

PENNANT INTERNATIONAL LIMITED

**CORPORATE SOCIAL
RESPONSIBILITY POLICY**



POLICY NUMBER: PPG037



1. Policy Statement

At Pennant we believe that a commitment to the principles of corporate social responsibility (CSR) not only makes good business sense but also complements our core business strategy and corporate values. Our policy is based on the following principles:

- To minimise the impact and maximise the benefits that our work has on the environment and people around us.
- To integrate our CSR considerations into all our business decisions.
- To comply with, and exceed where practicable, all applicable legislation, regulations, and codes of practice.
- To review, annually report, and to continually strive to improve our CSR performance.

In developing our strategy and setting out our policy for the first time we aim to deliver gradual but continuous improvements in our performance every year. As a result, our approach continues to evolve as we learn lessons along the way. To help define our policy we have divided it into six key areas:

- Our Ethics & Values
- Our Environment
- Our Communities
- Our People
- Health & Safety
- Responsible Trading



2. Our Ethics & Values

2.1 Our Vision & Core Values

Pennant's Vision to be the provider of choice for **world-class products and services** which train and assist operators and maintainers in both the defence and regulated civilian sectors, providing the foundation upon which we make decisions, drive innovation and manage our business.

We encourage all Pennant employees to follow our five core values; Innovation, Quality, Teamwork, Respect and Performance, enabling all to drive the change that is welcomed at Pennant.

2.2 Corporate Governance & Good Practice

The Group Staff Handbook articulates the standards that we expect our staff to meet. It includes the requirement to comply with laws, regulations and Group policies.



It is Group policy to conduct business **free from bribery and corruption**. All employees are made aware of the policy during the induction process. All **gift, entertainment or hospitality** given, received or offered must comply with the Group Anti-bribery and Corruption Policy (PPG024).

Our whistleblowing policy enables members of staff to raise concerns regarding, fraud, malpractice, health and safety, criminal offences, miscarries of justice and failure to comply with legal obligations.

3. Our Environment

We recognise the need to minimise our environmental impacts and take great pride in the measures and solutions we take to reduce our CO₂e emissions; manage the disposal of waste; and reduce water waste. Pennant remains committed to our sustainability work and understands it is essential to protect the planet.

3.1 Managing Carbon Emissions

95% of our company cars are Plug-in hybrid models. Our UK sites are equipped with charging points to cater for those with an allocated company vehicle. Our commercial fleet is currently regularly reviewed and changed, as greener commercial vehicles become more widely available.

Our products save and reduce the environmental impact and financial cost that real aircraft equipment can create, therefore making this a viable training solution for those looking to reduce their environmental impact.

3.2 Managing Waste

We operate several recycling schemes throughout the Group, where we have even separated our crisp and confectionary packets. Additionally, any hazardous waste is dealt with by specialist contractors, to ensure safe disposal.

3.3 Water

Our Cheltenham facilities allow water to run-off into a balancing pond, preventing rainfall from being caught in the drainage systems and avoiding the long-term implications of possible flooding.

In addition, none of our manufacturing processes are water intensive, therefore minimising our water wastage and use.

3.4 Project Orientated Environmental Management System (POEMS)

We meet the objectives of POEMS which manages safety risk on MOD acquisition projects.

4. Our Communities

The Group seeks to have a positive impact within all the global communities and territories we operate in, we recognise the importance of making these communities better places, improving local links and encouraging strong networking opportunities.



We have achieved this through several projects including making charitable donations to worthwhile causes, engaging with local communities, sponsoring youth sports teams, and contributing the Pennant teams time, resources and expertise.

4.1 Charitable Donation's

Every year we undertake a Group wide nomination to select local charities that our employees wish to generously support as well as charities and causes that strategically align to us, including providing support to ex-service men and woman and users of our products and services. Throughout the year we host numerous events and activities to collect donations. We recognise that the success of supporting these charities hinges on our employees.

4.2 Volunteering Scheme

We empower and encourage our employees to take part in our volunteering scheme. A scheme which is designed to enable us to respond to local needs and the charities which are important to our employees, by giving employees two paid days a year to volunteer.

The scheme supports charities, communities and individuals in need. We believe that, as well as making a difference to those in need, employee volunteering will allow our staff to:

- ▶ Build new skills
- ▶ Increase motivation back in the workplace
- ▶ Cement relationships with colleagues
- ▶ Try new challenges
- ▶ Add variety to their work and life

Pennant benefits from:

- ▶ A raised profile in the local community
- ▶ Employees having a better understanding of the voluntary and community they live and work in
- ▶ Developing local links with the community that can support business priorities

Historically, our volunteers have supported local science days and career fairs. As well as providing support externally, Pennant have opportunities at our sites for apprenticeships and sandwich year students to further develop their understanding, skills and knowledge in a real business environment.

5. Our People

We know that people are our most important asset. Our employment practices are designed to help us create the right workplace culture in which employees feel valued, respected, empowered and inspired.

5.1 Diversity & Equal Opportunities

We recognise that diversity of gender, age, culture, experience and expertise serve to enhance our ability to operate effectively and ethically. We are committed to the principle of equal opportunity in employment and ensure that all applicants receive equal treatment during their recruitment,



promotion, training, assessment of salary and benefits, irrespective of an individual's sex, race, disability, sexual orientation, age, religion or beliefs, pregnancy or maternity, marriage or civil partnership status.

5.2 Communication

As a Group we strive to keep employees up to date with regular updates by newsletter, intranet, and staff briefings. We understand the need for clear and consistent communications that allow employees to feel supported and involved across the global offices, bring together our employees to be one team.

We have an annual employee survey that measures employee satisfaction.

5.3 Benefits

We offer our employees enhanced benefits such as an annual flu vaccination and the opportunity to buy and sell holiday.

5.4 Personal Development Plans & Biannual Appraisals

We actively encourage all departmental managers to undertake bi-annual appraisals and personal development reviews with our employees. This aligns our workforce capabilities and improves employee satisfaction.

6. Health & Safety

Looking after the health and wellbeing of our staff is a key priority for the Group. Our Health and Safety (H&S) objective is to achieve H&S excellence while targeting zero accidents.

We provide the training and tools needed to recognise and understand the importance of H&S and how to mitigate risk.

6.1 Managing H&S

The Chief Executive Officer and Directors have overall responsibility for H&S performance, and H&S is a standing agenda item at Board Meetings. We have a Group Health & Safety Manager who has responsibility for the day-to-day management of H&S matters across the Group, sharing best practice and ensuring appropriate processes are in place to collect and report on H&S data.

All locations are expected to adhere to the H&S Policy. All employees take on H&S training on commencement of employment and annually thereafter.

All H&S accidents and near misses are recorded and reported monthly, with RIDDOR reportable accidents and incidents being reported immediately to the Group H&S Manager.



7. Responsible Trading

We strive to trade responsibly building and maintaining the highest standards amongst our suppliers

We oppose the exploitation of workers and we will not tolerate forced labour, or labour which involves physical, verbal or psychological harassment, or intimidation of any kind. We will not accept human trafficking or the exploitation of children and young people in our business and undertake all reasonable and practical steps to ensure that these standards are maintained.

All suppliers are expected to supply us with details regarding their capability with regards to quality, health and safety and the environment. This information is requested on a regular basis so that information remains current and accurate.