

foxguard

Corporate Social Responsibility Report

Foxguard Solutions, Inc.

April 30, 2024



Letter to our Stakeholders

Surrounded by the beautiful Blue Ridge Mountains in Christiansburg, Virginia, Foxguard opened its doors in 1981. We design, manufacture, and integrate innovative cybersecurity, computing and regulatory compliance solutions used in critical infrastructure markets.

As a wholly owned subsidiary of Framatome, an international leader in nuclear energy, Foxguard's cybersecurity solutions help to safeguard the security of the country's nuclear plant systems and many other facets of critical infrastructure.

Foxguard embraces the principles of the United Nation's Sustainable Development Goals (SDGs), and endeavors to conduct business in a manner which promotes integrity, equality, health, and safety, and maintains a positive impact on our local and global environment.

Our company is ISO 9001 and ISO 27001 certified, and employs best practices to benefit our customers, employees, suppliers, and communities. As the pace and complexity of the industries we serve evolves, we maintain our focus on creating value and security for critical infrastructure.

Sincerely,

Kate Clark

Manager, Quality & Compliance, Operational Support

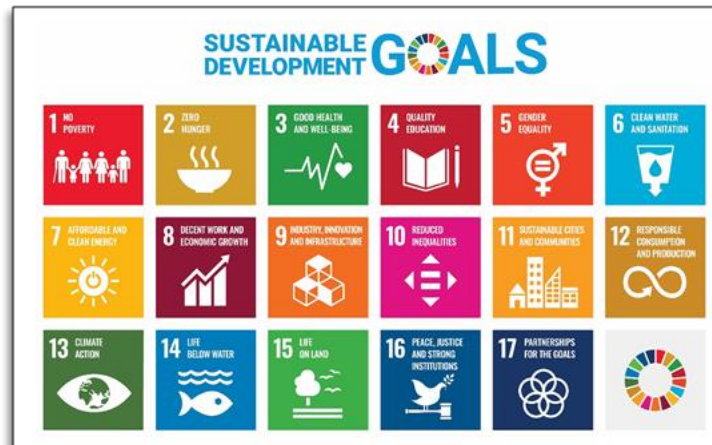


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1.0 CORPORATE OVERVIEW

1.1 Mission, Vision, Values

Our mission – Foxguard develops and integrates reliable, secure, and configurable cybersecurity and computing solutions to solve operational technology (OT) and compliance challenges faced by critical infrastructure entities and control system vendors.

Our vision - Foxguard is an OT industry leader of bespoke, vendor-agnostic, and holistic cybersecurity and computing solutions. Our solutions optimize and protect industrial control systems (ICS) to ensure critical infrastructure processes, such as energy, transportation, and manufacturing, operate with maximum safety, quality, and uptime.

Our values – Our values define who we are. More than principles, they guide our actions and describe how we work with our customers, business partners and each other. We uphold our values (Future, Performance, Integrity, Passion, Safety) and the behaviors associated with each.

Safety – There is absolutely no room for compromise on safety and security in our industry and that is the way it must stay. They are the guarantee of Foxguard’s future.

Future – We maintain a long-term outlook for every aspect of our business, weighing the risks and benefits of every decision. We place safety and customer relationships first, knowing that our success depends on our ability to help our customers succeed – both today and in the future. We prepare for the future each day by developing the innovations of tomorrow and encouraging our colleagues to grow and prosper.

Performance – We value results and deliver on our promises to our customers, shareholders, and colleagues. We believe our work should be executed flawlessly, to guarantee added value for our customers and ensure unparalleled quality in everything we do.

Integrity – We endorse the highest standards of honesty and conduct. Greatly aware of our responsibility as a company within a global industry to provide the highest levels of safety and performance, we comply with regulations and act in the best interests of our colleagues, customers, and the public. We believe in displaying respect and transparency towards all our stakeholders and holding ourselves to the strictest security standards. We show integrity when we act in consistency with what we are and what we believe in.

Passion – We believe in what we do and take satisfaction in providing safe and efficient energy throughout the world. Our drive and energy are contagious, inspiring those around us. We meet our challenges with creativity and optimism, pushing ourselves beyond our limits. Passion is a testimony of our engagement and dedication in what we are doing. With passion we seek the best and commit to it.

1.2 Certifications

ISO 27001:2013

“Built for Security” from its inception, Foxguard prioritizes protecting the Confidentiality, Integrity, and Availability (CIA) of our customers’ information. Our Information Security Management Team is dedicated to the prevention and monitoring of security threats as well as managing strict policies around escalation and rapid response.

