Sustainability Report 2024



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About this Report

This report provides an overview of SW'S sustainability performance for the period of January 2024 to December 2024.

This report is in accordance with the Global Reporting Initiative (GRI) Standards of 2021, and the structure and content of this report were reviewed by responsible members of the Executive team.

About SW Sustainability Solutions

SW Sustainability Solutions Inc. a privately held, women-owned business with a global team and manufacturing facilities in Asia. As a manufacturer, we specialize in Research and Development and manufacturing of hand protection gloves, to provide premium products that enhance worker performance.

For over 40 years, SW has delivered advanced hand protection solutions to our customers, making our them more successful.

With a steadfast commitment to sustainability, SW is leading the way in ensuring that hand protection is not only effective but also environmentally responsible. In an era where sustainability is overriding, SW Sustainability Solutions has emerged as a prominent exemplary of innovation and ethical responsibility.

The company's core revolves around providing hand protection solutions that safeguard not only the well-being of individuals but also the well-being of the planet. Our commitment to sustainability begins with innovative product designs to responsible operations and supply chain management.

SW is a participant of the United Nations Global Compact and supports the United Nations Sustainable Development Goals (UN SDGs).

A Word from the CEO

I am honored to present our 2024 Sustainability Report, which reflects SW Sustainability Solutions' unwavering commitment to environmental responsibility, social impact, and ethical business practices. Sustainability is at the heart of everything we do—it drives our innovations, shapes our decisions, and defines our purpose as we lead the way toward a safer and more sustainable future.



As a global leader in hand protection, we continuously seek ways to reduce our environmental footprint while delivering high-performance solutions. Our initiatives align with the United Nations Sustainable Development Goals (UN SDGs), reinforcing our role in driving positive global change.

This year, we've made great progress on our Sustainability Road Map, setting ambitious goals for carbon reduction, circular economy initiatives, and stronger governance. Our B Corp certification and industry accolades reaffirm our dedication to transparency and continuous improvement.

Sustainability is a shared journey. Thank you to our customers, partners, and employees for your ongoing support. Together, we will continue to create lasting impact.

Belle Chou
President of SW Sustainability Solutions

Contribution to UN Development Goals

SW Sustainability Solutions Inc. actively contributes to nine United Nations Sustainable Development Goals (UN SDGs) through our prioritized material topics.

This alignment highlights our commitment to advancing sustainability and responsible business practices, which in turn positively impact on people and the planet.

In our Sustainability roadmap we outline our long-term commitment to making measurable progress towards achieving these vital SDGs.



















Sustainability Action Plan for 2030

ENVIRONMENT

- Reduce scope 1 & scope 2 emissions 42%
- Reduce scope 3 emissions by 20%
- Reduce electricity consumption by 16%
- Reduce natural gas consumption by 32% by switching to biomass alternatives
- Reduce steam utilization by 45% by fixing heat loss areas in manufacturing plant
- Manufacturing facility to certified with ISO 50001:2018
- Transitioning to Renewable energy
- Reduce municipal water consumption by 15%
- Zero waste to landfill manufacturing plants

Employee and Social

- Increase the total number of training hours, up to 200hrs
- 50% women representation in Managerial position
- Increase Black or African employee representation up to 5%
- Conduct sustainability assessments for 100% of suppliers and collaborate on improvement plans
- Source 50% of raw materials from certified sustainable suppliers
- Engage with a minimum of 3 community engagement projects per year, focusing on social impact
- 10% reduction of Total Recordable Injury Frequency Rate (TRIFR)
- Reduce product defect ratio from 0.33% to 0.1%

Product Innovation

- Proprietary technology for Energy efficient products
- New product innovations using biobased materials
- Proprietary technology to ensure products emit no toxic emissions during incineration
- low chemical product formulation to reduce chemical usage by 50%

Governance

- Adopting sustainable procurement policies and practices
- Develop Policies of Conflict of interest, Fraud, Money laundering, Anti-competitive practices, and Information security

Governance & Business Ethics

Our Actions

This year, SW Sustainability Solutions has:

- Revised its existing Human Rights Policy, Supplier Code of Conduct and Ethics policies with the addition of quantitative targets.
- Introduced a new policy for Chemical Management.
  - The new Chemical Management Policy includes three key components:
    - Product Management,
    - Facility Management
    - Supply Chain.
  - This policy ensures compliance with regulatory standards, promotes the safety of our employees and customers, and minimizes environmental impacts across the supply chain.

SW conduct training on business ethics and policies annually and during orientation of new hires.

	2023	2024
Percentage of Employees trained in Human Rights and Ethics policies	100%	100%
Number of reports related to whistleblower procedure	0	0
Number of corruption incidents	0	0
Number of information security incidents	0	0



Awarded Ecovadis Bronze Medal in 2024. Top 35% of the companies assessed by Ecovadis



SW earned Thermofisher's "Trusted Sustainability Partner" badge as a leader in Climate Action



TrueForm TF-95BL gloves have been named a winner in the Green Technology & Services category at the 2024 Environmental Protection New Product of the Year Awards



We are a Great Place to Work- 2 years in a row!

Employee and Social Impact

Employee Well-Being

At SW, we prioritize the well-being and satisfaction of our employees through a comprehensive benefits package that includes life insurance, healthcare, disability and invalidity coverage, and parental leave. 100% of our employees are provided with comprehensive healthcare coverage. These initiatives reflect our commitment to supporting our employees' overall health, security, and family needs.

In recognition of our employees' dedication and contributions, we provide a monthly cash award to acknowledge their hard work and achievements. This initiative offers $12,000 cash awards annually. This year, we also organized fully paid overseas vacations to the Bahamas and Vietnam, offering our teams an opportunity to relax, bond, and create lasting memories.

These initiatives align with our commitment to fostering a healthy work-life balance, promoting employee engagement, and creating a supportive culture and rewarding workplace environment.



US team vacation to Bahamas



China team vacation to Ho-Chi-Minh City, Vietnam



Sri Lanka team vacation to Hanoi, Vietnam

Employee Health & Safety



We are passionate about delivering on our promise to keep workers safe, beginning with our people. The safety and health of our employees continues to be a first consideration in operating this business. Every SW employee was given fire and emergency training, along with safety training tailored to their specific job roles. In the event of a serious illness or accident, disability or worker compensation leave is provided.

We began measuring injuries and their impact starting in 2024.

	2024
Total Recordable Injury Frequency Rate (TRIFR) per million hours worked	6.77*
Lost Time Injury (LTI) Frequency Rate	0
Lost Time Injury (LTI) Severity Rate	0
Total Number of days lost to work-related injuries, fatalities and ill health	0

The metrics demonstrate a strong commitment to workplace safety, evidenced by the absence of Lost Time Injuries (LTI) and related severity rates. However, the TRIFR of 6.77 suggests room for improvement in reducing minor injuries or incidents that require reporting but do not result in lost work time.

*TRIFR are calculated per million hours worked

Training & Education



IIn 2024, we prioritized the growth and development of our employees by allocating resources to comprehensive onboarding and specialized training programs. Throughout the year, employees collectively completed 100 hours of training, with a strong focus on advancing their higher education, including master's degree programs.

95% of employees completed training in sustainability and quality system management

This investment reflects our ongoing dedication to fostering a culture of continuous learning and professional development.

