

Ethical Trading Policy

August 2022

Verna Group International operates to high ethical standards. To demonstrate this the company is independently audited in compliance with the Ethical Trading Initiative (ETI) Base Code and to the requirements of the Labour Standards Assurance System (LSAS). The ETI Base Code is a nine point internationally recognised code of labour practice. Audits consist of site visits and compliance with national legislation, but in addition LSAS audits also encompass the supply chain, raw materials and subcontractors, requiring compliance with the code in the context of local legislation.

Verna Group International personnel visit raw material suppliers at defined intervals to carry out audits and ensure continued compliance with the code, and our own additional requirements. Each audit provides the supplier with an ethical score which is monitored and reviewed annually.

Verna Group International is committed to becoming a market leader in ethical trade through diligent work both within the company and with our supply chain. The Company's commitment may be measured through the Aims and Objectives laid out below:

Aims and Objectives

- To hold and maintain a Labour Standards Assurance System to Level 4, the highest awarded at our Workshop facility.
- To extend the LSAS programme to Level 4 across sister sites under Verna Group
- To complete ethical audits for Tier 1 (Primary) suppliers in high risk countries within the next 3 years at Verna Group sites (by end of 2025)
- To commence ethical audits of our Tier 2 (Secondary) supply chain for framework suppliers by the first quarter of 2023, with a view to:
 - Complete 10% of Framework Tier 2 vendors by the end of 2023.
 - Complete 50% of Framework Tier 2 vendors by the end of 2024
 - Complete 100% of Framework Tier 2 vendors by the end of 2025
- To increase the awareness of our ethical standards through our complete supply chain with the development of an Ethical Training Presentation, with a view to have this information available to the public via the company website by Q3 of 2022. Ethical Presentation is to include:
 - The principles of the ETI Base Code.
 - Guidance on what Labour Standards are and why they are important.
- To increase the average ethical compliance scores of our lowest scoring Tier 1 suppliers for instruments by 10% over the next 3 years (end of 2025) through greater awareness of ethical standards, third party and unannounced audits.

The Aims and Objectives above are to be reviewed annually by the company and will focus on the continual improvement of the systems already in place. Senior Management of the Company have committed to these goals through the provision of suitable resources and dedicated personnel, both in the UK and overseas.



Further Information on the ETI Base Code can be found in local languages from ethicaltrade.org An overview is provided below.

The Company applies the Ethical Trading Initiative (ETI) Base Code to all its employment policies. The 9 principles of the Code are detailed below:

1. Employment is freely chosen:
2. Freedom of association and the right to collective bargaining are respected:
3. Working conditions are safe and hygienic:
4. Child labour shall not be used:
5. Living wages are paid:
6. Working hours are not excessive:
7. No discrimination is practised:
8. Regular employment is provided
9. No harsh or inhumane treatment is allowed

Code of Conduct for Ethical Trading

The Company is committed to sourcing quality merchandise and developing partnerships with suppliers who share common principles of fair and honest trading.

The Company is committed to ensuring that the products it sources are obtained only from suppliers who maintain satisfactory working conditions and, at minimum, comply fully with all legal requirements and the labour, health and safety standards of those countries in which processes take place.

The Company seeks to uphold the following standards in dealing with suppliers:

- All terms and conditions must be compatible, fair and honest trading practices and have due regard to the welfare of individuals.
- The Company supports a fair and reasonable reward for workers.
- The Company is opposed to the exploitation of children.
- The Company is opposed to discrimination in all its forms.
- The Company recognizes its responsibility to the environment and will seek to ensure that its suppliers do not compromise standards which could impact adversely upon the local or global environment.

The Company will take all reasonable practical steps and reserve the right to assess its suppliers to ensure that the required standards are being met.

The Company will only trade with those suppliers who have, or are, working towards compliance of the Company's code and will work with its suppliers in order that its codes of practice are achieved and maintained.



Development of the Code

- We recognise that this code must be developed to reflect practical experience and changing circumstances. We will continue to develop and share best practice with stakeholders so that we can make real progress together.



Richard Hall
Chief of Operations



Steph Hewitt
Labour Standards Representative



Darren Edwards
Purchasing Manager