Foxguard’s Information Management Security System (ISMS) currently includes:

- Certification to ISO 27001:2013 – Information security management systems – requirements
- Compliance to NIST SP 800-171 – Protecting Controlled Unclassified Information in Nonfederal Systems and Organizations
- Cybersecurity Maturity Model
- Counterfeit Parts Avoidance Plan (SAE AS5553C)
- Participation in the GIDEP (Government Industry Data Exchange Program)

ISO 9001:2015

Foxguard is committed to creating and maintaining an environment of excellence where all employees share the responsibility for maintaining the high quality and value of our products and services. Focusing on continuous improvement and grounded in “zero defects” methodologies, we strive to increase efficiency and cost-effectiveness through quality awareness.

1.3 Community Engagement

Foxguard endeavors to influence the world in a positive way. We team up with local, national and international efforts to improve the quality of life for citizens around the world, donating time and money to many organizations, some of which include:

- Western Virginia Better Business Bureau
- Christiansburg Rotary Club
- Christiansburg Lion’s Club
- Blacksburg Kiwanis Club
- Boys and Girls Club of the NRV
- Roanoke Blacksburg Technology Council

2.0 GOVERNANCE, ETHICS AND COMPLIANCE

1.4 Corporate Governance

Foxguard is led by a group of professionals that have proven their leadership capabilities. Combining diverse backgrounds and many years of industry experience, the leadership team has forged a model for steady growth, even in the wake of tough economic conditions.

Meet our Leadership Team [here](#).

1.5 Ethics and Business Conduct

At Foxguard we strive to foster and sustain a responsive, diverse organization that embodies the integrity and vision necessary to enhance our reputation and success. We conduct our activities in strict compliance with Human Rights, as defined in the [Universal Declaration of Human Rights](#). We also scrupulously observe the laws and regulations of the countries where we operate, our own internal rules, and the rights of our employees.

Foxguard's ethics policies, measures, and training and awareness govern our strict compliance, in spirit and letter, to the following areas:

Conflicts of Interest – Employees shall take care not to deliberately put themselves in a situation of conflict of interests and shall provide forthwith any concern of conflict of interest to their superiors, with a copy to Legal and Compliance teams.

Anti-bribery – While occasional gifts of modest value accepted or given can sometimes legitimately contribute to good business relations, employees must demonstrate sound judgment and a keen sense of responsibility before giving or receiving gifts. In both the public and private sectors, gifts or invitations are made or received by employees only in strict compliance with the law and regulations and in an entirely transparent manner – never influencing, or appearing to influence, decision-making. If any opportunity is in question, management and legal and compliance teams advise employees of the appropriate steps in accordance with current laws and regulations.

Fraud and Corruption – Fraud and corruption in any form are against the core values of Foxguard. Timecard reporting, expense reports, use of company property, and protection of confidential and proprietary information are among the areas ruled by Foxguard's Code of Ethics and Business Conduct.

Antitrust and Anti-competitive Laws – Antitrust laws are intended to preserve competition by prohibiting actions that could unreasonably restrain the functioning of a free and competitive marketplace. Any agreement, whether verbal or written, that could limit competition in a specific market may be a violation of these laws and is reviewed by a corporate officer.

1.6 Legal Compliance

It is Foxguard's intent to conduct its business in a way that not only conforms to the law, but also promotes the spirit and intention behind the law. Company-wide and job-specific training and awareness campaigns ensure that all employees are familiar and comply with the laws and regulations that govern our respective areas of responsibility, including, but not limited to, competition law, security and privacy, trade controls and customs matters, import and export controls, flowdown requirements, conflict minerals, environmental health and safety, human rights, intellectual property, and fair employment.

1.7 Immigration Law Compliance

Foxguard only employs those individuals who are authorized to work and does not unlawfully discriminate based on citizenship or national origin. In compliance with the Immigration Reform and Control Act of 1986, each new U.S. employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. Foxguard also participates in the U.S. Department of Homeland Security's e-Verify program to confirm all information provided on the I-9 form. Discovery of any false documentation or misleading information provided during the verification process may be grounds for immediate termination of employment or rescindment of an offer of employment. With requisite approval, Foxguard will serve as the sponsor of a foreign national employee's visa or permanent residency application.

At Foxguard, employees may raise questions or complaints about immigration law compliance without fear of reprisal.

1.8 Whistleblower Protection

Foxguard is dedicated to maintaining a workplace free from intimidation, coercion, discrimination, harassment, and retaliation, whether such conduct is engaged in by another employee, supplier, customer, visitor, or others. Retaliation or discrimination against any individual who reports a concern about improper workplace behavior is absolutely prohibited and shall not be tolerated.

