

smartoptics



**SUSTAINABILITY
REPORT
2024**

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ABOUT SMARTOPTICS

Smartoptics is a global provider of optical networking solutions for data centers and service providers. As a technology company, we acknowledge our responsibility to minimize environmental impact and integrate sustainable practices into our operations, supply chain, and collaborations.

Innovation is at the core of our business, and we continuously develop energy-efficient solutions that help optimize network performance while reducing resource consumption. Our commitment to responsible AI development ensures that transparency, privacy, and ethical considerations are embedded in our technology, supporting both efficiency and sustainability.

We work closely with suppliers and partners to promote ethical sourcing and responsible manufacturing. We have enhanced our waste management process and are actively working towards better reuse of material and circularity.

Beyond our internal efforts, we participate in industry initiatives, such as the Telecom Infra Project (TIP) – Project Open Optical & Packet Transport (OOPT), which focuses on open and efficient networking technologies.

We also value the well-being and engagement of our employees, as reflected in our Great Place to Work certification and TrustIndex© results.

At Smartoptics, we see sustainability and innovation as ongoing responsibilities. By continuously improving how we operate, leveraging AI and advanced technologies, and fostering strong partnerships, we contribute to long-term business resilience and environmental responsibility, aligning with the Paris Agreement and relevant UN Sustainable Development Goals.



WORD FROM CEO

Sustainability is an essential part of our business operations. We strive to conduct our activities in an environmentally and socially responsible manner and have taken several steps to strengthen this approach. This year, we have made significant progress in reducing emissions, improving data collection, increasing recycling efforts, and strengthening partnerships with suppliers.

One important milestone is achieving EcoVadis Gold certification, which reflects our efforts in environmental, labor, and ethical practices. This recognition supports our goal of operating responsibly and continuously improving our impact on society and the environment.

With better data and improved methodologies, we have been able to set more precise targets for reducing our environmental footprint. A key achievement has been enhancing the measurement and accuracy of Scope 3 emissions, helping us gain a clearer picture of our indirect impact. Additionally, we conducted comprehensive water and biodiversity risk assessments, identifying areas where we can improve environmental management.

A strong and collaborative partnership with suppliers has been essential in these efforts. By working closely with our supply chain, we have improved resource efficiency, increased transparency, and ensured responsible sourcing. These partnerships also play a crucial role in advancing recycling initiatives and reducing overall emissions, helping us align with the Paris Agreement and the relevant UN Sustainable Development Goals.

Customer satisfaction remains a key focus, and we are pleased to report consistently high levels of confidence in our products and services. At the same time, we have strengthened information security to ensure our digital infrastructure remains resilient and trustworthy.

At Smartoptics, sustainability is not just an ambition—it's a practical approach to building a more efficient, responsible, and resilient business. By integrating sustainability into our operations and fostering strong partnerships with suppliers and industry leaders, we aim to contribute to long-term profitability, environmental responsibility, and stakeholder trust.



Magnus Grenfeldt, CEO

1. GENERAL REQUIREMENTS (ESRS 1)

AFFECTED STAKEHOLDERS

At our company, we recognize that meaningful engagement with stakeholders is essential to driving responsible and sustainable business practices. Engaging with our stakeholders allows us to understand their expectations, identify shared priorities, and ensure that our sustainability strategy reflects the issues that matter most to them and to us.

Throughout the year, we engage with a broad range of stakeholders—including employees, customers, suppliers, investors, and local communities—through surveys, interviews, workshops, and ongoing dialogue. These interactions focus on key sustainability topics such as climate impact, responsible sourcing, employee well-being, diversity and inclusion, data privacy, and product innovation.

We have systematically mapped stakeholder concerns against our material sustainability topics. This mapping process helps us identify the most relevant issues, prioritize actions, and align our initiatives with both stakeholder expectations and global frameworks such as the UN Sustainable Development Goals (SDGs).

The table below outlines our stakeholder groups, the methods we use to engage with them, the primary topics raised, and how these are linked to our material sustainability themes. This structured approach ensures transparency, fosters trust, and supports continuous improvement across our operations.

Stakeholder Group	Engagement Methods	Key Topics raised	How we respond
Employees	Engagement surveys, internal newsletters, team meetings, HR feedback channels	Work-life balance, diversity & inclusion, career development, workplace safety	Initiatives to promote flexible work, training & development strategy
Customers	Customer satisfaction surveys, service feedback, support forums, direct client meetings	Product quality, environmental impact, data privacy, ethical sourcing	Investments in product lifecycle analysis, improved transparency on sourcing, data privacy updates
Suppliers	Supplier audits, Code of Conduct adherence, regular check-ins	Ethical practices, Long-term collaboration	Supplier training programs, terms for strategic partner
Investors	Quarterly reports, ESG performance updates, investor calls	Financial resilience, climate risk, governance practices	Integration of ESG metrics in reporting, enhanced risk disclosures

DOUBLE MATERIALITY AS THE BASIS FOR SUSTAINABILITY DISCLOSURES

Our materiality assessment process follows ten key steps to thoroughly evaluate and prioritize the most critical sustainability issues for our company and stakeholders. It begins with defining the scope and objectives of the assessment, followed by engaging stakeholders to gather diverse perspectives. A comprehensive value chain analysis is then conducted to identify potential environmental, social, and economic impacts within the organization and across upstream and downstream activities.

Using a structured framework, sustainability issues are categorized and assessed based on their relevance and significance. This is supported by collecting both quantitative and qualitative data through surveys, interviews, and reports. The gathered data is carefully analyzed to evaluate the importance and impact of each issue, incorporating internal and external insights. The assessed issues are then plotted on a materiality matrix, providing a clear visual representation of their significance based on business impact and stakeholder concerns.

These priorities are reviewed and validated by key stakeholders and senior management to ensure alignment with organizational goals and strategies. Following this, a detailed action plan is developed, outlining specific initiatives, timelines, and responsibilities for addressing sustainability concerns. This plan is integrated into the company's overall strategy, with measurable progress tracked using defined KPIs. Lastly, the results of the materiality assessment and the corresponding actions are communicated transparently to all stakeholders, reaffirming our commitment to sustainability and accountability.

RELEVANCE TO STAKEHOLDERS AND STRATEGY

Our materiality assessment is informed by active stakeholder engagement, ensuring alignment with their concerns and expectations. Additionally, it is designed to meet regulatory requirements and align with international standards, including the UN Sustainable Development Goals (SDGs). This comprehensive approach enables us to identify and address key sustainability issues, supporting both regulatory compliance and strategic objectives.

By focusing on impact materiality, we aim to create a transparent, accountable, and action-oriented sustainability strategy that addresses the most significant challenges and opportunities within our business and the broader ecosystem.

TRESHOLD SCORING SYSTEM

The materiality assessment employs a detailed threshold scoring system to evaluate both impact and financial significance, with a maximum score of 25.

Topics are categorized as follows:

- Low Materiality: Scores between 1–4.
- Medium Materiality: Scores between 5–14.
- High Materiality: Scores between 15–25.

Prioritization is based on this scoring framework, ensuring that topics and sub-topics with the highest scores are prominently highlighted, reflecting their critical importance. While topics with lower scores are less prominent, they are still represented in the report as they remain material and relevant within the broader sustainability context. This balanced approach ensures comprehensive coverage of all pertinent issues.



