



thin*pact*

Achieving more with less

2024 ESG REPORT

Innovating and **diversifying**
for a sustainable future

SWM[™]
INTERNATIONAL

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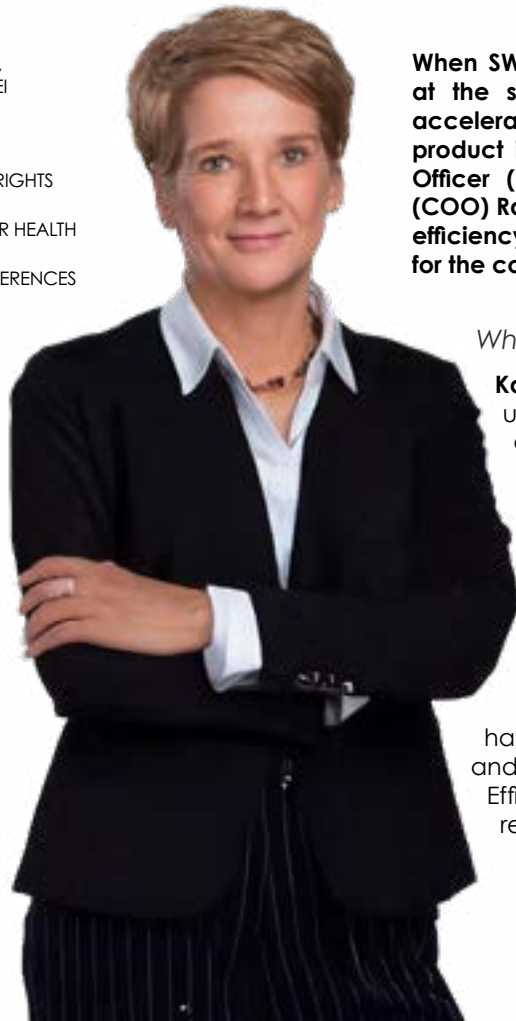
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> CROSS EDITORIAL

HOW EFFICIENCY, AND A DETERMINATION TO SUCCEED HAVE LAID THE FOUNDATIONS TO SUSTAINABILITY AT SWM



When SWM International became an independent company at the start of 2024, it immediately announced plans to accelerate its investments in manufacturing excellence, product innovation, and sustainability. Here, Chief Executive Officer (CEO) Katrin Hanske, and Chief Operating Officer (COO) Raoul Hervé, consider recent successes around energy efficiency and new products, as well as what the future holds for the company.

What does sustainability mean at SWM?

Katrin Hanske: Our sustainability strategy encourages us to innovate to meet our customers' designs, while at the same time putting efficiency at the centre of our processes. Many of our customers have clear views on the type of materials they want to use in their products, and finding ways to use them is a challenge that we are happy to take on. So, by specifying alternatives, such as lightweight paper over plastic, together we are pushing industries in a more sustainable direction.

Raoul Hervé: Sustainability is about constantly thinking about how we can reduce our impacts. We have a responsibility to make sure that we are cautious and conscious in the way we use natural resources. Efficiency is one of the key drivers across the business, by reducing our consumption of energy and water, such as the savings achieved at Quimperlé, France, and cutting the level of waste we are producing, we can continue to make a difference.

“ Our experience enables us to **anticipate** what regulations are coming next and that gives us a head start when it comes to innovation, something that our customers appreciate as it helps them to stay ahead of the game, too. ”

Katrin HANSKE, CEO

As a business, what are the values that you believe set SWM apart?

KH: What really drives this company is that when we decide to do something, then we really have the ambition to be the best. Our slogan, 'Trusted Legacy, Innovative Future,' means we use our proven history of reliability as a foundation to drive the innovations of tomorrow. We are scientists and engineers at heart and we don't run away from a problem, we solve it.

RH: I think that the fact that our customers trust us says a lot about the type of business we are. What we do, we do thoroughly, and with our expertise, science and know-how, our customers know we will deliver a solution that works. This idea of a trusted legacy is something which will help us to continue to innovate in the future.

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Diversification is a word on everyone's lips at the moment – what role is it going to play in the future of SWM International?

KH: While tobacco remains a significant market, we are strongly committed to sustainable packaging, using our unique expertise in ultra-lightweight papers to make a significant impact. Our ambition is to excel in areas where there's a demand for these papers, such as for food and medicines, as well as tobacco packaging. What helps us stand out is that we are already developing ways of reducing single-use plastics with new products that provide the same high level of functionality.

RH: Diversification is a reality for us, and we are growing outside of tobacco. If we want to create a regenerative and long-term business, we need to question where we want to be in 20 years. Biodegradable filters, transparent and lightweight packaging, reducing the use of plastic, these are all areas that we must continue to develop. The speed of that diversification will depend on both our own expertise and innovation but also the openness of our customers to adapt to more sustainable solutions.

Are there any areas of your work on ESG that you feel may get overlooked?

KH: Community is at the heart of our company. The fact that we are the largest single employer in many areas, with generations of the same family often working for us, gives us a profound responsibility to operate with a long-term commitment, remain aware of our role, and listen to the concerns of local people. It's thinking like this that makes the company special; we are much more than just a corporation.

RH: There are risks within all our facilities, which is why safety remains our top priority. It's a shared responsibility that starts with employees looking out for each other and goes beyond simply following regulations. We have a set of Golden Safety rules which encourage people not to settle for the basics, such as wearing

the correct Personal Protective Equipment (PPE), but to take time to stop and reflect before they do something, especially when it's a process that they're not familiar with.

What role the employees are playing in promoting sustainability both internally, but also to your customers?

KH: In terms of sustainability, my responsibility as an employer doesn't stop with our carbon footprint, or our water reduction targets. I want to make sure that our employees understand the environment we operate in. The term training doesn't really capture what we're doing; it's more about providing our employees with an education on ESG. When they go home and close their front door, we want them to still think about sustainability and what they can do as an individual.

RH: Our heritage is in a very regulated industry, and as a result we have an experienced compliance team who don't just understand current regulations but also anticipate what is going to happen further down the road. It's a huge benefit to the business that they can bring so much experience and expertise to the table. Being able to anticipate what comes next also gives us a real head start when it comes to innovation, and that is something that our customers appreciate, as it can help them to stay ahead of the game, too.

“ We need to move from the short-term to the long-term in order to have a truly positive impact on the planet. And that's an exciting journey that we are now on. ”

Raoul HERVÉ, COO



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SWM ID CARD & INTERNATIONAL FOOTPRINT

Driving Innovation with **High-Performance,**
Tailor-Made Solutions



Our expertise

SWM is the market brand for sustainable, safe and intelligent lightweight materials encapsulating solutions for nicotine and tobacco industry but also highly technical papers for essential markets such as flexible packaging, surface protection, technical filtration and energy storage.



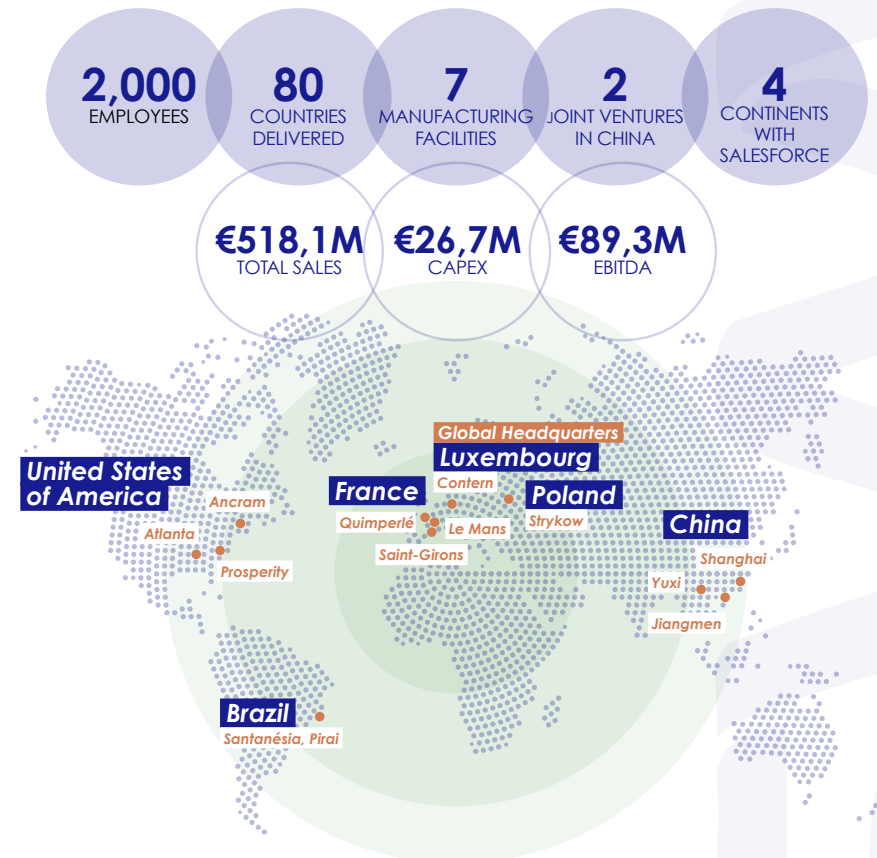
Our story

SWM International, a privately owned company, officially began as a spin-off from the Kimberly-Clark Corporation in 1995. However, our roots go back to 1545 with the opening of our first paper mill in the south of France.

In the decades that followed, we expanded our global paper operations, opening key locations across Europe, North and South America, and in China. We were pioneers in the paper industry, innovating and adapting to the changing world around us.

Working alongside our key partners, our team of experts continues to push the boundaries of innovation, exploring new ways to make our products more intelligent, safer and more sustainable.

A **closer proximity** with the markets



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> PROFILE | SWM ID CARD & INTERNATIONAL FOOTPRINT



Our vision

To become the **global leader in innovative, sustainable and lightweight solutions** for our partners **across multiple industries**.

Our commitment to **science-based innovation, manufacturing excellence and the creative ingenuity of our people** is grounded in our strong values that make a difference around the world.



Our mission

We optimize the **properties of botanicals and natural fibers** by creating the **highest-performance** products and **tailor-made** solutions built on **generations of knowledge**.

We forge solid **partnerships with our customers**, we transform markets and communities using **outside-the-box eco-design thinking** and **science-driven innovation** to manufacture the **products of the future**.



Our values



EMPOWERMENT

We provide our employees with operational responsibility and empower them to develop and perform to the best of their talents.



INTEGRITY

Our employees are aware of and comply with rules and regulations. Ethical and responsible conduct is fundamental to the way we do business.



CUSTOMER FIRST

We create a positive customer-focused culture. Our customers value the SWM experience and relationship.



EXCELLENCE

We are committed to continuous improvement, safety, high quality, a dedication to doing things the right way to exceeding expectations and achieve the best results.



SUSTAINABILITY

We are focused on sustainable, profitable growth through the development and manufacturing of products that ensure a positive impact on our communities.



