



Sustainability Policy

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Scope:	<i>Group</i>	Contact:	<i>lsh@tomsgroup.com</i>
Document type:	<i>Policy</i>		
Owner:	<i>Sustainability and communications Department</i>	Approver:	<i>Toms Group topmanagement, TMT</i>
Document Category:	<i>External document (to be shared externally and is available on tomsgroup.com)</i>		
Related Documents	<i>Guidelines: Sustainability Strategy, Sustainability governance structure, Employee Code of Conduct, Supplier Code of Conduct Sub-policies on subareas as designated in this policy</i>		

1. INTRODUCTION

1.1 Purpose

This policy establishes the overall framework for corporate responsibility in the entire value chain of Toms Group's business. It is our ambition to contribute to a better, greener and safer world; and we expect our suppliers and partners to do the same.

The policy frames the compliance with the UN Global Compact and UN's guidelines, the sections §99a and 99b of the Danish Financial Statements Act, the UK Modern Slavery Act and Bribery Act, EU's personal data regulation and the coming EU Corporate Sustainability Reporting Directive (CSRD) and Corporate Sustainability Due Diligence Directive (CSDD).

The policy states how the work with sustainability is incorporated in the operation and development of the Toms Group, by regularly updating the Sustainability Strategy to pin out the most material focus areas and overall ambitions. Based on this strategy, ambitious targets are set and followed up on, and governance structures, policies, and guidelines and sub-policies on the subareas are established.

1.2 Implementation

The Sustainability and Communications department is implementing this policy, including the establishment of the governance structure to ensure continued progress. The Sustainability and Communications Manager is leading this process.



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1.3 Responsibilities

The Sustainability and Communications department is responsible for alignment of the policy with current and relevant legislation as well as the current sustainability ambitions of the Toms Group. Included in this responsibility is a continuous monitoring and reviewing of the policy’s effectiveness and a regular revision process of the policy. The Sustainability and Communications Manager is leading this process.

Any current sustainability strategy and its corresponding governance structure points out relevant sub-areas on which policies/guidelines and target setting are needed. For each of these subareas, Toms Group is obliged to establish, monitor, and revise policies/guidelines and targets. The governance structure points out the responsible team leaders and is updated yearly by the Sustainability and Communications manager in collaboration with the Sustainability Steering Group.

2. SCOPE and DEFINITIONS

2.1 Scope

This policy applies to Toms Group A/S including any entity directly or indirectly controlled by Toms Group A/S (the “Toms Group”) and their respective employees.

2.2 Definitions

Sustainability is defined broadly as all areas, where the Toms Group directly or indirectly has positive or negative impact on social or environmental issues/aspects inside or outside the company – and where external social or environmental issues/aspects affect or have the potential to affect the Toms Group directly or indirectly.

Sustainability, CSR, Corporate responsibility, and ESG are all used to name the same areas.

3. PRINCIPLES

Toms Group’s approach to corporate responsibility is based on the 10 principles of UN Global Compact, and focus, ambitions and efforts are guided by double materiality assessments. Accordingly, any sustainability strategy must point out areas along the value chain where Toms Group has high current or potential impact – positive as well as negative. Additionally, the strategy must cover areas where Toms Group is impacted by the outside world.



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The current sustainability strategy includes three strategic areas and is based on a fundament of sub-areas covering supplier and (customer) relations, the management of resources, and people’s safety and wellbeing.



The three strategic areas and Toms Groups’ approach to each of these are defined as:

- **Responsible sourcing:** We protect forests and children’s rights throughout our supply chain
- **Combat Climate Change:** We do our part in combatting climate change
- **Circular packaging:** We minimize use of packaging materials and maximise recyclability
- (Life in Balance, which is still to be defined)

