



P15 - ETHICAL TRADING POLICY

Howarth Litchfield has a number of fundamental principles and values which we believe are important to uphold, and which are contained in our Ethical Trading Policy.

As part of our detailed review of the way in which our company demonstrates its adherence to the principles set out in the Ethics Policy, we have examined our responsibilities and our preferences when sourcing services and materials from suppliers. As a result of this review we have produced this Ethical Trading and Human Rights Policy, which is supported by all the directors of Howarth Litchfield.

The policy covers the main issues that may be encountered in relation to sourcing of services and material supplies and sets out the standards of professionalism and integrity which should be maintained by all Howarth Litchfield staff. Any doubts or uncertainties about ethical sourcing issues can be resolved in the first instance by contacting any company Director for guidance.

This Policy expresses the standards concerning; safe and fair working conditions for employees, responsible management of social and environmental issues within the Company and our supply chain. As a company we support organisations in upholding human rights principles and although there is no definitive consensus on the boundaries of corporate responsibility in respect of human rights, we need to ensure that we are not involved in human rights violations, either directly or indirectly and that we operate in accordance with the Universal Declaration of Human Rights (UDHR) and take account of other internationally accepted human rights standards.

In addition to this we will promote human rights through our employment policies and practices, through our supply chain and through the responsible use of our products and services.



Ethical Trading Principles – Human Impact

In choosing the businesses we wish to develop long term partnerships with, we have established key principles which we would expect these businesses to adhere to. These have been based on the Ethical Trading Initiative Base Code, and we consider them to be fundamental to our Ethical Trading Policy.

These are outlined below:

1. Employment is freely chosen.
2. Freedom of association is respected.
3. Working conditions are safe and hygienic, including safe housing where appropriate.
4. Child labour shall not be used.
5. Living wages are paid in line with local law.
6. Deductions from salary will not be used as a disciplinary measure.
7. Working hours are not excessive.
8. Discrimination is not practised.
9. Regular employment is provided for all employees.
10. No bribery, corruption, blackmailing or bullying is permitted.
11. No restrictions on trading will be imposed on our supply-chain partners as a way of guaranteeing business.
12. No harsh or inhumane treatment is allowed.

Ethical Trading Principles – Environmental Impact

Companies who are employed to supply Howarth Litchfield with services of supplies should, as a minimum, comply with all statutory and local legal requirements relating to the environmental impacts of their business in their country. In addition, steps should be taken to optimise the use of energy and natural resources and reduce the generation of waste.

Ethical Trading Principles – Economic Impact

Howarth Litchfield will not exert undue pressure on its suppliers in terms of price, discount, payment terms or other financial arrangements so as to jeopardise the long term viability of their operations. Howarth Litchfield shall use a variety of assessment methods to verify ethical sourcing standards.



Howarth Litchfield will aim to work collaboratively with our suppliers on the implementation of the Policy, which may include:

- 1 Vendor assessment questionnaires or joint audits.
- 2 Site visits.
- 3 Individual and group employee interviews.

The Company may use external sources such as SEDEX (Supplier Ethical Data Exchange) to allow for wider research and to cross check details with third party assessments.

Principle - Operating

Howarth Litchfield will encourage a spirit of mutual trust with our suppliers and will work with them to achieve required ethical standards and, as far as possible, at no increase in cost or reduction in service quality.

- 1 A Howarth Litchfield director will be assigned responsibility for compliance with this policy and effective communication of the policy to employees. Suppliers are expected to do the same.
- 2 Suppliers and sub-consultants will be treated fairly, honestly and in accordance with agreed terms.
- 3 From time to time, suppliers may divulge confidential information to Howarth Litchfield and its employees. It is our duty to respect these confidences.
- 4 Any complaints from suppliers will be dealt with promptly and fairly.
- 5 It is not Howarth Litchfield policy to knowingly infringe on the copyright, trademarks, patents or other properly registered intellectual property of others.
- 6 Howarth Litchfield employees will ensure that contracts or arrangements agreed with suppliers are consistent with the values and principles outlined, and that they do not reflect badly on our reputation.
- 7 Any supplier or sub-consultant site visits conducted, or interviews completed will be reported and the results communicated to suppliers to allow for transparency and feedback. We recognise this as a continuous improvement process, with the aim of working with supply chain partners to improve standards rather than find alternative sources of supply.



Respect for Local Tradition and Hidden Workers

Within the framework of this policy Howarth Litchfield will respect the local cultures of any countries within which we operate, and be flexible in our approach.

Howarth Litchfield expects access to information on supplier practices and will place particular emphasis on the use of 'hidden workers,' such as home workers, children and contracted labour, when considering suppliers from countries outside of normal operations.

Action

Howarth Litchfield expect suppliers to agree with our ethical stance as outlined in this Policy and to commit to a programme of continuous improvement.

The Managing Director has lead responsibility for policy implementation within the Company and this policy is signed by the Managing Director to demonstrate the Companies commitment.

Signed

on behalf of Howarth Litchfield

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Drafted by EB / Checked by JY