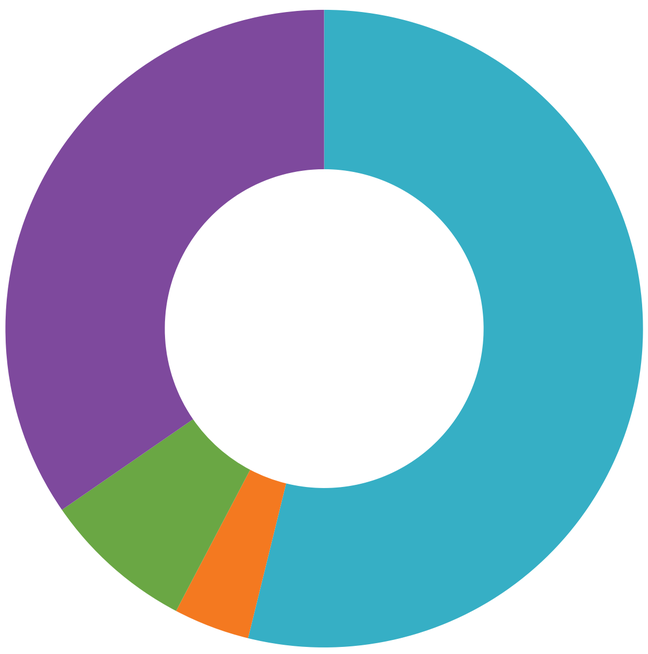
Beyond educational training, 100% of our employees undergoes regular performance reviews at the end of each quarter, accompanied by a quarterly bonus ensuring ongoing feedback and recognition.

Diversity & Equal Opportunity



As a women-owned organization and a global employer, we firmly believe that diversity and inclusion are integral components of our corporate culture and essential to our long-term growth. Embracing a diverse workforce not only reflects our commitment to equality but also enriches our perspectives, fostering innovation and driving success on a global scale. We create an environment where every individual, regardless of gender or ethnicity can thrive and contribute uniquely to our shared success.

Employee Ethnic Diversity



Managers Diversity



Employee Diversity at Our Corporate Offices



SW Sustainability Solutions Inc. is an equal opportunity employer, therefore, the Company does not discriminate, and does not permit its employees to discriminate against other employees or applicants because of race, color, religion, sex, pregnancy, marital status, or citizenship.

SW strongly opposes any use of child labor and values the rights of children. The HR department commits to following the rules about the minimum age for work in national laws.

As far as we know, there are no cases of child labor in our company or with its suppliers. We also reject any kind of forced labor or slavery and check our suppliers to make sure they also follow the laws about child and forced labor. Our labor-intensive manufacturing facility has received SA 8000 and WRAP (Worldwide Responsible Accredited Production) which provides the commitment and assurance to ethical and sustainable business practices.

In 2024 SW initiated tracking of HR issues. We treat our employees equally in compensation, there is no gap between male and female pay.

	2024
Number of discrimination complaints received	0
Percentage of employees and contractors paid at least the minimum wage or living wage	100%
Percentage of employees working overtime	0%
Average pay gap between male and female employees, expressed as a percentage of male pay.	0%

Our Supply Chain



SW' supplier Code of Conduct that emphasizes ethical practices across various critical areas, including monitoring, child labor, non-discrimination, health and safety, and anti-corruption.
To ensure compliance, we evaluate all our suppliers on a quarterly basis.

We further strengthened our Supplier Code of Conduct by integrating specific environmental sustainability requirements. These include Responsible Resource Consumption, Reducing Hazardous Emissions, and Responsible Waste Management and Disposal.

In 2024 the revised Supplier Code of Conduct and updated supplier contracts have been signed by 50% of our existing and new suppliers, ensuring that they adhere to these enhanced sustainability standards. This ongoing collaboration supports our goal of fostering a responsible, ethical, and environmentally conscious supply chain.

	2024
Suppliers with contracts that include clauses on Environmental, labor and human rights requirements	100%
Suppliers who have signed the supplier code of conduct integrated with labor and environmental requirements	50%

While we recognize the importance of supplier diversity, we have not yet identified a diversified suppliers that align with our current procurement needs.

All our suppliers across Asia have obtained certifications from BSCI (*Business Social Compliance Initiative*) WRAP (*Worldwide Responsible Accredited Production*) and SA8000 (*social accountability*).

These certifications serve as compelling evidence that our supplier base adheres to rigorous social compliance standards, indicating a commitment to ethical practices.

In the year 2024, we did not identify or terminate any suppliers due to potential negative social impacts.

SW is also focused on equipping our procurement staff with the necessary knowledge on sustainable procurement to enhance their understanding of social and environmental issues. **67% of our procurement staff** completed this training, and we are dedicated to continuing this initiative, with the goal of providing training to all procurement staff by the end of 2025.

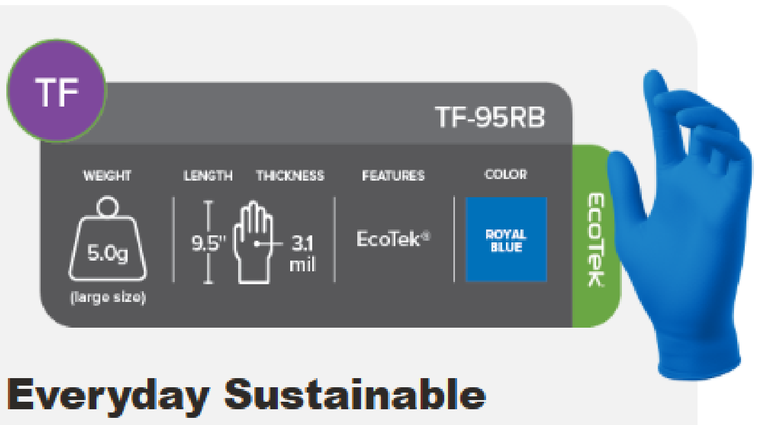
Product Quality, Customer Health, & Safety

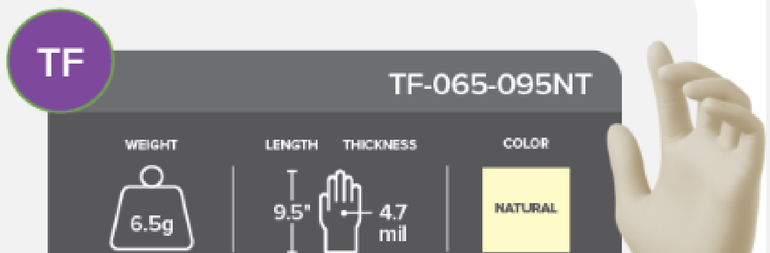
We designed and launched a tool to help our customers identify the best-matching product for their industry by providing a side-by-side comparison of chemical and mechanical performance.
This enables customers to review and compare suggested products efficiently, ensuring they select the right one with ease. As a fast—track solution, this minimizes decision-making time and effort.