Foxguard strictly forbids retaliation against anyone reporting or cooperating in a harassment or discrimination investigation or anyone making a complaint under this policy.

2.0 EMPLOYEES

2.1 Talent Management

Foxguard encourages its employees to participate in high-quality skills training through dedicated self-serve training platforms. Additionally, our Educational Assistance Program provides the means for employees to enroll in higher education courses to help them achieve their individual professional goals. Job descriptions include clear paths for advancement within the team and company, and individual career plans are reviewed annually.

2.2 Compensation and Benefits

In addition to competitive salaries, which are benchmarked on an annual basis, Foxguard offers a broad employee benefits portfolio, designed to provide employees with options to meet their health, family, and financial needs. Like compensation, benefits are benchmarked to assess and adjust our offerings as the market and employee needs change. Below is a representative list from Foxguard's benefits package.

- All-Employee Incentive Program
- CORE Awards
- Medical, Dental, and Vision Coverage
- Life Insurance and AD&D
- Short- and Long-Term Disability
- Vacation and Sick Leave
- Holiday Leave
- Bereavement Leave
- Leaves of Absence
- Time off to Vote
- Education Assistance
- Mental Well-Being
- Virtual Physical Therapy
- Employee Assistance Program
- 401K Program
- Financial Wellness partnership
- Retirement Readiness

2.3 Employee Engagement

Skilled and motivated employees are key to Foxguard's success, and therefore its most important resource.

Foxguard encourages employee engagement through transparent communication measures such as annual employee surveys, quarterly All-Employee meetings, and frequent direct communication between managers and employees. Workflows for suggestions and anonymous feedback provide another avenue for employees to voice their concerns and ideas.

2.4 Diversity and Inclusion

Foxguard is an Equal Opportunity Employer. We will extend equal opportunity to all individuals without regard to race, religion, color, sex, pregnancy, sexual orientation, gender identity, national origin, disability, age, genetic information, or any other status protected under applicable federal, state, or local laws.

Our code of conduct is for “all employees and business leaders to strive to act with fairness, honesty, professionalism and equality”. The company ensures that all personnel actions, such as recruitment, hiring, promotion, training, compensation, benefits, and termination, will be administered as such to further the principles of Equal Employment Opportunity.

Each employee is responsible and accountable for ensuring their conduct is in accordance with this policy.

2.5 Health and Wellness

A healthy work environment is essential for employee well-being, with benefits on an individual as well as corporate basis. Foxguard offers multiple company-paid and optional incentives to assist employees in achieving their physical, mental, and financial health goals. Some of these programs are as follows:

- Be-Well Incentive
- Employee Assistance Program
- Mental Wellbeing
- Financial Counseling
- Hybrid Working

Having fun is another essential aspect to health and well-being. Our Dream Team hosts fun and engaging collaborative activities throughout the year, such as picnics, cook-offs and other contests, as well as weekly Ice Cream Fridays.

2.6 Work/Life Balance

Paid time off and flexible hours options are among the benefits provided to employees to help maintain a healthy work/life balance. Options for short-term leave and long-term leave are also available if needed.

2.7 Two-Way Communication

Foxguard provides multiple avenues for an open environment in which employees are encouraged to report and discuss issues and concerns freely without fear of retaliation or reprisal.

- Open Door Policy
- Non-Conformance, Incident and Risk Report
- Harassment/Legal/Ethics Concern (option for anonymous submission)



3.0 ENVIRONMENT

Foxguard is committed to a long-term sustainable approach to a cleaner and safer environment. We strive to improve our environmental performance as resources allow. We further strive to raise employee awareness of environmental issues and sustainable practices and encourage employees to implement such practices at home and on the job.

3.1 Waste Management

The “Three R’s” are long-standing practices at Foxguard. Below are a few of the ways Foxguard reduces, reuses, and recycles:

- Our company-wide recycling program provides for separation of recyclable materials in all our operations. Wheeled hopper bins allow easy movement from fulfillment areas to on-site recycle dumpsters. Recycle bins are available throughout our facilities.
- Bulk purchases are made, thus reducing packaging waste.
- Electronics are refurbished and repurposed whenever possible.
- Documents are paperless whenever possible, and printing of e-mail communications is discouraged.
- Water dispensers are utilized in lieu of bottled water.

3.2 Hazardous Substances

Foxguard has implemented a vigorous hazardous substances program to ensure the health and safety of workers who might be exposed to harmful chemicals.

