

Challenge-trg Group

This policy is relevant to all employees of Challenge Group Holdings Limited and its subsidiaries and/or Challenge-trg Group Holdings Limited and its subsidiaries (together, the 'Group' or 'Challenge-trg')

Challenge-trg Group – Ethical Trading Policy

Message from our CEO

At Challenge-trg Group, as a major employment business within the logistics sector, we recognise the responsibility that we share with our Client's to pick and transport their products in an ethical manner.

Our Ethical Trading Policy is a core element of this commitment as a responsible partner. We want our Clients to be confident that the people who pick and deliver their products are treated fairly, with respect for human rights and are not exposed to unsafe working conditions.

We believe that when ethical standards are in place, this can improve worker wellbeing, productivity and quality, which benefits both our workforce and our Client's.

Only Client's that share our standards and values will be considered appropriate to trade with and seek to develop long-term trading relationships with Client's based on the principle of fair, open and honest dealings at all times.

We will regularly review and, where necessary, update the Policy to ensure it remains responsive to our stakeholders' expectations, our business strategy and industry practice.

Tom Cropper
CEO

Challenge-trg Group

Challenge-trg Group's Ethical Trading Policy underpins how it operates together with our Corporate Social Responsibility Policy. We will ensure that:

1. Employment is freely chosen
2. Freedom of association and collective bargaining are respected
3. Working conditions are hygienic and safe
4. Child labour shall not be used
5. Remuneration is fair
6. Working hours are not excessive
7. No discrimination is practiced
8. Regular employment is provided (employees)
9. No harsh or inhumane treatment is allowed
10. Entitlement to work is checked (exploitation/gang masters)
11. 2nd Tier Providers

Transparency and Communication

We will strive to be open and honest when we work with others and ensure reporting is fair and transparent and will maintain open communication with our employees and Clients. We have a full grievance and complaints procedure to receive feedback about our own standards and behaviour.

Where grievances and complaints are made about Challenge-trg Group, we will deal with these fairly and transparently. Similarly, where allegations are made about our Clients, we will investigate these in a robust and diligent manner and maintain open communication with all parties involved. To support this process we have:

- Whistle Blowing Policy
- Complaints Policy
- Complaints telephone number and email

Challenge-trg Group are accredited with ISO9001:2015 ensuring all our policies and practices are adhered to.

Challenge-trg Group are member of SEDEX and are regularly audited by its customers against the principles of ethical and responsible trading.

Bribery and corruption

Challenge-trg Group is committed to conducting all of its business in an honest and ethical manner. In accordance with the Bribery Act 2010 we operate governance by implementing and enforcing robust policies and procedures to guard against any illegal behaviour. Challenge-trg Group acts openly in relation to all of its dealings with customers, colleagues, contractors, tier-partners and all third party contacts, as detailed in our Anti-Bribery Policy available publically online.

1. Employment is freely chosen

There is no forced, bonded or involuntary prison labour. Workers are not required to lodge monetary deposits or their identity papers with their employer and are free to leave their employment after reasonable notice.

2. Freedom of association and the right to collective bargaining are respected

Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively. Challenge-trg Group adopts an open attitude towards the activities of trade unions and their organisational activities. Workers' representatives are not discriminated against and have access to carry out their representative functions in the work place. Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates and does not hinder the development of parallel means for independent and free association and bargaining.

3. Working conditions are safe and hygienic

A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable the causes of hazards inherent in the working environments. Workers shall receive regular and recorded health and safety training and such training shall be repeated for new or reassigned workers.

Workers shall be provided with access to clean toilet facilities and to potable water, and, if appropriate sanitary facilities for food storage shall be provided.. The company observing the code shall assign responsibility for Health & Safety to a senior management representative.

4. Child labour shall not be used.

There shall be no recruitment of child labour for use by our Clients. Challenge-trg Group may on occasion employ a young person via an apprenticeship scheme to work in its office, if this is the case, an individual young persons risk assessment is undertaken with an assigned mentor, for the purposes of this policy a young person is deemed to be anyone under the age of 18.

5. Remuneration Wages and benefits

All pay meet, at a minimum, national legal or industry benchmark standards, in agreement with our Clients. In any event wages shall always be enough to meet basic needs and to provide some discretionary income. All workers shall be provided with written and understandable information about their employment conditions including information with

respect to wages before they enter employment, and about the particulars of their wages for the pay period concerned each time they are paid.

Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. Every employee has access to their individual portal which displays all of their working and wage information.

6. Working hours are not excessive

Working hours comply with national laws, collective agreements, and the provisions defined in the clauses below, whichever affords the greater protection for workers. Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week. All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime, in agreement with our Client shall always be compensated at a premium rate, except where a consolidated rate of pay has been negotiated with worker representation. The total hours worked in any 7 day period shall not exceed 60 hours, except where covered by the clause below. Working hours may exceed 60 hours in any 7 day period only in exceptional circumstances where all of the following are met:

- this is allowed by national law;
- this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
- appropriate safeguards are taken to protect the workers' health and safety; and
- the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies. Workers shall be provided with at least one day off in every 7 day period or, where allowed by national law, 2 days off in every 14 day period.

7. No discrimination is practised

There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on any "protected characteristic" as defined in the Equality Act 2010.

8. Regular employment is provided

To every extent possible work performed must be on the basis of recognised employment relationships established through national law and practice. Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting and home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

9. No harsh or inhumane treatment is allowed

Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidations shall be prohibited.

10. Entitlement to work

Only workers with a legal right to work in the country will be employed. Original documents should be reviewed and copied for our records and then returned to employees to verify right to work. Checks are undertaken to ensure employees are paid directly into their own bank accounts to avoid exploitation.

11. 2nd Tier Providers

From time to time Challenge-trg Group may contact a 2nd tier to help with the fulfilment of a Client, before making this arrangement, Challenge-trg Group have a full and proper contract in place with the 2nd tier. Challenge-trg Group will audit the 2nd tier to ensure its practices and policies are in-fitting with its own and operating to all local labour laws. As part of this arrangement, the 2nd tier agrees to random audits by Challenge-trg Group at any time, further a 2nd tier is never engaged without the full consent of the Client.

Training and Development

Challenge-trg Group is committed to ensuring ethical trading is upheld, as such, it has a number of training programmes for its operational staff which are:

- Stronger Together Workshops
- Externally accredited Equality and Diversity Qualification
- Recruitment Law - Understanding the Essentials