COMMITMENT

We are committed to developing and motivating our people, nurturing their talents and developing new skills. The safety of our employees is the company's first priority.

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> PROFILE | VALUE CHAIN

A VALUE CHAIN NEEDS SUSTAINABILITY AT ITS HEART

How we manage our value chain is a crucial part of our sustainability strategy and allows us to understand and address our environmental and social impacts across the entire lifecycle of our products.

At SWM, our value chain covers our upstream activities, which largely relate to sourcing and managing raw materials, our own internal operations and activities, and downstream activities around product use and end-of-life.

By analyzing our value chain, we can identify areas where we can reduce waste, improve efficiency, and minimize our environmental footprint. This deep understanding of our value chain is also an important element of our Double Materiality Assessment.

At the same time, by showing that sustainability is at the core of what we do, we can enhance our reputation, attract new customers and investors, and build stronger relationships with stakeholders.

Alongside our internal stakeholders, our employees, we also have external stakeholders, who include suppliers, customers, distributors, and legislators.

WE PRODUCE

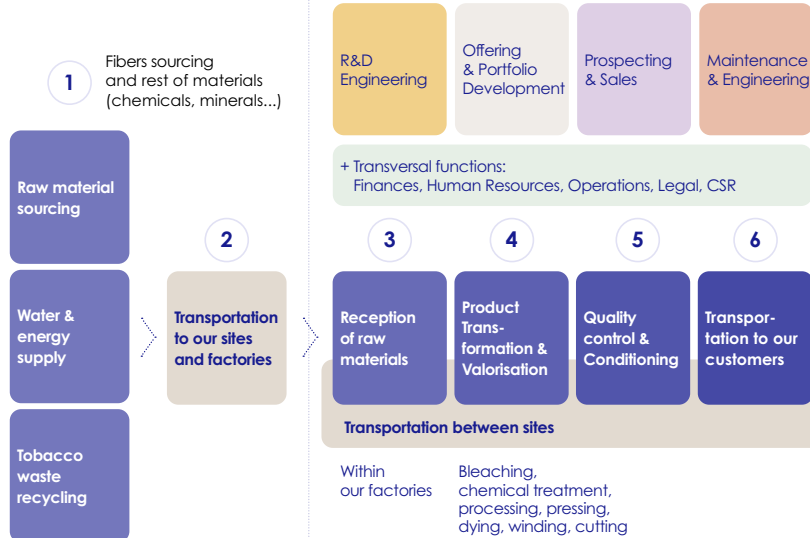
COMBUSTIBLE & SMOKE-FREE
SOLUTIONS

SPECIALTY PAPERS

PACKAGING SOLUTIONS

UPSTREAM

Activities related to sourcing and managing raw materials before production

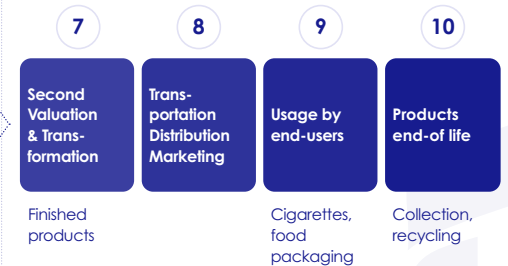


OWN OPERATIONS

Internal activities and processes directly controlled by SWM to produce goods

DOWNSTREAM

Product transformation, usage, and end-of life



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& PUBLICATIONS> **PROFILE | BUSINESS MODEL****OUR MISSION**

OFFER TAILOR-MADE SOLUTIONS TO HELP OUR CLIENTS TO WIN IN THE MARKETPLACE,
AS WELL AS TRANSITION TOWARDS SAFER AND MORE SUSTAINABLE SOLUTIONS.

WE RELY ON...**OUR WORLDWIDE TEAMS & COMMUNITIES**

- 2,000 employees worldwide
- 17% of women and 83% of men
- 40 nationalities represented in 7 major countries around the world

OUR INNOVATIVE PRODUCTS & SERVICES

- 7 manufacturing facilities worldwide
- 54 heads in our Research, Innovation and Development (RID) team
- 100% plants certified ISO 9001 & 14001
- Member of CORESTA

OUR GLOBAL PARTNERSHIPS

- 27 partners/clients with a commercial relationship of more than 10 years

OUR MANAGED ENVIRONMENTAL FOOTPRINT

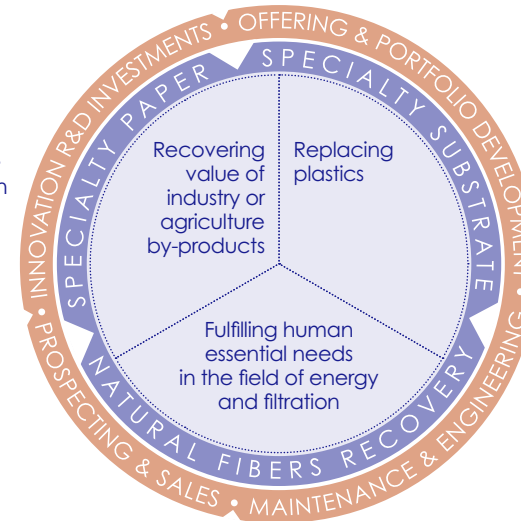
- Strategy to reduce our environmental footprint (limiting greenhouse gases, reducing plastic use, decarbonization, waste management)
- Climate strategy aligned with 1.5°C trajectory validated by SBTi
- FSC® certification
- 100% of our RID projects are eco-scored

OUR FINANCIAL INDEPENDENCE

- Shareholders
- Solid financial foundations
- Changes in equity and amount

■ OUR BUSINESS

We use our industrial capabilities and human competencies in ultra-lightweight paper processes and in recovering botanical by-products to produce sustainable solutions with the aim of...

**■ OUR EXPERTISES****■ OUR CHALLENGES****...TO CREATE VALUE FOR****OUR TEAMS**

- 985 (53% of the organization) with more than 10 years of seniority
- 100% of employees trained
- Golden rules program implemented to prevent injuries (objective to reach zero injuries)

THE SOCIETY & THE COMMUNITIES

- Specific subsidies and labels
- Diversity and inclusion
- 50,000 € allocated to community projects
- 20 associations supported

THE ENVIRONMENT

- All sites with a greenhouse gas reduction trajectory
- Actual reduction of scope 1&2 GHG emissions by 20% in 2024 vs 2020
- Target to reduce scope 1&2 GHG emissions by 55% in 2033 vs 2023
- Energy efficiency plan (15% reduction target)
- Waste management
- 16% of employees trained to the Climate Fresk
- Internal health campaigns

> PROFILE | GROWTH PLATFORMS

BUILDING AN ENTREPRENEURIAL BASE FOR FUTURE GROWTH

As part of our Business Strategy Plan, we have developed two key Growth Platforms (GP): Filtering Media for Tobacco, and Packaging for Tobacco & Non-Tobacco. Both platforms are designed to encourage creativity and innovation within our teams, building on our existing portfolio of products, experience and strong relationships with customers, to help us become a global leader in sustainable solutions.

The platforms operate like innovative start-ups within SWM and provide an environment that supports calculated risk-taking, agility and speed. Each platform is empowered with its own cross-functional team, allowing it to work autonomously, experiment smartly, and explore different avenues, with the goal of developing stronger relationships with new markets and ultimately delivering faster results.

“Embracing a growth mentality is more about understanding quickly what works and what doesn’t. Fostering a collaborative ecosystem and working closely with customers, partners, and suppliers is the best way to free ourselves from the constraints of current technology.”

Katrin HANSKE, CEO

Packaging

Growth Platform

Packaging today demands better performance, greater sustainability and less environmental impact. Our vision is to establish SWM International as the global leader in ultra-lightweight flexible paper by expanding our portfolio and partnering with industry leaders to drive the transition away from single-use plastics and help brands make more responsible choices.

• Think BIG

We embrace bold innovation, constantly pushing the boundaries of paper science to create materials that redefine what’s possible.

• Pack LIGHT

We focus on resource efficiency, developing ultra-lightweight solutions that minimize the environmental footprint while maximizing performance.

Packaging Growth Platform Lead:

Philippe Ragot

> Vice President and General Manager leading the SWM International’s Packaging Growth Platform

“We envision a world where packaging is smarter, more innovative, lighter, and inherently sustainable. Our mission is clear: unlock the future of packaging with ultra-lightweight paper solutions, drive the transition away from single-use plastics, and empower brands to make responsible choices.”

Filtering Media

Growth Platform

As our legacy markets decline, filtering media represents a critical area for our long-term expansion: our goal is to lead the conversion from Cellulose Acetate to a new sustainable filter standard. By complying with the EU’s Single-Use Plastic Directive (SUPD), reducing CO₂ emissions 65% to 80% and being certified as Marine and Soil biodegradable, our Evolute® solutions offer outstanding sustainability eco-credentials while delivering performance. To support the platform, we are investing in equipment, new methods, and technology to streamline analysis, enhance knowledge creation, and facilitate migration toward sustainable alternatives.

Filtering Media Growth Platform Lead:

Jorge Balthazar

> Vice President, General Manager leading the SWM International’s Filtering Media Growth Platform

“Through the platform, we are partnering with external experts to develop this new generation of products, which match traditional filters in terms of taste and consumer satisfaction, as well as offering the same level of manufacturing efficiency.”



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> PROFILE | GOVERNANCE

A LEADERSHIP TEAM SHAPING THE JOURNEY TOWARDS INNOVATION AND EXCELLENCE

Executive **Leadership Team**

Our Executive Leadership Team (ELT) is responsible for the day-to-day operations of the business, as well as long-term strategic planning. Chaired by the Chief Executive Officer (CEO), the ELT meets monthly or, if required, on a more frequent basis, to discuss SWM performance, including strategy, budget and forecast.

The members of the ELT are appointed by the CEO and report to the CEO. The ELT is composed of the CEO, the Chief Financial Officer (CFO), and heads of businesses and functions presented below:



Katrin Hanske

President
Chief Executive Officer

Market Segments Leadership Team

Filtering Media Growth Platform Jorge Balthazar Vice President & General Manager	Combustibles Alternative Markets Specialties Alex Boone Vice President & General Manager	Recon & Reduced Risk Products Bruno de Veyrac Vice President & General Manager	Packaging Growth Platform Philippe Ragot Vice President & General Manager	Global Sales Guilherme Costa Vice President	Project Manager Officer Vincent Duborgel Head of Corporate PMO	Chief Operations Officer Raoul Hervé Senior Vice President	Chief Financial Officer Piotr Matczak Vice President	Supply Chain & Chief Information Officer Giuliano Scilio Vice President	Chief Legal Officer David Ronald Surbey General Consul
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> PROFILE | GOVERNANCE

A COHESIVE GOVERNANCE STRUCTURE TO IMPLEMENT THE ESG STRATEGY

Group **ESG Committee**

SWM sustainability performance is reviewed with the support of monthly reporting. The ESG team meets on a monthly basis, or more frequently if required, to discuss company performance, including strategy, budgets and forecasts.