- A database on the safe use and disposal of all its chemical products, including MSD Sheets is maintained and containers are labeled accordingly for easy access and compliance to the requirements.
- Personal Protective Equipment is mandatory for work procedures that may expose employees to harmful substances.
- Training on Foxguard’s Hazard Communication Plan is required for all employees, as well as specific training on spill remediation and bloodborne pathogens.

Additionally, deliverables to our customers are compliant with all regional hazardous substances laws and regulations, to ensure that end-of-life equipment is properly disposed of and harmful chemicals are not added to the waste stream.

3.3 Product Use

Our engineers incorporate energy-saving measures whenever possible, when designing equipment. Lifecycle analyses are conducted on all components, to ensure maximum lifetime of the equipment. Further, customer orders are fully compliant with all end-destination environmental laws and regulations, including energy efficiency and eco design, stand-by mode, and the restriction of hazardous substances.

4.0 SAFETY CONSCIOUS WORK ENVIRONMENT

A “safety first” environment is fostered at Foxguard, which requires engagement of all employees at all levels of the organization. Regular safety training is required for every employee, and various avenues are available for reporting safety concerns and incidents, which are immediately addressed. Below is a representative list of Foxguard’s safety policies and measures:

- Emergency Action Plan
- Accident/Near Miss Reporting and Investigation
- Hazard Communication Plan
- Pre-Job Briefing Policy
- Chemicals Management
- Job Safety Analysis
- Training and awareness campaigns
- Safety Inspections
- First Aid qualified personnel
- Pre-meeting safety messages

5.0 INFORMATION SECURITY

Foxguard’s ISO 27001-compliant Information Security Management System (ISMS) focuses on a risk-based approach to maintaining protection of physical, logical, and electronic information, both of Foxguard’s information and that of our vendors, partners and customers. Our policies and procedures cover a wide realm of information security issues, including:

- Acceptable Use
- Access Control
- Asset Management
- Business Continuity
- Change Management
- Compliance
- Cyber Security Incident Management
- Data Protection
- Incident Management
- Information Classification
- Insider Threat
- Non-Conformance and Risk Reporting
- Operating Procedures
- Physical Security
- Risk Assessment and Risk Management
- Secure Development
- Special Information Handling
- Supplier Security
- Vulnerability Assessment

Further measures are instituted in compliance with laws and regulations for the U.S. Government and energy sector supply chains, including:

- NIST SP 800-171 – Protecting Controlled Unclassified Information in Nonfederal Systems and Organizations
- Cybersecurity Maturity Model
- NERC CIP 013 – Cybersecurity Supply Chain Risk Management Plans

6.0 SUSTAINABLE PROCUREMENT

6.1 Supplier development

Supplier Development is a continuous activity at Foxguard. We value our partnerships and work throughout the year with manufacturers and distributors on many issues, including Conflict Minerals, REACH, RoHS, and electronic waste.

6.2 CRS Expectations for Suppliers

We believe that every organization has a responsibility to comply with relevant laws and regulations and support reasonable efforts in the areas of human rights, ethical conduct, health and safety, and preservation of the environment. We select suppliers that share our values concerning CSR issues including, but not limited to, those listed below.

- Equal Opportunity / Affirmative Action Employment
- Health and Safety in the Workplace
- Human Rights
- Conflict Minerals
- Environmental Responsibility
- Information Security
- Legal and Regulatory Compliance
- Responsible Procurement

Expectations are communicated regularly with suppliers, and, when needed, we will work with our suppliers to help them develop programs and policies in these important areas.

6.3 Conflict Minerals

Conflict Minerals pertains to tracing the source of minerals found in electronics to the smelter level. Currently regulated minerals include Tin, Tantalum, Tungsten, and Gold (3TG). Proceeds from the trade of these minerals are being used to finance extraordinary violence in the Democratic Republic of the Congo (the DRC) and other politically unstable regions. U.S. (Dodd-Frank Act) and European (EU 2017/821) legislation is in place to promulgate public disclosure of where minerals in a company's products are sourced and enforce due diligence efforts to remove conflict smelters from the supply chain.

Foxguard supports the Conflict Minerals initiative and has established policy and procedures for identifying and managing the sourcing of 3TG minerals, as well as extended minerals of concern, such as cobalt and mica. Our process includes educating our suppliers on conflict minerals issues and practices, collecting annual smelter information on official Responsible Mineral Initiative (RMI) reporting templates, and working with suppliers to resolve any issues arising from potentially non-compliant smelters identified in the collected information. While the tracing of the origin of minerals is complex and an ongoing process, Foxguard believes that ongoing efforts will make a difference in these conflict zones, and we are committed to continuing our internal processes, as well as helping our suppliers to expand their capacity for identifying and removing non-compliant smelters from their supply chain.