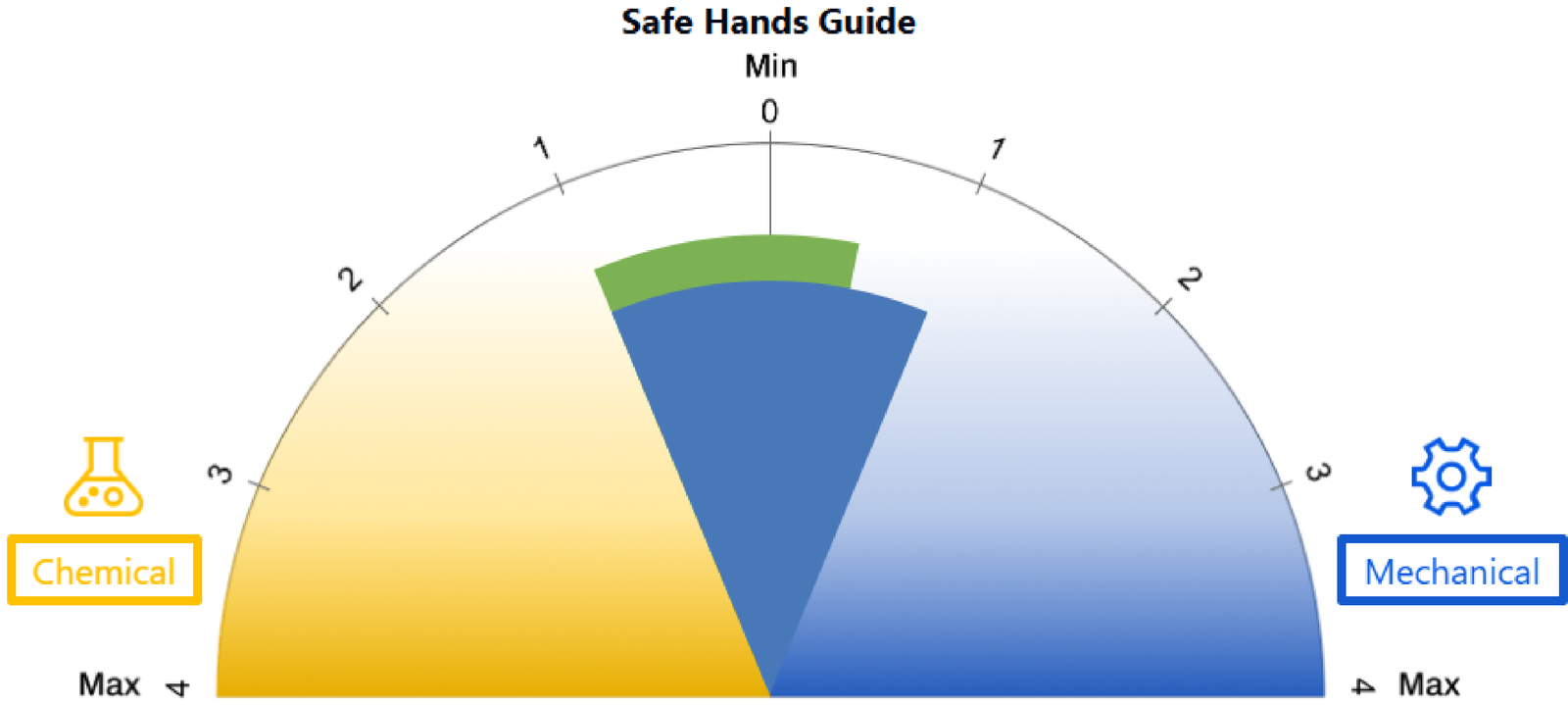
A key advantage of this guide is its ability to highlight potential mismatches in glove selection. If a customer has been using an unsuitable glove, the comparison charts in the Safe Hand Guide provide valuable insights into better alternatives.

This approach further helps reduce waste caused by premature glove replacements and ensures longer-lasting, more effective protection.

For example, if you were using a thin, low-performance glove, switching to a slightly thicker glove could significantly reduce waste while providing a more durable and effective solution for Chemical-Mechanical applications to enhance the safety.







We conducted internal inspections across all our production lines and vendors.
During 2024 assessments, we identified a defect rate of 0.33.

There were no instances of non-compliance with regulations related to the health and safety impacts of our products.

Customer Safety Complaints	2024
Number of reported incidents involving adverse effects related to product use, measured per unit sold	0

Product Quality KPI's	2024
Number of Quality Inspections Conducted	131
Number of Defects Identified	1
Defect Rate	0.33



Community Engagement



In support of our commitment to giving back to the community, SW partnered with “Feeding America” charity in November 2024.

As part of this campaign, we pledged to donate 500 meals for every purchase of 50 or more cases in November, and 1,000 meals for every such purchase in December. Through the generosity of our customers and partners, we successfully donated 36,000 meals in November alone.

By the end of December 2024, we had exceeded our goal, contributing over 70,000 meals to those in need. This initiative reflects our ongoing dedication to making a positive impact and helping to alleviate hunger in communities across the country.

Hurricane “Helene” Relief

At SW Sustainability Solutions, we believe in extending a helping hand in times of need. Through our Helping Hand Program, we’re honored to support the victims of *"Hurricane Helene"* by providing essential glove supplies for safer cleaner recovery efforts.

Double Ninth Festival

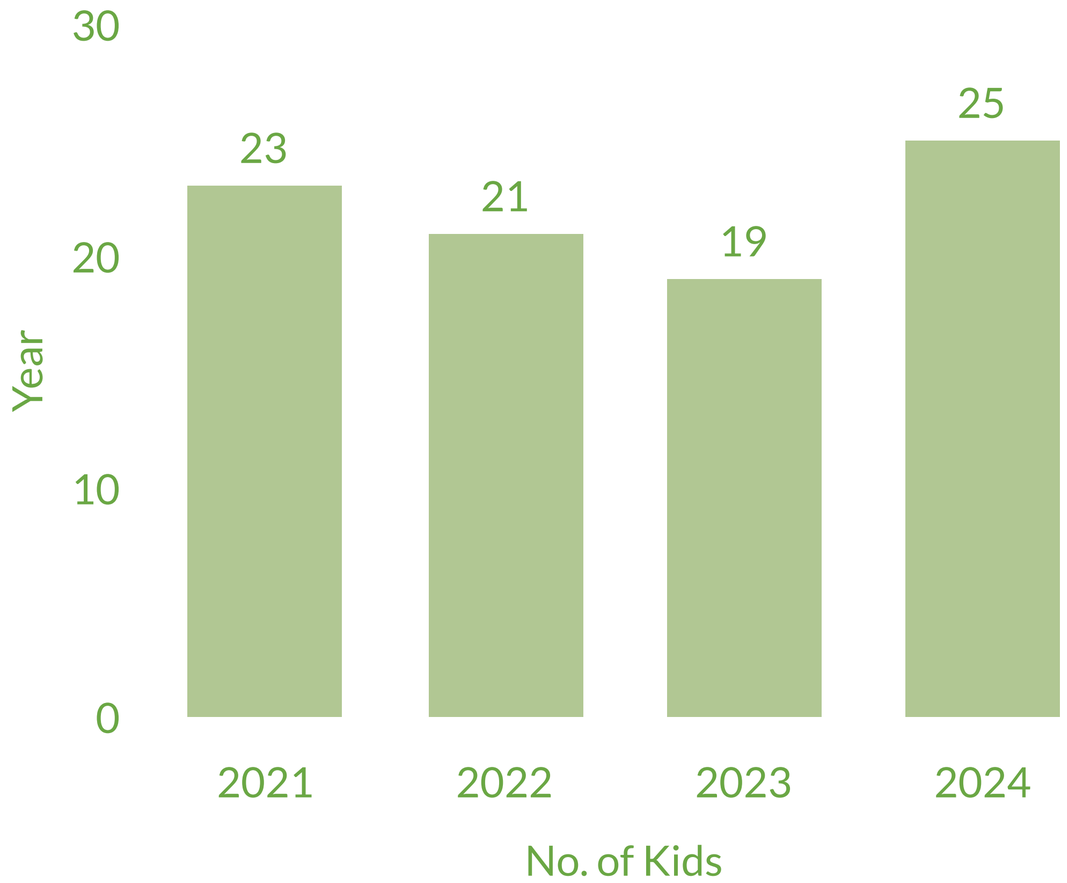
For the 10th consecutive year, SW’s China office and factory staff participated in a charity event at a local elderly care facility. As part of this initiative, we contributed $1,500 to support various elderly care activities, including cleaning, meal preparation, and delivering comfort items. These efforts aimed to enhance the well-being of the elderly residents and provide them with much-needed support and care.

