure the recruiting process is fair and consistent for all candidates. Some of the recruitment practices that the Company include:
 - End-to-end hiring of interns, apprentices, early career, professional and executive positions for all business units
 - Collaboration with universities, colleges and other educational institutions to build its future workforce
 - Metrics to ensure we have a diverse set of candidates for each recruitment process
 - No discrimination: select the best available person for every vacancy, regardless of sex, race, colour, nationality, religion or belief, marital or civil partner status, gender reassignment or gender identity, pregnancy or maternity/paternity, ethnic or national origin, age, disability/medical history or sexual orientation and ensure that no job applicant suffers discrimination

Reference: Human Resource Policy, Ethics Policy and Professional Conduct Policy

ES operates legally and ethically in each country where we do business



Human Rights

ES operates legally and ethically in each country where we do business. The Company's practice is to uphold and support the protection of all internationally proclaimed Human Rights and prevent all actions regarded as human rights violation in our operations and value chain.

- ES commits to respecting employees' rights to freedom of association without interference and free from discrimination from the company
- If an employee (Whistleblower) reports certain types of wrongdoing, seen at work, they will be protected from dismissal, demotion, or any other retaliatory treatment because of the well-intentioned reporting of possible violations of law or regulation
- ES does not permit the use of child labour, forced labour or coercion, including physical punishment, in any of its operations
- At ES we are committed to continuously improving our practices to identify and eliminate any slavery and human trafficking in our business and supply chains, and to acting ethically and with integrity in all our business relationships. We continuously review and seek to mitigate risks in relation to suppliers who operate in areas where there may be modern slavery risks in the supply chain
- Concerns about possible human rights violations must be reported to the Head of HR who shall take prompt corrective action

Reference: Ethics Policy, Supplier Code of Conduct



equal

inclusive

diverse



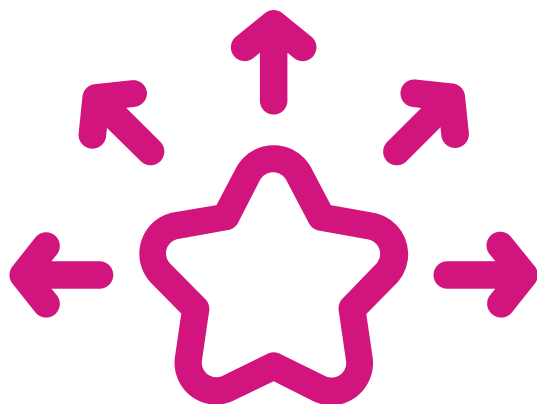
2.1.2.

Equal Opportunity, Diversity and Inclusion

ES is committed to building a global team with diverse, equal and inclusive culture for all our employees through its employment and people practices to stimulate unique perspectives and experiences.

The Company aims to take all the steps necessary to improve the diversity, equality and inclusivity of the workplace and eliminate exclusive practices that have been identified through regular surveys and measurements conducted by the HR Department.

Reference: Human Resource Policy



ES wishes to give all its employees the **maximum opportunity** to develop their careers and **achieve their work potential**

2.2.1.

Training and Development


ES invests in talent development, taking a robust and systematic approach to employee management and development ensuring that our employees are encouraged to grow within the organisation. ES also values career mobility and encourages employees to express their interest if they wish to pursue other possibilities within the company.

Aligned with our core belief that we should seek opportunities for improvement, ES encourages all team members to take responsibility for learning new skills, acquiring knowledge and for professional and personal development. ES wishes to give all its employees the maximum opportunity to develop their careers and achieve their work potential.

2.2.2. Health & Safety

The Health & Safety of all our employees, contractors, customers and members of the public who may be affected by our operations is of paramount importance to us.

ES takes all reasonable steps to ensure employee Health & Safety at work of all on site and comply with all legislative standards, an integral part of the efficient management of the business. We ensure the health, safety and welfare at work of all employees, and manage our business as far as we can to ensure we do not expose people to risks. ES has a Safety Committee in place which will monitor the adherence to legal requirements on a regular basis



Risk assessments are conducted on a regular basis for lone working, equipment use and workplace ergonomics

ES ensures that proper training, supervision and instructions are provided for all team members in matters pertaining to their Health & Safety and provide any necessary Information

We continuously monitor and report on the effectiveness of the Health & Safety management system, investigate accidents if they happen, review incidents and investigation reports and, if deemed necessary, improve our practices accordingly

Health & Safety metrics are monitored, and improvements are implemented if deemed necessary

Mental Health – ES is committed to building a healthy workplace culture to enhance all employee mental wellbeing. As an employer, we aim to create and promote a culture where employees can talk openly about their job and mental health problems and report difficulties without fear of discrimination or reprisal. ES has set out responsibilities for various roles within the business to ensure our employees’ mental health and wellbeing is maintained.