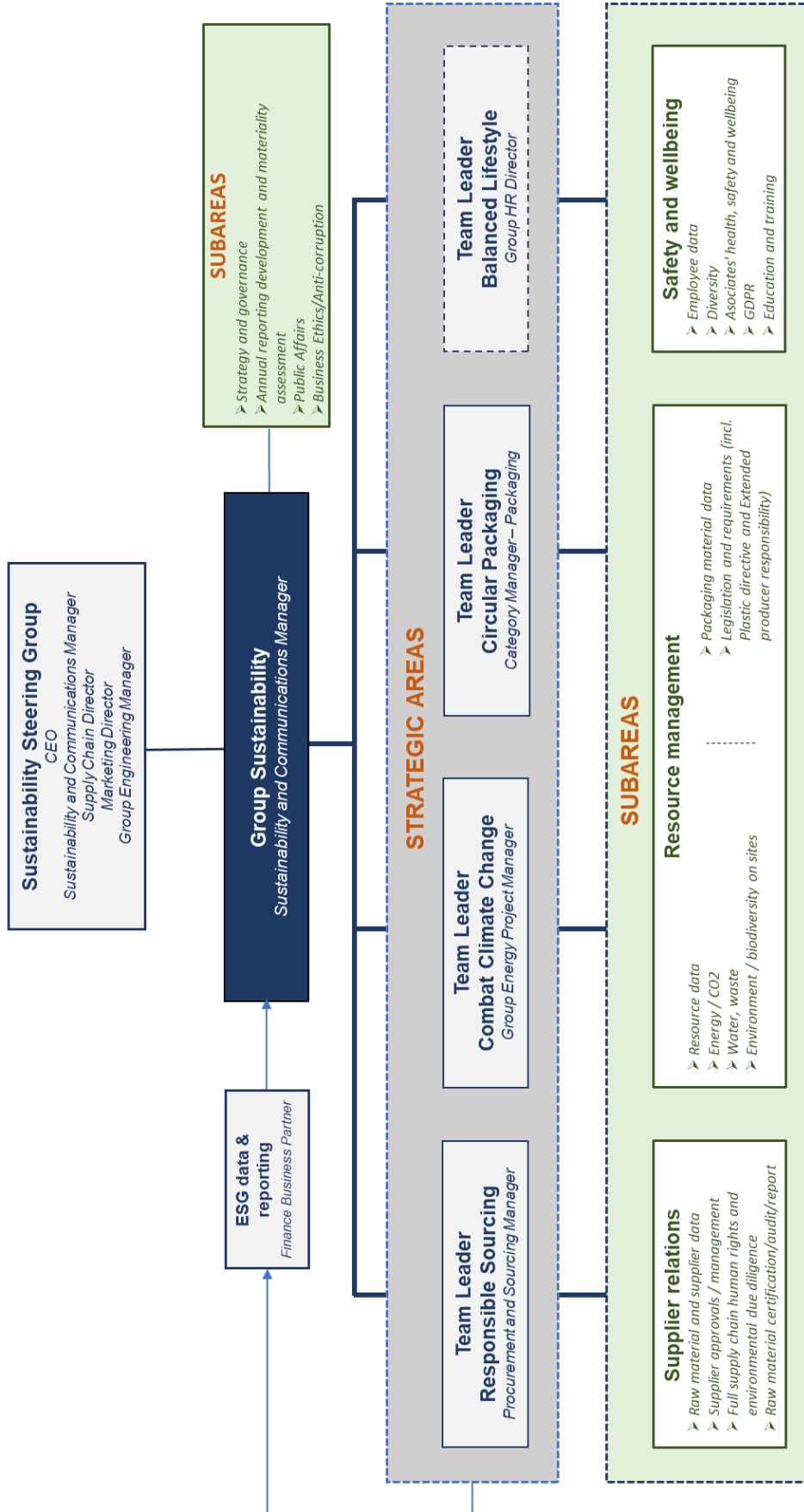
The fundament ensures that Toms Group has a persistent focus on the basic sustainability work across all relevant areas within human rights, environment, labour, and anti-corruption.

To execute the sustainability strategy, subareas for each area in the strategy are defined and continuously updated. The governance is ensured by appointing a team leader for each area and affiliated sub-areas. The team leader is responsible for policies/guidelines, target setting, data monitoring and management, reporting and certifications within the area and affiliated sub-areas. The areas and subareas within the current sustainability strategy are listed in the governance structure that is illustrated at the next page.



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Governance: Group Sustainability





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Together with the Sustainability and Communication Manager, each team leader must also ensure alignment across the subareas. The team leaders are responsible for the management of data for internal reporting, the mandatory annual ESG reporting, as well as data for other external reporting requirements.

In collaboration with the Sustainability and Communication Manager and with relevant colleagues across Toms Group, the team leaders will provide information on status and risk/opportunities to a sustainability steering group. The Sustainability Steering Group consists of five selected directors and managers. The Sustainability Steering Group will support continued progress in each strategic area. It will ensure prioritisation of the initiatives across the sustainability strategy and ensure that implications for the company as a whole is taken into consideration as well.

To ensure continuous progress and strategic alignment with the development of Toms Group in general, the Sustainability and Communication manager oversees that the Board of the Toms Group is presented with a sustainability status quarterly. Relevant investment decisions appointed by the Sustainability Steering Group will be presented and if relevant discussed by the board.

4. MONITORING AND REPORTING

The Communication and Sustainability Manager continuously monitor the effectiveness of this policy. The monitoring includes evaluation of the compliance with regulatory demands and other directives which Toms Group has committed to. Also, the compliance to Toms Groups own targets must be monitored. Included in the monitoring is a continuous evaluation of the structures of areas, sub-areas and governance.

This policy sets the frame of the sustainability work and is communicated to suppliers, employees, customers, and wider stakeholders. The policy is part of the communication in supplier and customer info, on the intranet, employee app, at tomsgroup.com, and in annual reporting.

Toms Group is legally obliged to perform annual reporting on sustainability. This annual reporting is performed by the Communication and Sustainability Department and is supported by the respective team leaders, who are responsible for providing the content and data required for their respective area and sub-areas.

Toms Group is met with additional reporting tasks resulting from obligations and expectations from NGOs, international partnerships, and national legislation in for Toms Group relevant markets. This reporting is often focused on a few sub-areas and is the responsibility of team leaders with support from their relevant team-members and Sustainability and Communications Department.



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Certifications and audits connected to elements of the sub-areas stated in this policy is as well the responsibility of the team leaders and is performed in collaboration with relevant departments across the Toms Group.

5. DEVIATIONS

Any deviation to this policy must be raised to the Sustainability and Communication Manager, who is responsible for registering the deviation and implementing corrective actions. Deviations which cannot be corrected, must be raised to the Sustainability steering group and eventually to the policy approver (including revision of the policy if necessary).