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SMI HUMAN RIGHTS POLICY STATEMENT 2018

We believe that business can only flourish in societies where human rights are protected and respected. We recognise that business has the responsibility to respect human rights and the ability to contribute to positive human rights impacts.

This is an area of growing importance to our employees, workers, shareholders, investors, customers and the communities where we operate. There is therefore both a business and a moral case for ensuring that human rights are upheld across our operations and our value chain. This Human Rights Statement contains over-arching principles which we embed into our policies and systems.

Our Policy

In line with the UN Guiding Principles on Business and Human Rights, we base our human rights policy commitment on the International Bill of Human Rights (consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights) and the principles concerning fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. We follow the OECD Guidelines for Multinational Enterprises and are a founding signatory to the United Nations Global Compact. We are committed to respecting all internationally recognised human rights as relevant to our operations.

Our principle is that where national law and international human rights standards differ, we will follow the higher standard; where they are in conflict, we will adhere to national law, while seeking ways to respect international human rights to the greatest extent possible.

Our Vision

Our vision is to increase the size of the business, whilst reducing our environmental footprint and increasing our positive social impact.

In our business dealings we expect our partners to adhere to business principles consistent with our own. We prohibit discrimination, forced, trafficked and child labour and are committed to safe and healthy working conditions and the dignity of the individual. Also the right to freedom of association and collective bargaining and effective information and consultation procedures.

Responsible Sourcing

We have a diverse supply chain and we recognise the critical role our suppliers play in helping us to source responsibly and sustainably. Our Responsible Sourcing Policy sets out our expectations with regards to the respect for the human rights, including labour rights, of the workers in our extended supply chain. We will only work with suppliers who implement our Responsible Sourcing Policy. They must agree to ensure transparency, to remedy any shortcomings, and to drive continuous improvement.

Addressing Human Rights Impacts

We recognise that we must take steps to identify and address any actual or potential adverse impacts with which we may be involved whether directly or indirectly through our own activities or our business relationships. We manage these risks by integrating the responses to our due diligence into our policies and internal systems, acting on the findings, tracking our actions, and communicating with our stakeholders about how we address impacts.

We understand that human rights due diligence is an ongoing process that requires particular attention at certain stages in our business activities, such as when we form new partnerships or our operating conditions change, as these changes may create new potential or actual impacts on human rights.

In certain countries where we operate, there are particularly high, systemic risks of human rights abuses. We understand that this means that we must put in place additional due diligence to assess these risks and address them effectively, where appropriate, using our leverage to work either in one-to-one relationships or in broad-based partnerships.

We recognise the importance of dialogue with our employees. We pay particular attention to individuals or groups who may be at greater risk of negative human rights impacts due to their vulnerability or marginalisation and recognise that women and men may face different risks.

Remedy

We place importance on the provision of effective remedy wherever human rights impacts occur through company-based grievance mechanisms. We continue to build the awareness and knowledge of our employees and workers on human rights, including labour rights, encouraging them to speak up, without retribution, about any concerns they may have, including through our grievance channels. We are committed to continue increasing the capacity of our management to effectively identify and respond to concerns. We also promote the provision of effective grievance mechanisms by our suppliers.

Our Governance

Our work in this area is overseen by SMI's Managing Director, supported by the Leadership team to ensure that every part of our business is clear about the responsibility to respect human rights.

We continually evaluate and review how best to strengthen our approach to addressing human rights, including labour rights.

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