Reference: Health and Safety Policy, Mental Health and Wellbeing Policy



Governance

- 3.1. Leadership
- 3.2. Sustainable Growth & Development
- 3.3. Corporate Citizenship & Ethics



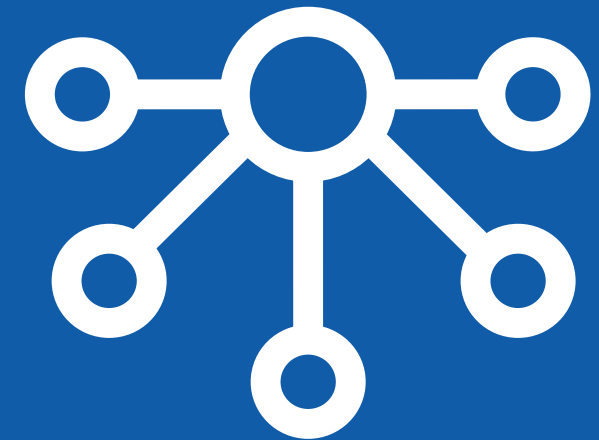
3.1.

Leadership

We are committed to universal sustainability principles and to socially responsible business practices, driven through our leadership team and broader governance.

ES promotes ethical leadership and encourages the Group Board, the CEO and the Executive Team to lead by example. ES ensures ethical leadership by separating the roles for Chair and CEO and a two-tier board structure with effective collaboration.

ES promotes ethical leadership and encourages the Group Board, the CEO and the Executive Team to lead by example



3.1.1.

Stakeholder Engagement

ES ensures that the rights of stakeholders, as set out in relevant laws and regulations, are respected and protected by the company. The company stakeholders have the right to request additional information from the management about any aspect of the business.

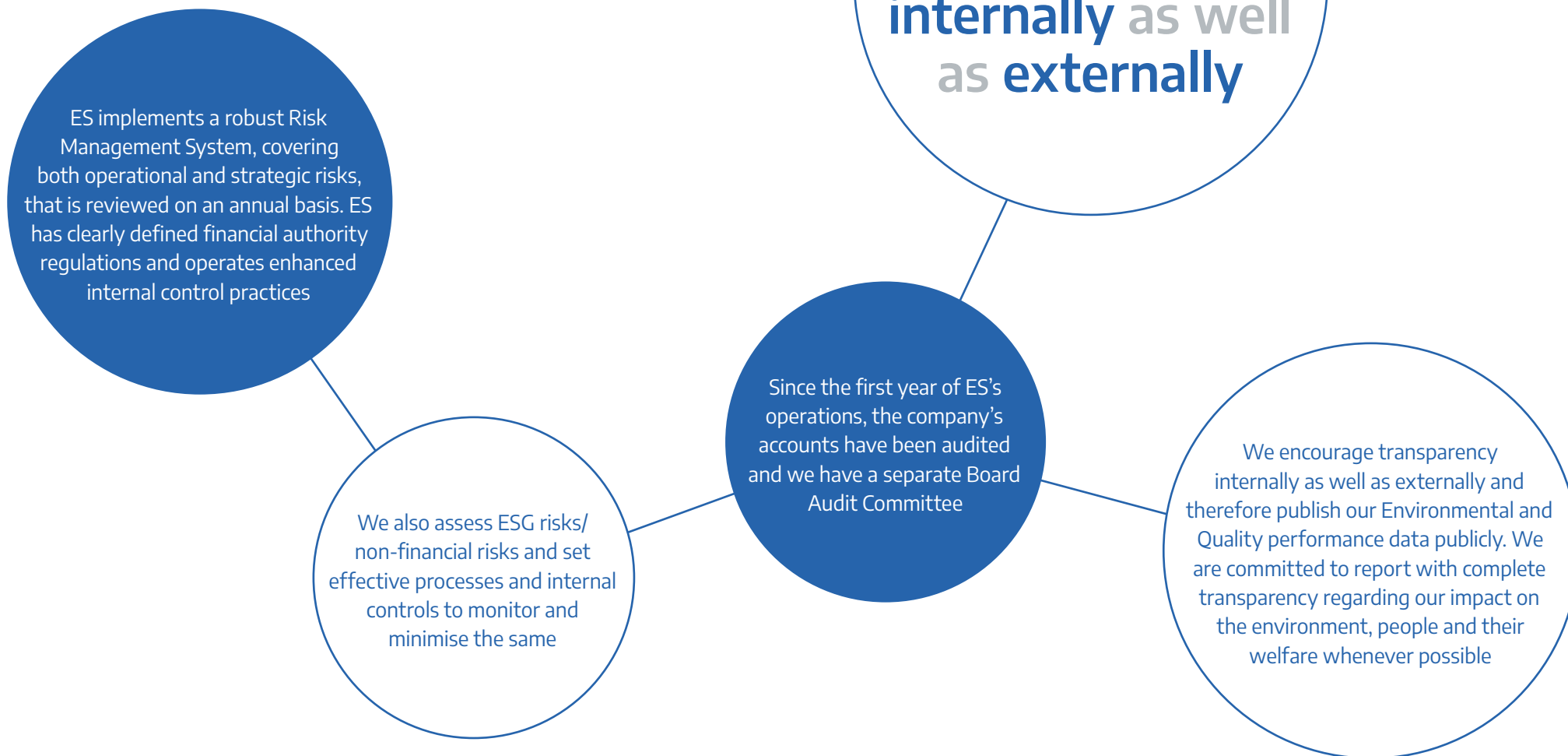
ES considers it important to establish dialogue and to have constructive communication with relevant stakeholders and aims to establish a suitable plan for stakeholder engagement covering employees, customers, suppliers, government institutions & regulators, charities, educational institutions and local communities.