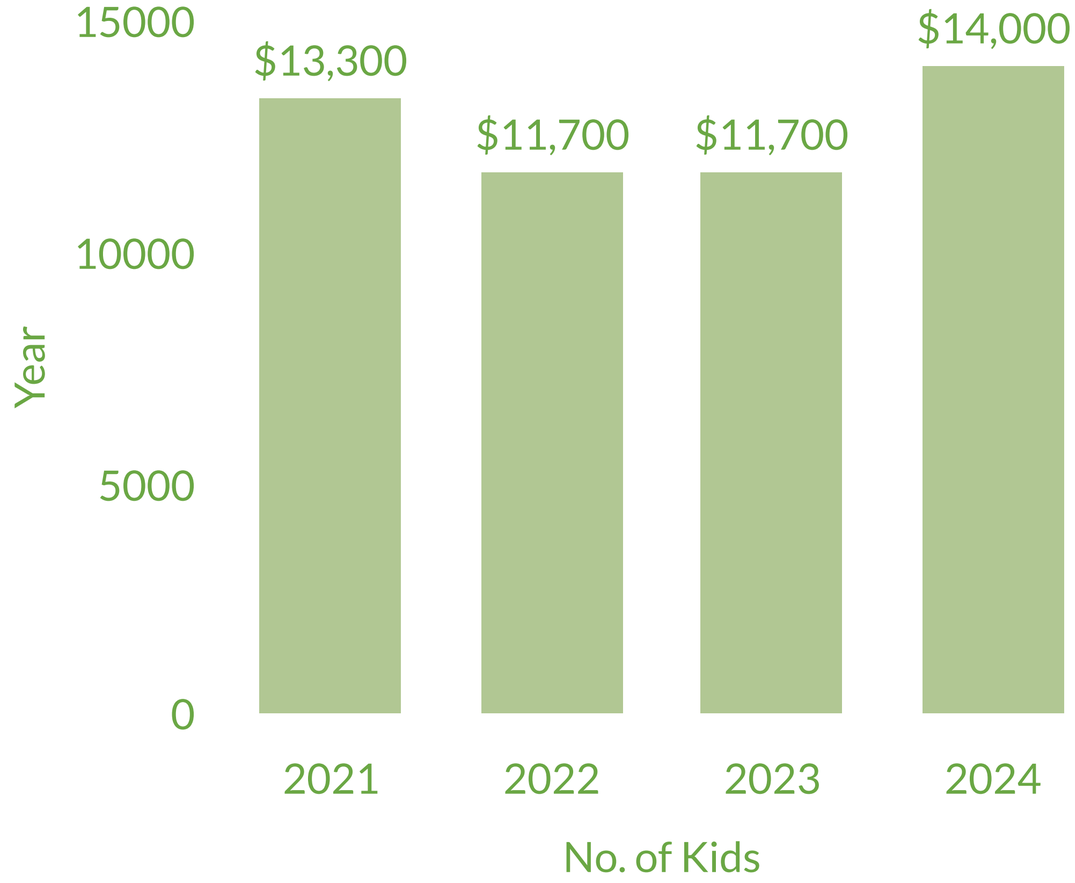
Academic Improvement Scholarship Program



For the 4th consecutive year, SW's academic improvement scholarship program granted educational scholarships worth USD 14,000 for the children of our employees in 2024.

SW employees who have been servicing the company for more than one year and have school-age children under 24 years of age are entitled to this program.





Innovation and Product Development



Our extensive product portfolio includes Single Use Gloves, Mechanical Protection Gloves, and Chemical Protection Gloves. We expanded our TotalForm range in 2024, with the launch of the TotalForm Cut Level A4 (TF-44BK). This innovative product features an EcoTek sustainable, breathable nitrile coating, which constitutes approximately 35% of the glove.

This new coating results in a reduction of 2 grams per glove compared to our existing cut-resistant gloves. By utilizing fewer raw materials during the manufacturing process, the coating helps to lower our carbon footprint and conserve natural resources.

Its breathable properties allow for enhanced airflow, facilitating the evaporation of sweat and maintaining comfort for the wearer. As a result, users can work for extended periods without the need for frequent glove changes due to discomfort. The reduced need for glove replacements also minimizes waste generation, additionally, the biodegradable feature of the breathable nitrile coating and the recyclable packaging further reduce waste accumulation, aligning with zero-waste initiatives of the users.

Comfort is a key factor in the adoption of gloves across industries such as healthcare, food, life sciences, and automotive. The breathable coating ensures that gloves remain comfortable for extended use, reducing fatigue and improving productivity. This user-centric innovation underscores our commitment to workplace safety and satisfaction, addressing the well-being of individuals who rely on safety wear. The development of the TotalForm Cut Level A4 with EcoTek coating exemplifies SW Sustainability Solutions' dedication to responsible manufacturing practices.

Calculating our Chemical Footprint

We collected Chemical Footprint data for our product portfolio and evaluated the presence of chemicals of high concern. We will publicly disclose this data through the Chemical Footprint Project in 2025.

Environmental Performance

Last year, SW Sustainability Solutions made significant progress in reducing its environmental impact through improved waste management, energy efficiency, and emissions reduction. By optimizing resource use, minimizing waste generation, and enhancing recycling efforts, SW lowered its overall consumption while implementing sustainable manufacturing practices. These efforts reflect the company's commitment to continuous environmental improvement and responsible operations.

Water Cosumption & Management

19% ↓

19% reduction in water consumption, compared to FY2022 baseline.

Energy & Emissions

85% ↓

85% reduction in Scope 1 and Scope 2 emissions, compared to FY2022 baseline

Waste & Effluent Management

49% ↓

49% reduction in waste to landfill, compared to FY2022 baseline.



Energy & Emissions

SW Sustainability Solutions Inc, disclosed in the CDP (Carbon Disclosure Project) Climate Change under SME category and received the highest rating of **‘B’** for this category.

SME CDP Discloser 2024

56%

From FY2023 to FY2024, there was a 56% reduction in electricity consumption representing an 87% reduction compared to FY2022 baseline. This reduction is primarily attributed to lower production levels due to inventory challenges, as well as our ongoing transition to renewable energy at our corporate offices .

21MWh

Solar Electricity exported to national grids from corporate offices. US and SL Offices

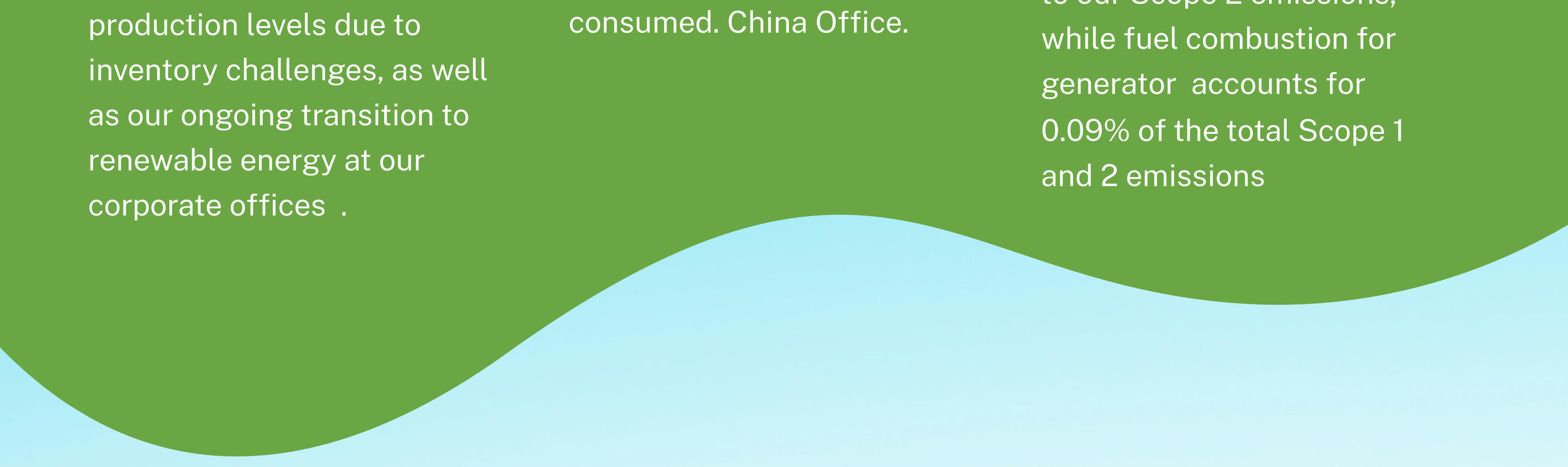
23MWh

100% Solar Electricity consumed. China Office.

