

Disclosure under Section 172 of the United Kingdom Companies Act 2009

Shareholder and culture

INVISTA Textiles (U.K.) Limited (the “Company”) applies Market Based Management® (MBM®), in accordance with the expectations of the Company’s ultimate parent undertaking, Koch Industries, Inc., a company incorporated in the United States of America. MBM® is a management philosophy that enables organisations to succeed long-term by applying the principles that allow free societies to prosper.

Application of MBM® ensures all strategic decisions made by the Company are taken for the long-term success of the Company, taking into account the key concerns of each of its stakeholder groups. The decision making process adopted by the Directors of the Company includes consideration of risks and consequences that are likely to result from the decision and that could impact key stakeholders.

The directors recognise that discharging their duty under Section 172 of the United Kingdom Companies Act 2009 extends beyond how decisions are taken by each of them. In addition to the requirement to give appropriate weight to stakeholder factors and other relevant inputs in their decision making, a central feature of the MBM® approach requires that all such factors should be taken into account by the directors in discharging their responsibilities in setting the strategy of the Company, in developing policies of engagement with stakeholders and maintaining a corporate culture throughout the Company that ensures such principles are observed in every decision taken by every employee. Every employee is accountable for cultivating, protecting and exemplifying the MBM® culture. The shared values allow the Company to maintain a reputation for high standards of business conduct, integrity and a principled entrepreneurship.

Employees

Employees are critical to the long-term success of the Company. The Company continues to provide its employees with regular information through its employee portal. Additionally, managers keep employees specifically informed and consult them on those aspects of the business which affect them directly. The Company believes that such information and consultation enables employees to maximise their individual contributions towards the common aims of the business and to obtain maximum satisfaction from their participation. The directors are present at the operational sites and meetings are held throughout the year in which employees have an opportunity to engage with the directors.

Customers

The Company aims to provide customers with products and services that they value more than their alternatives. As such the Company must anticipate what customers alternatives will be so it can continue to create value for them in the future. Employees from each business of the Company engage with their customers to understand issues in order to develop solutions and maintain its status as a preferred partner. Feedback is passed on to directors to ensure they have up to date knowledge on customer relationships and allow the directors to anticipate customer requirements in discharging their duty to act the way that they each consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

Vendors

The Company selects suppliers who share its vision and values and who the directors believe are most likely to create maximum value for the Company and its members as a whole. Key employees keep in regular contact with suppliers and any significant issues are discussed with the directors.

Community and environment

An important part of MBM® is that, in order to be successful, the Company must benefit society by practicing good stewardship and improve its ability to consume fewer resources. Additionally, the Company manages its businesses and operations in a manner that protects the environment and the health and safety of its employees, customers, contractors and the public, while fully complying with applicable laws and regulations.

On behalf of the Board of Directors for INVISTA Textiles (U.K.) Limited:

A. Westhuis
Director
June 1, 2020