IMPACT MATERIALITY

Our impact materiality assessment has been conducted in accordance with the European Sustainability Reporting Standards (ESRS) guidelines. This process encompassed a detailed evaluation of topics, subtopics, and sub-subtopics relevant to our operations and value chain. These topics were analyzed using established criteria, including scale, scope, recall, and probability, to determine their material significance.

Actual negative impacts were assessed based on their degree of severity, while potential negative consequences were evaluated with an additional measure of probability. Positive impacts were also considered as opportunities to enhance long-term value creation and align with our sustainability objectives. Impact materiality is a critical element of our sustainability strategy and reporting framework. It ensures that we focus on the most significant issues impacting the environment, society, and our stakeholders. This approach allows us to prioritize actions that mitigate risks, maximize positive outcomes, and contribute to long-term sustainability.

The key outcomes of this assessment are demonstrated in Chapter ESRS 2: General Disclosures, where the identified material impacts, risks, and opportunities are discussed in detail. These findings form the foundation for our sustainability reporting, providing a clear link between identified material issues and our strategic response to them.

By prioritizing impact materiality, we ensure that our sustainability strategy remains focused on addressing the most significant environmental, social, and economic challenges, aligned with stakeholder expectations and regulatory requirements.

FINANCIAL MATERIALITY

Our financial materiality assessment has been carried out in accordance with the European Sustainability Reporting Standards (ESRS) guidelines. This assessment focuses on evaluating how sustainability-related risks and opportunities impact the company's financial performance, position, and prospects over the short-, medium-, and long-term. Short-term is defined as less than twelve months, medium-term is between one and five years and long-term is over five years. Evaluation parameters are cash flow, product development, financial performance and position, cost of capital and access to funding.

This process involved analyzing financial implications across areas such as regulatory compliance, market shifts, operational risks, and investment in sustainable practices. We have categorized the financial effects into five different levels; negligible, low, medium, significant and serious. Negligible is for example planned changes in market regulations with very low financial impact on our business. Low is for example planned changes in market regulations with a medium financial impact. Medium impact is for example risk for loss of medium market or large customer/medium supplier. Significant impact is loss of major market, major supplier or ransomware attack. Serious is potential risk for bankruptcy.

By identifying and assessing these impacts, we ensure that our financial strategy remains resilient and adaptive to evolving sustainability challenges. These findings underpin our approach to integrating financial considerations into our overall sustainability strategy, ensuring alignment with stakeholder expectations and regulatory requirements. By embedding financial materiality into our decision-making processes, we aim to strengthen our financial performance while addressing critical sustainability challenges and opportunities effectively.

VALUE CHAIN

In alignment with the OECD Due Diligence Guidance, our company conducted a thorough value chain analysis to evaluate double materiality, encompassing both financial and sustainability impacts. This analysis is essential for identifying and addressing risks, opportunities, and consequences throughout our value chain, from upstream suppliers to downstream customers. By integrating environmental, social, and governance (ESG) considerations, we ensure a holistic approach to sustainable value creation.

STRATEGIC FOCUS

This value chain analysis shapes our overarching sustainability strategy by identifying areas for improvement and innovation. Through detailed supplier risk assessments and stringent qualification processes, we ensure that our value chain is fully aligned with our ESG objectives. This integrated approach reinforces our dedication to responsible business practices, enhances stakeholder trust, and drives long-term value creation.

UPSTREAM ANALYSIS

The analysis starts with upstream activities, emphasizing the responsible sourcing and procurement of raw materials. We evaluate the sustainability practices of our suppliers, ensuring their adherence to environmental regulations, labor standards, and ethical business principles. As part of our supplier qualification process, we conduct comprehensive CSR assessments to verify alignment with our sustainability and governance standards. This approach mitigates supplier-related risks, including non-compliance, human rights concerns, and environmental impacts, while fostering long-term partnerships with suppliers who share our commitment to responsible and sustainable practices.

OPERATIONAL PHASE: MANUFACTURING AND PRODUCTION

In the manufacturing and production phase, our focus is on the transformation of raw materials into finished products. We closely monitor energy consumption, emissions, and waste generation while ensuring adherence to high standards of labor practices and workplace safety.

DOWNSTREAM LOGISTICS: TRANSPORTATION AND WAREHOUSING

The downstream logistics phase encompasses transportation and warehousing, where we assess emissions, fuel usage, and overall logistics efficiency. This phase is vital in minimizing environmental impact and strengthening the resilience of our supply chain. We work closely with logistics partners who prioritize low-emission solutions to advance our sustainability objectives.

PRODUCT UTILIZATION

The usage and consumption stage focuses on how end-users interact with our products, emphasizing product quality, reliability, and safety. We prioritize designing products that deliver exceptional performance while ensuring long lifespans and energy efficiency. By integrating sustainability into our product development process, we reduce environmental impact, enhance customer satisfaction, and provide durable solutions that meet the evolving needs of our customers. This commitment to quality not only supports a more sustainable future but also reinforces our reputation for delivering products that users can trust and rely on.

END-OF-LIFE MANAGEMENT

At the final stage of the value chain, we concentrate on recycling, disposal, and waste management. Our approach centers on circular economy principles, emphasizing the recovery and reuse of materials to minimize environmental impact. These efforts are crucial in reducing waste and preserving natural resources.

2. GENERALEAL DISCLOSURE (ESRS2)

IMPACTS, RISKS, AND OPPORTUNITIES (IRO)

Smartoptics impact materiality assessment is guided by the ESRS framework, involving a comprehensive review of topics, subtopics, and sub-subtopics. These elements are evaluated based on consistency of scale, scope, recall, and probability. Negative consequences are assessed for their severity, while potential negative consequences include an additional probability factor. Positive consequences are considered opportunities for growth and innovation.

In alignment with the Corporate Sustainability Reporting Directive Due Diligence Disclosure (CSRDDD), we have strengthened our approach to identifying and managing impacts, risks, and opportunities across the entire value chain. The CSRDDD framework ensures that all potential and actual risks, including environmental, social, and governance-related factors, are assessed and addressed.

By embedding CSRDDD principles into our IRO process, Smartoptics ensures transparency, accountability, and proactive management of both risks and opportunities, aligning with regulatory requirements and stakeholder expectations. This integrated approach positions us to deliver sustainable growth while mitigating potential challenges.

In accordance with the European Sustainability Reporting Standards (ESRS), we have identified, described, and assessed material Impacts, Risks, and Opportunities (IROs) that are relevant to our operations and value chain. This structured process supports double materiality by addressing both how our activities impact people and the environment (impact materiality) and how sustainability-related factors affect our financial performance (financial materiality).