42%

Steam consumption reduced by 42% from FY2023 to FY2024, representing an 85% reduction compared to our FY2022 baseline

Electricity and steam are the primary sources contributing to our Scope 2 emissions, while fuel combustion for generator accounts for 0.09% of the total Scope 1 and 2 emissions



Targets for 2030 from 2022 Baseline

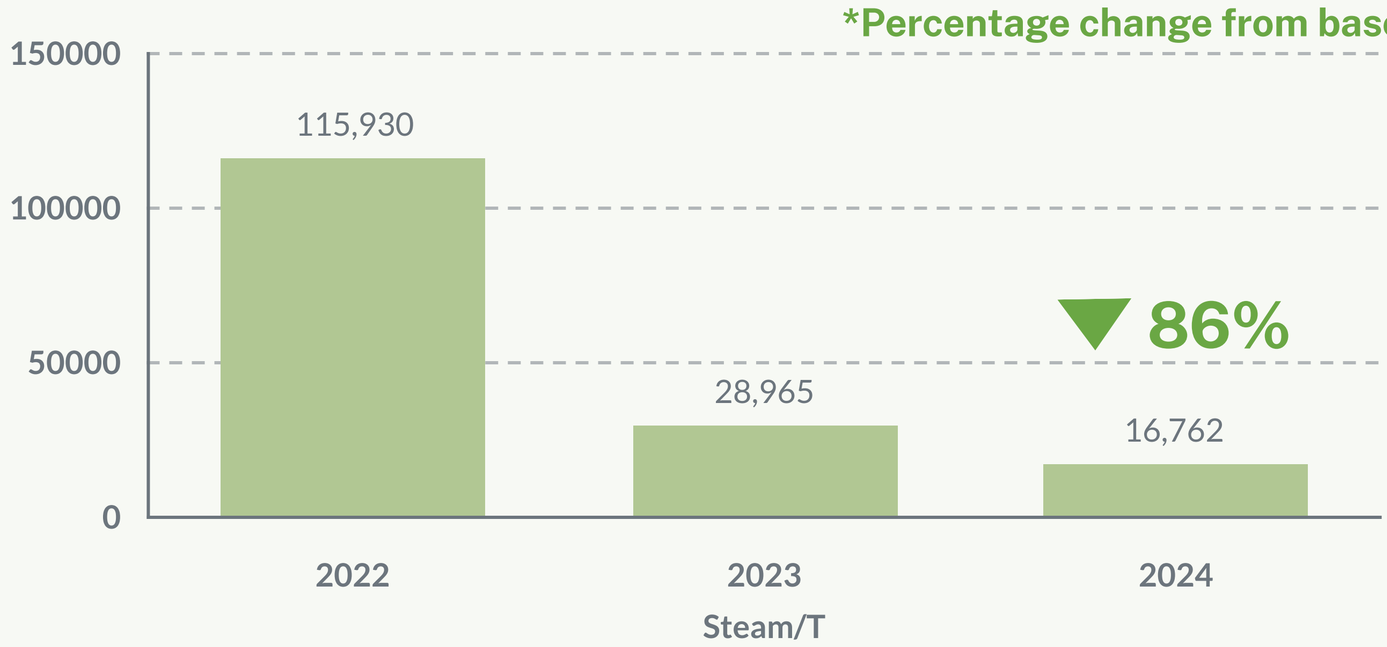
45% Reduce steam utilization by 45%

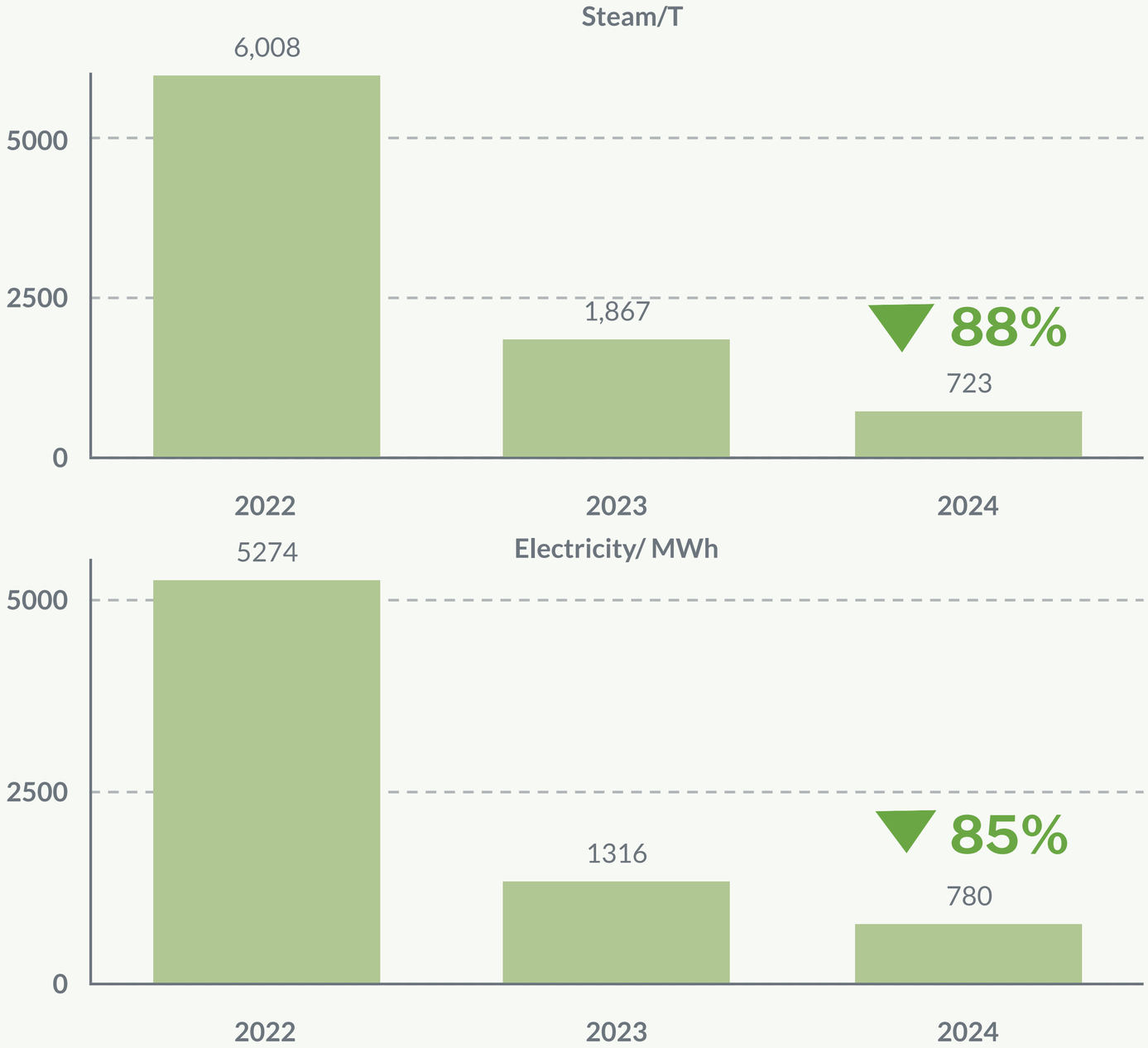
16% Reduce electricity consumption by 16%

