



Communication on Progress

U N Global Compact 2013

September 2013

Technibond joined the UN Global Compact in October 2010 to show our support for this initiative and to demonstrate to our stakeholders our commitment to the Ten Universally Accepted Principles.

Our annual Communication on Progress reaffirms our support for this initiative and describes the progress we have made in integrating the principles into our strategies and day to day business practices.

A handwritten signature in black ink, appearing to read 'Mike Summers', with a stylized initial 'M' and 'S'.

**Mike Summers
Managing Director
17th September 2013**

The Ten Principles

Human Rights

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

Technibond operates within UK employment law. We engage the services of a specialist Employment Law company to keep us up to date with the law, to audit us and to provide day to day advice.

Our people are important to us, and we try to maintain a safe and comfortable working environment. We have formal, audited, health and safety policies and procedures, and regular health and safety meetings. Where possible, we will allow requests to accommodate necessary working time medical checks and treatment. We will always deal sympathetically with employees who have suffered injury or serious illness.

We believe in respect for people and our web site makes a declaration to this effect. We will offer training so our people can make the best of themselves. We have an "open door" policy where any of our people can discuss any work issues with anyone including the Managing Director. We have quarterly Company meetings open to everyone, where we give briefings on Company performance, discuss any general issues or concerns, and commit to actions.

We believe that the products we offer benefit the Global economy. They are low hazard products that can replace more hazardous materials or operations, such as solvent adhesives and mechanical fixing. They can speed up manufacturing and therefore offer economy and productivity. And they can allow operations that would otherwise be difficult or impossible, giving better design flexibility.

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

We currently source 79.5% of our materials and all of our services in Europe. 20.5% of our materials are sourced in South Korea. We do not source any materials from countries where human rights abuses are common. We make a point of visiting all of our suppliers before doing significant business with them. We commit that in all future sourcing we will take account of the possibility of human rights abuses and we will not do business where we believe there is a significant risk of such abuse.

The nature of our products is such that they are unlikely to be used in ways that might contribute to human rights abuse.

Labour

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

Our employees are free to join a trade union and our Company will not discriminate against any employee choosing to do so. Our disciplinary procedures specifically give employees the right to be

accompanied by a trade union representative at any disciplinary hearing.

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

Principle 5: the effective abolition of child labour.

Technibond operates in the UK and does not use any forced, compulsory or child labour nor will we purchase product from companies who do operate such practices. Our supply chain has historically been from Europe the US and South Korea, from reputable companies where these issues will not arise. We are now considering purchasing more widely and we recognize that this could become an issue in the future. We have therefore re-written our purchasing policy to ensure we do not become complicit in any such practices.

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

Technibond is an equal opportunities employer and it is our policy to recruit, promote and in all respects deal with our employees purely on their ability to do the particular job.

All employees are issued with our Company Handbook. The first section clearly describes our equal opportunities policy. Section 29 describes our non-harassment policy particularly in regard to any perceived discrimination, and provides formal and informal routes for any employee who believes he or she has suffered discrimination, to resolve the situation.

We also retain the services of an employment law company and we discuss with them any significant employee issues to make sure we do not inadvertently or indirectly discriminate against any person or group of people.

Environment

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

The products we supply are rather inert, and we are not aware of any areas where the manufacture or use of our products may have irreversible environmental effects. We maintain an active awareness of environmental issues and most of our suppliers are registered to ISO 14001 (over 50% of our products) or have alternative responsible environmental policies. When any components of our products come under suspicion of causing environmental damage our suppliers eliminate the material promptly or offer alternatives. Where alternatives are available we will always offer the safer material to our customers in preference.

Principle 8: undertake initiatives to promote greater environmental responsibility.

We have invested in a number of initiatives to improve our environmental responsibility including:

- Returnable packaging for several of our main customers to eliminate disposable packaging.
- An energy efficient heating system for our factory.
- Greater use of recycling in our factory and office.

In 2013 we have reviewed all our lighting and have replaced much of it with lower energy systems and cut-off timers where appropriate

Principle 9: encourage the development and diffusion of environmentally friendly

technologies.

Our business success is based on developing and offering to our customers novel and improved products, and constantly working with them as their business or business environment changes. We therefore continually work to develop our own technologies and with our suppliers to encourage them to do the same. We will promote to new and existing customers any technologies that offer environmental benefits.

Anti-Corruption

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

Technibond has never engaged in corrupt practices and we commit never to do so.

Section 19 of our Company Handbook forbids our employees from taking gratuities, gifts, loans or other benefits from the Company's customers or suppliers without the express permission of their Director or Senior Manager. There are severe penalties for disobeying this policy.

We will never offer bribes of any sort to secure business. The only gifts that may be given personally to employees of our customers or suppliers are those of relatively small value that could not reasonably be expected to influence decision making. Any such gifts will be recorded, typically on expenses forms, to ensure transparency and are subject to Director scrutiny. Any discounts, promotions or commissions that we may offer to customers will be offered formally and transparently to the Company, and fully recorded to comply with our own audit procedures. We will not offer any such incentives to individuals without the knowledge of their Company.