

MANAGEMENT STATEMENT SOCIAL COMPLIANCE

We aim to support sustainable business practices for the long term and believe that by improving our own work, as well as encouraging the progress of others, real and lasting change can be achieved.

Addressing the environmental, social and governance aspects of doing business involves managing both risk and opportunity. As a guide for managing sustainability issues at NSD International, we have developed position statements and policies for industry sector.

The purpose of these policies and statements is to establish a common framework for a proactive and future-oriented dialogue with the clients and portfolio companies we work with, focusing on business opportunities and risk reduction.

We welcome comments and feedback on our approach to sector policies and position statements. Any feedback could be directed to NSD International Corporate Sustainability office at marcel.vandergraaf@nsdinternational.com. NSD International respect The Ten Principles of the UN Global Compact.

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Prison labor

NSD International do and will not use any prison labor or subcontract work to prisons.

This includes procurement of any materials, goods or services used to manufacture products.

Child protection

Respect for children as a universal ideal was affirmed by the United Nations Convention on the Rights of the Child in 1989, setting minimum standards for the protection of children's rights. Despite being the most widely accepted human rights treaty, child labour is still a problem of immense global proportions.

Although decreasing, more than 200 million children are involved in child labour, in its different forms, according to estimates made by the ILO. As defined in the ILO conventions, the term child labour applies to various forms of work for different age groups.

In general, the basic minimum age at which children may work is 15, but national differences exist. Exploitation of children for labour can harm their health and often reinforces a cycle of minimal education and poverty.

According to the ILO there is a distinction between child work, which may be acceptable, and child labour, which needs to be eliminated. However, drawing a line between the two can be difficult in practice especially as many families in developing countries depend on the income from children's work to survive.

NSD International acknowledges that the employment of children over the age of 14 is an important part of the economies of many of these markets and we do not oppose work that children may perform for example at home, on the family farm or for a family business, as long as it is in their best interest, does not affect their health and personal development or interfere with their schooling.

NSD International fully appreciates the severity of child labour and reducing it is of high priority.



DocuSigned by:
n.mills@nsdinternational.co.uk
9971B3A1F08B432...
N. Mills
Managing Director NSD International

Purpose

The purpose of this position statement is to form a basis for dialogue with our clients, portfolio companies and stakeholders as well as clarify our ambition and actions to improving our contribution to the reduction of child labour.

We recognise that by influencing, our clients and portfolio companies to follow international guidelines directed at abolishing child labour, we can positively impact the situation of many.

- The Optional Protocols to the Convention on the Rights of the Child adopted in 2000 offer additional protection of children:*
 - Optional Protocol on the involvement of children in armed conflict;*
 - Optional Protocol on the sale of children, child prostitution and child pornography.*
- ILO = International Labour Organisation, estimates from 2006.*
- ILO Convention 138 (Minimum Age) and ILO Convention 182 (Worst Forms of Child Labour).*
- Child labour as defined by the ILO conventions:*
 - all children under 18 (16 for developing countries) involved in the worst forms of child labour;*
 - all 13 to 15 year old children (12-14 for developing countries) engaged in more than light work;*
 - all children under the age of 13 (12 for developing countries) taking part of economic activity.*
- ILO Convention 138, Article 2.3; The minimum age shall not be less than the age of completion of compulsory schooling and, in any case, shall not be less than 15 years.*
- ILO Convention 138, Article 2.4.*