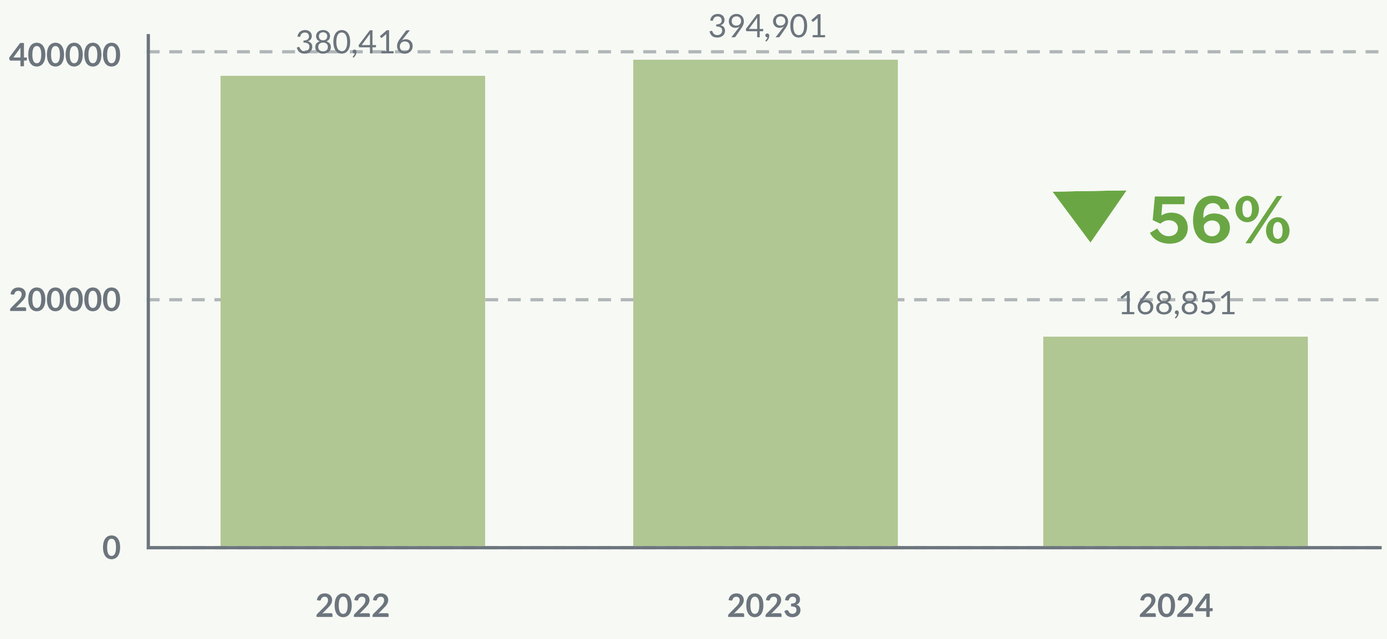
42% Reduce scope 1 & scope 2 emissions 42%, by efficient steam utilization and reducing the reliance on fossil sources

20% Reduce scope 3 emissions by 20%

*Percentage change from baseline







There has been a significant decline in greenhouse gas (GHG) emissions from FY2022 to FY2024, with our emissions aligned with our Science Based Targets initiative (SBTi) goals.

Scope 1 and Scope 2 emissions have decreased from 1316 MT CO_2e in FY2023 to 780 MT CO_2e in FY2024, marking a 40% reduction. Overall, this represents an impressive 85% reduction in emissions from the 2022 baseline, demonstrating strong progress in achieving our emission reduction targets.

The reduction is primarily attributed to the discontinuation of natural gas use in our factory production lines starting from 2023, which was the key factor in lowering Scope 1 emissions and, consequently, the overall reduction in Scope 1 and Scope 2 GHG emissions.

Scope 1 & 2 Emissions

Scope 1 Emissions	0.09%
Scope 2 Emissions	99.91%

Scope 2 Emissions by Category

Grid Electricity (Factory)	7.41%
Grid Electricity (Offices)	3.74%
Steam	88.85%

Scope 3 emissions have also demonstrated a declining trend from FY2023 to FY2024, primarily driven by 58% emission reductions in downstream transportation and distribution.

Specifically, emissions decreased from 394,901 MT CO2e in 2023 to 165,417 MT CO2e in 2024, as a result of route optimizations and the selection of more sustainable logistics partners. Starting in 2025, we will begin capturing emissions from upstream transportation for our GHG inventory.