The CEO defines sustainability targets in line with the company business strategy and ensures that the company has adequate resources and capabilities to implement them and is committed to ensuring that we carry out operations responsibly, respecting our people, communities and the planet.

The sustainability function, headed by the Global ESG Director, regularly prepares the materiality assessment process and collaborates with the CFO to monitor and update sustainability dependencies, impacts, risks and opportunities.

The Chief Operations Officer is responsible for reporting on the company's sustainability progress and raising issues to the Executive Leadership Team agenda.

The development and implementation of the sustainability agenda across the Group is coordinated by the Group Sustainability Function. This function is composed of experts in the core fields of sustainability, providing subject-matter expertise throughout the organization.

Executive Leadership Team (ELT)



Group **ESG committee**

Katrin Hanske, ELT lead on ESG
Marc Bettoli, Global ESG director

CLIMATE CHANGE	<ul style="list-style-type: none"> • Giuliano Scilio • Piotr Matczak 	NATURAL RESOURCES	<ul style="list-style-type: none"> • Raoul Hervé
ECO-DESIGN	<ul style="list-style-type: none"> • Raoul Hervé • Philippe Ragot 	H&S, WELL-BEING, DEI, COMMUNITIES	<ul style="list-style-type: none"> • Katrin Hanske • Raoul Hervé
SUSTAINABLE PROCUREMENT, ETHICS, HUMAN RIGHTS	<ul style="list-style-type: none"> • Giuliano Scilio • Ron Surbey 	FINAL CONSUMER HEALTH	<ul style="list-style-type: none"> • Bruno de Veyrac • Guilherme Costa



Operational working groups

> PROFILE | ESG STRATEGY

MAKING A THINPACT: DRIVING SUSTAINABILITY WITH PURPOSE

Our **ESG Journey**



Marc **BETTOLI**,
Head of ESG at SWM



At SWM, sustainability is not a trend — it's a fundamental transformation. In 2021, we launched Thinpact, our ESG strategy designed to embed environmental, social and governance principles across every aspect of our operations. More than just a framework, Thinpact expresses our long-term ambition: to minimize our environmental footprint while creating positive, lasting value for our customers, partners, employees and wider society.

When it comes to **climate action**, we're taking concrete steps. We've implemented plans to reduce greenhouse gas (GHG) emissions from our direct operations — Scopes 1 and 2 — which are largely generated by purchased electricity and steam production. But we know real impact also lies beyond our own walls. That's why we've set our sights on reducing Scope 3 emissions — those from our value chain. In 2024, we hosted a supply chain summit dedicated to decarbonization, uniting key partners to explore collaborative solutions for a lower-carbon future.

Preserving **natural resources** is another central focus. As a manufacturer working with essential materials like wood pulp and water, we take our role seriously. We've committed to responsible sourcing by joining sustainable forestry initiatives such as the Forest Stewardship Council® (FSC®), ensuring full traceability and protecting against deforestation. We're also innovating in water reuse and minimizing ultimate waste in our production processes — a challenge we tackle hand in hand with our suppliers. (•••)

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(•••) Our **eco-design** philosophy is changing the way we develop products. Sustainability is no longer just about what a product is made of — but how it's made. In 2024, we rolled out dedicated training for Research and Development (R&D), product, and operations teams to create a common sustainability language across departments. This empowers better design decisions and encourages innovation. A great example is our **Reconstituted Tobacco Filler**, which transforms waste tobacco into a valuable resource — avoiding landfill and closing material loops.

“By helping to embed ESG thinking at all levels of the company, we can put ourselves in the best possible position to make the most of this growing momentum and develop a more sustainable future.”

But we know that sustainability also depends on people. That's why we focus on education and engagement. Through Thinpact, we've introduced workshops like **Climate Fresk**, which help employees understand the science, urgency, and impact of climate change. The ESG and Human Resources teams have decided to accelerate the pace by introducing an international volunteer team of Climate Fresk facilitators within the company. In 2024, we launched **The Week**, a dedicated program for company leaders designed to deepen climate knowledge and leadership.

What makes Thinpact unique is not only its structure but its spirit. It's a living strategy, designed to evolve with our business and the world around us. It's driven by passion — from the ESG team to every department — and by a strong belief that progress happens through collaboration.

Thinpact isn't a finished journey. It's an ongoing commitment to rethink, redesign and reduce. And above all, it's our way of making sure that sustainability is not just a value — but a shared responsibility and a source of innovation.

> PROFILE | ESG STRATEGY



OUR VISION

“We believe that more can be achieved with less.”



OUR AMBITION

We want to be a front runner in sustainability related topics in our industry and help our clients in their 3P (People, Planet, Profit) transition through technical solutions and knowledge sharing.



OUR MISSION AND COMMITMENT

Setting an example in our own industry by researching and developing sustainable processes and solutions, while being authentic and transparent about the stage we walk through.



OUR REASONS TO BELIEVE

We belong to a sustainable business (centuries old company) and paper is the historical product of the “house”.

We are constantly exploring ways to better source our ingredients, to improve the circularity of our processes, to upcycle botanical ingredients to create high quality natural fibers.

We work hand in hand with local communities and keep developing better communication and joint projects.

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> PROFILE | ESG ROADMAP

THINPACT: OUR ESG ROADMAP AROUND 6 PILLARS

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ESG PILLARS		CLIMATE CHANGE	NATURAL RESOURCES	ECO-DESIGN	SAFE & INCLUSIVE WORKPLACE	SUSTAINABLE, PROCUREMENT & ETHICS	FINAL CONSUMER HEALTH
ESG AMBITION		We are committed to act on climate change mitigation by reducing GHG emissions in accordance with Paris Agreement, mobilizing the decarbonization of our value chain and educating our stakeholders.	We are committed to be cautious and conscious in the way we use natural resources, focusing on how to manufacture and what to manufacture.	As producer of lightweight and ultra-lightweight papers we are committed to be the partner of choice to develop a portfolio of products based on eco-design principles and science-based certified.	As a long-established company, with a rich heritage and a proud history of retaining our employees we are committed to protect our employees and local communities in which we operate.	We are committed to follow very strict governances in the way we select our suppliers and in the way we supply the markets focusing on trust and long-term partnerships.	We are committed to supporting our customers in their transition to reduced-risk products and to develop solutions better for health and end-users safety focusing on regional challenges.
2030 TARGET AND KEY ELEMENTS		Reduction of energy intensity	Reduction of water intensity	Science-based assessment of all products footprint	Highest industry standards on Safety: SWM golden rules	Long term partnerships	Proactive product and compliance stewardship
		Switch to renewable energy	Elimination of waste to landfill	Circularity and bio-based guiding principles	SWM "inside and outside" communities' development	Value chain engagement and collaboration in decarbonization	Supportive collaboration to smoke-free future
		Validated science-based targets	Zero deforestation in pulp supply chain with EUDR readiness				PFAS-free products

Supporting the **SDGs**

Our work around ESG are linked to the 17 Sustainable Development Goals (SDGs), which were launched by the United Nations in 2015. They link together the need to end poverty, improve health and education, and reduce inequality, with efforts to tackle climate change and biodiversity loss.

Through our actions, we are addressing nine of the SDGs:



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> PROFILE | DOUBLE MATERIALITY ASSESSMENT

EMBRACING A NEW HOLISTIC AND TRANSPARENT WAY TO REPORT ON OUR ACTIONS

Like many organizations across Europe, SWM International is working towards compliance with the EU's Corporate Sustainability Reporting Directive (CSRD) in 2028.

A key step in this process is to complete a Double Materiality Assessment (DMA), a framework that brings a more holistic approach to our reporting strategy.

By assessing both our environmental and social impacts (impact materiality) and how sustainability issues affect our financial performance (financial materiality), a DMA goes further than traditional financial materiality, which only focuses on how sustainability factors impact a company's bottom line.

The first step of our DMA was about knowledge-gathering and bringing in expertise from across the company to build a collective understanding of what sustainability meant at SWM International. The topics covered include a range of environmental, social and governance issues, such as biodiversity, waste management, working conditions, and corporate

culture. CSRD legislation requires a highly rigorous and transparent approach to non-financial reporting, so it was essential that we also brought a financial perspective to the process. Then, working with sustainability consultancy, we built a more transparent and sustainable approach to reporting in line with our values and compliance requirements.

The broad and detailed coverage of sustainability topics enabled by the DMA isn't just important from a regulatory perspective. By measuring and monitoring a wider range of impacts, it provides a framework to strengthen our existing strategy, ensuring we operate sustainably in the long term.

The DMA was completed at the start of 2025 and has allowed us to identify **27 key IROs** – Impacts, Risks and Opportunities – including **18 material IROs and 9 non-material ones**, which are a key element of the European Sustainability Reporting Standards (ESRS). **Our 18 material IROs have now been linked to the six pillars of our sustainability strategy, Thinpact.**

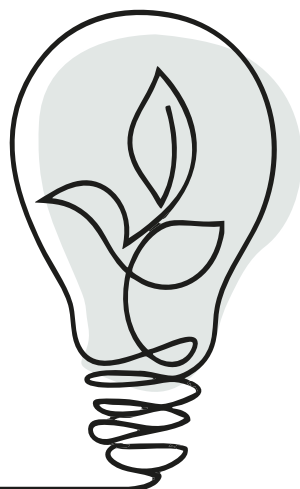


“The DMA has helped us to highlight the major impact areas across our value chain, allowing us to be much more specific and comprehensive in our critical issues for the business such as climate, water usage and deforestation.”

Marc BETTOLI,
Head of ESG at SWM

ESRS TOPIC	FINANCIAL MATERIALITY	IMPACT MATERIALITY	CLIMATE CHANGE	NATURAL RESOURCES	ECO-DESIGN	HEALTH & SAFETY, WELL-BEING & DEI	SUSTAINABLE PROCUREMENT, HUMAN RIGHTS	FINAL CONSUMER HEALTH
E1 Climate change	Yes	Yes	●		●			
E2 Pollution	Yes	Yes		●	●			
E3 Water & Marine resources	Yes	Yes		●	●			
E4 Biodiversity & Ecosystems	No	Yes		●	●			
E5 Circular economy	Yes	Yes		●	●		●	
S1 Own workforce	No	Yes				●		
S2 Workers in the value chain	No	Yes					●	
S3 Affected communities	No	Yes				●		
S4 Consumers and end-users	Yes	Yes						●
G1 Business conduct	Yes	Yes					●	

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> CLIMATE CHANGE

HOW WE'RE USING ENERGY EFFICIENCY AND GREEN POWER TO CUT OUR EMISSIONS

Key Impacts, Risks & Opportunities:

- **Impacts:** GHG emissions throughout the entire value chain. Nearly 75% of the emissions come from scope 3. The remaining 25% is attributed to our own operations using fossil-fuel-based sources of energy.
- **Risks:** scarcity and price volatility of fossil fuels, transition-related effects on regulation and raw material prices.
- **Opportunities:** business development of low-carbon product offers.