Reference: Whistleblower Policy

3.1.2.

Systematic Risk Management



3.2.1.

Economic Performance

To ensure sustainable growth & development, we implement, and regularly review, our Strategy Plan. This plan contains defined objectives and provides a clear focus for the company whilst respecting the needs of our stakeholders. We also set annual budgets and action plans and regularly monitor and report on our progress and financial performance.

We provide our employees with training on up-to-date sustainability practices and develop tools to empower our sales teams to put forward and motivate potential and existing clients to consider more sustainable options.



We provide our employees
with **training on up-to-date
sustainability practices**

Solutions that simplify the **implementation** and use of **technology**

3.2. Sustainable Growth & Development

3.2.2. **Product & Process Innovation**

ES is committed to providing our customers with solutions that simplify the implementation and use of technology. We seek opportunities for improvement and embrace learning and change.

We work in partnership with the community, local authorities and other relevant bodies to foster a coherent and innovative approach to our environmental obligations.

3.3.1.

Business Ethics and Compliance

We consider fair business practices to be the norm and expect the highest standard of ethical conduct and fair dealing (including contracts, marketing and disclosure) in our relationship with all stakeholders.

- To enhance our corporate accountability and transparency we have adopted the 'ecoDa Corporate Governance Guidance Principles for Unlisted Companies in Europe'
- We comply with all local laws and regulations, prohibit child labour and any forced labour and comply with Global Human Rights legislation
- We promote an open and honest workplace in which we mutually respect each other and treat each other equally. ES encourages employees to come forward if misconduct occurs either through management channels or in accordance with our Whistleblower Policy
- ES has also set a Board Ethics Committee which comprises of the Chairman and two Non-Executive Board members. The Board Ethics Committee reports annually on any ethical issues or activities to ensure our policy is being applied consistently
- ES does not pay or accept bribes, make or receive improper payments, or give or receive any gifts, or advantage of any kind, intended to influence the receiver to provide an unfair business advantage. We comply with the anti-corruption treaties and laws of the countries in which we do business
- ES complies with local legislation covering bribery, fraud, theft and corruption and the principles set out in the EU Policy against Corruption COM (2003) 317 final and the American Foreign Corrupt Practices Act (FCPA)
- We conduct anti-corruption and other compliance training for individuals in higher risk roles and consider the consequences of all our decisions on ES's reputation. Any violation should be promptly reported with the facts forming the basis of that belief to their line manager or the Chief Financial Officer (CFO), on behalf of the Board Ethics Committee

The highest standard of **ethical conduct and fair dealing** in our relationship with **all stakeholders**



Reference: Ethics Policy, Professional Code of Conduct Policy, Whistleblower Policy



3.3. Corporate Citizenship & Ethics

3.3.2.

Customer Privacy & Data Security

ES maintains the integrity of information and guarantees data protection and customer privacy.

ES will ensure that it remains compliant with all relevant national and international laws and regulations and its marketing practices are GDPR compliant. Any member of our team who is party to any sensitive or confidential information, including information covered by a Non-Disclosure Agreement (NDA), must ensure that the information remains confidential.