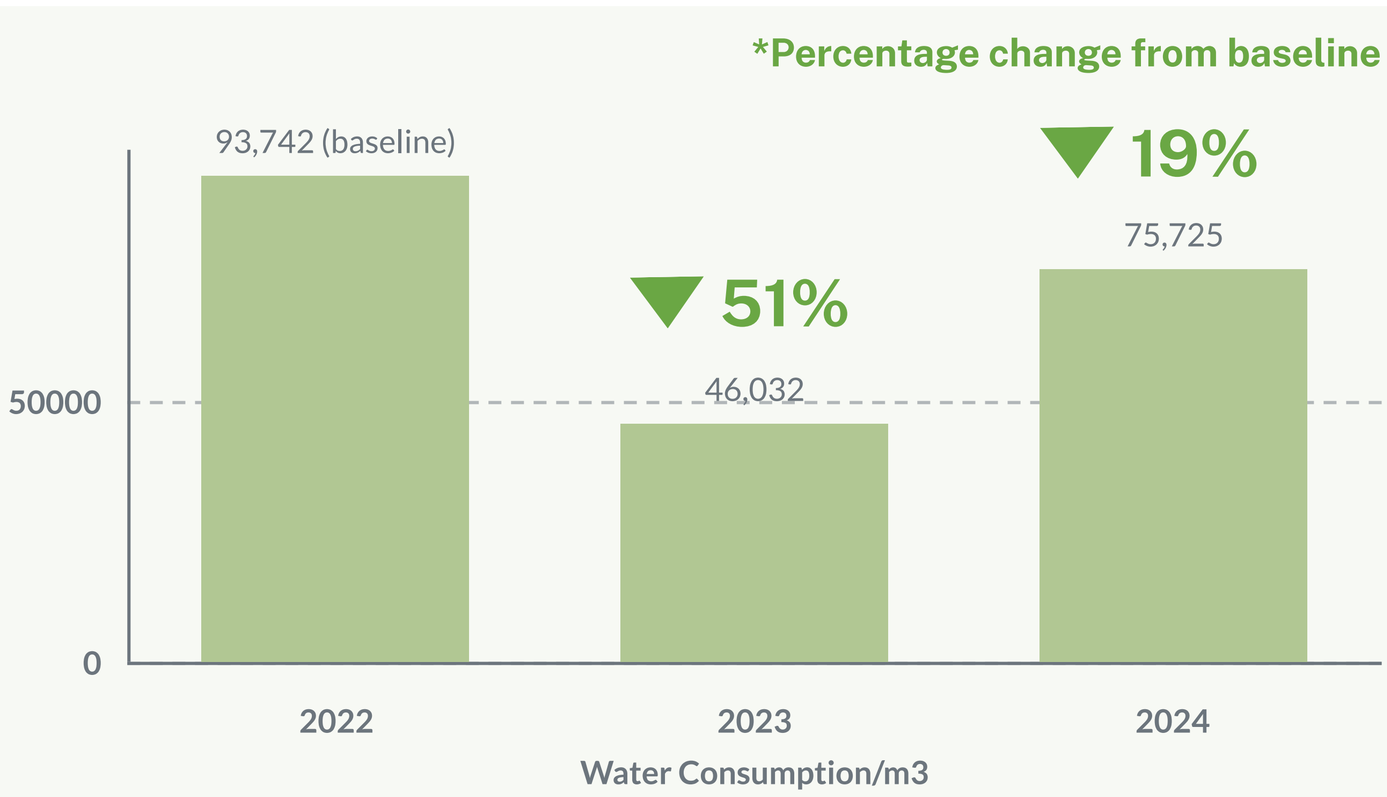
Scope 3 Emissions by Category

Business Travel	0.05%
Employee Commuting	0.02%
Downstream Transportation and Distribution	97.97%
Purchased Goods & Services	1.96%

Scope 3 Emissions by Category	MTCO2e
Business Travel	88.9
Employee Commuting	28.2
Downstream Transportation and Distribution	165,417.0
Purchased Goods & Services	3,316.6

Water Consumption & Management

15% Reduction of municipal water consumption by 2030



The municipal water consumption at our manufacturing site increased from 46,032m^3 in FY2023 to 75,725m^3 in FY2024, reflecting a 65% rise. This increase is primarily driven by the higher production output of our flock-lined product, with water consumption directly linked to the type of product being produced. However, despite this increase, our water usage remains well below the targets set based on FY2022 baseline.

Our Improvements

Further to our analysis of the leaching tanks in the production lines, we identified opportunities to enhance the leaching process due to its higher water consumption.
As a result, we reengineered the individual leaching water tanks by connecting them to allow for a continuous water flow between the tanks.

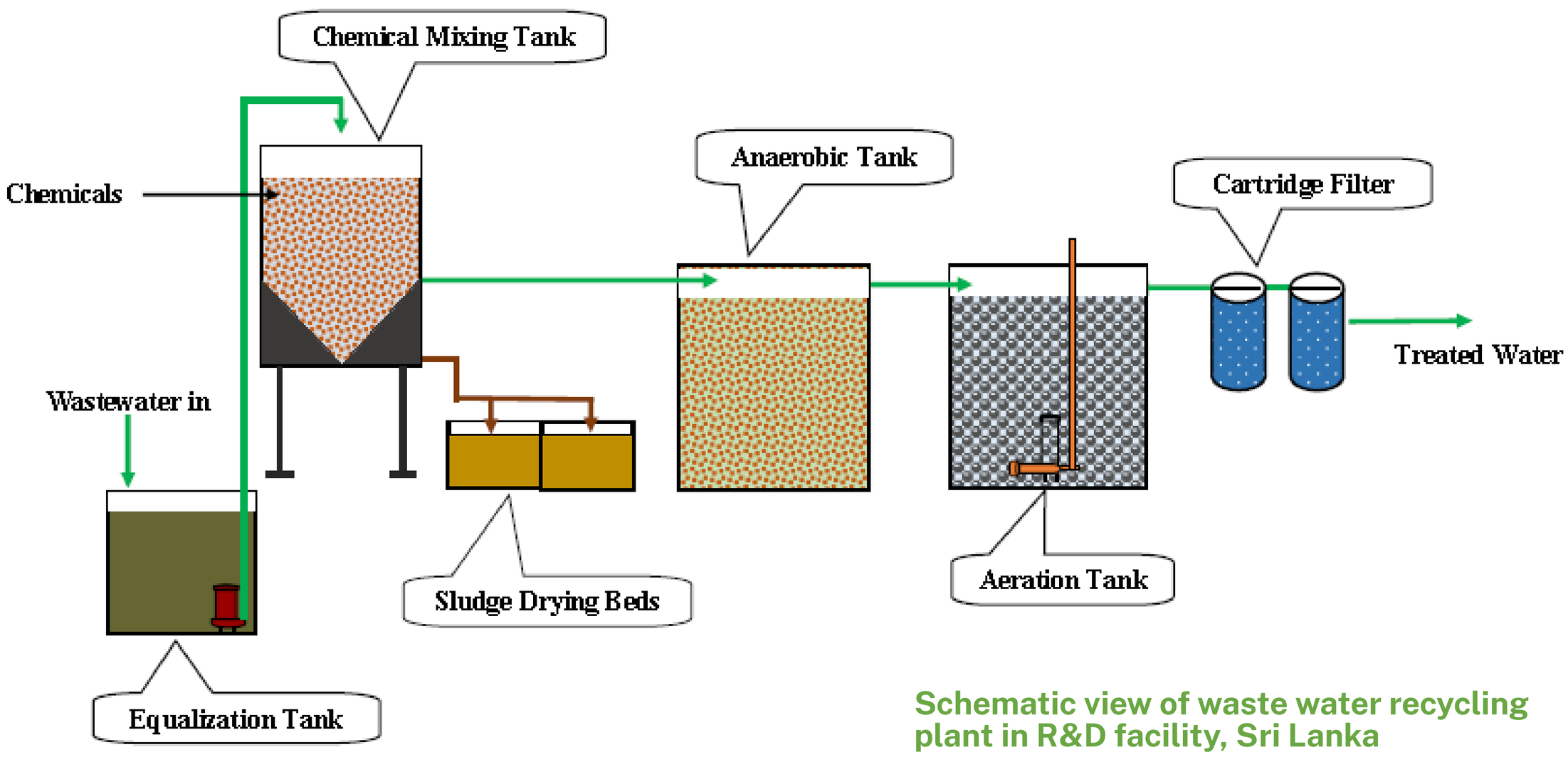
This modification significantly improved the leaching process and led to a 44% reduction in leaching water consumption.

Effluent Management

Within our R&D facility in Sri Lanka we installed an effluent water recycling plant using a 6-step process, screening, aeration, sedimentation, flocculation and coagulation, filtration and chlorination. After operating for approximately 8 months, the plant has processed 24m^3 of wastewater collected from sampling and compounding activities and successfully recycled 79% of the water.

The reclaimed water has been effectively reused in various laboratory processes, including primary former washing and other equipment cleaning. By integrating this water treatment system, we have significantly reduced our dependency on freshwater resources.

