

Corporate Social Responsibility Policy





Teakdecking Systems' Corporate Social Responsibility Policy

The TDS Corporate Social Responsibility Policy guides our company into the intersection point of a **Triple Bottom Line** business strategy emphasizing **People, Planet, and Prosperity**.



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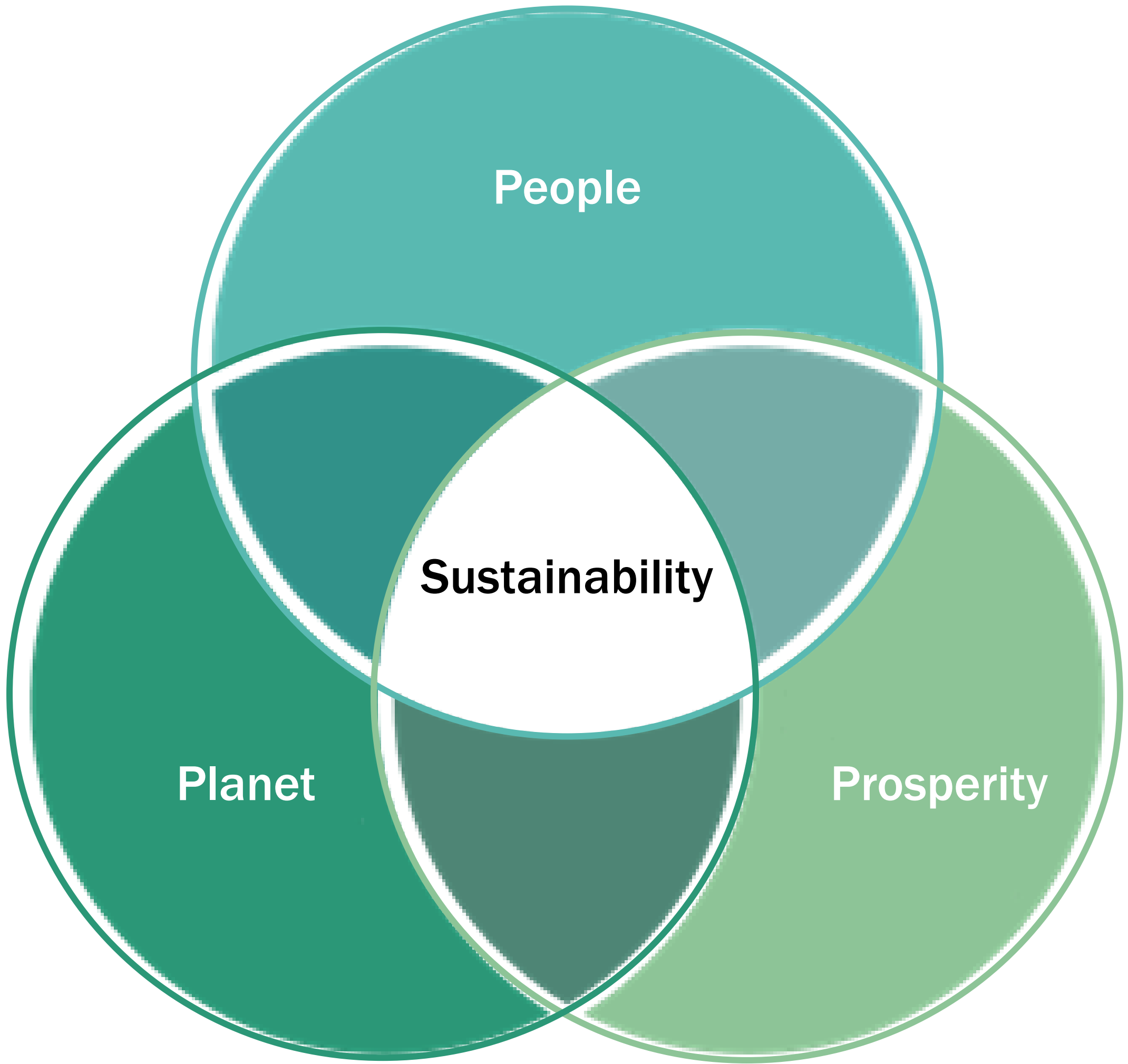
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Section 1

