



WATERLOGIC IS PROUD TO BE A SIGNATORY TO THE UNITED NATIONS GLOBAL COMPACT





EXECUTIVE STATEMENT

Waterlogic is proud to be a signatory to the United Nations Global Compact.

To this end, we will soon add an entire page dedicated to the Compact to our newly launched website platform, making general information on the Compact as well as more detailed information about our involvement in the Compact including our Communication on Progress 2007 available to all site visitors. To announce the addition of this page to the site, an official company newsletter will be sent out via email to all employees, suppliers, distribution partners, and clients currently in our system.

It is because of the shared vision for a more sustainable and global economy that we have opted to join this far-sighted group of companies in this endeavor.

Our commitment to the core values as outlined in the Global Compact is clearly evident from the business practices on which we have based our company and which we continually uphold as our business evolves and grows, as detailed in the following pages.

As a company, we continually strive to be a responsible and responsive global corporate citizen.

Sincerely,

Jeremy Ben-David
Group Managing Director



UNITED NATIONS GLOBAL COMPACT COMMUNICATION ON PROGRESS

HUMAN RIGHTS

BUSINESSES SHOULD:

1. Support and respect the protection of internationally proclaimed human rights

Within its sphere of influence, Waterlogic supports and respects the protection of all human rights. Exceptional work conditions are maintained in Waterlogic's Chinese manufacturing facility, resulting in an extremely low employee turnover rate of less than 1%, a very important indicator reflecting the positive working conditions. These exceptional working conditions are the result of careful consideration about every aspect of the factory's operations, from the 8 step quality control process to the ISO standards which are in the process of being upgraded even further to the health and safety regulations which the factory employees must follow. In the factory, written guidelines exist concerning health & safety issues as part of standard operating procedure and ongoing employee training sessions take place on various topics such as safe work practices and hygiene in order to constantly improve the work environment. Additional safety measures include providing employees with safety shoes and uniforms for use on the job. Regular bi-weekly internal inspections take place in the factory, with risk management discussions following each inspection, and audits by external 3rd parties also take place several times per year. The factory has even been specially recognized by the local Chinese government for its contribution to the region, in terms of strong corporate citizenship and maintaining the highest of working conditions. The utmost of health and safety standards are achieved and will continue to be upheld in all Waterlogic locations beyond the factory, including its sales office in Dublin, logistics centre in London, and all international subsidiaries.

2. Make sure they are not complicit in human rights abuses

Waterlogic seeks to work with likeminded companies sharing its values with regards to suppliers, clients and distribution partners. All suppliers are carefully audited and must meet international certifications along with requirements for quality and employee training. Treatment of employees by potential and existing suppliers, and distribution partners will continue to be an important factor in the Waterlogic auditing process.

LABOUR STANDARDS

BUSINESSES SHOULD UPHOLD:

3. The freedom of association and the effective recognition of the right to collective bargaining

Waterlogic does not in any way inhibit the freedom of association of the effective recognition of the right to collective bargaining. In fact, all Waterlogic contracts are drawn in accordance with local laws, including for instance in the French subsidiary the inclusion of a company union leader, and are open for candid and friendly two-way discussions.

4. The elimination of all forms of forced and compulsory labour

Waterlogic has a strict policy against forced or compulsory labour.

5. The effective abolition of child labour

Waterlogic has a strict policy against child labour. All Waterlogic suppliers and the supply chain are also carefully audited and vetted, and to the best of our knowledge, none utilise child labour.

6. The elimination of discrimination in respect of employment and occupation

Waterlogic is an equal opportunity employer. With subsidiaries, distribution partners, and clients around the globe, the company thrives from its employees' differences. Waterlogic further facilitates a workplace environment free from any form of discrimination or unfair treatment. Waterlogic not only recruits and hires the industry's best and brightest, without regards to race, age, gender, ethnicity, or religion but, viewing its people as a long-term asset, offers opportunities for employee training and development to maximise employee potential as well as providing a work environment which encourages individual career growth.



ENVIRONMENT

BUSINESSES SHOULD:

7. Support a precautionary approach to environmental challenges

Waterlogic is an environmentally conscious company which facilitates the proper use of available water supplies while actively minimising the waste of resources in the process. Waterlogic actively addresses environmental considerations in numerous ways:

- **ECO-FRIENDLY COMPRESSORS** - Waterlogic compressors currently utilise non ozone depleting recycling refrigerant r134a. New and even friendlier refrigerants are also being examined and tested, such as CO2
- **SLEEP MODE** - Certain Waterlogic models include a sleep mode option for reduction of energy use
- **LOW ENERGY REQUIREMENTS** - Waterlogic units are designed for low energy consumption
- **LEAK PROTECTION MECHANISM** - The leak protection mechanisms which are a feature of Waterlogic products, varying slightly by model, cut down on the waste of water
- **RECYCLABLE PRODUCT MATERIALS** - (Remove the ABS plastic and steel used in Waterlogic products are completely recyclable) and put instead: All polymers and steels used in Waterlogic machines are fully recyclable.
- **RECYCLABLE FILTER MATERIALS** - The carbon in Waterlogic carbon filters is recyclable and all of Waterlogic's filter suppliers comply with the EN 12915 standard
- **RECYCLABLE UV LAMPS** - The UV lamps which are an integral part of the Waterlogic patented in-tank UV system are recyclable
- **USE OF ENVIRONMENTALLY-FRIENDLY CHEMICALS** - All of the chemicals used by Waterlogic are non toxic and environmentally-friendly
- **ROHS/WEEE Requirement Achieved to Address Electrical/Electronic Waste** - All electronics and wiring within Waterlogic products are ROHS compliant. Waterlogic also meets the requirements of the WEEE (Waste Electrical and Electronic Equipment) Directive concerning the collection, recovery & recycling of equipment. RoHS compliance is not assumed, but tested by third party laboratories to ensure full compliance with this directive.

