Communication On Progress

UN Global Compact

AUGUST 2014

Statement of continued support

To our stakeholders:

I am pleased to confirm that Air Techniques Ltd reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Peter Kariuki Muchiri

CEO – Air Techniques Ltd

Human Rights

Respecting the human rights principles is naturally incorporated into everything we do at Air Techniques Ltd. We have a long-standing tradition of treating people with respect and in observance of the human rights.

We take responsibility for our employees, the environment and the community we are a part of. We have high internal requirements to secure a safe and respectful work environment for our employees.

We use the framework of the UN Global Compact as a road map in our daily decision making.

Implementation

• Our HR policy stresses that "we do not discriminate on the basis of gender, sexual orientation or religion" and "We do not use forced or child labor".

• We ensure our employees' right to health and safety through the company's Work Environment Organization that annually conducts a legally based APV (Workplace assessment) and by offering health insurance to all.

• The company's employee handbook clearly describes the company's values and employees' rights. The handbook describes, among other things, the right to vacation, child 's first day of sickness etc..

In the year to come we will:

• Educate all employees to make sure that they understand Human Rights and know our policies.

• Establish a whistleblower scheme in the form of a mailbox in the lunchroom.

Measure of outcome

• We will measure our progress in the annual APV (Workplace assessment) that will later be evaluated by the management group.

• We will conduct annual surveys of age, gender and nationality distribution of staff and the management team to ensure equal and fair treatment for all.

Labour

Our primary region of operation, Denmark, has a long tradition for respecting the freedom of association.

Air Techniques Ltd adheres to local laws on labour rights. All employees are free to join trade unions of their own choice, and we respect the right to collective bargaining.

We take responsibility for our employees by creating a healthy work environment both physically, psychologically and ethically.

Implementation

Our employees are covered by health insurance.

We have established a Work Environment Organization, that monitors and work to prevent accidents at work, stress, sickness and bullying among colleagues. We conduct an annual Work Place Assessment (APV) that measures the work environment, job satisfaction, motivation and stress among our employees.

We offer flexible working hours in respect of work/life balance as well as the possibility to work from home.

We conduct annual Employee Development Interviews (MUS) for all employees.

In the year to come we will:

Educate all employees to make sure that they understand Labour Rights and know our policies. Map all suppliers in relation to their compliance with GC 10 principles.

Measurements

Employer satisfaction will be measured in the annual APV (Workplace assessment) that will later be evaluated by the management group.

Suppliers will be evaluated based on their compliance with GC 10 principles.

Environment

As a manufacturer of sustainable energy solutions, a healthy and sustainable environment is of great importance for us.

The components in our products are manufactured by third-parties and we are not able to monitor the circumstances of their production. An assessment of the component environment impact will be the next step.

Implementation

- $\cdot\,$ We are certified in accordance with ISO 14001.
- We have an environmental policy.
- We map our environmental impact on a yearly basis.
- We have installed a solar energy system on top of our headquarters, which supply us with renewable energy.

 $\cdot\,$ We are a member of the organization PV CYCLE, which handles the collection and recycling of our used solar panels.

In the year to come we will

- Evaluate the environmental impact of our components.
- Develop a process for identifying the environmental impact of new products from our development department.
- Map all suppliers in relation to their compliance with GC 10 principles.

Measurement

• Reduce our electricity consumption in the office by 5%, measured using electricity meter readings. The savings will be found by focusing on environment friendly light sources, light control and the use of solar energy.

• Reduce the use of print, measured per employee, by 3%. Emphasis will be on continuous information about how to use the printer options and encouragement only to print needed material. The measurement is carried out through counter report measured against the current number of employees.

• Rating the environmental impact of the component we use.

Anti-corruption

Gaia Solar has a non-tolerance policy for corruption. We do not accept that our employees offer, demand or receive money, presents or other services in order to achieve personal or commercial preferential treatment.

We operate within the 10 principles of the Global Compact and expect our business partners to do the same.

Implementation

• We work with reputable suppliers, to minimize the risk of corruption.

• Our Employee handbook clearly states that we do not tolerate that our employees engage in undeclared work.

 $\cdot\,$ Our Employee handbook lists our policy on giving and receiving gifts.

In the year to come we will:

- Establish a whistleblower scheme in the form of a mailbox in the cafeteria.
- $\cdot\,$ Map all suppliers in relation to their compliance with GC 10 principles.

Measurements

· Suppliers will be evaluated based on their compliance with GC 10 principles.