

JACOBI CARBON GROUP

Sustainability and Corporate Social Responsibility Policy

At Jacobi Carbons, we believe that our company has both an ethical and a business imperative to be responsible corporate citizens. This includes establishing a set of minimum standards for our Sustainability and Corporate Social Responsibilities policy. This document sets out our standards based on a grouping into three major categories as follows:

PEOPLE

- Work-Life Balance
- People and Leadership Development
- Ethics
- Diversity and Equality
- Safety
- Community Engagement
- Supplier Code of Conduct

PRODUCT

- Renewable Raw Materials
- Recycling
- Innovation

PLANET

- Environmental Permits and Reporting
- Environmental Management Systems
- Resource Consumption, Pollution Prevention and Waste Minimization

I. PEOPLE

a. Work Life Balance

1. WORK AND PERSONAL LIFE

Jacobi Carbons values its employees and their well-being. Jacobi maintains acceptable norms and regulations and acts to ensure that every employee is educated, with respect to balance between their 'Work life' and 'Personal life'. Jacobi Carbons also adapts all relevant codes and compliances from interested parties, on a time to time basis, encouraging better work life balance, that are unique and personal in its standards and policies to ensure a work life balance.

2. WORKING TIME AND REST DAYS

Jacobi ensure that its employees work in compliance with all applicable laws and mandatory industry standards pertaining to regular working hours, and overtime hours, including for breaks, rest periods, holidays, and maternity and paternity leaves. Jacobi ensures its employees are provided with consistent day off on a regular basis and any overtime worked shall be voluntary and compensated at premium rate. In absence of law, Jacobi does not require a work week over 60 hours, employees are be allowed at least one day off after six consecutive days of work.

b. People and Leadership Development

1. DEVELOPMENT OF EMPLOYEES

Constant developmental activities are initiated, and they are executed in an organized manner, mainly through various training programs. Jacobi Carbons is committed to take its people to the next level, through identifying gaps in their skills, competencies and knowledge. Tools such as Performance Appraisals, Training Need Analysis etc., are conducted at least once a year. Every Jacobi's employee has an annual interview with his/her Manager. This interview uses standard procedures, all around the Jacobi's sites, such as Performance Appraisal, Training need analysis for example. Through these identification and implementation Jacobi Carbons develop its next level of leadership through role enhancement and succession planning.

2. CHILD LABOR POLICY

Jacobi Carbons and its subsidiary companies comply with all relevant and applicable local and international labor regulations, treaties, and conventions relating to the protection, welfare and health & safety of children. Jacobi Carbons will not employ any person deemed by local or international laws, conventions or regulations to be a child.

Jacobi Carbons is committed to protecting children from child labor exploitation. We believe in the future development of the communities and countries in which they live are best served through their education not through child labor.

Jacobi Carbons acknowledges that it is sometimes customary in agricultural communities for children to participate in the day-to-day work of running a farm or plantation, partly to learn essential craft skills for ensuring the long-term sustainability of farms and local agricultural communities. Nevertheless, Jacobi Carbons aims to apply our commitment to ensure that:

- 1. The welfare and health & safety of children are always paramount.*
- 2. Any form of farm practice including coconut growing activities undertaken by children for the development of craft skills, do not conflict with or impede with their proper educational development including school attendance.*
- 3. No farm activity that could be considered to put children at risk is undertaken by children, e.g., handling mechanical equipment or agro-chemicals, etc.*

This policy statement applies to Jacobi Carbons and all its subsidiaries and will be reviewed periodically.

c. Ethics

1. FORCED AND COMPULSORY LABOR

Jacobi Carbons does not allow forced or compulsory labor. There are no required deposits, no withholding salary, benefits, property or documents to force personnel to continue work. Personnel have the right to leave the work place after the end of the workday are free to terminate their own employment. Jacobi Carbons does not support nor use human trafficking.

2. FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Jacobi Carbons grants its employee the right to Freedom of association and Collective Bargaining in accordance with all applicable laws and regulation within the country of operation.

