

Communication on Progress UN Global Compact

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Statement of Continued Support by the Managing Director

To our Stakeholders:

I am pleased to affirm that Staycold Export Ltd. supports the Ten Principles of the United Nations Global Compact under the pillars of Human Rights, Labour, Environment, and Anti-Corruption. In this annual Communication on Progress, we describe how we continue to integrate these principles into our business operations, our culture, and our strategy. We are also committed to communicating this information with our stakeholders.

Sincerely,

Edward Jonas,

Managing Director



ABOUT

Staycold Export Ltd. designs, imports and distributes commercial refrigeration equipment to a variety of commercial and domestic users. Our brand values encompass technical excellence, class leading refrigeration performance and leadership in relation to energy saving design. We aim to excel in everything that we do in order to achieve success for the Company and its customers. We also ensure that environmental and social considerations are incorporated into business decision making processes. Company policies linked to the principles of the United Nations Global Compact are publicly available on our website: <http://www.staycold.co.uk/>.

Human Rights

Assessment, Policy and Goals

Staycold Export Ltd. requires team members, clients, suppliers, and shareholders to adhere to the principles of the Universal Declaration of Human Rights. Suppliers are expected to conduct themselves in a manner that is fair and ethical, and in compliance with the Company's core principles of sustainability. These principles apply to both suppliers' activities and, where appropriate, to their downstream supply chain.

Implementation

Company policy states that there will be no association with companies, persons or organisations that violate the principles of the Universal Declaration of Human Rights. When using, handling, transporting, or disposing of hazardous materials or electronic equipment, suppliers must understand their health, safety, and sustainability obligations. They must also confirm that they have appropriate management processes and controls in place, and where applicable, maintain responsibility for any liability resulting from their actions. The Company ensures compliance

with legislation with respect to discriminatory working relations and promotes diversity in the workplace. Employees must be treated with respect and dignity, and neither physical nor verbal abuse are tolerated. Harassment and threats of any kind, or other forms of intimidation are prohibited.

Measurement of Outcomes

Staycold's South African plant is Level 4 B-BBE accredited. For other plants, compliance is observed through in-person visits to plants. These have been paused during the COVID-19 pandemic but will resume as soon as it is safe to do so. The Company engages external Human Resource Consultants to stay abreast of legislation and best practices regarding human rights and labour matters.

Labour

Assessment, Policy and Goals

Suppliers are expected to comply with local, national, and international laws. These include, but are not limited to, all environmental, health and safety, and labour laws. They are also expected to support the International Labour Organisation core conventions on labour standards. Suppliers must not use forced, bonded or compulsory labour, and employees must be free to leave their employment after reasonable notice. Employees must have a healthy and safe working environment in accordance with international standards and laws, ensuring adequate facilities, training, and access to safety information. Employees must not be required to lodge deposits, money or papers with their employer. Respect is given to freedom of association in line with local laws.

Implementation

The Company ensures that no child labour is used in the supply chain, and employees must be the legal minimum age for employment. The employee handbook outlines equal opportunities and bullying and harassment policies which includes clear standards of conduct for a healthy, safe, and equitable work environment. Suppliers should not discriminate in hiring, compensation, access to training, promotion, and termination of employment or retirement. Where applicable, suppliers should give consideration to flexible working conditions to promote work/life balance, the promotion of training and personal development of team members.

Measurement of Outcomes

Employees are required to read and sign the employee handbook which sets out the key procedures, rules, and policies designed to ensure a safe and supportive environment for all. The Company adjusts the employee handbook to stay up-to-date with current needs and circumstances. Any changes require all employees to be notified and provided with updated copies. The Company engages external Human Resource Consultants to stay abreast of legislation and best practices regarding labour matters. Employee turnover and absenteeism are monitored and continue to be low.

Supplier compliance is monitored through in-person visits. Visits are currently paused due to the COVID-19 pandemic but will resume once it is safe to do so. Suppliers send staff on overseas visits, encouraging further education and professional development. Staycold has received visits from, and also given work to, suppliers' staff members.

Environment

Assessment, Policy and Goals

Staycold's environmental goals are centred on the key environmental impacts of the organization including office facilities, operations, and procurement. They are also focused on the carbon dioxide emissions of their products during their lifetime in service. The environmental policy sets specific actions that must be taken to achieve sustainability, and the policy is updated on a yearly basis in collaboration with stakeholders. The Company also ensures that environmental stewardship is integrated into the culture of the organization by incorporating it into business decision-making processes.

Implementation

All business units are responsible for implementing the environmental policy in their respective locations. They must comply with all relevant regulatory requirements; continually improve and monitor environmental performance; improve and reduce environmental impacts; incorporate environmental factors into business decisions; and increase employee awareness and training. Areas covered in the environmental and sustainable procurement policy include:

- Waste and disposal
- Improved efficiency for using finite or scarce resources such as energy, water and raw materials

- Protecting biodiversity
- CO₂, methane and other gases, as well as other relevant factors impacting climate change
- Environmental impacts such as noise, water and ground pollution
- Management, operational and technical controls to minimise the release of harmful emissions into the environment

Measurement of Outcomes

The outcomes of Staycold's environmental policy are reviewed regularly with staff at monthly management meetings to ensure environmental goals are achieved. The Company also works with suppliers, contractors, and subcontractors to improve environmental performance. Some key suppliers have gained ISO14001 certification or had their certificates renewed. Energy efficiency improvements have been made for certain products, and several new models have been introduced this year that use substantially less energy than competitor models in the market. The new European Energy Labelling Scheme has been implemented this year, and the Company is running a development project with a leading global customer to further reduce energy consumption in the product that they purchase.

The Company has recently audited their end-of-life recycling provider to ensure that their fridges are properly handled, and that waste streams are being reused. They are in the process of installing their first EV charging station and have recently installed three air source heat pumps. Their new office and warehouse are equipped with efficient heating systems listed on the "UK Energy Technology List," a scheme set up by the Carbon Trust to showcase the most efficient technologies. Office lighting is 100% LED and controlled by motion sensors. The ventilation system also incorporates a heat recovery system.

Anti-Corruption

Assessment, Policy and Goals

Staycold does not tolerate, permit or engage in bribery or unethical behaviour across all business units globally. The Company will only conduct business with those who comply with the highest standards of ethical behavior in line with the core principles. The conduct of individual employees is expected to reflect these standards, and specific codes of conduct are outlined in the employee handbook.

Implementation

Employees must act with integrity and expect the same from those with whom they interact. A whistle blowing policy is in force to enable employees to raise issues in the event a problem has gone unobserved.

Measurement of Outcomes

Employees are required to read and sign the employee handbook that outlines the codes of conduct for ethical behaviour. The Company adjusts the employee handbook to stay up-to-date with current needs and circumstances. Any changes require all employees to be notified and provided with updated copies.