IRO Type	Name	Description	How	Affected	Framework	Material Topic	Action
Impact	Workload Pressure & Employee Well-being	Potential negative impact on employee health and satisfaction due to pophigh workload time to time	Through tight deadlines, long working hours, and unclear role expectations	Own employees	ISO 45001	Employee well-being	Improving resource planning, workload balancing, and mental health support
Risk	Supply Chain disruption due to geopolitical instability	Inherent risk of sourcing delays, increased costs, or supplier inaccessibility due to political unrest.	Through reliance on suppliers located in geopolitically unstable regions	Procurement teams, production units, logistics partner	ESRS G1, UN Guiding Principles on Business and Human Rights	Supply chain resilience	Diversification of supplier base, regional risk mapping, and developitng contingency sourcing strategies
Opportunity	Regulatory Compliance as Innovation Driver	New REACH and RoHS regulatory changes present an opportunity to innovate through safer, more sustainable materials and product design	By proactively adapting to evolving EU chemical and substance regulations, we can gain a competitive advantage and strengthen product stewardship	Product development teams, R&D, suppliers	EU REACH, RoHS, ESRS E1, SDG 12	Circular economy, Responsible production	Launching eco-design initiatives, investing in R&D for material substitution, supplier collaboration programs

RISKS

At Smartoptics, identifying and managing risks is an integral part of our operational approach. We continuously assess risks, categorizing them and evaluating their likelihood and potential impact on the organization. A preventive approach is central to our risk management strategy, which involves conducting scenario analyses to explore possible future events and their organizational impact. By analyzing worst-case and best-case scenarios, we have developed a comprehensive Business Continuity Plan that covers all areas of our operations.

Our key risk categories include:

- **Strategic risks:** Risks related to long-term business direction and market dynamics.
- **Operational risks:** Risks stemming from day-to-day processes, including supply chain disruptions and technological failures.
- **Financial risks:** Risks affecting financial stability, such as currency fluctuations and market volatility.
- **Sustainability and climate Risks:** Risks linked to environmental changes, resource availability, and climate-related regulations.
- **Compliance risks:** Risks associated with regulatory non-compliance and evolving legal frameworks.

These risks are continuously monitored and reassessed, particularly during the double materiality assessment, to ensure our strategies are resilient and adaptive.

OPPORTUNITIES

Smartoptics views positive consequences as opportunities, many of which are identified during the materiality assessment. Additional opportunities are uncovered through our ISO standards and quality management system, as well as through the following key activities:

- **Environmental scanning:** Monitoring regulatory developments, market trends, and emerging factors that present new opportunities.
- **SWOT Analysis:** Identifying internal strengths and external opportunities that can be leveraged for growth.
- **Technology and innovation Assessment:** As a company focused on technological advancements, our R&D department continuously improves products and adapts new technologies to enhance processes and services.
- **Customer and market analysis:** Analyzing customer needs and market trends helps us identify new opportunities driven by customer demands and market dynamics.
- **Collaboration and partnership exploration:** Collaborating with partners and suppliers allows us to innovate collectively, creating shared value and exploring new business models.
- **Regulatory and policy analysis:** Staying ahead of regulatory changes enables us to not only comply but also innovate by leveraging new policies as opportunities for improvement.
- **Stakeholder dialogues:** Ongoing engagement with all stakeholders provides valuable insights that help us uncover and act on emerging opportunities.

WATER AND MARINE RESOURCES

While Smartoptics' direct operations are not water-intensive and do not discharge into aquatic ecosystems, we have considered potential indirect environmental impacts through our upstream supply chain. Certain component manufacturing processes may involve water use or generate water-related risks, especially in regions experiencing water stress.

Based on our double materiality assessment, water and marine resources are currently considered non-material, with low impact and risk across our value chain. However, in alignment with ESRS E3 and broader environmental governance standards, we recognize the growing importance of water stewardship and stakeholder expectations regarding transparency.

We are committed to:

- Monitoring potential water-related risks through supplier engagement
- Including environmental performance — including water — in future supply chain assessments
- Reassessing materiality if operations, geographies, or regulations evolve

BIODIVERSITY AND ECOSYSTEMS

The biodiversity assessment for Smartoptics' two operational sites evaluated both physical and reputational risks, yielding an overall medium-risk rating across key categories. Landscape physical risks include habitat degradation, ecosystem fragmentation, and biodiversity loss driven by climate change, land use changes, and operational activities. These factors threaten the long-term health and stability of ecosystems, potentially reducing their ability to support diverse species. Simultaneously, landscape reputational risks stem from potential stakeholder concerns, including criticism from environmental organizations and local communities regarding the company's environmental footprint.

Smartoptics does not own or operate facilities located in or near areas of high biodiversity value. Our direct activities do not involve land use, deforestation, or other operational impacts on ecosystems. Based on our double materiality assessment, biodiversity and ecosystem impacts are currently assessed as non-material.

However, we acknowledge potential indirect impacts through inflows — particularly the sourcing of components and raw materials through upstream suppliers that may operate in or near sensitive areas. These influent dependencies (e.g. on mined metals, energy sources, or land-based infrastructure) can affect natural habitats and biodiversity indirectly.

To address this, we are:

- Including biodiversity and ecosystem criteria in our supplier CSR assessments
- Monitoring relevant regulations under ESRS E4 and international frameworks (e.g. TNFD)
- Committing to re-evaluate this topic as our value chain or supplier footprint changes

Although no material outflows (emissions, waste, water discharge, or habitat disruption) have been identified from our operations, we remain committed to responsible environmental practices throughout our value chain.

RISKS AND OPPORTUNITIES THROUGHOUT THE VALUE CHAIN

Smartoptics approaches value chain management with a forward-looking strategy, identifying risks and unlocking opportunities at every stage. By leveraging innovative solutions and stakeholder collaboration, we aim to mitigate challenges while driving value creation across the lifecycle of our products and services.

UPSTREAM: SUPPLIERS AND PROCUREMENT

Risks

- Supply chain disruptions due to geopolitical or environmental factors.
- Resource scarcity, particularly for critical raw materials
- Supplier non-compliance with sustainability or ethical standards.

Opportunities

- Sourcing sustainable materials through enhanced supplier partnerships.
- Collaborating with suppliers to innovate and adopt greener practices.
- Using digital tools to improve supply chain transparency and resilience.

OPERATIONS AND MANUFACTURING

Risks

- High energy consumption leading to increased operational costs and emissions.
- Process inefficiencies resulting in material waste.
- Potential safety hazards affecting workforce well-being.

Opportunities

- Implementing energy-efficient technologies and renewable energy solutions.
- Adopting lean manufacturing to minimize waste and enhance productivity.
- Investing in employee upskilling to foster a culture of safety and innovation.

DOWNSTREAM: DISTRIBUTION AND MARKET ENGAGEMENT

Risks

- Rising logistics costs due to fuel price volatility and regulatory pressures.
- Inadequate alignment with customer sustainability expectations.
- Transportation inefficiencies contributing to emissions and delays.

Opportunities

- Utilizing green logistics providers to reduce carbon footprint.
- Creating innovative, customer-driven products with extended lifespans.
- Strengthening customer relationships through personalized solutions and sustainability-focused offerings.

PRODUCT UTILIZATION

Risks

- Limited product adaptability to meet evolving customer needs.
- Underperformance leading to reduced customer satisfaction.
- Energy-intensive product usage impacting environmental goals.

Opportunities

- Designing products for optimal efficiency and reliability.
- Enhancing product modularity for easy upgrades and extended lifespans.
- Supporting clients in achieving their sustainability goals through tailored solutions.

