

SUSTAINABILITY POLICY

We are one of the world's leading manufacturers of high-quality mannequins and displays. Our commitment to industry leading design and manufacturing is backed by our commitment to run a sustainable business model. We therefore acknowledge the need to make the right choices already now when it comes to limiting the impact we have on our environment, as well as improving the lives of the communities we operate in whilst remaining profitable as a business.

This policy covers UAB IDW and its subsidiaries.

People

We believe that taking an ethical approach to business under all circumstances guarantees longevity and that first and foremost applies to treating our colleagues. The wellness of our colleagues and their families is very important to us. Therefore, we commit to:

- Observing internationally recognised human rights and creating equal opportunities and observing the obligations undertaken under the UN Global Compact initiative.
- Not being complicit in human rights violations.
- Ensuring the occupational health and safety.
- Guaranteeing the freedom of association, including membership in trade unions.
- Not tolerating compulsory or forced labour, child labour and human trafficking.
- Securing that each colleague is not discriminated against.

We aim to have:

- No instances of confirmed violations of human rights (including guarantees of freedom of association; forced and child labour and human rights trafficking; and instances of discrimination).
- No instances of high consequence work-related injuries (fatality or permanent disability).

Materials

To fulfil our slogan – Creating amazing mannequins with sustainability in their hearts – we have to start with materials. We believe that recyclability, not biodegradability of will better serve our commitment to sustainability and the goal of reusing existing materials as much as possible and as many times as possible.

All of our products are made out of polystyrene which is 100% recyclable. Subject to availability, we strive to use as much recycled content in each product we make. Our aim is to move to using 100% recycled polystyrene in our production as soon as this becomes commercially available and viable.

We are an FSC certified company. We only use FSC certified cardboard boxes for packaging our products. We also encourage our customers to choose FSC certified wooden products where possible.

Energy

Efficient use of energy is key to reducing GHG emissions. Measuring emissions will lead to identifying ways to reduce GHG emissions and, in turn, lead to cost saving. Therefore, we commit to calculating our Scope 1 and Scope 2 GHG emissions on the annual basis and identifying ways to reduce our emissions. In 2019 we have set a 3-year target to reduce our GHG emissions by at least 25% below 2019 levels. The

target was achieved and greatly exceeded and in 2022 we have set a new 5-year target to reduce GHG emissions per standard mannequin by at least 10% below 2022 level.

With that in mind we commit to only using electricity from renewable sources. We also aim to reduce energy consumption by affordable means: we use energy-saving light bulbs, when buying office equipment or electrical appliances we take into account energy efficiency class, we switch off appliances when they are not in use. In 2022 we have set a 5-year energy efficiency target: to reduce electricity consumption of existing appliances (calculated per standard mannequin) by at least 10% below 2022 level.

Air and Water

We pay a lot of attention towards air quality and have in place two cleaning systems to eliminate as much as possible solid and other particles and cleaned air is returned to the production premises. In 2022 our Pollution Permit has been updated for another 5-year term and regular monitoring program is carried out to monitor our emissions.

We do not use water in our core production process, including the cooling of products (plastic substances) following blow-moulding. Water is only used for air cooling and sanitation and all wastewater use will be treated at the municipal sewage treatment plants.

Therefore, in this area, we undertake to follow the following principles:

- To comply with the applicable legislation and strive to minimise the environmental impact of our activities.
- Have no breaches of particle emission limits set out in the approved Pollution Permit (2022).
- Periodically monitor air pollution emissions according to the approved monitoring program.

Sourcing

We pride ourselves as being a European producer and have developed our offering on the principle of nearshoring. In addition to 100% local and inhouse production, we commit to prioritising local supply chain over cheaper alternatives to reduce the environmental impact generated by transportation, as well as ensure that all suppliers adhere to the same labour conditions and health and safety requirements. This also enables us to ensure that we do not compromise on quality of our products and are able to service our clients quickly.

Transportation

We recognise that a large proportion of GHG emissions are attributed to transportation. Therefore, we:

- Strive to have as much of our supply chain as possible based locally or in Europe to minimise transportation impact.
 - Encourage clients to maximise filling rates.
 - Encourage our employees to use public transport.
 - Organise meetings via video or audio conferencing instead of physical travels where possible.
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