



SMART MICROFIBER **SUSTAINABILITY POLICY** v1. 2025



Introduction

Smart Microfiber is a supplier of cleaning, home and household products within the cleaning product category. Our products are sold globally under our own brand by our network of retailers. We also sell a significant proportion of our products as Private Label products to the retail sector and DIY sector.

Sustainability has long been a top priority for us. Our products have long lifespan and minimise the need for chemicals when cleaning. For a number of years, we have been choosing to have our products certified with established labels, such as the Nordic Swan Ecolabel, FSC® and OEKO-TEX, where applicable.

We build our business relations on the basis of mutual trust, always ensuring that sustainability is a high priority. This has helped us establish long-lasting relationships with our suppliers, staff and customers. Ethics and responsibility lie at the heart of what we do, and we expect all of those we work with to adhere to these same high standards. We have clear guidelines in our Code of Conduct (CoC), which is based on the principles of Amfori BSCI.

Some of our production activities take place in Sweden and elsewhere in Europe, while the remainder are based in Asia, primarily in China. This means that we have worked hard, and continue to do so, to survey our supply chains from a sustainability perspective. Ongoing stakeholder dialogue, third-party inspections at production plants, and robust quality control and compliance systems ensure that we adhere to both social and environmental requirements.

This document presents a summary of our comprehensive Sustainability Strategy, which, together with Smart Microfiber’s HREDD Policy, constitutes the basis of our sustainability work. In order to shoulder our share of responsibility as a company and contribute to sustainable development, we have voluntarily chosen to align our sustainability work with the guidelines of the Corporate Sustainability Reporting Directive (CSRD), in accordance with the European Sustainability Reporting Standards (ESRS).

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THE OVERARCHING OBJECTIVES

for our sustainability journey moving forward »

At Smart Microfiber, over the last three decades sustainability has been a key cornerstone of our operations. Using our products for cleaning largely eliminates the need to use chemicals to keep spaces clean. During 2024, we took another major step forward by carrying out a calculation of our climate impact on a company scale, as well as for our products, for scopes 1, 2 and 3 under the GHG Protocol, with the help of ClimatePartner.

Our global production and distribution, as well as consumer and retailer requirements, mean that sustainability issues are a key priority throughout the supply chain – from raw materials to production, distribution, and usage.

Our Sustainability Strategy and Sustainability Policy are based on ISO 26000 and the UN's Sustainable Development Goals, in order to align our sustainability work with established standards in so far as is possible.

As our global production activities in some cases take place in high-risk countries, we have established sustainability objectives with the aim of protecting those we work with throughout the supply chain. The other overarching objective areas are based on reducing consumption of natural resources and reducing the amount of waste produced both in the production process and among end users.

The first year in which we measured and followed up on our sustainability work in accordance with the new Sustainability Strategy was 2024.

The objectives and activities referred to here constitute the basis of what we measure and follow up on annually.

People



- Ensure that human rights are respected.
- Maintain a zero tolerance approach towards child labour, forced labour and human trafficking throughout the entirety of the supply chain.
- Ensure that everyone, no matter what their position or gender, has the same decision-making rights.
- Ensure that everyone is paid the same for the same kind of work, throughout the supply chain.
- Support public-private partnerships to combat ostracisation and poverty.
- Reduce absences due to illness in the organisation and supply chain.
- Actively contribute to development of skills and promoting business locally.

Planet



- Facilitate sorting at source and reduce waste volumes among consumers, our organisation and the entirety of the value chain.
- Reduce energy consumption in the organisation and supply chain.
- Increase the proportion renewable and recycled raw materials account for of the materials used in our production processes.
- Reduce packaging sizes and optimise the filling ratios in transport packaging.
- Increase the proportion of our products that are Nordic Swan Ecolabel, OEKO-TEX and FSC® certified.

Society



- Promote inclusive and sustainable industrialisation by influencing subcontractors in the supply chain.
- Promote social, economic, and political inclusivity throughout the supply chain.
- Eliminate all forms of discrimination in the organisation and supply chain.

