

Ethical Trading Statement

Simple Innovation Associates commitment to Ethical Trading

Simple Innovation Associates are committed to providing our customers with the highest quality service at the best value possible.

We believe that the best method of meeting this commitment is to build strong relationships with like minded organisations that share our values and agree to our standards of business conduct.

At the core of everything we do, we seek to ensure that human dignity; safety and respect are upheld wherever we do business. Everyone of us has a part to play in supporting this through the choices we make. We will not profit from the misery or mistreatment of others. We take this stand because we believe it is the right thing to do socially, ethically and commercially.

Simple Innovation Associates' code of ethics requires compliance with the law of every country in which we do business. Our standards go beyond the legal minimum and require a high level of conduct. Simple Innovation Associates' employees are expected to comply with all laws affecting our business, and to act in every respect with honesty, fairness and integrity. The ethical code described should be regarded as more than a set of rules. It is a statement of beliefs that should guide employees' conduct in most situations. You can resolve most ethical questions in your workplace by taking time to consider whether you are acting fairly and honestly towards your fellow employees, the customer, suppliers and general public who rely on our Company.

Positive Responsibilities

Each Simple Innovation Associates employee has an individual responsibility to deal ethically with our customers and suppliers, fellow employees and the general public. All employees are expected to do more than merely avoid unethical conduct. They must also take the initiative and assume positive responsibilities for quality, honesty and fairness. Employees are expected to raise ethical concerns and report any actual or suspected ethical misconduct to their Manager or any Director as appropriate. Honesty also requires that employees refuse to participate either actively or passively in any cover-up of such misconduct. Each employee is expected to co-operate fully in any investigation of ethical matters by Simple Innovation Associates. 'Looking the other way' on potential ethical questions is in direct contradiction to Simple Innovation Associates' commitment to honesty and integrity and is not acceptable.

Conflicts of Interest

Employees, their spouses and other close family members are expected to avoid outside interests or activities that could be advanced at the expense of Simple Innovation Associates' interests. Such involvement may divide an employee's loyalty between Simple Innovation Associates and the outside interest and create a potential conflict of interest. Non-Simple Innovation Associates business

involvement with a competitor, supplier or customer is strictly prohibited. Such interest could affect an employee's objectivity in the promotion of Simple Innovation Associates interests. Employees may not work for or provide advice or consulting services to a competitor, supplier or customer. Employees should not run any side business in their free time which will compete with, sell to, or buy from Simple Innovation Associates and should avoid any financial investments in competitors, suppliers or customers other than nominal investments in public companies.

Receipt of Gifts

Gifts from suppliers, customers or competitors to Simple Innovation Associates employees raise the appearance, if not the reality, of dishonest or unfair dealings. It is Simple Innovation Associates' policy that all business decisions be made impartially and fairly, and not on the basis of gratuities offered to employees. No employee, or any of his or her family, may solicit or receive favours, gifts, loans or other benefits (including service and discounts as well as material goods) from any supplier, customer or competitor. The only exception to this policy is that employees may receive reasonable hospitality and gifts (other than money) of nominal value which are customarily offered to others having a similar relationship with the supplier, customer or competitor. Simple Innovation Associates employees should exercise good judgement in deciding whether to accept a gifts of nominal value or reasonable hospitality and should resolve all doubts and questions in favour of declining to accept the offer.

Use of Simple Innovation Associates Resources

Each of us has a responsibility to use Simple Innovation Associates resources, including time, materials, equipment and proprietary information for Simple Innovation Associates business purposes only and not for personal benefit. Any such personal use, without proper permission amounts to theft. Simple Innovation Associates property, such as shop equipment and tools, office materials and facilities, are not to be used by employees other than for Simple Innovation Associates purposes. Use of such property in connection with community or employee social or personal activities may be authorised only by

your Manager or a member of the Group Executive Management team.

All employee requests for reimbursement from Simple Innovation Associates whether for medical claims, travel expenses or other business-related items must be legitimate, properly documented and in accordance with policy. All employees receive Simple Innovation Associates' business and technical information and know-how in trust and are expected to maintain such information in confidence and not disclose or use it other than for Simple Innovation Associates business and for Simple Innovation Associates benefit. This information includes, for example, names of customers, suppliers, employees, equipment, product development plans, information systems, business plans, financial and marketing information and all documents and data which relate to such items. All of Simple Innovation Associates' business and technical information and know-how is a part of the value of the Simple Innovation Associates Group. Employees are expected actively to protect these assets. Persons who use any of this information for their own personal gain or give or sell this information to outsiders will be dismissed and may be subject to prosecution.

Entertainment and Gratuities

Simple Innovation Associates believes that business decisions by its customers should be made solely on the basis of Simple Innovation Associates' quality, service, price and other competitive factors. Gifts of nominal value and reasonable hospitality may be offered for the purpose of promoting Simple Innovation Associates' image, presenting its goods and services and promoting good relations with business partners. If the gifts and hospitality go beyond this and make the customer feel obligated to offer any special consideration to Simple Innovation Associates, they are unacceptable. Gifts and hospitality must not be used with the intention of persuading anyone to act improperly or to influence a public official in the performance of his duties. Simple Innovation Associates' policy is to avoid even the appearance of improper conduct.