We recognize the urgency of the environmental crisis and the role that businesses must play in mitigating its effects. Energy is at the heart of our ESG program, and we are reducing consumption and investing in new green energy solutions. We are also working with our supply chain to reduce market-based emissions and to ensure our employees have the knowledge and the confidence to take action on climate change, both at work and in their daily lives.

Targets & Progress:

-55%

scope 1&2
and by -35% scope 3
of GHG emissions from
2023 to 2033

-7%

scope 1&2
from 2023 to 2024

Energetic mix in 2024 (evolution since 2020)

12% nuclear (-1%)

26% renewable sources (+8%)

62% fossil fuel (-7%)



Build resilient infrastructure,
promote inclusive and
sustainable industrialization
and foster innovation



Take urgent action to
combat climate change
and its impact

ELT Sponsors:

Giuliano Scilio > Supply Chain & Chief Information Officer at SWM

Piotr Matczak > Chief Financial Officer at SWM



Score report
Climate change 2024: B



3 QUESTIONS TO... Giuliano SCILIO

Supply Chain & Chief
Information Officer at SWM

Why is there such an emphasis on energy efficiency?

While we're a global business, we're not a huge corporation, so we need to be resourceful. We need to do more with less. We need to be agile and practical. We need to avoid waste. Not only is this the right thing to do for the planet, but it's a strategic way of working, too.

How are you addressing Scope 3 emissions?

Last year we held a summit with our key suppliers looking at ways in which we can work together to cut emissions in the supply chain. One of the things we discovered is that innovation is not just about a breakthrough event with a new product, it is also about small changes. For instance, just by arranging a pallet differently we can maximise the load on a truck and reduce emissions. Our suppliers regularly tell us that we are doing more that most of their customers, so we are definitely going in the right direction.

What's next for energy at SWM?

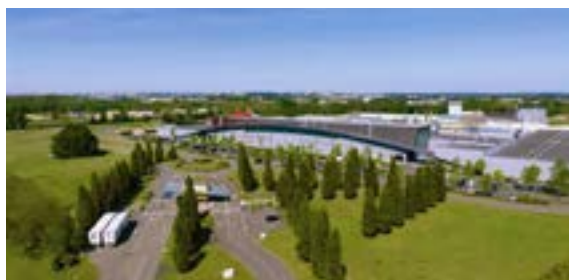
Our second biomass boiler is set to go on line in Quimperlé, France, by the end of 2025, which is the next big landmark for us around energy. However, we are also starting to investigate the potential of solar, and are looking at options to install panels at our Le Mans site, France, which could generate 12GWh a year.

OUR CARBON **FOOTPRINT**

In 2021, we set two energy objectives: to reduce the energy intensity of our products by 15% by 2026 and reduce carbon emissions by 55% from 1990 to 2030, in accordance with the EU Green Deal framework.

Our roadmap to decarbonization, as outlined in our recent commitment to the Science Based Target initiative (SBTi), covers all upstream and downstream activities in our value chain, from how and where raw materials are sourced, to transportation and end-of-life treatment.

The first phase of our roadmap, a full-scale analysis of our Scope 3 carbon footprint, is already underway, with the findings set to define a decarbonization roadmap for our supply chain. This reflects the fact that with energy efficiency and emissions reduction plans now implemented at all our sites, the biggest impact on our remaining carbon footprint is through our supply chain.



SWM INTERNATIONAL GHG EMISSIONS, TCO₂EQ

		2024	2023	2020 baseline
Location based	Scope 1	75,419	73,298	114,016
	Scope 2	47,537	59,260	74,088
	Scope 3	338,516	378,710	341,983
①	Purchased goods and services*	191,259	209,197	155,186
②	Capital goods	8,041	1,468	2,765
③	Fuel and energy-related activities	36,475	31,829	39,009
④	Upstream transportation and distribution	30,902	45,281	82,097
⑤	Waste generated in operations	505	739	1,410
⑥	Business travel	1,204	862	3,961
⑦	Employee commuting	2,123	2,021	2,300
⑧	Upstream leased assets	-	1,196	264
⑨	Downstream transportation and distribution	19,594	12,030	11,730
⑩	Processing of sold products	43,453	46,261	6,988
⑪	Use of sold products	n/a	n/a	n/a
⑫	End of life treatment of sold products	4,960	1,504	1,200
⑬	Downstream leased assets	-	7	172
⑭	Franchises	n/a	n/a	n/a
⑮	Investments	-	26,315	34,901
Total emissions		461,472	511,268	530,087
Total scope 1&2		122,956	132,558	188,104
Scope 1&2 intensity, tCO ₂ eq/MT		0.833	0.901	1.355
Scope 3 intensity, tCO ₂ eq/MT		2.292	2.573	2.464
Total production volume (MT)		147,670	147,185	138,806

SCOPES BY DEFINITION

Corporate GHG emissions are divided into three "Scopes" according to their sources:

- **Scopes 1 and 2** refer to emissions caused directly by operations, such as factories and paper mills.
- **Scope 3** is outside of our direct control and relates to emissions from "upstream" activities, such as sourcing raw materials, and "downstream" activities, such as the end-of-life treatment of our products. Together, they make up a significant proportion of our carbon footprint.

OUR GOAL

-15%

Reduction in energy
intensity over 5 years
(from 2021 to 2026)

OUR PROGRESS

-9%

Reduction in energy
use achieved
by the end of 2024

*Change in methodology: since 2023 tobacco leaves EFs are based on a customer LCA. Increase by +70kt

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HOW **ENERGY SOBRIETY AND EFFICIENCY** ARE HELPING TO CUT OUR EMISSIONS

The idea of energy sobriety and efficiency involves using less energy to produce products, in two separate phases: first, reduce the energy need (sobriety); second, use the smallest amount of energy for the required need (efficiency). To achieve this, we have introduced a specific energy reduction program, structured around a monthly meeting of a global energy committee, which is made up of mill managers and their respective energy managers, and organized by Florent Martin, SWM's program leader of energy reduction, as well as the teams in charge of our production processes.

These allow them to share best practices and align on improvement plans. The program has led to a raft of ongoing energy reduction initiatives across our sites based around greater efficiencies on production lines, the clever use of “wasted” energy to heat buildings, and the introduction of smart controls, such as LED lighting with automatic shut-offs. Through this program we have reduced the global energy intensity of our direct operations by more than 9% vs 2021 baseline.

Le Mans and Quimperlé lead the way in biomass

Switching fuel sources is the other key way in which we are reducing our carbon footprint. We installed our first biomass boiler in Le Mans in 2014 and since then it has helped us to avoid around 20,000 tons of annual CO₂ emissions.

The success has led to investment in a second boiler in Quimperlé, which will begin operating at the end of 2025, leading to estimated further savings in CO₂ of nearly 20,000 tons, or 75% of all our emissions.

The biomass we use in Le Mans is sourced locally as a by-product from the forestry sector, while in Quimperlé we also intend to make use of waste and scrap wood, such as old furniture.

Using more biomass will help us to virtually eliminate all our fossil fuel use at the site, including our annual consumption of between 110-120 GWh of natural gas. This will have a positive effect on our environmental impacts, is more cost-effective and helps to address some of the actual geo-political issues around the supply of natural gas.



France and Brazil play the energy mix

We are also investigating the use of **Power Purchase Agreements (PPAs)**, covering wind and solar, for all our French sites. PPAs provide us with a predictable pricing structure for energy, while providing long-term revenue certainty for renewable energy generators, giving them the confidence to develop new projects.

Our two biggest consumers of energy are our sites in Brazil and France, where **hydropower and nuclear** play major roles in the energy mix respectively. This means they are two countries where emissions from the electricity grid are comparatively low. This is a key reason why we have focused our efforts on energy reduction and decarbonization of thermal energy (which in our case largely means emissions produced by natural gas) as this will have the most significant impact on the reduction of CO₂eq emissions linked to our activities.

OUR ROADMAP TO **DECARBONIZATION**

On the way to meet the Science Based Targets initiative

As part of our journey to be carbon neutral by 2050, we have submitted a corporate decarbonization commitment to the Science Based Targets initiative (SBTi), which aligns with the goals of the Paris Agreement.

The SBTi is a leading independent assessment body that helps companies to chart an evidence-based path to achieving net zero greenhouse gas (GHG) emissions. Our commitment is helping us to develop a deeper understanding of our environmental impact and the changes we need to make both inside and outside the organization.

We have already introduced numerous measures to reduce emissions on our sites, but our commitment also makes the reduction of Scope 3 emissions in our value chain a key strategic priority.

To achieve this, close collaboration across our supply chain is essential. We have analyzed our Scope 3 carbon footprint and used the data to develop a decarbonization roadmap for our supply chain, which we launched at a special supply chain summit in June 2024.

This work will also help to ensure that we align with the sustainability ambitions of our clients, with the roadmap providing more transparency on our efforts to cut emissions.

“The targets are a catalyst for change and far from being just a rubber stamp, they will be the basis for coordinated and ambitious efforts across the company.”

Marc **BETTOLI**,
Head of ESG at SWM

Santanesia success story

At our Santanesia mill in Brazil, we're taking a bold step toward greater sustainability and efficiency with the upgrade of Paper Machine #6 (PM6). By fully enclosing the machine's hood we aim to significantly reduce steam consumption, lower energy costs, and minimize our carbon footprint. PM6 currently accounts for 58% of the site's total steam usage. Its semi-closed hood and open basement design lead to energy losses and inefficient cooling. With this project, we're addressing these issues head-on by installing an automated, fully enclosed hood system, improving drying section performance and safety.

Upgrades include temperature and humidity sensors for automated climate control, automated access gates, and compliance with Brazilian NR12 safety regulations. These improvements, powered by Braincube technology, will optimize performance while ensuring operator safety and reducing environmental impact.

As Maintenance Manager Kirk Bastos notes, “By consuming the energy generated from steam, we reduce our reliance on natural gas.” For EHS Manager Ramon Teixeira, this project is “key to minimizing environmental impact without compromising efficiency.” And Plant Manager João Andrade adds, “It strengthens our competitiveness while supporting sustainable growth.”

“SWM strategy across the globe is to implement higher standard measurements for safety while achieving manufacturing excellence. This is how we build awareness and better understand where we need to fix things. This year, in Santanesia, our focus is to significantly increase performance on our PM6.”

Raoul **HERVÉ**,
COO at SWM

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TAKING A FRESH APPROACH TO CLIMATE ACTION

Educate, sensibilize and embark

Training and engaging with our employees is an essential part of becoming a more efficient business, and in 2022, we began working with **Climate Fresk**, an international NGO with a mission to accelerate understanding around climate issues and encourage people to take action. Since then, our employees have been attending interactive workshops and working together to explore the drivers, mechanisms, and consequences of climate change.

