

LOVE HOME FABRICS

Policy statement regarding STeP certification

Love Home Fabrics highly values ethical, social and sustainable business practices. As a matter of policy, we focus on honesty, respecting others, and the environment. Love Home Fabrics is therefore in the process of gaining a STeP-certificate.

STeP stands for Sustainable Textile & Leather Production. STeP is a certification system for environmentally friendly and socially responsible production facilities. STeP enables a holistic consideration of manufacturing conditions from a sustainable point of view. STeP is built on requirements within 6 different modules:

1. **Chemical management**
2. **Environmental performance**
3. **Environmental management**
4. **Social responsibility**
5. **Quality management**
6. **Health and safety at work**

1. Chemical management

Our aim is to eliminate or reduce the use and the negative effects of chemicals. We train and educate our employees about working with chemicals and make sure our employees have the knowledge required to identify and respond to the effects (physical, health and environmental) of using chemicals.

2. Environmental performance

We meet all legal requirements and the requirements of STeP by OEKO-TEX® regarding environmental performance, as well as generally accepted industry expectations. In our facility we pay attention to a series of issues and objectives:

- Chemicals are safely and efficiently stored.
- We minimize the consumption of energy resources and water consumption as well as the discharge of wastewaters with hazardous substances.
- Precautions are made to avoid impurities and the formation of substances harmful to health and the environment.
- Our waste management includes reusing and recycling waste and materials, separating (hazardous) waste and minimizing disposable packaging.
- We use BAT to the greatest extent possible. Data integrity and data management are of great importance.
- We control our air emissions taking into account regional and national limits and have valid licenses or permits for this.
- We strive to meet all applicable standards. We do this by continuously monitoring the water treatment and measuring various parameters.

3. Environmental management

It is our mission to reduce the impact of the company's operations on the environment. The goal is to promote sustainability and environmental awareness at all levels of the company by:

- complying with all applicable environmental legislation and sustainability commitments.
- preventing pollution and reducing consumption of resources through waste management strategies that promote waste reuse, recovery and recycling.
- incorporating energy efficiency measures into the company's facilities and promoting efficient energy use in all areas of business activity.
- promoting and continuing to invest in technologies that provide alternatives for business travel.
- ensure our staff is aware of the environmental impacts of their work activities and encourage them through regular awareness and conversations to reduce those impacts.
- pursuing a program of continuous improvement by reviewing our Environmental Management System and related objectives and targets, policies and practices.
- the energy is scarce and we are in constant search for new, renewable, "green" energy. Although energy efficiency has always been a part of our operations, in recent years we have attempted to take further steps by promoting objectives and plans to reduce the energy and carbon intensity of our operations. An example is replacing traditional lighting by LED lights in production areas.
- concerning water use: process water is made by capturing surface water. We do not use ground water. The treated wastewater is discharged into surface water.

4. Social responsibility

Love Home Fabric's approach towards social responsibility and social wellbeing is of an utmost importance. We respect human rights (in accordance with the *UN Guiding Principles on Business and Human Rights*) and comply with all national legal requirements. We provide staff training, detailed measures with schedules and responsibility, documentation of operational procedures, internal audits and evaluations. Our policy can be summarized in the following topics:

- Employment is freely chosen.
- Freedom of association and the right for collective bargaining are respected.
- Working conditions are safe and hygienic.
- Child labor shall not be used.
- Living wages are paid.
- Working hours are not excessive.
- No discrimination is practiced.
- Regular employment is provided.
- No harsh or inhumane treatment is allowed.

5. Quality management

Quality is very important to our business. Love Home Fabrics strives to provide our customers with products and services which meet and even exceed their expectations. We are committed to continuous improvement and reduce the number of customer complaints and mis-produced goods. We treat and document every complaint thoroughly and undertake the appropriate actions to handle the complaint. Our Code of Conduct describes all measures for anti-corruption and anti-bribery. We also expect our suppliers and subcontractors to respect and follow this code of conduct.

6. Health and safety at work

The Love Home Fabrics group recognizes and accepts its health and safety duties for providing a safe and healthy working environment for all its workers and other visitors. Love Home fabrics intent to:

- provide and maintain a safe and healthy working environment and equipment as well as adequate lighting in our facility;
- ensure safe handling and use of substances;
- provide information, instruction and supervision for employees;
- protect workers from heat stress;
- provision personal protective equipment such as hearing protection;
- prevent accidents by preventative measures and training sessions;
- evaluate risks caused by workspaces next to each other;
- prevent fires, explosions, etc.;
- have an emergency plan for all possible incidents.