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# **Environmental Policy**

Department:	ESG
Policy owner:	ESG Manager
Approved date:	January 2025
Date for renewal:	January 2026
Version number:	1.4

Policy Number 30004 Version 1.4





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## 1.1 Purpose of this policy

In response to the urgent global challenges of climate change, pollution, and resource depletion, SMI is committed to mitigating the environmental impact of its operations and promoting sustainability. Our ESG 2030 Strategy demonstrates this commitment, focusing on continuous improvement in environmental performance, management, and responsible business practices. By continuously enhancing our environmental performance and management, we integrate sustainability into the core of our business strategy and day-to-day operations, ensuring it remains a fundamental driver of our success

#### 1.2 Statement of Intent:

Our policy is to meet or exceed all environmental regulations, laws, and codes of practice. We focus on proactive work to ensure we can react to changing sustainability legislation and climate challenges. Through our strong policies, procedures and strategy SMI manages risks and safeguards our long-term sustainability growth. Our work to review our challenges and acting on new opportunities, ensure we exceed expectations from our stakeholders. Ensuring we have strong policies, procedures, and strategies in place to manage risk and safeguard long-term sustainable growth. Our policy is to meet or exceed all environmental regulations, laws, and codes of practice. We take a proactive approach to ensure we can adapt to evolving sustainability legislation and climate challenges. Through our robust policies, procedures, and strategy, SMI effectively manages risks and protects our long-term sustainable growth. We fully acknowledge the importance of taking responsibility for our impact on the environment, creating a positive and innovative environmental impact.

Our Environmental Pillar focuses on addressing climate change and fostering a sustainable future through impactful actions and initiatives.













Key areas of this focus include:

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- Biodiversity: Protecting ecosystems and supporting the diversity of flora and
- Afforestation: Committing to large-scale tree planting efforts to restore natural habitats and absorb carbon emissions.
- Reducing Pollutants: Minimizing harmful emissions and discharges across all operations.
- Minimizing Waste: Adopting a zero-to-landfill approach and maximizing recycling efforts to reduce waste impact.
- Sustainable Materials: Using materials designed for longer lifespans and reduced environmental impact.
- Product Lifecycle Support: Assisting customers in sustainable end-of-life treatment for our products to encourage reuse and recycling.

In response to this we are proud to have implemented our ESG 2030 Strategy, set our sustainable goals and committed to the Net Zero target by 2050.

### 1.3 Principles of the Policy

Our commitment is to:

- Continuously improve our environmental performance and align the best environmental business practices into our business operations.
- Comply as a minimum with all relevant environmental legislation and codes of practice.
- Maintain our certification to ISO 14001 through continuous monitoring and review.
- Minimise waste generated from our business operations by incorporating re-use, recover and recycle in accordance with the principles of the waste hierarchy to meet our published objectives and targets.
- Manage energy and water usage in our buildings, vehicles, and processes to conserve supplies, and minimise our consumption of natural resources, especially where they are non-renewable.
- Measure and implement practices to reduce the carbon footprint of our business operations to meet our published objectives and targets.
- Apply the principles of continuous improvement in respect of air, water, noise, and light pollution from our premises and reduce any impacts from our operations on the environment and local community.









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• Operate and maintain company vehicles regarding environmental issues as far as reasonably practical and encourage the use of alternative means of transport and car sharing as appropriate.

To meet our commitments, we will:

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- Monitor our environmental commitments, objectives, and strategies at least annually and engage stakeholders in the monitoring process.
- Assess the environmental impact of any new processes or products we intend to introduce in advance.
- Purchase products and services that focus on reducing environmental impact where possible.
- Communicate the importance of environmental issues, the impact our business operations have on the environment and the steps being taken to mitigate the negative impact of our activities.
- Work together with our people, suppliers, customers, and community to understand our environmental policy and encourage improved environmental performance.
- A statement of educating our stakeholders through our ESG library
- Review our environmental policy regularly.

#### 1.4Sustainable Targets

- 2. Greenhouse gas emissions: Reduce our operational greenhouse gas emission by 45% by 2030.
- 3. Reduce our scope 1 and 2 emissions by 90% by 2030 and scope 3 by 2026, using complete calculations for 2024 as our baseline.
- 4. Renewable energy: Generate or purchase 100% renewable energy at our Head Office and distribution centre by 2026.
- 5. Reduce water consumption by 15% by 2035 across business operations and supply chain.
- 6. Plastic consumption: We aim to be 90% plastic free by 2030.
- 7. Waste consumption: Zero to landfill: Recycle 70% of municipal waste and reduce waste by 30% by 2035.