We now have 23 trained Climate Fresk facilitators working across all our sites, who are leading workshops and helping to raise awareness of climate change. By the end of 2024, more than 270 employees – or 16% of the workforce - have taken part in the training, with a goal of achieving 40% by the end of 2025.



Climate Fresk is also designed to encourage employees to come up with their own suggestions for environmental changes and improvements. In Le Mans, for instance, four new employee groups, involving 25 people, have been created. One group manages a community fruit and vegetable garden, while another is working with a local chef to champion vegetarian cooking at a series of regular workshops. A third promotes cycling, especially for commuting to work, while a fourth is establishing a repair café in the town.

In 2024 we also staged **The Week**, climate training for the company's top 50 managers, ensuring that the growing awareness and understanding of climate change and sustainability is embedded at the very top of the business.

OUR GOAL

40%

of SWM employees
to be trained
by the end of 2025

OUR PROGRESS

16%

of the workforce
had been trained
by the end of 2024



“The training is designed to be engaging and educational, and give people the knowledge and the know-how to engage with climate change initiatives at work and in their communities. We want it to empower people to act on climate change.”



Christophe **RIGOULAY**,
Life cycle analysis engineer and
Climate Fresk Facilitator at SWM

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> NATURAL RESOURCES

USING RESOURCES RESPONSIBLY: A **KEY MEASURE** OF OUR PROGRESS

Key Impacts, Risks & Opportunities:

- **Impacts:** pollution of ecosystems, depletion of water resources (raw material and own operations) and biodiversity associated with forestry practices.
- **Risks:** failure to comply with environmental permits and standards, as well as water scarcity in drought periods.
- **Opportunities:** business development of paper-based solutions for air and water filtration.

Climate change and tackling our emissions are only one part of our sustainability story. We also need to focus on how we use natural resources, from the forests where we source our wood pulp to the water that we use in our papermaking process. We also need to be aware of any waste that we produce, whether through our processes or the products that we create, using innovation to create a new generation of cleaner, greener products.

Targets & Progress:

-25%

of water intensity
from 2020 to 2030

**Due diligence on
zero-deforestation
impact of wood-
based raw material**
(EUDR compliance for all sites)

97%

of the water used in
the paper producing
operations go
back to the natural
environment



Ensure availability and sustainable management of water and sanitation for all



Conserve and sustainably use the oceans, sea and marine resources for sustainable development



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss



3 QUESTIONS TO...
Raoul HERVÉ
Chief Operations Officer
at SWM

What's been the company's biggest success in helping to reduce pollution?

We are incredibly proud of the work we have done around Evolute®, creating a cigarette filter that biodegrades and disperses in water without leaving any plastic residue. Working with the industry, we are helping solve a problem that has persisted for decades.

What's the most pressing sustainability issue you're looking to address next?

Biodiversity is an area where we need to trigger much more involvement from all our different stakeholders. Working with our customers and talking to them about the kind of products that they want, we need to move from the short-term to the long-term in order to really have a positive impact on the planet.

Water is one of the most precious resources – what is SWM doing to conserve it?

We focus heavily on raising awareness among our teams, so that every operator contributes to the collective effort to conserve water. Everyone understands that dependence on natural resources is a major global challenge. Our efforts today will allow us to be more resilient to droughts in the future and avoid having to shut down production in the event of restrictions caused by water shortages.

ELT Sponsor:
Raoul Hervé > COO at SWM



Score report
**Forests
2024: B**

Score report
**Water security
2024: B**

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HOW WE'RE USING CLEVER PRODUCT DESIGN TO **PREVENT POLLUTION**

Global concerns about waste and pollution are growing, and the threats they pose to human health and the environment, especially the soil, which we rely on to grow the trees that produce the fiber we use, and the health of the rivers, that supply us with the water we need.

As a manufacturer, we take our responsibility to manage any pollution hazards we create very seriously. In our production cycles, we prioritize energy efficiency to reduce our carbon footprint, and we have implemented strict monitoring and rigorous treatment processes to neutralize any contaminants in the wastewater we produce. Alongside this, our Research, Innovation, and Development (RID) teams are creating products that utilize natural materials and avoid plastics, ensuring that at end-of-life, they aren't a source of pollution.



Accelerating the transition to sustainable filters with Evolute®'s dedicated team

Cigarette butts are one of the most common forms of plastic pollution and can take decades to biodegrade due to the acetate and plastic they traditionally contain. With new regulations around Single-Use Plastics (SUP), and a growing environmental awareness among consumers, finding a more sustainable alternative has been a major priority for the tobacco industry.

Evolute® is our solution to this problem and the latest in a long line of innovative ideas we have developed to help drive sustainability in the tobacco industry. A new and sustainable form of cigarette filter, it replaces cellulose acetate with a paper solution made from FSC®-certified natural fibers, helping to reduce the amount of microplastics polluting the environment.

Rigorous testing by the independent certification company TÜV Austria has shown that Evolute® breaks down completely in seawater. It is also non-toxic to aquatic life and sets a new benchmark for environmentally responsible filtration. Evolute® makes us the only manufacturer with a certified marine-biodegradable filtering media, and is set to become the new standard for cigarette filters and central to our Filtering Media Growth Platform.

We are also working closely with tobacco industry scientists at the International Standardization Organization (ISO) to further research the aerobic biodegradability of cigarette filters.



“ Our Evolute® solutions offer a biodegradable alternative to traditional cellulose acetate. While current regulations don't mandate it, this certification reinforces our dedication to a reduced environmental impact. It's proof that we're leading the way in sustainable solutions. ”

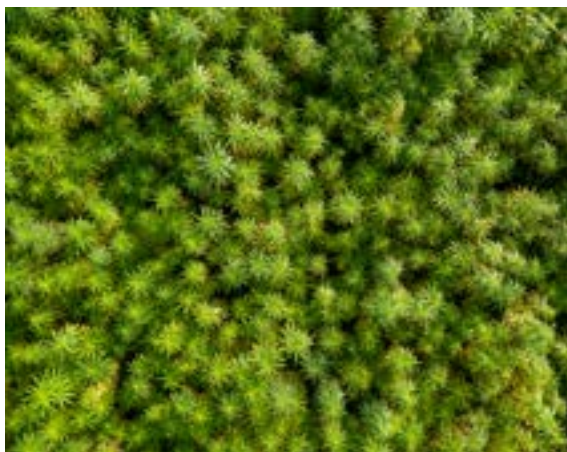


Alice **JAUSSAUD**,
Product Manager at SWM

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SUPPORTING **SUSTAINABLE FORESTRY**

As with pollution, the risk of biodiversity-loss threatens our ability to operate. The loss of plant and animal species can have significant impacts on essential ecosystem services like clean water, food production, and climate regulation. Deforestation is one of the biggest threats, alongside agricultural and forestry practices around water use as well as chemicals such as pesticides and herbicides can all disrupt our access to raw materials. One of our solutions to this is to work with suppliers who share our concerns, and who operate in a way that supports nature and encourages biodiversity.



Championing sustainable forestry

Wood pulp is our most important natural resource and essential to the majority of the products that we make. Ensuring this wood has been grown and harvested sustainably is one of our biggest challenges as we move towards a deforestation-free supply chain by 2030.

Most of the fiber we buy comes from suppliers in Northern Europe and South America, with 97% certified by the Forest Stewardship Council® (FSC®). Along with the Program for the Endorsement of Forest (PEFC), these international standards promote responsible forest management by implementing a chain of custody that guarantees the traceability of the wood, from planting to the final customer.

We are working to generate best practice in the industry and have monitoring systems in place to ensure all our suppliers have a valid FSC® certificate, while we also conduct regular audits.

Our next step is to comply with the EU Deforestation Regulation (EUDR), which requires even greater traceability, with the aim of preventing products linked to deforestation from entering the EU market. We have started work on its implementation, such as clarifying customers that are in scope, have introduced dedicated software which will allow us to implement the EUDR due diligence system, and onboard all suppliers, in order to comply by end of 2025.

As we field more and more questions from customers about exactly where our fiber comes from, we are also investigating ways to further digitize our value chain. This will allow us to pinpoint the specific plot of land that has been used to harvest the wood going into our paper.

“ We are proud of the work we do with our suppliers, who comply with anti-deforestation rules and also take a regenerative approach to forestry. What this means is that for every tree they take out for processing, they replant a new one. Often this is fast growing eucalyptus, which can be harvested and processed in seven years, sequestering carbon and boosting the plantation's role as a carbon sink, as it grows. Around 70% of the fiber we buy comes from Brazil, where key suppliers also put a focus on biodiversity, leaving parts of their land wild for nature and creating wildlife corridors across their plantations. ”



Giuliano SCILIO,
Supply Chain & Chief Information Officer
at SWM

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CONSERVING WATER – **EVERY DROP MATTERS**

The increased threats of droughts are a huge global challenge. As paper producers we rely heavily on water and we understand that our efforts to reduce consumption today will mean we're better adapted to deal with the future. Our focus on efficiency is crucial for environmental sustainability and resource management, and our water cycle is already highly sustainable, with water reused up to ten times on our production lines before being purified and returned to the river.

**ON AVERAGE,
paper manufacturers need between**

10 and 30

**cubic meters of water
to produce one ton of paper.**



MemBase™

MemBase™ is our membrane backing layer designed to improve processing efficiency and durability in filtration applications. It offers a consistency that is critical for industries where filtration performance must remain stable under demanding conditions, from high-pressure reverse osmosis applications to chemically challenging environments.

The nonwoven synthetic substrate is the backbone of performance and reliability for filtration membranes across a wide range of industries and plays a crucial role in delivering clean and safe water.

Focus on our water reduction program in Quimperlé

Our third major resource challenge is how to reduce the amount of water we use and meet our target of reducing consumption by 25% by 2030. In the paper industry, water plays an essential role, from producing pulp and forming the paper sheet, to cleaning and maintenance. Our Quimperlé site is part of an important water management pilot program, which is looking at how to reduce water consumption and improve treatment processes.

The site draws water from the nearby Isole River, which undergoes several purification stages before being used up to ten times in our paper production processes.

The site treats approximately 10,000 cubic meters of water every day and before being discharged back into nature, the water undergoes a purification process to prevent any pollution harming the river's ecosystem.

We produce two types of waste water: white-water comes from paper machines, low-level pollution, with treatment designed to remove suspended solids; brown-water comes from pulp production and contains pollutants. This is first treated in the same way as white water, followed by a biological treatment in which bacteria eat any pollutants that are left.

Pollution and water extraction is a critical topic for the communities where we operate which is why we make sure that we return 97% of the water we extract from the river, ensuring it is of equal or better quality.

We are using advanced technology to track water use, detect leaks and inefficiencies, and eliminate non-essential use. Water consumption is monitored using data analysis tools such as BRAINCUBE®, an artificial intelligence platform designed to enhance factory performance and allow us to identify and correct inefficiencies.