Reference: GDPR Compliance Statement, IT, Electronic Communication and Internet Policy, Data Protection Policy and Data Breach Policy

3.3.3. Value Chain Management

We have developed a clear set of standards for the responsible, sustainable and ethical sourcing of all goods and services.

We expect all our suppliers to adhere to these standards. We not only strive to improve our own practices, but also seek to work together with other organisations that share our values to tackle problems head-on, maximising positive impact.

ES adheres to – and expects from suppliers – good conduct in business and risk management, covering all areas of the business, in a responsible manner and in compliance with applicable laws and regulations, including those regarding Modern Slavery, Data Privacy, Bribery and Corruption.

We monitor compliance of circular economy principles throughout our value chain with the help of our Supplier Code of Conduct and Sustainability Policy.

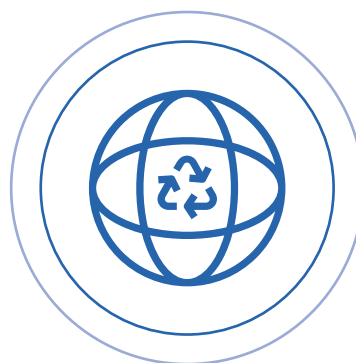
We monitor suppliers' environmental and social performance and establish voluntary goals to track and improve upon performance, and, where applicable, include at a minimum for each of the following aspects:



Scope 1 and Scope 2 greenhouse gas (GHG) emissions



Energy Conservation



Waste management and recycling



Labour Practices & Human Rights



Ethical Material Sourcing

Reference: Supplier Code of Conduct

The company recognises that we can achieve more in collaboration



3.3.4.

Community Relations and Social Responsibility

The company recognises that we can achieve more in collaboration with strategic partners within the industry and with local community organisations wherever we operate.

ES commits to establish and maintain the highest standards of corporate social responsibility in our business activities, to be a good corporate citizen and contribute to the well-being of local communities through our decisions and day-to-day operations, recognising different priorities and needs.

To give back to the community, ES encourages and supports its directors and employees to volunteer and participate in periodic community activities and initiatives with strategic partners.

To ensure a transparent and trustworthy collaboration, ES screens and reviews potential partners and associations on their Ethics & Transparency, Social & Environmental Impact and Governance structure.

Monitoring and Continuous Improvement

We understand that assigning responsibility and authority to monitor and manage our Sustainability Policy and purpose is of utmost importance.

ES has formulated a Sustainability Committee, which comprises the CEO along with relevant Heads of Departments, which reports to the Executive Team. The Executive Team then reports to the Board. The Sustainability Committee formulates and recommends an annual action plan in pursuance of its Sustainability Policy which includes:

i

List of charities/
projects to be
undertaken

ii

The focus areas/
KPIs as updated
from time to time

iii

Any other issues
that impact
this Policy

The committee conducts monthly meetings to discuss material ESG issues. The Board may alter the annual action plan, at any time during the financial year, as per the recommendation of its Sustainability Committee, based on reasonable justification. Additionally, the Board will discuss material ESG issues at every second board meeting.

The Sustainability Committee endeavours to:

- 1. Devise** a robust monitoring mechanism to ensure that the initiatives are undertaken effectively in accordance with this Sustainability Policy along with other specific policies referred in this Policy, Risk Management Framework, Environment Management Framework and with applicable laws, rules and regulations.
- 2. Monitor** the activities, through:
 - Bi-annual reports on key performance indicators
 - An annual Sustainability Report will be published online providing transparency around our approach and progress.
 - The Sustainability Policy and Strategy will be reviewed regularly, taking into account our developing understanding of the scale of challenges, our own performance and emerging opportunities
 - Regular audit to ensure ESG compliance and reporting

This policy and the actions arising from it will be annually reviewed as part of the business planning process which involves ES's Executive Team and Senior Management, with final approval from the Group Board.

Consequence Of Non-Compliance

Any violation of this policy is a serious matter. A breach can put the company, our employees and our products or services at substantial risk. Non-compliance with this policy, or failure to follow the Code, can lead to disciplinary proceedings including termination of employment being taken against the individual. Failure of any contractor, supplier, customer or consultant to follow the Code can result in termination of their relationship with ES.



Other References

ES is on its way to having a net positive impact. We do not want to pursue this exciting path alone; we want to do so together with our stakeholders. This policy is also an invitation to engage in dialogue. We welcome your questions, comments and suggestions by email to: sustainability@ergonomic.solutions