Sustainable Development & Governance

- 1.1 Teakdecking Systems (TDS) aims to use our sustainability strategy to generate and increase value for both the benefit of our business and our stakeholders. We are aware that operating efficiently throughout the company will contribute to cost savings and positively affect our prosperity as a company. With this knowledge in mind, we aim to manage both our people and our assets to maximize their performance and to identify opportunities for improvement and communicate these effectively.
- 1.2 TDS is committed to a high standard of ethical conduct and integrity in our business transactions and interactions, both domestically and internationally. The Board and Management are committed to enforcing measures to prevent, monitor, and eliminate unethical and illegal practices.
- 1.3 Our Corporate Social Responsibility Policy is meant to not only integrate existing policies, procedures, and practices with our CSR practices but to also set annual objectives and monitor Key Performance Indicators (KPIs) to review and monitor company performance. An annual Strategic Plan is presented to Management and the Board for assessment.



Section 2

Community & Employee Relations

- 2.1 TDS is committed to positively contributing to the communities in which we do business. We recognize that we have a major financial impact on the Myanmar community which we do direct business with as the base of our supply chain. TDS considers our impact on the Myanmar community carefully and ensures that all methods of natural resource procurement are through legal channels only. As part of our Corporate Social Responsibility, we have partnered with The Nature Conservancy (TNC) to give back to the Myanmar community through supporting their efforts in reforestation and supply chain management. TNC is working with the Myanmar Timber Enterprise (MTE) to reform internal policies and practices to increase sustainable harvesting practices and to reduce and eliminate illegal deforestation. We market through company newsletters, social media, and business events to encourage others to donate to TNC and their many causes. Further, we manage an annual budget to support TNC efforts in Myanmar.

“Economic development is essential, but at the same time, we need to create policies and practices to avoid damage to our natural resources as we develop,” says Tint Lwin Thaung. “Conservation and economic development really can go together.”

- 2.2 TDS aims to reach out to our local community to encourage employment in the carpentry trade. Trade schools are often looked down upon as a viable career path, and we aim to offer guidance, mentoring, and apprenticeship opportunities through community Manufacturing Days with local schools and technological colleges, job fairs within the community, as well as trainee-internship programs through the IYRS School of Technology & Trades, and the Landing School. We aim to encourage a new generation of skilled carpenters to help grow the value of our business and the quality of our products. We also partner with CareerSource Suncoast, a local talent recruitment company, as well as have TDS team members serving on our local manufacturing association’s board (SAMA) and workforce development committee.

- 2.3 TDS actively encourages employees to participate in work events as well as team-building events that help to build a stronger company team. Through our Health & Wellness Committee, we have company-sponsored wellness initiatives that are aimed at mind and body wellness. We provide tobacco cessation assistance, as well as Employee Assistance Programs. We acknowledge that our employees are our most important assets and that our culture, business ethos and our future lie with them. TDS faces a number of challenges and opportunities, and how we motivate and sustain our workforce will determine our success as a business. TDS plans to fully integrate Predictive Index tools so that an employee's natural behavior and personality strengths will match the needs of his/her specific area of responsibility. This should ensure a more emotionally satisfying and motivating work environment.
- 2.4 TDS operates with a Tier System structure with the intent to build on the talent of our workforce and define pathways for upward mobility. Our goal is to actively encourage employee participation in the workplace by suggesting ideas, improvements and contributing more proactively to the development of the company at all levels.

We offer Servant Leadership training, Toastmaster courses, and other education stipends and scholarship funding for those wanting to further their education. The Ann & Lars Lewander Scholarship Foundation, founded in 2009, continues to grow in applicants and recipients since its inception in 2009.

- 2.5 TDS is an ESOP and aims to instill a sense of ownership in all our employees. We recognize that, as owners, when the company succeeds, we all win. We encourage all participants to "Think and Act Like an Owner."

TDS also provides medical benefits, retirement plans, and vacation benefits to our employees. TDS pays roughly 65%-85% of employee and employee family health insurance premiums. This level of commitment is higher than most local area employers.