“Customers will be able to benefit from the full extent of our advanced technical capabilities alongside a much more personalized service. This will ensure that, together, we can help to purify water worldwide for a healthier and safer future.”



Alex BOONE,
Vice President & General Manager in charge
of Combustible Alternative Markets Specialties

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> ECO-DESIGN

HOW WE DESIGN FOR MORE SUSTAINABLE PRODUCTS

Key Impacts, Risks & Opportunities:

- **Impacts:** virgin raw material sources, single-use or non-recyclable portfolio.
- **Risks:** growing pressure on cost and availability of non-recycled raw material.
- **Opportunities:** business development of paper-based solutions to replace plastic products with same functionality.

ELT Sponsors:

Philippe Ragot > Vice President & General Manager at SWM

Raoul Hervé > COO at SWM

Sustainability isn't just about what goes into our products, it's also about how we design them. It is only when you are aware of the environmental impact of all stages of a product's lifecycle that the journey to minimizing these effects can begin. By helping us to assess the materials and processes that we use, our eco-design program gives us the data and the insights we need to bring a new level of sustainability to the way in which we design our products and the way we innovate with lightweight papers and other natural materials.

Targets & Progress:

395

number of patents
related to eco-
design principles

All industrial waste
valorized by 2030
(no waste to landfill)



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



Ensure sustainable consumption and production patterns



Take urgent action to combat climate change and its impact

3 QUESTIONS TO...

Philippe RAGOT

Vice President & General
Manager - Leader Packaging
Growth Platform at SWM



Are customers concerned that eco-design might be more expensive?

Our eco-design program supports customers in their move to more sustainable solutions and helps them achieve their own sustainability goals. A lower Eco-Score for a product provides automatic benefits, helping customers to differentiate themselves from their competitors and comply with legal, regulatory, and future reporting requirements.

Have SWM's RID teams found the concept of eco-design liberating or constraining?

Overall, I would say liberating, as we adopt eco-design as a differentiating element of our value proposition. The program is a core part of SWM International's commitment to driving product innovation and creating superior and distinctive products that have a reduced environmental footprint. It allows us to assess, challenge, and rethink the entire product design framework.

Are you looking at any new ways of valorizing waste?

Our current efforts are more focused on reducing waste and our environmental footprint than valorizing waste. We have identified packaging as a key area for making significant progress. For instance, a special program was initiated in 2023 that concentrates on designing lighter pallets and reducing or eliminating plastic components from our packaging.

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DESIGNING FOR **SUSTAINABILITY**

Our eco-design program focuses on reducing the environmental impact of our products while driving product innovation at the same time. The program addresses two primary questions: how each of our products performs against sustainability KPIs, and how eco-design can be integrated into all our processes.



LCA for all product lines

Our Life Cycle Analysis (LCA) allows us to assess the environmental footprint of our entire product line. It acts as a strategic roadmap, driving changes in how we manufacture our products, helping us to make more sustainable design decisions, and reducing waste and increasing recyclability.

Embracing eco-design with our Eco-Score Card

We have also introduced an Eco-Score Card, which works in tandem with the LCA and challenges us to rethink our entire product design framework. It provides a standardized way to assess the environmental impacts of our products, covering everything from sourcing to process efficiency. The Eco-Score helps us to create products with a reduced environmental impact and explore innovative alternatives, such as Eco-Packaging.

Working this way also means we can give our customers a clear roadmap showing how a product can move forward and become more sustainable. At the same time, it can help our customers to transition to more sustainable products.

Product design	Process efficiency	Product usage
Fiber composition	Energy	Durability
Fiber origin	Water	
Chemical additive	Broke	End of life
Plastic-free packaging	Final waste	
Biodegradability		
A more natural product portfolio from product recipe to finished product packaging.	Sufficiency and efficiency to reduce greenhouse gas emissions.	Life cycle of our products including the durability and potential recycling of the final products.
Circular economy through the usage of industry and agriculture by-products, such as flax tows and botanical residues, is preferred whenever it is possible.		

Low env. impact ← A B C D E → High env. impact

CREATING A NEW GENERATION **SUSTAINABLE PRODUCTS**

Eco-design training has been rolled out across SWM's RID teams, as well as to key managers. From technical experts, product developers, and scientists, the mix of disciplines within our RID team plays a critical role in helping us to explore how we can apply our expertise in new, sustainable ways, such as lightweight plastic alternatives, while also staying in step with the changing needs of the market and meeting national and international regulations.

Shaping the future of packaging

By building a "common design vocabulary" we can make it easier for colleagues to communicate and collaborate and keep sustainability in mind when designing and manufacturing products. Many of the companies that we work with want more sustainable products, especially ones that are plastic-free, and we are in a great position to replace plastic with new, recyclable paper-based materials. Our eco-packaging project is a prime example of how we are working across the whole value chain to reduce our environmental footprint. In some cases, we are reducing the thickness of plastic film, while in others we are replacing plastic altogether with cardboard packaging.

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HOW WE'RE **TURNING WASTE INTO VALUE**

Reducing the amount of waste created by our production processes is an important part of our sustainability journey.

Achieving zero waste to landfill by 2025 in Quimperlé

Many of our waste reduction ideas have been piloted at our site in Quimperlé, which has already achieved zero waste to landfill. A key process used at the site is waste characterization, which helps waste teams to identify, classify and quantify different types of waste. This ensures that only the truly non-recyclable materials are disposed and has seen a 90% drop in this "ultimate waste" from 276 tons in 2021, to 30 tons in 2023.

Another important process is finding alternative uses for waste, or waste valorization. One of our main unavoidable waste streams is the sludge, made of fibers and mineral waste, that is left over after water from our paper making process is treated. In Quimperlé, nearly 6,000 tons a year is now used as a compost in agricultural.



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> HEALTH & SAFETY, WELL-BEING & DEI

HELPING OUR EMPLOYEES **STAY SAFE** AND SUPPORTING LOCAL COMMUNITIES

Key Impacts, Risks & Opportunities:

- **Negative impacts** on employees' physical health and safety and psychological health.
- **Positive impacts** on employees' well-being (health insurance, well-being programs, etc.) and development of economic activity and local employment in the areas where our operations are located mostly in small cities.

Safety will always be our top priority and we are dedicated to creating a zero-accident mindset, where safety is everybody's responsibility and people can excel in a safe and inclusive working environment. We also look after the physical and mental health of all our employees, with programs and initiatives tailored to address local issues and concerns, as well as activities that tap into international efforts around well-being. We also celebrate close ties with the communities where we operate, and many of our employees live. From supporting local charities to sponsoring local sports teams, we set out to ensure that we have a positive impact on the areas where we work.

Targets & Progress:

We have programs in place to make SWM a safe, great place to work for our employees (as developed on next pages).

ELT Sponsors:

Katrin Hanske > CEO at SWM

Raoul Hervé > COO at SWM



3 QUESTIONS TO...
Katrin HANSKE
Chief Executive Officer
at SWM

Why is safety so important at SWM?

At SWM, safety is our most fundamental value. It's a personal commitment we make to all our employees and their families: everyone goes home safe, every single day. This belief drives our operational excellence and underpins our significant investments in creating a workplace where we all look out for one another. It's about protecting our people — not just meeting a KPI.

How are you addressing mental health in the workplace?

To me, a truly safe workplace must also ensure psychological safety. I believe we have a responsibility to care for our people. Our action plan focuses on two key objectives: first, to destigmatize the topic through open dialogue and dedicated training; and second, to provide tangible support by expanding our confidential employee assistance programs.

How important are your community links to your license to operate?

The privilege to operate is a trust granted to us by the communities that host our production sites. This is not just a corporate ideal — it's a living reality reflected in the ongoing efforts of our teams. Community engagement is deeply embedded in our culture, and we are committed to making a lasting impact. We pledge to be responsible, active partners and to continue earning the trust of the communities we proudly call home.



Achieve gender equality and empower all women and girls



Reduce inequality within and among countries

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BUILDING **STRONG** COMMUNITY LINKS

All our sites are committed to supporting their local community by giving their time, expertise and financial support to a range of initiatives and causes. In 2024, following the sale of SWM, each of our sites was given \$5,000 to support local causes, with employees choosing to champion projects that were particularly close to their hearts.

In Brazil



Santanésia, Pirai

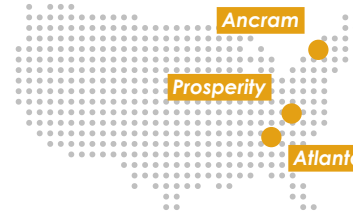
In Brazil, colleagues supported a local animal shelter and a children's home, which backed up existing work they already do, including regular donations of clothes and hygiene products to residents of a local nursing home, and toys to underprivileged children in the local community.

Also in Brazil, many colleagues showed remarkable altruism by taking part in a bone marrow donation campaign, which supported new research into treatment which offer hope to those facing serious illnesses.



In the USA

In Ancram, USA, employees voted to donate their \$5,000 to the local Neighbors Helping Neighbors Association (NHN). The organization supports families by providing food throughout the year, including holiday meals and school supplies for children.



In France

Across France a mixture of organizations were chosen.

- In Le Mans, we supported Vil'ni, a non-profit organization that provides humanitarian aid to people in Ukraine.
- In Saint-Girons, employees chose to support Bel Horizon, a local cancer research charity, as well as making donations to support scientific research into rare diseases.
- And staff at Quimperlé opted to support their local children's hospital, as well as Papillons Blancs du Finistère, an organization that cares for people with mental disabilities.

Also in France, we are helping people into work, promoting careers at SWM at job fairs and career events, while our Human Resources team from Le Mans has worked with local jobseekers to combat discrimination in the hiring process.



“ Being a bone marrow donor is a selfless act that shows true empathy and solidarity. It's a powerful way to contribute to society positively and offer hope to those who need it most. ”



Joao ANDRADE,
Plant Manager at SWM



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HOW WE HAVE MADE **SAFETY A PRIORITY** AND A COLLECTIVE EFFORT

At SWM, safety is integrated at all levels of the business, from operational meetings to strategic planning and the shop floor. We have set out to maintain the highest standards of safety across, not just by ensuring that basic safety procedures are followed but also by creating a culture that prioritizes the idea of psychological safety. This means empowering employees so that they know they can pause operations if they have a concern, report incidents and speak to managers without any fear of reprisals. Across the company, we have also introduced training so that lone workers can stay safe while they are at work.

“Safety is my responsibility”

To put safety first, we have developed our **Golden Rules**, which focus on preventing the most common types of manufacturing injuries. They cover areas such as wearing the correct Personal Protective Equipment (PPE), not operating machinery without the correct safety guards in place, and reporting all incidents immediately. The rules are now standard procedure at all our sites, helping to protect employees, visitors, and contractors and create a workplace where everyone feels valued and can focus on doing their best work.

Building our safety journey together



In Brazil, we have backed up the Golden Rules with a powerful safety video. Rather than dry statistics and staged scenarios, it features the wives and children of real SWM workers speaking about the importance of safety at work and highlighting the emotional impact that workplace incidents can have on families.