Employees must exercise good judgement and moderation. Special consideration must be given in



the case of gifts or entertainment offered to government employees. Many government agencies around the world have strict rules which prohibit employees from accepting even the smallest business gifts. These rules may also apply to government prime contractors. It is Simple Innovation Associates' policy that no financial or other advantage should be offered to any public official with the intention of influencing the official in the performance of his duties. Where there is any doubt about whether a gift or the provision of hospitality is appropriate no gifts or hospitality should be provided.

Payments to Third Parties

Payments should be made by Simple Innovation Associates to third parties only for services or products properly provided to Simple Innovation Associates. No Simple Innovation Associates employee shall make any direct or indirect payment in the nature of a bribe or payoff to secure or maintain business or for any other purpose to any government employee or the personnel of any customer, supplier or competitor. In order to avoid even the appearance of improper payments, no payments are to be made by Simple Innovation Associates in cash, other than documented petty cash disbursements. No Group cheques are to be written to 'cash', 'bearer', or third party designees of the person entitled to payment. Cash payments may never be made to employees of competitors, suppliers, customers or government agencies. Payments to employees, agents, consultants or others outside their country of residence are prohibited where they violate the laws of that country.

Marketing Practices

Simple Innovation Associates' policy is to comply with all competition and trade regulation laws and to use only ethical and proper methods to market Simple Innovation Associates products. All Simple Innovation Associates customers will be treated fairly and even-handedly, and no preferential trade terms or other treatment will be extended to any customer in violation of any law. To avoid the appearance of improper action, Simple Innovation Associates absolutely prohibits consultations with competitors regarding prices, customers or territories.

Commissions and other payments must be adequately documented and reported to government authorities as required. Advertising must always be in good taste. All claims made in advertisements must be fully supportable.

Environmental Protection

Simple Innovation Associates fully supports the belief that each of us has a responsibility to protect the environment and human health. It is imperative that each Simple Innovation Associates employee accepts responsibility for the observance of laws and regulations governing the protection of the environment and human health. No individual will knowingly buy for use at Simple Innovation Associates, or dispose of, other than in accordance with the law, any chemical or other substance which is illegal. Managers are expected to keep up to date with all relevant laws and regulations concerning the protection of the environment, to seek professional guidance when necessary, and to assure observation of the laws and regulations. Simple Innovation Associates will continue to seek alternatives to hazardous methods, substances or products to assure protection of the environment and personal safety. Individuals who knowingly violate any environmental law or regulation will be subject to dismissal. Accidental incidents which affect the environment are to be reported immediately to the appropriate outside authorities as well as to senior management.

Responsibilities to Employees

Simple Innovation Associates believes that all of its employees should have a safe work place and equal opportunities for promotion and advancement. Simple Innovation Associates will comply with all Health, Safety, Equal Opportunities legislation and other similar laws and regulations. Simple Innovation Associates is committed to maintaining safe working conditions in all of its facilities. Employees are expected to assume individual responsibility for safety procedures, following all necessary precautions, avoiding any activity that might endanger themselves or fellow employees, and notifying supervisors and management of any potentially dangerous conditions in the workplace. Management and supervisors are



expected promptly to correct any serious safety hazards and to stop any production process involved until the hazard has been corrected. Simple Innovation Associates' policy is that all of its employees will enjoy a work environment free from sexual harassment. Sexual harassment is totally unacceptable and will not be tolerated. Sexual harassment includes unwelcome sexual advances or requests for sexual favours and the creation of an intimidating, hostile or offensive work environment through unwelcome sexual conversations, advances, jokes or suggestive objects or pictures. Any complaint of sexual harassment will be immediately investigated and appropriate action, which may include dismissal, taken.

Use of Alcohol and Drugs

Simple Innovation Associates are strongly committed to the prevention of illegal activities, and to the protection of its employees, Simple Innovation Associates property and the public from any danger which might result from the use of drugs or alcohol. It is Group policy to provide a safe drug-free and alcohol-free work environment. In the workplace, drug and alcohol abuse can create hazardous situations, lower productivity and can cause potential problems with outsiders with whom Simple Innovation Associates does business. We must ensure we maintain the reputation of Simple Innovation Associates and its people as good, responsible citizens. Use or possession of illegal drugs or alcohol during working hours or on Simple Innovation Associates premises is strictly forbidden, and is cause for discipline up to and including dismissal. Employees reporting to work under the influence of drugs or alcohol are subject to discipline up to and including dismissal. It is the policy of Simple Innovation Associates to provide assistance to employees who seek the Group's help in overcoming any addiction to or dependence upon alcohol or drugs. Volunteering to participate in an employee assistance programme will not necessarily prevent disciplinary action for violations of the policy which have already occurred.