Section 3

Fair Operating Practice

- 3.1 TDS treats all current or potential employees fairly and without prejudice. TDS is committed to eliminating any unfair or discriminatory practices should they occur. All employees have opportunities to progress on merit without regard to their gender, marital or parental status, ethnic or national origin, sexual orientation, religious belief, political affiliation, age or disability. We are committed to fair pay and benefits. We expect all employees, regardless of position, to observe the highest standards of business and personal ethics when conducting their daily duties and responsibilities.

All employees must have honesty and integrity when interacting with all fellow employees, customers, suppliers, other business partners, communities, or government authorities. These “soft skills” are requirements in the Tier systems and are necessities for all levels of employment.

By adopting a Corporate Social Responsibility Policy, TDS will encourage its suppliers, customers, and other business partners to adopt the basic principles of a CSR Policy. We recognize that there is always room for further improvement, and we intend to seek solutions to improve whenever and wherever possible. Through example, we will encourage our business affiliates to raise standards of practice throughout the supply chain of which we are a part. We will communicate our CSR Policies on our Website so that anyone with an interest in our Mission can gain more information.



Section 4

The Environment

- 4.1 TDS cares about the environment and recognizes its impact in terms of lumber use, carbon emissions in transport, and factory waste.

Through our partnership with The Nature Conservancy, we have an established annual budget to donate to their Myanmar programs and strive to gain customer donations at the point of sale to match or exceed our annual commitment.

We also participate in purchasing material through verified teak distributors using Double Helix Verification to ensure the legality of the lumber.

- 4.2 TDS has begun to use alternatives to teak, as more environmentally friendly options. We produce composite decking, which is durable and made for long-term use. Lignia decking, which is made from fast-growing farmed lumber impregnated with a resin, is being evaluated, as well as Tesumo and other thermally modified wood products. These products have continued to grow in popularity and TDS wants to establish growth goals for these alternatives.

- 4.3 Internally, TDS expects the highest level of cleanliness and organization. This not only means that our shop and worksites are clean, safe, and impressive for visitors, but in providing a clean working environment, we will also have a safer working environment. We maintain high housekeeping standards to help with the prevention of injuries, spillages, and control of environmental impacts such as dust and waste.

We also aim to improve our recycling program, as well as reduce internal waste; we have transitioned to metered bottle-filling water fountains to reduce the waste from single-use plastic water bottles. We will further improve a reduction in internal waste through standard operating procedures and inspection requirements, toolbox talks, team briefings, regular site tours, reviewing housekeeping KPIs, and external audits by insurance underwriters and brokers.

- 4.4 As a manufacturer, we are high consumers of electricity. We take measures to monitor usage and endeavor to manage wasted usage. When funds allow and where practical solutions exist, we will invest in equipment that meets the highest level of efficiency ratings. We will investigate and prepare an ROI for incorporating solar power into our operations every year.

Section 5

Suppliers, Customers & Partners

- 5.1 TDS makes sure to talk to and listen to our customers to understand and respond to their needs, both in information and in products and services. We offer customers honest information, responsible marketing, and useful data and labeling, inspiring trust in our brand. We work to build on our range of products through research, finding new sustainable opportunities, methods, and delivery.
- 5.2 Our business has a direct impact on the environment and the lives of people all over the world and we are committed to doing business in a way that ensures that everyone in our supply chain benefits from trading with us. We believe that protection of the environment, high workplace standards, good health, safety, fair pay, and employment conditions are all elements of a successful, professionally run business and contribute to its efficiency and productivity.

We have made personal contact with the Myanmar mills in our supply chain and have established 35 years of trust and transparency to ensure we are getting the best, legally sourced, materials on the market.



Section 6

Communication

- 6.1 TDS maintains a regularly updated website with product and company information. We publish newsletters and press releases that highlight new TDS developments, partnerships, and other important information. Internally, we post regular notices and hold weekly workplace meetings and team briefings. Further, we hold monthly safety meetings where we relay safety topics, employee accolades and achievements, KPIs and other company information.
- 6.2 TDS holds regular Board meetings to assess KPIs and other major topics that affect the company. In addition to this, an ESOP Communication Committee is established to communicate relevant information to the stakeholders. In this way, TDS hopes to encourage the “ownership mentality” of all employees through a demonstration of the direct effects of increased efficiency and decreased waste on the value of the company.





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