• PRODUCT CERTIFICATIONS

CE **CE** - In addition to other certifications, Waterlogic products bear several that pertain to environmental considerations including the CE Certification Marking, which is a manufacturer's declaration that the product complies with the essential requirements of the relevant European health, safety and environmental protection legislations

WRAS **WRAS** Approval - WRc-NSF Ltd. Certificate, certifies that the products do not cause waste, improper use, improper consumption or water resource contamination

• **COMPANY CERTIFICATION** - Waterlogic is commencing the process of attaining ISO 14001 and 18000 certifications, which give the requirements for an environmental management system (EMS), a tool for helping organizations to implement good environmental practice and to aim for continual improvement of their environmental performance. These certifications have become the international benchmark for EMS, implemented in 138 countries and now thoroughly integrated with the global economy.

• **RECYCLABLE PRODUCT PACKAGING** - The cardboard packaging that Waterlogic products are shipped in is 100% recyclable. In addition, the plastic bags with which Waterlogic products are wrapped are reusable and/or recyclable.

• **OVERALL RECYCLABILITY** - Waterlogic machines are made of a minimum 80% of recyclable parts.

The very nature of Waterlogic's products support a precautionary approach to environmental challenges as Point-of-Use dispensers are a disruptive technology replacing bottled water dispensers and promoting a positive effect on the environment in comparison to bottled systems by:

- Reducing fuel consumption and traffic congestion of delivery trucks on the road moving bottles
- Reducing wasted plastics from used bottles, which can only be re-used 4-5 times
- Reducing detergent use for bottle cleaning



ENVIRONMENT

BUSINESSES SHOULD:

8. Undertake initiatives to promote greater environmental responsibility

Waterlogic recently supported its exclusive UK distribution partner PHS Waterlogic in participating in “The Green Road Initiative” as part of The Cooler Show at Avex in April 2007, where it identified its many efforts in addressing environmental challenges and made these openly known to those attending the exhibition through official exhibition materials. The Green Road was designed as a unique guide for the exhibition that allowed visitors to readily identify exhibitors who shared their environmentally conscious aims. It served not only to highlight the industry’s efforts but also acted as a call to arms to those who are more restrained in tackling these issues.

Waterlogic machines undergo assessment of their environmental impact, and Waterlogic proactively seeks to meet and exceed all international standards regarding environmental concerns, for instance the company is currently pursuing ISO 14001 certification. It is completely voluntary to achieve this certification and as Waterlogic places great value in participating in environmental initiatives such as this, it will continue to do so.



9. Encourage the development and diffusion of environmentally friendly technologies

Waterlogic continuously strives to develop the most advanced new industry technologies, with much consideration given to the environment and reduction of resource waste. These are and will continue to be issues at the top of the R&D department’s list of requirements for all new machines and technology. For instance, at the moment, Waterlogic is devoting great resources to identify and utilise new types of even more environmentally-friendly refrigerant gas in its machines. Waterlogic is active in numerous industry associations, contributing to the advancement of the latest technology within the industry beyond a company level through industry leadership. These memberships include:

WATER QUALITY ASSOCIATION - The Water Quality Association (WQA) is a not-for-profit international trade association representing the residential, commercial, industrial, and small community water treatment industry. WQA maintains a close dialogue with other organizations representing different aspects of the water industry in order to best serve consumers, government officials, and industry members. WQA is a resource and information source, a voice for the industry, an educator for professionals, a laboratory for product testing, and a communicator to the public.

EUROPEAN VENDING ASSOCIATION - The European Vending Association (EVA) is a not-for-profit organisation established in Brussels. It represents the interests of the whole European vending industry vis-à-vis the European Institutions and other relevant authorities or bodies.

EUROPEAN POINT-OF-USE DRINKING WATER ASSOCIATION, which has been formed “to promote, develop and maintain the highest standards of hygiene, safety and ethics within the European Point-Of-Use Drinking Water industry to the benefit of customers.”

LOCAL VENDING ASSOCIATIONS - through its subsidiaries





CORRUPTION

BUSINESSES SHOULD:

- 10. Work against all forms of corruption, including extortion and bribery**
Waterlogic abides by a code of business practices which strictly forbids all forms of corruption including extortion and bribery.



FURTHERING THE UN GLOBAL COMPACT - WATERLOGIC WILL BE LAUNCHING SHORTLY, UPON ITS NEW WEBSITE PLATFORM, A PAGE DEDICATED TO INFORMATION REGARDING THE GLOBAL COMPACT AND ITS PARTICIPATION AS A SIGNATORY TO THE COMPACT.



Waterlogic further demonstrates its dedication to strong global citizenship through its various charitable activities, including but not limited to: participation through distribution partner PHS UK in WaterAid, whose mission is to overcome poverty by enabling the world's poorest people to gain access to safe water, sanitation and hygiene education, and through this year's company sponsorship of a selected school in an impoverished area of China, where a water purification system and Waterlogic machines are to be donated to ensure that the thousands of students have access to clean drinking water.