3. ANTI-CORRUPTION

Jacobi Carbons will conduct all our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally and fairly in all our business.

4. EMPLOYMENT PRACTICES

At Jacobi Carbons all work is voluntary, and workers are free to leave work or terminate their employment upon reasonable notice. To every extent, employment practices are ensured to be in compliance with respective national law and practice. Jacobi only employs workers who are legally authorized to work. We ensure compliance of all legally bound employee benefits such as Social Security Laws and Regulations. Utmost care is taken to ensure that we do not indulge in labor-only contracting, sub-contracting, home-working arrangements, apprenticeship schemes, for the purpose, of avoiding legally bound employee benefits or providing full time employment.

In the case of employment through third party labor agencies, Jacobi complies with Convention No. 181 of the International Labour Organization on Private Employment Agencies.

5. WAGES AND BENEFITS

Jacobi Carbons employees are provided with justified wages and benefits that comply with national laws. We also strive to assess the living wages of the employees that ensures the pay is sufficient to meet the basic needs of themselves and their dependents and provide a fair pay in coherence with the industry norms. We are also open to collective agreements with the employees on various employee benefits such as premium pay arrangements for overtime or any special requirement varying with respect to local requirements. Jacobi does not engage in any other form of deductions from pay or apply any form of discrimination in employment and remuneration practices.

6. INTELLECTUAL PROPERTY

Jacobi shall take appropriate steps to safeguard and maintain confidential and proprietary information of its business partners and use such information only for the purposes authorized for use by the contractual agreement. In case of sub-contracting, sharing of confidential information should be made with the consent of the customer.

7. WHISTLEBLOWING

Jacobi has established a Whistleblowing policy to a healthy corporate culture which deters corrupt practices, encourages transparency, protects the organizational reputation and

protects whistleblowers from detrimental treatment. The policy covers all employees, officers, contractors, casual workers, and agency workers. A whistleblower's identity is maintained as confidential. Minimal information on the identity of the whistleblower may be released without consent if there is a threat to human life, destruction of property, or a substantial negative impact on the business.

d. Diversity and Equality

1. DIVERSITY

Jacobi Carbons is a diverse organization with operations spread across the globe. Our operations are led and managed by local personnel which ensures diversity in gender, race, cultural background, career, experience, skills, and beliefs. Opportunity within our organization is based on merit.

2. FAIR AND EQUAL TREATMENT

Jacobi ensures its employees are treated with dignity, respect and integrity:

- *Jacobi does not engage or encourage discrimination with employment practices under any grounds of criteria such as of race, colour, religion, gender, age, physical ability, national origin, sexual orientation, political affiliation, union membership, medical tests, or marital status, in line with ILO Convention No. 111 on Discrimination.*
- *Jacobi strictly prohibits any form of psychological, physical, sexual or verbal abuse, intimidation or threats. Harassment in any form is not tolerated.*
- *Jacobi respect the privacy rights of its employees whenever it gathers private information or implements employee-monitoring practices.*
- *Jacobi engages direct or contracted workers to provide security to safeguard its personnel and property, Jacobi makes sure that security personnel apply the same standards on fair and equal treatment.*

3. GRIEVANCE SYSTEM

Through direct or indirect modes, Jacobi employees are encouraged to raise grievances related to personal matters to their immediate supervisors for which attentive listening is ensured. Jacobi also provides employees with the opportunity to report concerns to higher authorities

as well, either verbally or in written form, if they are not satisfied with actions taken for their grievances or are concerned with reporting to their immediate supervisor. No discrimination or punishment will be instated against any employees for reporting concerns. Employees are protected from any form of threats or retaliation.

e. Safety

1. WORKPLACE ENVIRONMENT

Jacobi provides its employees with a safe and healthy working environment. As a minimum, potable drinking water, adequate lighting, temperature, ventilation, sanitation, and personal protective equipment is provided together with equipped work stations. In addition, facilities are constructed and maintained in accordance with the standards set by applicable laws and regulations.