END-OF-LIFE: CIRCULARITY AND RECOVERY

Risks

- Insufficient recycling and waste management systems.
- Regulatory non-compliance related to product disposal.
- Negative environmental impacts from improper waste handling.

Opportunities

- Expanding circular economy initiatives, such as material recovery and reuse.
- Innovating eco-design for recyclability and minimal end-of-life impact.
- Leveraging regulatory requirements to drive advancements in waste management technologies.

INNOVATIVE PATH FORWARD

By rethinking our value chain with a focus on innovation, Smartoptics transforms challenges into opportunities. From sustainable sourcing to end-of-life recovery, we integrate advanced technologies, robust processes, and strong partnerships to ensure long-term success. This approach not only strengthens our operational resilience but also aligns with our commitment to creating shared value for stakeholders and fostering a sustainable future.

SUSTAINABILITY STATEMENT ON DUE DILIGENCE AND NORWEGIAN TRANSPARENCY ACT

At Smartoptics, we have implemented a comprehensive due diligence framework in alignment with CSRD and ESRS requirements. This framework enables us to proactively identify, assess, and address sustainability-related risks and opportunities across our value chain. By embedding due diligence into our operations, we ensure transparency, accountability, and continuous improvement in our environmental, social, and governance (ESG) practices. The foundation of Smartoptics' sustainability reporting is built on the integration of environmental, social, and governance (ESG) factors with financial performance, ensuring compliance with the European Sustainability Reporting Standards (ESRS) and the Corporate Sustainability Reporting Directive (CSRD).

Additionally, our reporting incorporates the Corporate Sustainability Reporting Directive Due Diligence Disclosure (CSRDDD) framework, which emphasizes a structured approach to identifying and managing sustainability-related risks and impacts across the entire value chain. This approach demonstrates our commitment to transparency, accountability, and continuous improvement in sustainability performance. To guide our efforts, Smartoptics has developed a comprehensive 5-year sustainability strategy extending to 2027. This strategy includes clearly defined goals, key performance indicators (KPIs), and a detailed action plan to ensure measurable progress. The strategy applies to Smartoptics and all its subsidiaries, with sustainability statements prepared on a consolidated basis, as required under CSRD.

Our reporting reflects a double materiality perspective, addressing both the company's impact on the environment and society, as well as the financial implications of sustainability-related risks and opportunities. By aligning with ESRS and adhering to the due diligence principles outlined in CSRDDD, we provide stakeholders—including investors, customers, and regulatory authorities—with a clear understanding of our sustainability objectives, actions, and performance. This ensures a holistic and forward-looking approach to managing sustainability impacts and opportunities while fostering trust and long-term value creation.

As a Norwegian company, Smartoptics is required to incorporate the provisions of the Norwegian Transparency Act into its sustainability reporting. While this legal requirement is specific to Norwegian legislation and falls outside the scope of the European Sustainability Reporting Standards (ESRS), we recognize its significance in promoting ethical business practices and transparency throughout our operations and value chain.

The Transparency Act emphasizes corporate accountability in areas such as human rights, decent working conditions, and responsible supply chain management, aligning closely with our sustainability goals.

Additionally, the Group's Norwegian entities comply with the Norwegian Mandatory Occupational Pensions Act, which ensures employees are provided with fair and secure pension schemes. Our pension program fully adheres to the requirements set out in the Act, reflecting our commitment to safeguarding employee welfare and meeting national regulatory standards. By integrating these legal obligations into our broader sustainability framework, Smartoptics demonstrates a proactive approach to aligning national and international requirements, ensuring both regulatory compliance and the promotion of responsible business practices.



POLICIES ADOPTED TO MANAGE MATERIAL SUSTAINABILITY MATTERS

ENVIRONMENTAL	SOCIAL	GOVERNANCE
Environmental Policy Sustainability Policy Sustainability Strategy Travel Policy	Health & Safety policy Equality, Diversity & Inclusion Policy Conflict Mineral Policy	Code of Conduct Code of Conduct Business Partner Quality Policy Secure Development Policy Information Security Policy AI policy Anti-Corruption & bribery Policy Privacy Policy Compliance Policy for Avoiding Engagement with Sanctioned Companies and Courtiers

ACTIONS AND RESOURCES IN RELATION TO MATERIAL SUSTAINABILITY MATTERS

At Smartoptics, addressing sustainability is not merely a compliance requirement—it is a core component of our strategy for long-term success and a fundamental aspect of our corporate responsibility. By embedding sustainability principles into our operations, we aim to create lasting value for our stakeholders, drive innovation, and contribute to a more sustainable future.

In 2024, we took significant steps to enhance our sustainability efforts, and these initiatives will continue to be a priority in 2025. Key actions and allocated resources include:

ENVIRONMENTAL	SOCIAL	GOVERNANCE
Enhancing Scope 3 measurement Promoting circular economy Biodiversity and water risk management	Strengthening employee well-being Supplier re-assessment program Continuous supplier audit program	Updated Code of Conduct Improved Information Security

GOVERNANCE (GOV)

Smartoptics actively monitors diversity across all levels of the organization, recognizing its importance in fostering innovation, inclusivity, and a positive work environment. Among all levels, non-executive management demonstrates the strongest results in terms of diversity, reflecting our commitment to equitable representation in leadership roles.

- **Board of Directors:** The Steering Board provides strategic oversight, ensuring alignment between the company's sustainability goals and business objectives. It plays a pivotal role in reviewing and approving the sustainability strategy, setting high-level targets, and guiding the Management Team in its implementation.
- **Executive Members:** This category includes the Smartoptics Management Team, comprising the CEO, CFO, VP Strategic Procurement, CTO, SVP Devices and CMO.
- **Non-Executive Members:** This group encompasses all employees, including managers, highlighting the organization's commitment to diversity beyond the executive level.
- **Supervisory Body:** Authorized third parties that perform controls and audits, either due to legal requirements or at the request of Smartoptics.

Although Smartoptics is not unionized, all employees are free to join a union of their choice, ensuring that their rights and interests are respected. To promote workplace safety, the company has appointed health and safety representatives, including a Chief Safety Officer, to oversee and implement health and safety measures.

The Smartoptics Management Team is responsible for defining and executing the company's sustainability strategy, ensuring that progress toward our goals is continuously monitored and results are achieved. The Supervisory Body plays a critical role in verifying the relevance and regulatory compliance of the sustainability report, ensuring that all reported information is accurate and transparent. Additional supervisory bodies conduct audits of Smartoptics' quality management systems and products, ensuring adherence to the highest standards of excellence.

By integrating strong governance practices with a focus on diversity, Smartoptics reinforces its commitment to sustainability, employee well-being, and corporate accountability.

GOVERNANCE AND MANAGEMENT SYSTEMS

At Smartoptics, strong corporate governance and effective management systems are fundamental to achieving our sustainability objectives. The Board of Directors oversees the company's sustainability strategy, ensuring alignment with overall business goals and long-term priorities. Sustainability goals are established using a top-down approach, informed by input from stakeholders across the organization to ensure relevance and practicality.

