

## Slavery and Human Trafficking Statement for the Financial Year 2016

This statement sets out the steps the Company has taken during the financial year ending 31 December 2016 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. VCF manufactures, converts and markets flexible polyurethane foam and associated products 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. VCF 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.

VCF'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.

VCF 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.

VCF's Supply Chain Responsibility Policy outlines VCF'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. VCF 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 VCF's leading direct suppliers during face to face meetings in November 2014 and again in November 2016.

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

1. Countries – some countries have a higher risk.

VCF does not source materials from any countries in tier 3 or special case on the 2016 Trafficking in Persons Report. Tier 3 countries have governments that do not fully meet minimum standards and are not making significant efforts to do so.

VCF has production plants in three countries on the Tier 2 Watch List (indicating the governments do not fully meet minimum standards and exhibit additional concerns), these countries are Bulgaria, China and Serbia. Our plants employ 26, 6 and 19 people respectively. (Source for Tier countries: US 2016 Trafficking in Persons Report). Our businesses in these countries comply with our standards and we will continue to pay particular attention to these businesses as we review this policy going forward.

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

The highest risk raw material used by VCF is tin, which is one of our direct raw materials 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 VCF introduced a procedure pre-2013 to check where tin supplied to VCF is sourced.

VCF 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 VCF is not sourced from countries with a risk of using forced/child labour.

VCF 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.



Jon Cheele  
CEO  
Vita Cellular Foams