

Ethical conduct

Business conduct

All business partners are expected to comply with all parts of our Business Conduct Policy. The Board reviews and approves an annual Global Business Conduct Statement, which is then disseminated to all employees in the Group at the beginning of the year. At the start of the year, each employee with a Devro email address must sign a certificate confirming full compliance with the Business Conduct Policy throughout the previous year. We have a zero-tolerance approach to bribery and corruption. All computer-based staff are required to complete online training on bribery and corruption, reinforced by face-to-face training where appropriate. Employees or contractors may also be required to complete the training in circumstances where we have identified a potential risk. The main Board reviews the risks associated with bribery and corruption every year to ensure that our procedures remain appropriate and effective.

Human & employee rights

Devro does not have a specific Company human rights policy since we consider that we are served in this area by the developed culture of ethical business practice and strong labour regulation present in most of the countries in which the Group operates. All the Group's sites, wherever located, adhere to our own high-standard labour practices, even where local regulatory requirements are not as advanced. We run our business responsibly and ensure that all our employees, customers, suppliers and other stakeholders are treated fairly and with respect. There have been no violations reported against the Company on human rights in 2022 or the previous three fiscal years. Any violations on human rights would be reported and action taken.

Whistleblowing

Devro maintains an open environment in which colleagues and other stakeholders can raise any issue about any aspect of our business. We support anyone who voices genuine concerns, even if they turn out to be mistaken. We use an externally hosted global whistleblowing service (EthicsPoint) and encourage stakeholders to 'speak up' as necessary. This covers all individuals working at all levels of the global organisation, including contractors, casual and agency staff and is designed to offer employees and third-party stakeholders a confidential and anonymous way of raising issues. A Board-approved procedure for handling any issue raised through the hotline is in place. An increase in anonymous whistleblowing reports received from one Company site, prompted local management to intensify their engagement with employees, following which anonymous whistleblowing reduced.

In accordance with the Modern Slavery Act 2015, the Group has published a statement on its website setting out the steps taken to prevent modern slavery and human trafficking in its business and supply chains.

All our employees are entitled to a fair salary and other terms and conditions of employment, as appropriate. We benchmark salary and benefits against similar roles in the same local area annually to ensure that we are competitive. Our policy is to comply, at the very least, with minimum wage legislation for any job role for all employees and we seek to be competitive where our facilities are based; in many instances, wage rates and salaries are higher.

We pay benefits as appropriate to local markets and reviewed annually to ensure competitiveness. Legally required benefits such as annual leave, sick leave, maternity leave and normal working patterns and hours are of course applicable to all. The terms and conditions on working hours are detailed in our contractual terms and, where applicable, within agreements with our Trade Union groups. Overtime is voluntary and the Company will always abide by the legal requirements relating to overtime and payment for it.

Freedom of association

We have recognised Trade Union groups in our facilities in the Czech Republic, Scotland and Australia and value their partnership and involvement. We encourage collective bargaining with Trade Union groups and negotiate with them on the terms and conditions for their members and consult with them on changes within the organisation. Employees can become affiliated with a Trade Union and their involvement in that organisation will not affect them in terms of recruitment, promotion, transfers, development opportunities or any other employment arrangements. In Europe, we have a long-established European Forum, consisting of management and employee representatives, who meet annually to discuss, communicate and consult on trans-national issues relating to the business. Where there is no representative group, we establish and encourage an open two-way communication process with employees and have various communication mechanisms and methods to keep this active.

Tax transparency

The Devro group of companies, headed by Devro Limited (Devro) was acquired on 14 April 2023 by SARIA Nederland B.V. an indirect subsidiary undertaking of SARIA SE & Co. KG. (the Acquisition). Devro strives to comply with both the spirit and the letter of all relevant tax laws and regulations in the countries where it operates, and it is committed to a transparent and open approach to reporting on tax. Our policy is to file all tax returns on time, and to pay tax as it falls due. The Group has a low risk tolerance for uncertain tax positions in the jurisdictions in which it operates. We do not undertake any aggressive or unreasonable tax planning schemes for the purpose of tax avoidance, and broadly aim to align tax payments to revenue generation. We do not knowingly help others avoid their tax obligations. Devro's approach is to develop open and straightforward relationships with the tax authorities in the jurisdictions in which it trades, including the HMRC in the UK. Devro's commitments on taxation are enshrined in both our Global Business Conduct Statement and Business Conduct Policy, on which training is provided. Employees across the business are also regularly required to verify their compliance with our Business Conduct Policy. Tax compliance risks are managed through the Group's risk management framework. We expect in the months following the completion of the Acquisition, to align how Devro's commitments on taxation will be recorded and managed in future as part of the broader SARIA group.

As of 31 December 2022, Devro did not operate in countries considered as partially compliant or noncompliant according to the OECD tax transparency report, or in any countries blacklisted or grey listed by the EU for tax avoidance and harmful tax practices.