Smartoptics has implemented a certified Environmental Management System (EMS) in accordance with ISO 14001. This system provides a framework for managing environmental risks, setting measurable targets, and monitoring performance. The EMS is integrated with the company's ISO 9001-certified Quality Management System, enabling a streamlined approach to managing both environmental and operational processes.

Additionally, Smartoptics has achieved certification in ISO 45001, which focuses on occupational health and safety management. This standard ensures a proactive approach to identifying workplace hazards, mitigating risks, and promoting a safe and healthy working environment for all employees. The integration of ISO 45001 demonstrates our commitment to employee well-being and workplace safety as part of our broader sustainability strategy.

To address sustainability risks and opportunities, the company conducts regular risk assessments and engages with stakeholders to align its initiatives with their expectations. Additionally, Smartoptics has established a whistleblower hotline and other reporting mechanisms to ensure compliance with its sustainability policies and procedures.

Smartoptics is committed to transparency and accountability in its sustainability reporting. The company adheres to the Corporate Sustainability Reporting Directive (CSRD) and follows the European Sustainability Reporting Standards (ESRS), ensuring accurate and comprehensive disclosures. This structured approach supports informed decision-making and demonstrates the company's commitment to sustainability, health, safety, and operational excellence.

MEMBERSHIPS, CERTIFICATES AND COMPLIANCE

Smartoptics actively participates in key industry organizations and initiatives to enhance the sustainability and innovation of our business operations. Our memberships reflect our commitment to environmental compliance, sustainable practices, and technological advancement. By actively engaging in these memberships, Smartoptics not only enhances its compliance with environmental and industry regulations but also fosters collaboration and technological progress. These efforts demonstrate our commitment to sustainable development, industry leadership, and value creation for our stakeholders.

ERP (European Recycling Platform)

Smartoptics is a registered member of ERP Norway AS, ensuring compliance with the collection and treatment of electrical and electronic products. Through our partnership with a certified recycling and disposal company, we guarantee that all waste generated by our products meets the requirements of the WEEE (Waste Electrical and Electronic Equipment) Directive issued by the European Commission. This membership underlines our commitment to reducing environmental impact and supporting the circular economy.

Grønt Punkt Norge (Green dot Norway)

As a registered member of Grønt Punkt Norge, Smartoptics ensures full compliance with the EU Packaging Directive. This membership demonstrates our dedication to responsible packaging management, promoting the recycling and recovery of materials to minimize waste and environmental impact.

Open ROADM

Smartoptics is an active participant in the Open ROADM (Reconfigurable Optical Add/Drop Multiplexers) initiative, which focuses on fostering innovation, interoperability, and collaboration within the optical networking industry. As part of the Multi-Source Agreement (MSA), we are committed to designing products that are compatible across multiple vendors, creating a competitive and standardized market for interoperable solutions. Through our involvement, we contribute to the development of cutting-edge technologies that drive efficiency and innovation in the telecommunications sector.

CERTIFICATES

In 2023, Smartoptics strengthened its commitment to quality, safety, and sustainability by achieving and maintaining several key certifications and recognitions:

- **ISO 45001:2023 Certification:** Smartoptics achieved certification in ISO 45001:2023, the international standard for occupational health and safety management. This certification highlights our proactive approach to ensuring a safe and healthy work environment, reducing workplace risks, and improving employee well-being.
- **ISO 9001:2015 and ISO 14001:2015:** We maintained our existing certifications in ISO 9001:2015 (Quality Management System) and ISO 14001:2015 (Environmental Management System). These certifications reaffirm our dedication to delivering high-quality products while minimizing environmental impact and ensuring efficient operational processes.
- **Great Place to Work Certification:** Smartoptics was recognized as a Great Place to Work in 2023 and 2024 reflecting our commitment to creating an inclusive, engaging, and supportive workplace for all employees.
- **TÜV Rheinland Product Certifications:** Our products continue to meet the rigorous standards set by TÜV Rheinland, ensuring that they comply with international safety, quality, and reliability requirements.
- **UL/ETL Certification:** Smartoptics holds UL/ETL certification, demonstrating adherence to stringent product safety and quality standards. Our products undergo quarterly inspections by a third-party organization to ensure continuous compliance with these standards.
- **NEBS (Network Equipment-Building System) Level 3 Compliance:** Smartoptics products meet the demanding requirements of NEBS Level 3, ensuring their reliability and performance under harsh physical conditions, such as extreme temperatures, humidity, and seismic activity.
- **EcoVadis Gold:** Smartoptics was awarded the prestigious EcoVadis Gold certification, placing us among the top 5% of tier companies globally in terms of environmental, social, and ethical performance. This recognition underscores our dedication to sustainability across our operations and value chain.

COMPLIANCE WITH EU DIRECTIVE AND PRODUCT STANDARDS

Smartoptics fully complies with the EU directives for CE marking, ensuring that all CE-marked products meet stringent safety, health, and environmental protection requirements. Each of our CE-marked products undergoes thorough verification by accredited third-party organizations, providing an additional layer of assurance that our products conform to the highest European standards.

ROHS AND REACH COMPLIANCE

In alignment with the Restriction of Hazardous Substances (RoHS) and Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) regulations, Smartoptics ensures that all products are free from hazardous substances and meet environmental safety requirements.

This compliance not only reflects our commitment to reducing environmental impact but also ensures that our products contribute to a safer and healthier ecosystem throughout their lifecycle. To maintain compliance, Smartoptics conducts continuous assessments of all materials and components used in its products. Additionally, we perform two comprehensive reassessments annually to evaluate and validate compliance with RoHS and REACH standards. These reassessments ensure that our products remain aligned with the latest regulatory updates and industry best practices, reinforcing our dedication to delivering safe, sustainable, and compliant solutions.

By adhering to these regulations, Smartoptics upholds its responsibility to deliver safe, sustainable, and compliant products that meet the expectations of customers and regulatory bodies.

The object(s) of the declaration described above is in conformity with the following directives:	
2014/35/EU	Low Voltage Directive, LVD
2014/30/EU	Electromagnetic Compatibility, EMC
2011/65/EU	The Restriction of Hazardous Substances (RoHS) Directive and Amendment.

The following designated standards have been practiced fulfilling the above-mentioned EU regulations:	
EN 62368-1:2020+A11	Audio/video, information, and communication technology equipment - Part 1: Safety requirements
EN 55032:2015	Electromagnetic compatibility of multimedia equipment - Emission requirements
EN 55035:2017+A11	Electromagnetic compatibility of multimedia equipment - Immunity requirements
ETSI EN 300386: V2.1.1	Telecommunication network equipment; ElectroMagnetic Compatibility (EMC) requirements; Harmonized Standard covering the essential requirements of the Directive 2014/30/EU
EN 61000-3-2:2019	Electromagnetic compatibility (EMC) - Part 3-2: Limits - Limits for harmonic current emissions (equipment input current up to and including 16 A per phase)
EN 61000-3-3:2013+A1	Electromagnetic compatibility (EMC) - Part 3-3: Limits - Limitation of voltage changes, voltage fluctuations and flicker in public low-voltage supply systems, for equipment with rated current = 16 A per phase and not subject to conditional connection
IEC 60825-1:2014	Safety of laser products - Part 1: Equipment classification and requirements

STRATEGY (SBM)

At Smartoptics, sustainability is deeply embedded in our corporate ethos and strategic priorities. Our approach is centered on being a leader in delivering innovative and sustainable solutions that create value for our stakeholders and contribute to a more resilient future. Recognizing the increasing importance of environmental, social, and governance (ESG) factors, we have aligned our operations with the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Reporting Directive Due Diligence Disclosure (CSRDDD) requirements to ensure accountability and transparency in managing sustainability-related impacts.