The health and safety message in Brazil is further reinforced during Abril Verde (Green April) a month of events dedicated to raising awareness about health and safety in the workplace. There is also a strong emphasis on employee training across the company and again in Brazil, the Santanesia site held an Internal Accident Prevention Week (SIPAT), covering a range of safety and mental health issues.

Other initiatives include a B-Safe bingo game at Prosperity, in the USA, where the teams have also



changed everyday working procedures to improve safety and reduce the risk of injury.

At Saint-Girons, new safety measures include the mandatory use of high-visibility clothing, as well as new signing-in procedures to ensure that we know exactly who is on the premises at any one time.

We have also embraced the Gemba Walk, a concept introduced by Toyota founder Taiichi Ohno, which translates as “where things happen, where value is created.” It is an approach that encourages managers to engage with operators directly, encouraging trust and open communication, helping to identify strengths and weaknesses, and ultimately improve safety.

All our French sites also have dedicated “second response” teams — many of whom are volunteers — who have been trained to respond to any fire incident. In Brazil, there are monthly fire brigade training sessions that mimic potential incidents.

“Safety at work is not just a legal obligation but a commitment to life. Safety devices are the fine line between protection and danger, ensuring that every worker returns home safely every day.”



Rafael GOMES,
Maintenance supervisor at Santanesia

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WELL-BEING: HEALTHY EMPLOYEES **AT THE HEART**

At SWM International, we make great efforts to look after the physical and mental health of all our employees, from vaccination programs and health check-ups, to activities and awareness raising sessions.

In Brazil, we have run an important campaign about dengue fever, a dangerous viral illness spread by mosquitoes, which is common in the area around our Santanesia plant. Alongside information kits about the disease, we also hold two annual vaccination days for employees.



Vida em Equilíbrio (Life in Balance) is a company health program in Brazil that is designed to help our people focus on their overall well-being, from monitoring key health indicators to eating well and taking regular exercise.

Other wellness screening has included the opportunity to have blood pressure and glucose levels checked at our facility in Prosperity in the USA.

Across various sites we support Yellow September, a month-long initiative that highlights the importance of mental health and a supportive, inclusive

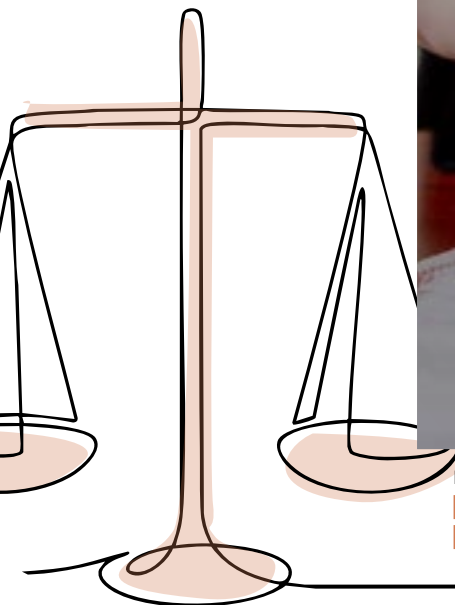
workplace. This was followed by Pink October, which focuses on raising awareness of breast cancer, with events at several of our global sites.

Across our French location we run several on-going initiatives, including free osteopathy sessions, and a range of on-site physical activities such as yoga classes and walking groups.

In 2024, employees were also able to take advantage of a range of specific activities, such as a stress management workshop, while employees on shift work were given advice on the best ways to eat and drink.

There was also a major focus on increasing cancer awareness, with support around colorectal screening and skin cancers and the introduction of the Kiplin Challenge, which encourages people to take more exercise as a way of preventing a range of different cancers.

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> SUSTAINABLE PROCUREMENT, ETHICS, HUMAN RIGHTS

OUR CLEAR COMMITMENT TO UPHOLD STRICT ETHICAL STANDARDS

Our success as an organization is built on a foundation of ethical decision-making and a commitment by every employee to uphold the highest standards of professional conduct. Our Human Rights policy sets out our respect for the fundamental rights of every individual, and all our suppliers are expected to comply with our Code of Conduct. We also work to take this relationship to a more strategic, collaborative level, as a way of promoting greater sustainability across our whole value chain. There is also a growing role for technology and digitalization in how we operate, and our enthusiastic adoption of innovation ensures that our ESG performance continues to improve.

ELT Sponsors:

Ron Surbey > Chief Legal Officer & General Counsel at SWM
Giuliano Scilio > Supply Chain & Chief Information Officer at SWM

3 QUESTIONS TO...

Ron SURBEY

Chief Legal Officer
and General Counsel at SWM &
Giuliano SCILIO
 Supply Chain & Chief
 Information Officer at SWM



How important is it to develop a long-term relationship with a supplier?

Our procurement strategy prioritizes strategic sourcing partnerships that go beyond transactional exchanges, fostering transparency, trust, and innovation. By engaging suppliers in multi-year programs, we create a collaborative environment in which both parties are invested in continuous improvement and risk mitigation.

How do you monitor human rights in the supply chain?

We have embedded this principle into our Global Procurement Policy and Supplier Code of Conduct. We conduct due diligence and audits as part of our supplier qualification and monitoring processes. We continue to strengthen our approach by prioritizing high-risk categories and leveraging third-party assessments. This allows us to maintain confidence in our current practices while acknowledging the need for continuous improvement and greater transparency deeper within the supply chain.

How is digitalisation making SWM's supply chain more sustainable?

We are actively implementing new processes supported by digital traceability tools to meet evolving requirements. These tools enhance our ability to verify the origins of our sourcing and ensure responsible procurement practices.



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► **LONG-TERM RELATIONSHIPS
ARE THE DRIVING FORCE
BEHIND A SUSTAINABLE
SUPPLY CHAIN**

BRINGING A REGIONAL
FOCUS TO OUR GLOBAL
BUSINESS

HARNESSING THE POWER
OF TECHNOLOGY TO MAKE
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LONG-TERM RELATIONSHIPS ARE **THE DRIVING FORCE** BEHIND A SUSTAINABLE SUPPLY CHAIN

We have been working with many of our suppliers for over 20 years; we know each other, and we understand how each other works. Our relationships with suppliers are not purely transactional, where cost is everything. Instead, they are long-term collaborations, in which integrating change and working strategically have become second nature, and which show that by working together, we can develop and improve standards.



Targeting sustainability gains through collaboration at Quimperlé

Last year we asked six of our key suppliers, along with other partners, to join our procurement and ESG teams at our inaugural two-day decarbonizing supply chain summit in Quimperlé.

The event was an opportunity for us to learn more about our total carbon footprint, and also to explain to suppliers our plans to cut Scope 3 emissions by 25% by 2030.

The event heard about the importance of partnerships, knowledge exchange and transparency in addressing these emissions, and how our ambitions are based around data-driven decision-making and targeted engagement.

A number of ideas from the event have now formed a future project pipeline. These include proposals around reducing upstream transport emissions by increasing the use of electric vehicles and prioritizing local suppliers, as well as recommendations around developing a comprehensive decarbonization roadmap that includes AI and greater cooperation across the value chain.

There were also ideas around integrating sustainability into business relationships such as sharing Power Purchase Agreements (PPAs).

By fostering open dialogue, encouraging innovation and promoting cross-sector collaboration, the event was a significant step in our journey towards a more sustainable future.



“Collaborating with suppliers is only possible when you have a strategic relationship with them. If everything is about price then you cannot move to the next level and start to talk about issues such as sustainability.”

Giuliano SCILIO,
Supply Chain & Chief Information Officer
at SWM

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BRINGING **A REGIONAL FOCUS** TO OUR GLOBAL BUSINESS

Since we have returned to being an independent business, we have been able to prioritize a more local and regional approach to the way in which we do business. From a sourcing point of view, we are investigating ways to ensure that our suppliers are close to where we manufacture, helping us cut emissions linked to logistics and making our supply chain more sustainable.

We are also working to be more responsive and understanding of what the market wants and manufacture our products closer to where they are needed.

We are developing a much deeper understanding of our customers' future needs, and the specific challenges that they are facing. To support this, rather than a central support team, we have developed a sales team in every country where we operate, all of whom speak the local language.

Our Global Hotline

It is not enough to just encourage employees to act ethically – we also need to give them the tools and resources to make good decisions, and the confidence to speak up about any acts that could violate our values, policies or the law.

This is why we have introduced a **Global Hotline**, which allows employees to report their concerns in complete confidence and without any fear of retaliation. It also reflects our belief that by identifying a problem early, we can resolve it quickly, prevent it from escalating or recurring and help to maintain our culture of honesty and integrity.

“ When you look at the markets we serve, we are close to our customers and our suppliers – we are really driving the company to think global, act local. **”**

Katrin **HANSKE**,
CEO at SWM

HARNESSING THE POWER OF TECHNOLOGY TO **MAKE PROCUREMENT** MORE SUSTAINABLE

Procurement is changing and it is no longer just a question of cost and service. There is a new emphasis on responsible sourcing and the ability to look at a supplier's strategies and track their record around sustainability. Digitalization is supporting this by allowing us to adopt practices and develop tools so that we can stay on top of challenges such as traceability and meeting new regulations such as EUDR (<https://www.swmintl.com/newsroom/eu-deforestation-regulation-swm-approach/>). It also makes procurement clearer and easier to understand, by bringing everything together on a single dashboard, rather than multiple spreadsheets.

Improving our supply chain while enhancing our customers' experience

As part of this digital push, we have upgraded our Enterprise Supply Planning (ESP) system which we use to manage and optimize our supply chain. This supports stronger risk management and allows us to associate events that may have an impact on supply, with our individual suppliers. It also provides us with alerts so that our procurement team can act on the most up-to-date information available.

To enhance our supply chain sustainability, we've implemented the Elemica platform. This tool drives efficiency, which is key to reducing waste, and helps us organize freight in a more sustainable manner. By analyzing each customer order, Elemica's outbound planning tools optimize shipping routes and load capacity. This provides customers with greater control over their shipments while significantly lowering the carbon footprint of their logistics.

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> FINAL CONSUMER HEALTH

SUPPORTING OUR CUSTOMERS WITH HEALTHIER, **REDUCED- RISK PRODUCT SOLUTIONS**

As governments and regulatory bodies around the world increasingly call for the development of less harmful products to protect public health, a collaborative and innovative approach has never been more important. We are partnering with major tobacco companies as they evolve and diversify, helping them to develop a new generation of smoke-free products that demonstrate a clear commitment to public health. We are also using our expertise to develop packaging and filtration products that avoid plastic and certain chemicals, and which represent a major step forward for both public health and the environment.

Key Impacts, Risks & Opportunities:

- **Negative impact** on the degradation of the health of end-users (tobacco-related products).
- **Risks:** loss of suppliers' partnership due to SWM exposure to the tobacco market.