Waste Management

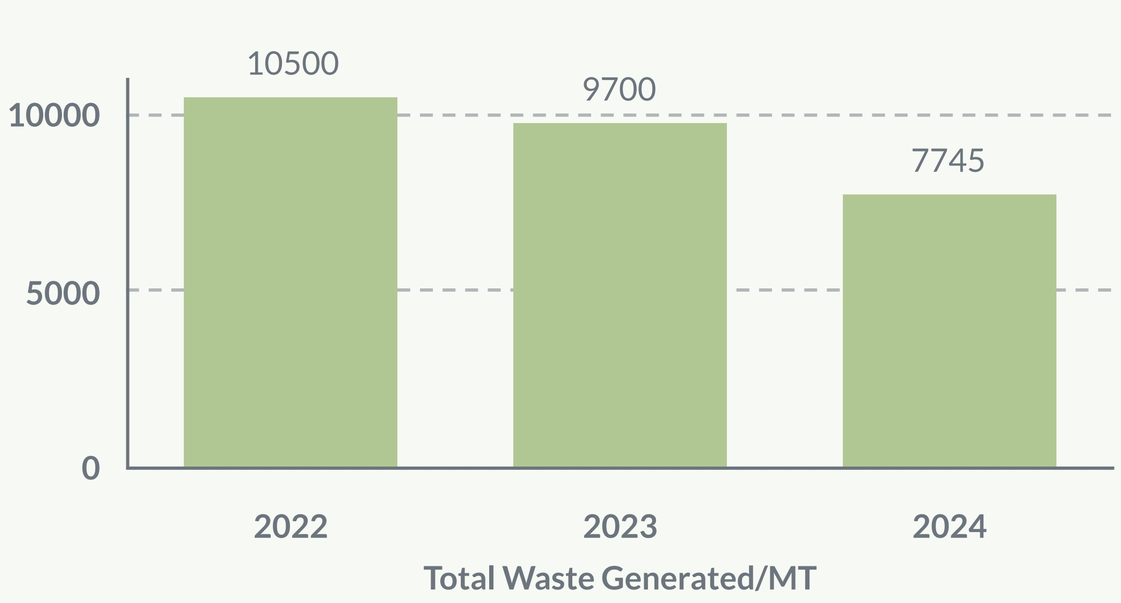


Schematic view of waste water recycling plant in R&D facility, Sri Lanka

We successfully reduced the amount of waste sent to landfill in FY2024 by 44%, decreasing from 50MT in FY2023 to 28 MT in FY2024.

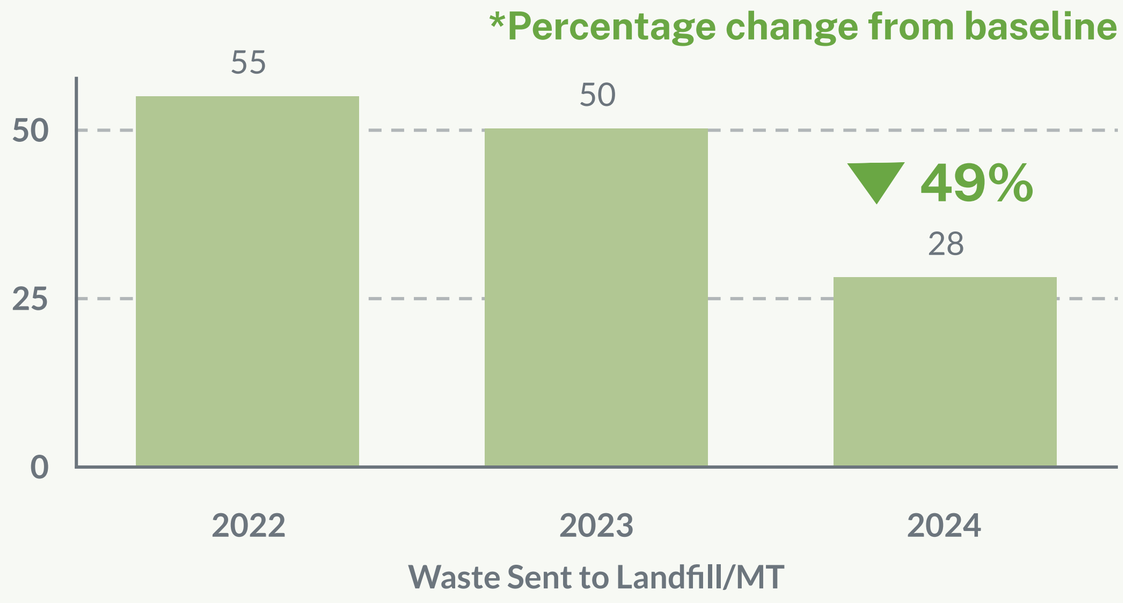
Hazardous waste, including expired chemicals, used solvents, and chemical-contaminated containers, does not accumulate on an annual basis. When a substantial quantity is collected, it is handed over to cement plant vendors, where the waste is utilized as a fuel source in the kiln.

99.6% of the waste diverted from the landfill in FY2024, through partnerships with vendors across various industries. We collaborated to upcycle the remaining outdated compounds in our production lines, turning them into valuable products. We prioritize the reuse of paper and cardboard waste wherever possible, with any residual waste being sent for recycling.



Total Waste Generated/MT

***Percentage change from baseline**



Waste Sent to Landfill/MT

Appendix

New Employee hires and Employee turnover rate, 2024

		Percentage [%]					
Region	Total new recruits	Recruit rate	Male	Female	<30	30-50	>50
USA	7	27	86	14	14	43	43
Sri Lanka	5	24	40	60	40	60	0
China	1	4	0	100	100	0	0

			Percentage [%]				
Region	No of employees Left	Turnover rate	Male	Female	<30	30-50	>50
USA	7	29	57	43	43	57	0
Sri Lanka	2	10	50	50	100	0	0
China	3	13	33	67	67	33	0

Appendix

The report has been prepared with reference to 2016-2021 GRI Standards.

Disclosure Number	GRI Standard	Disclosure Title	Our Response/ Page number
Organization Profile			
102-1	General Disclosures	Name of organization	1
102-2	General Disclosures	Activities, brands, products,	1
102-3	General Disclosures	Location of headquarters	1
102-4	General Disclosures	Location of operations	1
102-5	General Disclosures	Ownership and legal form	1
Strategy			
102-14	General Disclosures	Statement from CEO	2
Ethics and Integrity			
102-16	General Disclosures	Values, principles, Policies	3
Reporting Practices			
102-46	General Disclosures	Defining report content	Table of Contents
102-47	General Disclosures	List of material topics	3,4
102-50	General Disclosures	Reporting period	1
Governance Performance			
205-1	Anti-corruption	Communication and training about anti-corruption policies and procedures	5
Environmental Performance			
302-1	Energy	Energy consumption within the organization	20
302-3	Energy	Energy intensity	20
303-5	Water and effluents	Water consumption	23
305-1	Emissions	Direct (Scope 1) GHG emissions	20,21
305-2	Emissions	Indirect (Scope 2) GHG emissions	20,21
306-3	Waste	Waste generated	24
306-4	Waste	Waste diverted from disposal	24

Appendix

Disclosure Number	GRI Standard	Disclosure Title	Our Response/ Page number
Social Performance			
401-1	Employment	No of New employee hires and employee turnover	25
401-2	Employment	Benefits provided to full-time employees	6
403-9	Occupational Health and Safety	Work-related injuries	8
404-1	Training and Education	Average hours of training per year per employee	9
404-2	Training and Education	Programs for upgrading employee skills and transition assistance	9
404-3	Training and Education	Percentage of employees receiving regular performance and career development reviews	9
405-1	Diversity and Equal Opportunity	Diversity of governance bodies and employees	10
406-1	Non-discrimination	Incidents of discrimination and corrective actions taken	11
408-1	Child Labor	Operations and suppliers at significant risk for incidents of child labor	11
409-1	Forced or Compulsory Labor	Operations and suppliers at significant risk for incidents of forced labor	11
412-2	Human Rights Assessment	Employee training on human rights policies or procedures	5
414-2	Supplier Social Assessment	Negative social impacts in the supply chain and actions taken	12,13
416-1	Customer Health and Safety	Assessment of the health and safety impacts of product	14,15
416-2	Customer Health and Safety	Incidents of non-compliance concerning the health and safety impacts of products and services	14,15

SW SUSTAINABILITY SOLUTIONS

SUSTAINABILITY REPORT 2024

SW specializes in manufacturing, R&D and hand health technologies to provide premium hand protection products that enhance worker performance. SW brings a different approach to the category. An approach that involves applying industry insight and an investment in manufacturing innovation to find better ways to advance worker safety, improve hand health, and increase job performance. It is a difference you can feel.

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