A key element of our strategy is the development of a comprehensive 5-year sustainability plan, extending through 2027. This plan includes:

- **Concrete Goals:** Clear, measurable targets across ESG dimensions, ensuring progress is tracked and reported effectively.
- **Action Plan:** Detailed steps to achieve these goals, integrating sustainability considerations into every aspect of our operations and decision-making processes.

The strategy applies to Smartoptics and all its subsidiaries, with sustainability statements prepared on a consolidated basis to provide a holistic view of our impact. By aligning with CSRD and incorporating the CSRDDD framework, Smartoptics ensures that double materiality—both financial and impact materiality—is central to our reporting and operations. This proactive approach positions Smartoptics as a leader in sustainability and innovation, demonstrating our commitment to addressing global challenges while fostering long-term business growth and stakeholder trust.

REPORTING RESULTS

Our sustainability report provides a comprehensive platform to communicate our performance against established targets, offering stakeholders detailed insights into our achievements, challenges, and future plans. This approach reflects our commitment to transparency and accountability, ensuring that our progress is measured and shared effectively.

We view our sustainability journey as an iterative process, with a focus on continuous improvement. By systematically tracking the effectiveness of our policies and actions, we aim to refine our strategies and drive meaningful progress over time. Setting and monitoring clear targets enables us to address emerging challenges, seize new opportunities, and maintain momentum toward our long-term sustainability goals.

Through consistent target-setting, transparent reporting, and a commitment to improvement, we strive to demonstrate sustainability leadership and encourage collective action toward creating a more sustainable and resilient future.



3. ENVIRONMENTAL INFORMATION (E)

CLIMATE CHANGE AND POLLUTION

At Smartoptics, we recognize that a significant portion of our emissions originates from logistics operations, both upstream and downstream. Calculating Scope 3 emissions in accordance with the Greenhouse Gas (GHG) Protocol has historically been challenging due to the complexity of data collection. However, in 2024, we made major improvements in our data systems through closer collaboration with logistics partners and by leveraging advanced tracking tools. These efforts have enabled more transparent and accurate Scope 3 reporting and now provide a solid foundation for measurable reduction targets.

To support our commitment to the Paris Agreement, we developed a 5-year strategy aimed at reducing emissions by 5% relative to revenue. This strategy reflects our approach to sustainable growth and emphasizes strategic partnerships as key to decarbonization. As part of this effort, we implemented stronger sustainability criteria for logistics partners, ensuring that environmental performance remains a core requirement as we scale our operations.

We continue to improve our methodology and data reliability, and we remain committed to further enhancing transparency in future reporting cycles.

To address emissions from logistics, we have also partnered with a global provider to integrate Sustainable Aviation Fuel (SAF) into selected freight operations. In addition, our Oslo headquarters is BREEAM-certified, and our Stockholm facility operates under a green lease agreement. Both sites are powered entirely by renewable energy. These actions reflect our ongoing commitment to minimize our operational footprint.

In 2024, our reported emissions from waste incineration were 8 tCO₂, an increase from 6 tCO₂ in 2023. This rise is primarily due to improved data granularity and tracking capabilities, rather than operational expansion.

CLIMATE RISK ASSESSMENT AND RESILIENCE STRATEGY

As part of our climate strategy, we conducted a resilience analysis to evaluate our strengths and identify areas for improvement. The analysis encompassed our entire company and value chain, focusing on two key types of climate risks:

- **Transition Risks:** Risks related to the shift toward a low-carbon economy, such as regulatory changes, market shifts, and evolving stakeholder expectations.
- **Physical Risks:** Risks associated with the physical impacts of climate change, including extreme weather events that could disrupt operations or affect suppliers.

In 2024, Smartoptics carried out a comprehensive climate risk and resilience assessment. The assessment covered both transition risks and physical risks across our full value chain, with focus on their financial relevance, likelihood, and time horizon (short-, medium-, and long-term).

We employed scenario analysis using widely accepted pathways, including SSP2-1.9 (aligned with 1.5°C warming) and SSP2-4.5 (current policy trajectory), to explore a range of future climate conditions and their potential impacts on our business.

Key insights include:

- **Physical risks** such as extreme weather events increasingly threaten the reliability of upstream and downstream supply chains, including transport delays and facility vulnerability.
- **Transition risks** include rising regulatory expectations, evolving customer sustainability demands, and potential cost increases from carbon pricing mechanisms.
- **Market positioning:** Our assessment confirmed that Smartoptics is well-positioned to adapt to regulatory changes and leverage them as a competitive advantage.

Each identified risk was documented in our climate risk register and prioritized based on severity and likelihood. These findings have directly informed our Business Continuity Plan (BCP) and are now embedded in our Enterprise Risk Management (ERM) processes.

To adapt, we are investing in:

- Supplier diversification and risk mapping
- Resilience planning for logistics and warehousing
- Integration of ESG considerations into procurement decisions

REPORTING ON GHG

Smartoptics has undertaken a comprehensive mapping of emissions in accordance with the Greenhouse Gas (GHG) Protocol, including efforts to measure Scope 3 emissions. While the initial process posed challenges, significant improvements in data collection were achieved, resulting in more accurate and reliable emission figures. The company remains committed to continuously enhancing its data collection and emissions tracking processes to ensure transparency and drive further reductions.

In alignment with the Paris Agreement, Smartoptics is actively working to reduce its overall GHG inventory. By following SBTi’s guidelines and using the method the

company ensures that its reduction targets are aligned with global climate goals, supporting long-term sustainability and responsible business practices.

To address emissions from logistics, Smartoptics has established a strategic partnership to incorporate Sustainable Aviation Fuel (SAF) into certain freight transportation operations. This initiative demonstrates our commitment to reducing the carbon footprint of our logistics activities while supporting the broader transition to sustainable transport solutions.

In terms of facilities, Smartoptics ensures that its operations align with high environmental standards. The company’s Oslo property is BREEAM-certified, reflecting best practices in building sustainability, while the Stockholm property operates under a green agreement. Both facilities are powered entirely by renewable energy, further minimizing their environmental impact.

Smartoptics has performed a full greenhouse gas (GHG) inventory in accordance with the GHG Protocol and the requirements set out in ESRS E1. The inventory includes emissions from Scope 1, Scope 2 (both market-based and location-based), and Scope 3, with improved data quality and categorization in 2024.

We have defined 2023 as our base year for all climate targets and comparisons.