#### 1.4 Environmental Measures

1.5. 1 Energy Use We are committed to increasing the use of renewable energy sources; we will purchase or generate green electricity to reduce reliance on fossil fuels and lower emissions associated with energy consumption.









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1.5. 2 Product - We will consider the effect our products have on the environment looking at all stages of the products' life cycle including design to manufacturing, transportation and end of product use. We will continue to improve our eco product range and explore innovative methods to minimise the ecological impact. Commitment to LCAs this year.

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- 1.5. 3 Recycling We will promote in-house recycling and the recycling of our products once they reach their end of life. We will encourage our staff to search for alternative lean management strategies for reducing our waste where possible. Zero to landfill approach - more on our recycling scheme.
- 1.5. 4 Waste Disposal We will minimise waste across our business operations and dispose of all waste through safe and secure methods.
- 1.5. 5 Carbon Footprint We have set a commitment to reach Net Zero emissions by 2050, implementing specific targets for reducing carbon emissions by 45% by 2030. These goals have been aligned with international initiatives like the Science -Based Targets, the IPPC, and the UK government. We are committed to regularly measuring and reporting businesses' greenhouse gas emissions both direct (Scope 1) and indirect (Scope 2 and 3) working with recognized bodies. Calculations will be based on the guidelines of the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and verified by third party ClimatePartner.
- 1.5. 6 Supply Chain Management We will work with our suppliers to encourage sustainable practices, reducing the environmental impact of their products, packaging, and transportation. Promoting the use of eco-friendly materials and lowering and reporting emissions throughout the supply chain. Evaluating the environmental practices and performance of our key suppliers by monitoring their alignment with our Supplier's Code of Conduct and compliance with laws and regulations. This framework and SMI's approach to supply chain management is outlined in our Responsible Sustainable Partner Strategy and Supplier ESG Questionnaire.
- 1.5. 7 Transportation We are committed to working with a sustainable distribution network, including couriers with targets to implement, green technologies, electric or low emitting modes of transport across their fleet. Focusing on applying environmentally friendly practices, lowering the carbon footprint associated with our deliveries, collections, inbound freight shipments, through consolidating orders and implementing coordinated route planning.

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1.5. 8 Pollution Prevention We are dedicated to preventing pollution including emissions, air, land, and water associated with our business activities. We will monitor appropriate emissions and assess, if necessary, action is needed to be taken to reduce pollution or the risk of pollution.

1.5. 9 Training We are committed to providing our employees with training and education to raise awareness about environmental issues, practices, and strategies. Fostering a culture focused on environmental, social and governance initiatives. We are committed to providing our employees with ongoing training and education to raise awareness of environmental issues, practices, and strategies. These sessions are held regularly to ensure we stay ahead of the curve with new and innovative approaches. We believe this knowledge is valuable both within the workplace and beyond, which is why upskilling our workforce is essential to making a greater impact.

1.5. 10 Communication and Transparency - We plan to communicate the organisations carbon reduction plan, targets, and progress to our stakeholders on a regular basis. Through our annual ESG report, SMI's ESG booklets on subjects matters relating to our environmental pillars and webinars being the core channels of communication.

## 1.6 Monitoring and Review

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This environmental policy will be reviewed annually and if necessary revised to reflect the up-to-date developments and ensure we comply with all relevant laws and regulations.

#### 1.7 Further information:

- ISO 14001 accreditation: continue to maintain the environmental management system and undergo recurring audits to ensure ongoing compliance.
- Maintain our certifications and accreditations with SEDEX, SA8000, WRAP and STeP.
- SMI carbon neutral operational emissions tracking page with ClimatePartner: https://fpm.climatepartner.com/tracking/18366-2209-1001/en
- Aligned to Science based targets: https://sciencebasedtargets.org/
- Ecovadis sustainable rating: continue to maintain our Ecovadis business sustainable rating. https://ecovadis.com/

#### 1.8 Reviewed

Elizabeth Mellor





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## Head of ESG and Sustainable Procurement

## 1.9 Version Control:

smi

Version:	Detail:	Approved by:	Date:
1.0	First Issue following policy introduction	Blake	May 2019
	and annual reviews	Prisgrove	
		(CEO)	
1.1	Annual review	Blake	Last approved
		Prisgrove	2022
		(CEO)	
1.2	Implemented new ESG Strategy and	Elizabeth	August 2023
	Environmental practices	Mellor (ESG	
		Manager)	
1.3	Annual review	Elizabeth	January 2024
		Mellor (ESG	
		Manger)	
1.4	Annual review – implementation of	Elizabeth	January 2025
	new key focuses	Mellor (Head	
		of ESG)	