ELT Sponsors:

- | | |
|------------------------|---|
| Bruno de Veyrac | > Vice President and General Manager at SWM |
| Guilherme Costa | > Vice President of Global Sales at SWM |

2 QUESTIONS TO...

Bruno DE VEYRAC

Vice President and General Manager at SWM

Guilherme COSTA

Vice President of Global
Sales at SWM



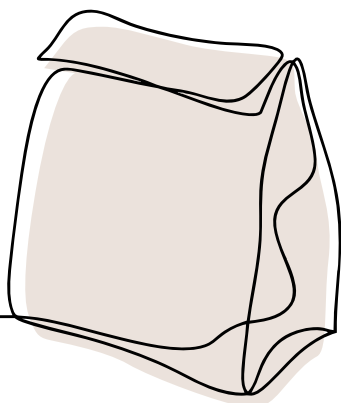
How is SWM's heritage helping with the generation of new ideas and products?

Our deep technical foundation is the primary driver of our innovation in new, sustainable products. Therefore, we have mastered the science of creating complex papers with precisely controlled properties, such as basis weight, porosity, and composition. We apply the same principles of precision engineering to develop advanced materials that provide essential functionalities — such as barriers, sealability, and transparency — while significantly reducing environmental impact, as confirmed by improved Life Cycle Assessment (LCA) results.

Is it a chore or a challenge to navigate such a changeable regulatory landscape?

Operating in a highly regulated industry instilled a disciplined and rigorous approach to material science and chemical safety. This legacy is now formalized in our Eco-Scorecard approach, which is integrated into all our development processes:

- Map chemical flows across the entire product life cycle to understand potential emissions;
- Integrate exposure scenarios to assess the impact of our materials;
- Perform multicriteria analysis to ensure that we don't replace a substance with one that has a greater environmental cost or hinders future recycling streams.



Ensure availability and sustainable management of water and sanitation for all

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HELPING CUSTOMERS NAVIGATE A COMPLEX MIX OF RULES AND REGULATIONS

Product Compliance and Stewardship (PCS) involves integrating scientific knowledge with regulatory demands. Our PCS team works directly with customers, helping them to comply with stringent regulations and to demonstrate their commitment to public health, environmental sustainability and social responsibility.

PCS responsibility: anticipate and go further

SWM International's heritage is in tobacco, a highly regulated industry, and as a result we have an experienced compliance team who don't just understand current regulations but also anticipate what is going to happen further down the road.

The team takes a multi-faceted, proactive approach to help customers respond to this ever-changing regulatory landscape. This involves monitoring legislative trends, public health priorities and historical patterns; networking with key stakeholders; understanding scientific evidence and regulatory landscapes in key markets; and scenario planning for potential regulatory changes.

77th Tobacco Science and Research Conferencer



In 2024, our experience in this area was recognized as we hosted the 77th Tobacco Science and Research Conference (TSRC) in Atlanta, Georgia. Our PCS director, Zahia Ouar, chaired the event, which is the leading global symposium on the nicotine and tobacco industry, and brought together over 300 industry professionals. The conference was dedicated to sharing knowledge and promoting positive change within the industry, as well as highlighting new innovations and strategies aimed at improving public health and safety.

Among the key findings presented by SWM was our work around ecotoxicity of cigarette butts, as well as insights into aerosol emissions for Heat not Burn (HnB) products.

“The tobacco industry is committed to offering healthier options in the way people consume nicotine — we are committed to supporting our customers in their journey to move away from traditional cigarettes to more non-combustible solutions.”



Katrin HANSKE,
CEO at SWM

SUPPORTING **THE TRANSITION** TOWARDS A SMOKE-FREE FUTURE

Smoking rates around the world continue to fall, and at the same time governments and regulatory bodies are calling for the development of less harmful tobacco products to protect public health. By building on our expertise in natural fibers and advanced materials science, we are helping traditional tobacco companies pivot towards a new range of smoke-free products. Our RID teams have been deeply involved in developing this new generation of reduced-risk tobacco products for heated tobacco devices and other smoke-free nicotine delivery systems.

Caring for a cleaner, smoke-free alternative

In 2024, we produced a white paper looking at the potential of Heat not Burn (HnB) products, which has acted as a guide to help tobacco companies transition to a smoke-free future. HnB products are becoming increasingly popular with consumers, as they offer a cleaner, smoke-free alternative. Using lower temperatures that avoid combustion, the devices produce less toxic emissions, while still delivering nicotine like a traditional cigarette.

A significant development driven by our R&D team, in collaboration with major tobacco companies, has been the creation of reconstituted tobacco materials that are specially designed for aerosol generation. These products provide a smoking experience similar to traditional cigarettes but with harm reduction potential, including reducing the risk of passive smoking.

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FINDING NEW WAYS TO **ENHANCE CONSUMER SAFETY**

We are working on a range of products that offer enhanced consumer safety and greater sustainability, many of which have been developed using our experience from the tobacco industry.



“Every innovation we pursue brings us closer to our purpose: delivering sustainable value for our customers, our people, and the planet.”



Ronan **GOARNISSON**,
Head Of Innovation at SWM

Ensuring safe paper-based packaging for consumers

With increased regulatory and consumer scrutiny of single-use plastics, paper is emerging as a sustainable alternative in the packaging industry. In addition to being easily recyclable, it can be used in a number of specialized food contact applications, including those requiring barrier properties. But to ensure paper-based packaging is safe for consumers, a rigorous certification process is required at every stage of the supply chain. To meet this challenge, our Quimperlé mill is certified to ISO 22000 certification, which ensures the highest level of safety management in food systems.

We are also creating papers that are fluoride-free (PFAs-free), which offer the same grease - and water-repelling properties, but without the links to possible human health risks, and environmental concerns, as these so-called “forever chemicals” can persist in nature.

Our research team rigorously tested over 100 materials to develop a fluoride-free solution based on a 100% renewable resin that still offers excellent grease and oil resistance for lightweight packaging. All our food packaging is set to be fluoride-free by 2025.

We are also supporting the medical sector with Medipei™, a premium cellulose-based material, with excellent bacterial barrier properties, that can be used to create sterilized pouches to wrap individual surgical instruments.



Meeting end-users' expectations and industry standards

SWM continues to develop products supporting public health include MemBase™, a filtration product that is delivering cleaner, safer water worldwide by setting new standards of reliability and compliance. Designed to be used in reverse osmosis systems that remove contaminants and impurities from the water, MemBase™ has secured both NSF 58 and NSF 61 industry standard certifications.

> GLOSSARY & REFERENCES

Biodiversity: Diversity of living organisms in all their forms (species diversity, genetic diversity and ecosystem diversity). Preserving biodiversity is a major CSR challenge.

Carbon Footprint: Total quantity of greenhouse gases (GHG) emitted directly and indirectly by an activity, product, service or organization, expressed in CO₂ equivalent (CO₂e). It includes emissions from scopes 1, 2 and 3.

Circular Economy: Business model that aims to produce goods and services in a sustainable way by limiting resource consumption and waste production. Opposed to the linear extract-produce-consume-dispose model.

Code of Conduct: Our code of conduct outlines the principles of respect, inclusivity, and collaboration that guide our interactions, thus contributing to a positive and welcoming environment for all members.

CSRD: The CSRD (Corporate Sustainability Reporting Directive) is a European Union directive that establishes a new framework for corporate reporting on the environmental, social and governance (ESG) dimensions of business operations.

Double Materiality: Conjunction of financial materiality - which assesses the opportunities and risks generated

by the socio-economic and natural environment on a company's performance - and impact materiality - which takes into account a company's positive and negative impacts on society and the environment.

Due Diligence: Legal obligation for global companies to prevent social, environmental and governance risks related to their activities and those of their affiliates, contractors and suppliers.

Eco-Design: Product or service design approach aimed at integrating environmental protection from the very design stage. Its purpose is to reduce the environmental impact of products throughout their life cycle - extraction of raw materials, production, distribution, use and end-of-life - while preserving their qualities and performance.

ESG Standards: Set of environmental, social and governance criteria used to assess the extent to which sustainable development and long-term issues are taken into account in the strategy of economic stakeholders.

FSC®: The FSC (Forest Stewardship Council®) is an international label guaranteeing that the wood used complies with sustainable forest management procedures. It offers 3 types of certification: FSC 100% (the product is made with 100% FSC-labeled fiber), FSC recycled (the product is made with 100%

FSC-labeled recycled fiber) and FSC mixed (the product is made with at least 70% FSC-labeled fiber).
License: FSC® C110425

Human Rights Policy: We are committed to respecting the fundamental human rights of every individual involved in their day-to-day activities. This policy clearly sets out the human rights principles that SWM upholds across all levels of its organization.

Impact: Positive or negative effect of an industry, product or organization on the environment, society or the economy.

Life Cycle Analysis (LCA): Quantitative environmental assessment method, defined by international standards ISO 14040 and 14044, which quantifies the environmental impact of a product or service from the extraction of raw materials to its end-of-life ("cradle-to-grave" approach).

Risk Mapping: Process of identifying, analyzing and prioritizing environmental, social and governance risks associated with procurement.

Science Based Targets initiative (SBTi): The Science Based Targets initiative (SBTi) is a corporate climate action organization that enables companies and financial institutions worldwide to play their part in combating the climate crisis.

Supplier Code of Conduct: Based on our commitment to the UNGC principles, the SWM Supplier Code of Conduct defines the standards that all suppliers must meet with respect to, human rights, labour and good environmental practices.

Value Chain: The value chain refers to all of the upstream and downstream activities associated with the operations of the reporting company, including the use of sold products by consumers and the end-of-life treatment of sold products after consumer use.

Water Footprint: Indicator measuring the total volume of freshwater consumed directly and indirectly to produce a good or service, distinguishing between green water (rainwater stored in the ground), blue water (water from rivers, lakes and groundwater) and grey water (volume of water needed to dilute the pollution generated).

Worldwide Anti-Corruption: This document serves as a vital tool in our collective effort to combat corruption globally by working together to uphold integrity, transparency, and accountability in all our endeavors, fostering a fair and just society for all.

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> METHODOLOGY & PUBLICATIONS

Report **methodology**

This first ESG report outlines how SWM International put its core ESG commitments and the fundamental principles supporting its corporate mission into action in 2024. It shows that we continued to develop our range of solutions and our business lines to better respond to major market trends and clients' needs. Lastly, it maps out how our various solutions are able to create and share even more value with all our various stakeholders.

Target audience

This report is aimed at SWM's investors and shareholders, and all our stakeholders, including in particular our clients, as well as our employees and our partners.

Methodology & materiality

This report draws on the framework published by the International Integrated Reporting Council (IIRC) and was designed synergistically by various central and operational functions. The key elements of integrated thinking were formalised by the Communications Department, the Marketing Department and the ESG Department.

Credits

This ESG report was designed and produced in a collaborative process involving several departments, led by the Communications Department.

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Our corporate website

All the information you need about SWM - our products and solutions, our expertise, our profile and production sites, our news and results.