Scope	Category	2024 (tCO ₂ e)	2023 (tCO ₂ e)
Scope 1	Direct Emission	0	0
Scope 2	Location Based	4	20
Scope 3	Upstream: Purchased Goods & Services	11	98
Scope 3	Upstream: Transport & Distribution	25	104
Scope 3	Upstream: Waste generated in operations	8	N/A
Scope 3	Downstream: Transport & Distribution	56	N/A
Scope 3	Upstream: Employee commuting & home office	234	269
Scope 3	Downstream: Use of sold products	109	N/A
Scope 3	Downstream: End-of-life treatment	50	N/A
Total Scope 3		493	471
		= Scope 3: 99.3% of total	

In 2024, Scope 2 emissions for Oslo and Stockholm have seen significant reductions compared to 2023. In 2024, we achieved a significant reduction in Scope 2 emissions, reflecting our commitment to sustainability and improved energy efficiency. Compared to 2023, emissions in Oslo decreased by 97%, from 15.0 tCO₂ in 2023 to 0.5 tCO₂, while Stockholm saw a 68% reduction, from 5.0 tCO₂ in 2023 to 1.6 tCO₂. This progress is a result of enhanced energy management, data accuracy, and the transition to low-carbon electricity sources. These reductions align with our sustainability goals and reinforce our commitment to the Paris Agreement and relevant UN Sustainable Development Goals.

Scope 2	2024	2023	% Change
Oslo	0.5 tCO ₂	15.0 tCO ₂	-97%
Stockholm	1.6 tCO ₂	5.0 tCO ₂	-68%

For Scope 2, the Science Based Targets initiative (SBTi) recommends the Absolute Contraction Approach. This approach sets a minimum annual reduction of 4.2% in absolute Scope 1 and Scope 2 emissions, in line with the decarbonization required to limit global temperature rise to below 2°C. However, since both our offices operate on 100% renewable energy, we are already fully compliant with SBTi’s Scope 2 requirements.

To align with the 1.5°C goal of the Paris Agreement, Smartoptics has set an annual absolute reduction target of 4.2%, corresponding to approximately 0.02 tCO₂ in Oslo and 0.07 tCO₂ in Stockholm.

ENERGY ACCOUNTING

	2024	2023
Electricity kW/year	298 499	157 848
Renewable share %	100%	90%
Fuel (liter)	0	0
Heating/Cooling	N/A	N/A

We align our targets with the SBTi guidance and methodology, using the Absolute Contraction Approach.

- Base Year: 2023
- Target: 4.2% absolute reduction per year (Scope 1 + 2)
- Scope 3 Target: 67% of emissions covered by reduction actions, in line with SBTi requirements (Scope 3 exceeds 40% of total)

ESRS E1 MINIMUM DISCLOSURE – CLIMATE CHANGE AND POLLUTION

Actions taken (MDR-A):

Smartoptics has completed a full GHG inventory (Scopes 1, 2, and 3) and improved Scope 3 data accuracy through enhanced supplier and logistics collaboration. We have introduced Sustainable Aviation Fuel (SAF) in selected freight, transitioned all offices to 100% renewable electricity, and integrated climate risk into our Business Continuity Plan through scenario-based analysis.

Policies in place (MDR-P):

Our climate approach is supported by a GHG and energy policy, a Supplier Code of Conduct with climate requirements, environmental purchasing guidelines, and an HSE policy. Climate risk is embedded into our risk management processes.

Targets set (MDR-T):

With 2023 as our base year, we target a 4.2% annual reduction in Scope 1 and 2 emissions, and reduction actions covering 67% of Scope 3 emissions. Sub-targets are in place for Oslo and Stockholm offices, and we aim to maintain 100% renewable energy across operations.

WATER AND MARINE RESOURCES

As part of our commitment to sustainable water management, a comprehensive water assessment was conducted for two key operational sites. The assessment evaluated basin and operational risks, focusing on physical, regulatory, and reputational dimensions. By running scenario analyses, we identified potential vulnerabilities and opportunities to strengthen water stewardship practices at each site.

Thresholds:

- Very low (1.0-1.8)
- Low (1.8-2.6)
- Medium (2.6-3.4)
- High (3.4-4.2)
- Very high (4.2-5.0)

Basin Risks

Basin regulatory risks arise from the dynamic legal and policy framework governing water use. Changes in regulations, stricter wastewater discharge requirements, and evolving environmental standards could limit access to critical water resources or increase operational constraints. Additionally, potential delays or challenges in obtaining or renewing water permits may pose further risks. However, due to the low water dependency of our operations, both the Oslo and Stockholm sites have been assessed as very low risk in this category.

Basin Reputational Risks

Reputational risks stem from stakeholder perceptions of water usage. While Smartoptics operates with minimal water use, there is a potential for local communities or NGOs to view the company's water practices as inequitable, particularly in regions perceived to be water-stressed. Failure to meet international water stewardship expectations could impact stakeholder trust and the company's reputation. Based on this assessment, the Oslo site scored medium, reflecting its greater visibility, while the Stockholm site scored very low, given its negligible water usage and low public scrutiny.

Operational Risks

In addition to basin risks, the assessment identified critical operational risks that could directly impact the Smartoptics Oslo and Stockholm sites. These risks are categorized into operational basin physical, regulatory, and reputational risks, with both sites demonstrating low water dependency and minimal associated risks.

Operational Basin Physical Risks

Operational basin physical risks involve potential disruptions due to inconsistent or insufficient water supply. Water scarcity could increase operational costs by necessitating alternative water sources or advanced treatment processes. Additionally, extreme water events, such as flooding, pose risks to site infrastructure and equipment. However, given the low water reliance of our operations, both the Oslo and Stockholm sites scored very low in this category.

Operational Basin Regulatory Risks

Regulatory risks stem from stricter standards for water use and discharge, which could lead to financial penalties or operational interruptions if compliance is not maintained. Regulatory audits and reporting requirements may also increase administrative costs and operational complexity. Based on the assessment, the Oslo site scored low, reflecting a slightly higher regulatory exposure, while the Stockholm site scored very low, indicating minimal risk in this category.

Operational Basin Reputational Risks

Reputational risks involve stakeholder perceptions of water management practices. Poor practices could lead to criticism from local communities, customers, or investors, potentially damaging trust and the company's sustainability reputation. Communities may perceive operational water needs as being prioritized over their own, leading to tensions. However, due to the efficient water usage at both sites, the assessment concluded very low reputational risk for both Oslo and Stockholm.

Scenario Analysis and Next Steps

Smartoptics conducted scenario analyses to evaluate the water-related resilience of its Oslo and Stockholm sites under varying conditions. The assessment included a baseline scenario reflecting current water conditions, a moderate stress scenario projecting water scarcity and tighter regulations, and a severe stress scenario involving extreme drought, stricter regulatory controls, and increased stakeholder scrutiny.

The analysis identified areas for targeted improvements, including the adoption of water-saving technologies, enhanced wastewater treatment processes, and strengthened community engagement. The water assessment provided critical insights into managing water resource risks and opportunities. Moving forward, Smartoptics will develop action plans to mitigate risks, enhance water stewardship, and align with long-term sustainability goals. These efforts will involve continuous monitoring, stakeholder collaboration, and investments in innovative water management solutions.

	2024	2023
Water Usage m ³	199	317

CIRCULAR ECONOMY AND WASTE MANAGEMENT

Smartoptics adheres to key environmental regulations, including REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals) and RoHS (Restriction of Hazardous Substances), to minimize the environmental impact of its operations and products. These regulations play a vital role in protecting ecosystems by reducing the release of harmful substances into the environment.