2. COMMUNICATE HAZARDS

Ensure that workers receive appropriate workplace health and safety information, training and warnings. We will post Material Safety Data Sheets for any hazardous or toxic substances used in the workplace.

3. PREVENT OCCUPATIONAL INJURY

Eliminate physical hazards where possible, establish safe work procedures and provide appropriate personal protective equipment. Physical guards, interlocks and barriers should be provided and properly maintained for equipment used by workers.

4. PREVENT CHEMICAL EXPOSURE

Identify, evaluate, mitigate and, where possible, eliminate worker exposure to chemical, biological and physical agents. Where hazards cannot be eliminated, we will provide appropriate controls such as closed systems and ventilation.

5. PREPARE FOR EMERGENCIES AND THEIR RESPONSE

Anticipate, identify and assess emergency situations and events and minimize their impact by implementing emergency plans and response procedures, including employee notification and evacuation procedures, worker training and drills, appropriate fire detection and suppression equipment, adequate exit facilities and first-aid supplies.

6. ESTABLISH OCCUPATIONAL SAFETY MANAGEMENT PROCEDURES

Establish procedures and systems to manage, track, investigate and report occupational injury and illness.

7. COMMUNITY ENGAGEMENT

Jacobi Carbons, especially in our Asian manufacturing locations, recognizes our ability to make substantial and long-lasting positive changes. As such, we engage in community improvement projects, provide in-kind donations to schools and charitable organizations, and support local organizations focus on the support of children. Jacobi is also fast to respond in case of disaster by working to provide relief as needed by the community and local authorities.

8. SUPPLIER CODE OF CONDUCT

Jacobi Carbons will only do business with suppliers who share our expectations for and commitment to Sustainability and Corporate Social Responsibility. Our business partners and suppliers will be encouraged to introduce comparable principles in their corporate structures.

II. PRODUCT

A. RENEWABLE RAW MATERIAL

Jacobi Carbons is the leader in the market for driving the use of renewable raw materials in the production of activated carbons. Through the smart and intelligent use of a coconut shells, Jacobi Carbons reduces the demand for non-renewable raw materials which once dominated the market. The use of a renewable raw material also provides additional value to suppliers which in turns benefits the communities from which it is sourced.

B. RECYCLING

Recycling is an important operating practice in manufacturing and aftermarket services. Within manufacturing, resources once considered as consumables are maintained and refurbished for reuse in production with no negative impact on quality of the final products or safety to workers. For aftermarket services, Jacobi is continuously expanding its abilities to provide customers with an economical and environmentally sound means to recycle used, spent, product via reactivation.

C. INNOVATION

Jacobi Carbons, as the leader in manufacturing of coconut based activated carbons recognizes the challenges and opportunities of our market. As such, we have taken the initiative to develop and employ new technologies to improve the production of our raw materials needed for production and capture energy from the manufacturing process.

Jacobi is also employing its technically competencies for improved products which address new challenges faced by today's society such as improved energy storage, indoor air treatment and increasing demands for drinking water quality.

III. PLANET

A. ENVIRONMENTAL PERMITS AND REPORTING

Jacobi ensures it obtains and maintains permits required for operation in each country we engage in manufacturing operations. Reporting requirements defined by environmental permits and environmental regulations is managed to ensure timely and legal compliance.

B. ENVIRONMENTAL MANAGEMENT SYSTEM

Jacobi maintains a documented environmental management system (based on the international standards ISO 14001:2004), designed to identify, control and mitigate significant environmental impacts for all plants with significant production operations.

C. RESOURCE CONSUMPTION, POLLUTION PREVENTION AND WASTE MINIMIZATION

Jacobi optimizes its consumption of natural resources, including energy and water. It also prevents pollution and minimizes the generation of solid waste, wastewater and air emissions. Wastewater and solid waste are characterized and treated appropriately and according to applicable laws and regulations prior to discharge or disposal.