Reporting Practices and Financial Information

Whilst honest differences of opinion are expected, and can indeed be useful in examining all sides of an

issue, we must base our action on facts, logic and fair play. We cannot use shaded opinions or distorted facts to justify actions, nor should we allow facts or opinions to be covered up to make a situation look different from what it really is. All reporting at all levels throughout the Group must be factual and open. Simple Innovation Associates' business integrity will be reflected in accurate and complete accounts and records. Employees are responsible for ensuring the accuracy and reliability of the Simple Innovation Associates accounts. Fictitious, improper, deceptive, undisclosed or unrecorded accounts of funds or assets are a serious ethical abuse and illegal. It is the policy of Simple Innovation Associates that all accounts and records conform to accepted accounting principles and to all applicable laws and regulations. All transactions must be accurately documented and accounted for in the accounts and records of the Group. All entries must contain appropriate descriptions of the underlying transactions and no false or deceptive entries shall be made. No employee shall enter into any transaction with the understanding that it is other than as described in the supporting documentation. No employee shall participate in obtaining or creating false invoices, payroll records or other misleading documentation or inventing or using fictitious entities, sales, purchases, services, loans or other financial arrangements for any purpose. Simple Innovation Associates will not maintain or use any anonymous ('numbered') bank account or other account that does not identify Simple Innovation Associates' ownership.

Product Integrity

Strict product integrity is necessary for Simple Innovation Associates to achieve its quality objectives and to maintain its reputation for quality products. It is Simple Innovation Associates' policy never wilfully to conceal defective work or material, falsify records or make false certification or claims regarding its products. In some instance, particularly in connection with government contracts or subcontracts, it is necessary for employees to make specific product certifications, generate records and supply other information or statements concerning product integrity. It is unlawful intentionally to falsify such records for the purpose of misleading or defrauding



the government or any other customer. All employees are responsible for ensuring the integrity of the products under their control and for the accuracy of the documentation supporting the product integrity. Incidents of suspected or known concealment of defective work or material or falsifications of records are to be immediately reported to management.

Trading in Company Securities - Insider Information

Simple Innovation Associates is a public company with shares listed on the London Stock Exchange. Simple Innovation Associates is required to establish procedures to ensure that confidential price sensitive information is kept confidential, that all persons who have such information are aware of their obligation not to discuss the information with outsiders until the information becomes public. Such confidential information may be disclosed only by the main Board Directors of Simple Innovation Associates in accordance with the law and regulations. Confidential information includes such matters as undisclosed financial performance information, indications of business potential, including sales and earnings, important breakthroughs in product development, inventions, obtaining or losing important business contracts and other material events that could influence investors to buy or sell Simple Innovation Associates shares. Until such time as information concerning material developments has been disclosed adequately to the public, it is unlawful for any person deriving such information to buy or sell shares of Simple Innovation Associates on the basis of the information. Whilst it is customary to speak of these restrictions as dealing with 'insiders', they clearly apply to anyone inside or outside Simple Innovation Associates deriving material inside information. Individuals affected by the law include not only executives, but employees at all levels, and outside speculators who may receive the information from an informed source within the Company. Simple Innovation Associates as a company is pleased and proud to have its employees participate in the ownership of its shares, and this policy is not intended in any way to discourage that ownership.

Community Responsibility

No community's standard should ever be damaged or debased by reason of Simple Innovation Associates' presence but rather should be improved. All employees have an obligation to ensure that their personal behaviour reflects this policy. Those managers with lead responsibility of a Simple Innovation Associates establishment in any community must ensure Simple Innovation Associates makes an appropriate contribution to that community's overall well being.

Industry Regulation

It is in all employees' interests to make a positive contribution to the reputation of our industry by supporting the industry's education and community relations programmes etc. as appropriate. Employees should also avoid all forms of publicity that will reflect negatively on the industry e.g. by refraining from disparaging or slandering our competitors and their products or services.

Human Rights and Ethical Trading

Simple Innovation Associates is committed to human rights and ethical trading in its business activities and employment practices. Simple Innovation Associates will:

- conduct its business with integrity, recognising the economic, social, cultural, political and civil rights of those involved in the company's operations and respecting the different cultures and the dignity and rights of individuals in the countries where it operates;
- comply with national laws and be guided by the general principles of international law, especially for the purposes of this policy with respect to human rights;
- accept that we have an obligation to promote respect for and observance of human rights and fundamental freedoms for all, without distinction as to race, creed, colour, nationality, ethnic origin, age, religion or



similar belief, political affiliation, gender, gender reassignment, sexual orientation, marital status, family connections, membership or non-membership of a trade union disability or any other group;

- not employ underage staff;
- encourage suppliers and subcontractors to abide by the same principles;
- ensure that for staff, subcontractors, and suppliers, the terms of engagement will be clear, fair and reasonable in comparison with those offered by similar companies;
- strive, at all times, to provide customers with the standards of products and services that have been agreed.

APPLICATION OF THE CODE

All employees are expected to be familiar with and to observe the ethical standards outlined in this code. Abuse of Simple Innovation Associates' ethical code may be grounds for dismissal and the abuser could be subject to legal action. Managers are responsible for ensuring the application of this ethical code by monitoring and enforcing the code within their areas. Application of the Code will be one of the performance standards by which all managers will be measured. All of Simple Innovation Associates' managers are expected to lead by example and communicate a real concern for the observance of these ethical guidelines.