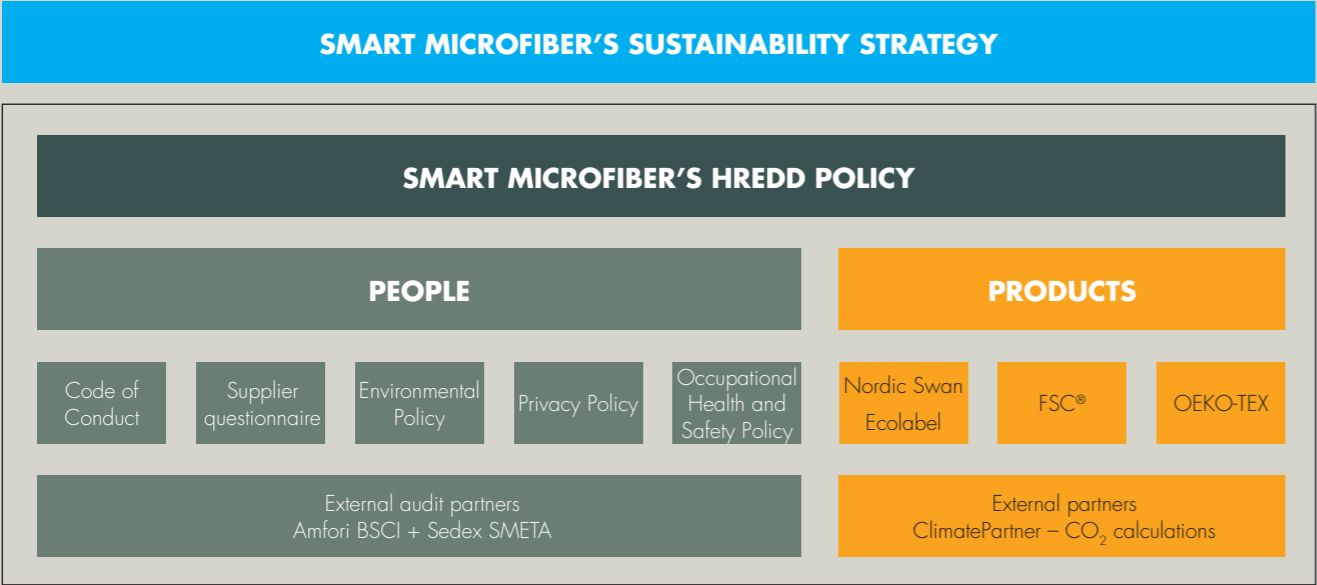
Smart Microfiber's framework for sustainability work

Smart Microfiber's Sustainability Strategy is based on ISO 26000 and the UN's Sustainable Development Goals.

The strategy specifies how we run our operations and how and where we are developing and manufacturing new products sustainably.

In order to minimise shortcomings in sustainability throughout our supply chain, we have set up a system that features a number of steering tools and checkpoints. We carry out our own checks regularly at production units and with the assistance of external partners. Our HREDD Policy is a tool for identifying, avoiding and eliminating risks that could occur in different parts of our supply chain.

We are constantly adapting our operations to be aligned with national legislation in our different markets, as well as the directives, regulations and standards issued by the EU.



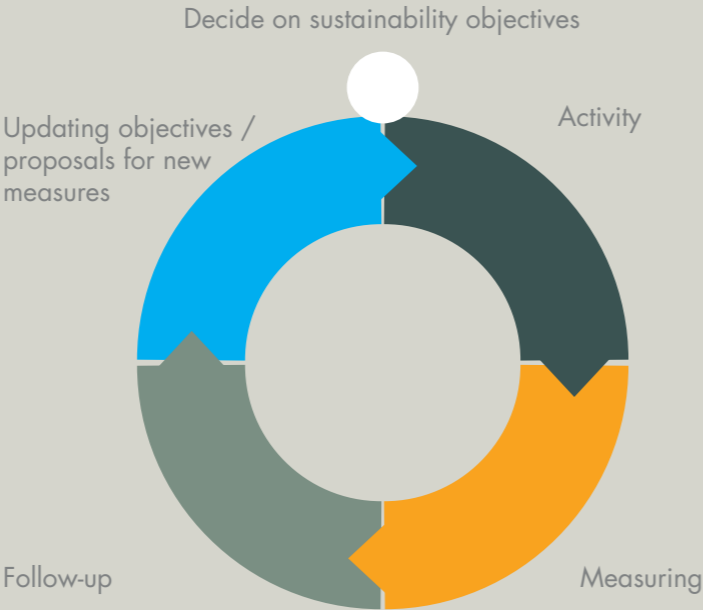
Smart Microfiber's sustainability work is steered by a framework of policies, audit documents, and certifications.

Our process

Measuring, follow-up and reporting

All objectives and activities in our Sustainability Strategy are measured monthly and followed up on by our sustainability group.

The results of these activities are reported annually in Smart Microfiber's sustainability report and on Smart Microfiber's website. We carry out a larger objective update every other year.



Key events 2024

- Compilation of the policy document structure.
- Revision/updating of existing policies and supplier questionnaires.
- Harmonisation with applicable and forthcoming EU directives and standards.
- Compilation of the HREDD Policy.
- Climate calculations for different product categories via ClimatePartner.
- Our base year for all measurements is 2024, unless stated otherwise.
- Alignment of packaging information in light of a number of forthcoming EU regulations.
- Recruitment of a sustainability & quality coordinator based at the head office.

Baseline values 2025



We have begun our journey.

We want to do as much as we can, but we can only do so by working transparently and in collaboration with our suppliers, customers and consumers.

If you have any tips, questions or other perspectives that could help us develop our sustainability work, please get in touch:

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