

## **Environmental Policy**

## January 2017

Wesko Locks was founded on the principles of 100% quality, on-time delivery and outstanding customer service. These principles have served the company well and fostered growth. As Wesko expands beyond Canada and becomes a global company, we understand our growing impact on the world in which we operate-daily operations, our employees, our supplier partners, local and global community. Wesko's environmental policy represents our vision of environmental principles that guide our employees and management team.

### **Sustainable Operations**

Wesko will meet or exceed all applicable environmental legal and industry requirements. We will use sustainable business practices and procedures to ensure that we minimize waste and our carbon footprint, prevent pollution, conserve energy and minimize our operational health and safety risks.

Environmental issues are considered in all our business activities.

## **Creative Design**

Our design team is constantly working with our customers and supply chain partners to create simpler, more elegant designs. We seek to reduce materials, reduce weight, reduce energy in production, reduce assembly steps and switch to materials with lower environmental impact.

## Manufacture Products for the Long Term

We design products to last a long time; indeed some of our products have been in the field for over 30 years. We match our warranties with those of our customers to ensure that our hardware components outlast our customer's furniture. This long life span reduces the impact on the environment. Our products are readily recyclable and we help our customers with flexible returns and replacements in a sustainable manner.

#### **Prevent Pollution**

We strive to prevent pollution produced by our facilities, our supply chain partners and our customers. Our goal is to divert 99% of our facility waste from landfill. As tenacious recyclers, our raw materials, rejected parts, packaging and shipping materials will be recycled to the fullest extent possible.

## **Our Customers**

Our customers supply furniture for consumers and corporate customers. Wesko assists our customers as they strive to meet their environmental obligations, including CARB, GreenGuard, BIFMA and LEEDS. We work closely with our customers during the process of specifying products through production to delivery and support their efforts toward sustainability.

#### **Our Supply Chain Partners**

Wesko's operations are integrated with our supply chain and we recognize that our environmental practices need to reach into our supply chain. That is why Wesko is conducting regular supply chain audits of our significant partners. We address quality, engineering capabilities, business processes, employment practices, environmental issues and corporate governance. We have developed corrective action plans to improve working conditions, factory regulations and waste disposal.

We maintain real time quality tracking so that our supply chain knows immediately of any quality issue. We track progress on quality per part to avoid similar issues and improve quality over time. We are seeing a noticeable improvement in waste reduction.

# **Energy Efficiency**

We are committed to responsible energy management. We are continually analyzing our production and storage facilities to improve flow, reduce steps and time taken for production. We have an ongoing project to increase inventory turns so that we hold less stock. These steps are reducing our energy consumption. We are also conducting a series of plant energy conservation projects.

## **Our Employees**

We are a family owned business with a deep-rooted commitment to treating all our employees with dignity, respect and promote a safe and healthy work environment. Production procedures include measures to ensure our facilities are safe and that everyone at Wesko is included in implementing these safety procedures. We have an outstanding safety record.

Our President is a woman and we promote diversity through fair hiring procedures and are committed to the fair treatment of all employees. We are an equal opportunity employer and do not discriminate because of race, colour, religion, ethnic origin, gender, sexual preference, age, disability or veteran status.

## **Conflict Mineral Compliance**

Wesko products do not contain any of the 3TG minerals tin, tantalum, tungsten and gold or their derivatives, as defined by Dodd Frank Act, Section 1502, or the final rule adopted by the Securities and Exchange Commission.

## **The Global Community**

As a growing company expanding from our Canadian base to the USA, Europe & China, we need to show leadership both at home and internationally. Our management team supports a number of community based causes.

## **Management Team**

Wesko's Management Team is responsible for implementing and upholding this policy