



## Slavery and Human Trafficking Statement for the Financial Year 2017

This statement sets out the steps the Company has taken during the financial year ending 31 December 2017 to ensure that slavery and human trafficking is not taking place in any of our supply chains, and in any part of our own business. Vita manufactures, converts and markets flexible polyurethane foam and associated products from sites across Europe, the US and China. We source raw materials used directly in foam manufacture and indirect sundry supplies, used in supporting the business, from multi-national and local organisations.

Vita recognises its responsibilities as an international business and aims to encourage and sustain high standards of corporate responsibility in everything we do. It is an organisation which aims to promote good ethical, labour, health & safety and environmental standards in our own businesses and in those within our supply chain. This involves ensuring employees and people in the supply chain are treated with respect and have employment rights including rights to freely choose employment, freedom of association, working hours that comply with national laws, equal opportunities, recognised employment relationships, freedom from intimidation and a safe and healthy working environment. Vita exercises zero tolerance towards any form of forced labour, child labour, slavery and human trafficking. We would never knowingly conduct business with suppliers or contractors engaged in such practices.

Vita's Code of Business Conduct sets out our standards in relation to corporate responsibility. This Code is available on the company's intranet in 13 languages. It is widely communicated within the organisation and through our supply chain, including through our Compliance Training Programme for employees who work directly with customers and suppliers as well as our senior managers.

Vita operates a Whistleblowing Policy that encourages employees to report any malpractice or violation of our ethical standards. All matters raised either via whistleblowing or through our auditing processes are diligently investigated and appropriate action is taken in accordance with the Group's compliance standards. Face to face training on the whistleblowing process was held in the first quarter of 2017. This explained how to raise concerns and the important role our managers play in ensuring all employees are aware of the policy; 215 senior and middle managers attended this training in six European countries.

Vita's Supply Chain Responsibility Policy outlines Vita's expectations of its relationships with its supply base; this includes; Vita's Purchasing Code of Ethics, Ethical Standards, Environmental Standards and Health & Safety Standards. Vita works collaboratively with suppliers in pursuit of this policy. It is our aim to guide all our supplier relationships by the principle of continual improvement. This policy was presented to Vita's leading direct suppliers during face to face meetings in November 2014 and November 2016. It is planned to revisit this with suppliers in November 2018 and thereafter biennially.

Vita has considered the risks of forced/child labour in its supply chain in the following ways:

1. Countries – some countries have a higher risk.  
China has moved from Tier 2 Watch List to Tier 3 on the Trafficking in Persons Report 2017 (Source: US Trafficking in Persons Report 2017 <https://www.state.gov/j/tip/rls/tiprpt/2017/>), which indicates the government does not fully meet the minimum standards and is not making significant efforts to do so. In April, to ensure Vita standards are met in all business practices and support the local team in

expanding this operation, a senior manager with 29 years' service in the UK became Country Manager for our business in China. This manager relocated to Changshu and works closely on a daily basis with the local managers and workers; there is a team of 16 people currently working at this site.

Vita has production plants in two countries on the Tier 2 Watch List (indicating the governments do not fully meet minimum standards and exhibit additional concerns), these countries are Bulgaria and Serbia. Our plants employ 24 and 20 people respectively.. Our businesses in these countries comply with our standards and we will continue to pay particular attention to these businesses with respect to this issue.

In March 2017, Vita opened a new production site in Albania, which has 11 employees. This country appears in Tier 2 of the Trafficking in Persons Report 2017; this indicates the government does not fully meet minimum standards but is making significant efforts to meet these standards. In consideration of this fact, particular care has been taken in training the senior manager responsible for this site and there has been a programme of regular visits by senior managers and directors to the site to ensure Vita's Code of Business Conduct is being used and the required standards are met.

2. Raw materials – certain products have a higher risk such as agricultural products or mining.

The highest risk raw material used by Vita is a tin based catalyst, used in the production of foam. Tin is one of the conflict minerals, which are identified as having a high risk of mining by forced/child labour and the proceeds used to finance conflicts. To mitigate this risk Vita introduced a procedure pre-2013 to check where tin supplied to Vita is sourced.

Vita has three tin suppliers and all have completed the CFSI (Conflicts Free Sourcing Initiative) Conflict Minerals Reporting Template. In each case this confirms tin supplied to Vita is not sourced from countries with a risk of using forced/child labour.

Vita through its Directors and Senior Management is responsible for the application of our policies and for ensuring all activity is guided by these policies. The Directors will continue to develop our policy and strategy towards ethical working practices each year and we continue to brief on and advocate best practice within our supply chain.



Jon Cheele

Group CEO and Director Vita (Holdings) Limited