The REACH regulation, established by the European Union, requires manufacturers and importers to gather detailed information on the properties and uses of chemicals, ensuring safe handling and preventing environmental contamination. Similarly, the RoHS directive limits the use of hazardous materials, such as lead, mercury, cadmium, and certain flame retardants, in electrical and electronic equipment. By restricting these substances, RoHS significantly reduces the environmental impact of electronic waste, preventing toxins from leaching into soil and water, which can harm plant and animal life.

These measures help to mitigate pollution, safeguard ecosystems, and maintain biodiversity. By reducing the presence of hazardous chemicals, Smartoptics contributes to preserving ecological balance and supporting the resilience of natural systems, which are vital for sustaining life and providing essential ecosystem services.

In addition to REACH and RoHS, Smartoptics complies with the requirements of the SCIP database (Substances of Concern in Articles, as such or in complex objects). This ensures that information about substances of very high concern (SVHCs) in products is transparently available throughout their lifecycle, including during the waste management stage. Monitoring these substances helps to prevent their release into the environment, further protecting biodiversity.

By integrating compliance with REACH, RoHS, and SCIP into its operations, Smartoptics adopts a comprehensive approach to managing hazardous substances. This commitment ensures responsible production, use, and disposal of products, supporting environmental sustainability and contributing to the protection of global biodiversity.

Smartoptics leverages its extensive work on REACH and RoHS compliance to mitigate biodiversity risks by reducing hazardous substances in its operations. These initiatives align with our commitment to safeguarding ecosystems, minimizing pollution, and ensuring responsible use of materials. Our ongoing efforts to improve transparency and sustainability across the value chain reinforce stakeholder trust and demonstrate our dedication to environmental stewardship.

By integrating biodiversity considerations into operational strategies and aligning with sustainability frameworks, Smartoptics remains focused on preserving ecosystem functionality and promoting long-term environmental resilience.

RESOURCE USE AND CIRCULAR ECONOMY

Smartoptics has long prioritized sustainable product design, ensuring that our products are built for long lifetimes, modularity, and durability. This approach reduces the need for frequent replacements, supports resource efficiency, and aligns with the principles of the EU Taxonomy for Circular Economy. Our commitment to sustainability extends beyond product design to the full lifecycle of materials used in our operations.

Through enhanced waste management practices, we have gained detailed insights into the volume and composition of our waste streams, enabling the identification of recyclable materials and the development of targeted strategies for waste reduction and recycling. These efforts maximize the use of recyclable materials, and minimize landfill contributions, significantly lowering our environmental impact.

In 2024, Smartoptics' Oslo site enhanced its waste management services, resulting in more accurate tracking of waste streams and improved data collection. This upgrade provides greater transparency into waste flows, enabling the identification of additional recycling opportunities and more efficient resource management. This service enhances our ability to monitor, measure, and optimize waste management processes, allowing us to identify further opportunities for recycling and reducing environmental impact.

As part of our waste management strategy, we have implemented comprehensive recycling programs, educated stakeholders on best practices, and collaborated with suppliers to improve the recyclability of materials. By fostering a closed-loop system, we ensure that materials are continuously reused, promoting resource efficiency and reducing waste generation.

Customer expectations for sustainable products and practices are increasing, and Smartoptics is fully committed to meeting these demands. By integrating circular economy principles into our operations and continuously improving waste management, we enhance customer trust, strengthen our market position, and contribute to a shared vision of a more sustainable future.

In 2023, Smartoptics further advanced its circular practices by replacing plastic pallets with wooden pallets, simplifying recycling processes and reducing plastic waste in logistics. Additionally, we remain fully compliant with the WEEE (Waste Electrical and Electronic Equipment) Directive and packaging material regulations, ensuring responsible end-of-life management for all products.

In 2024, our waste management efforts have significantly improved, demonstrating our commitment to sustainability and responsible resource use. While the total amount of waste has increased from 21 502 kg in 2023 to 45 172 kg in 2024, this is largely due to improved tracking and data accuracy. More importantly, the proportion of waste being recycled has seen a remarkable improvement, nearly tripling from 6 883 kg in 2023 to 21 799 kg in 2024.

Biodegradable waste collection has also improved, rising from 416 kg in 2023 to 783 kg in 2024, ensuring more organic waste is handled in an environmentally responsible manner.

These improvements highlight our ongoing efforts to enhance waste sorting, increase recycling rates, and minimize our environmental impact. Our progress reflects better data collection, increased awareness, and stronger waste management strategies, reinforcing our commitment to a more sustainable operation.

	2024	2023
Total waste	45 172 kg	21 502 kg
Of which waste recycled	21 799 kg	6 883 kg
Of which biodegradable	783 kg	416 kg
Of which electrical waste according to WEEE	243 kg	1330 kg

ESRS E5 MINIMUM DISCLOSURE – CIRCULAR ECONOMY AND WASTE MANAGEMENT

Actions taken (MDR-A):

Smartoptics has strengthened its circular economy approach by improving product durability and modularity, enhancing waste tracking systems, and replacing single-use materials in logistics. We expanded recycling programs, implemented supplier collaboration for packaging improvements, and adopted SCIP reporting to manage substances of concern across the product lifecycle.

Policies in place (MDR-P):

Our efforts are governed by compliance with REACH, RoHS, and SCIP regulations, alongside the WEEE and packaging waste directives. Waste handling procedures, supplier environmental requirements, and internal product design guidelines support responsible material use and circular product development.

Targets set (MDR-T):

Smartoptics aims to increase its recycling rate annually and reduce the share of non-recyclable materials in packaging and product components. In 2024, recycled waste reached 48% of total waste generated, and we continue to monitor biodegradable and electronic waste streams to ensure regulatory compliance and continuous improvement



4. SOCIAL INFORMATION (S)

In 2024, Smartoptics maintained its certification in Health & Safety under ISO 45001:2023, reflecting our ongoing commitment to providing a safe and healthy environment. Alongside this, we continue to develop and implement strategies that align with our established policies on social responsibility. These policies, including the Code of Conduct, Equality, and Diversity Policy, and Work Environment Policy, form the foundation of our approach to human rights, non-discrimination, diversity, inclusion, and privacy protection.

Our Code of Conduct serves as a cornerstone, outlining our commitment to upholding human rights and fostering an inclusive, respectful workplace. All policies are formally approved, communicated to employees, and incorporated into the onboarding process for new hires. To ensure relevance and alignment with our values, each policy is reviewed annually in accordance with ISO 45001:2023 and ISO 9001:2015 standards.

In 2024, Smartoptics kept the Great Place to Work certification and achieved a Trust Index score of 87. The certification process included an employee survey, which provided valuable insights into our organizational strengths and areas for improvement. This feedback informs our strategies for enhancing employee satisfaction, fostering a positive work culture, and driving continuous improvement across the company.

Being recognized as a Great Place to Work validates our efforts and serves as a source of pride for our entire team. It motivates us to continue investing in initiatives that support the well-being and professional growth of our employees, ultimately contributing to our collective success. We are grateful for the feedback and contributions of our employees, which have been instrumental in achieving this certification, and we remain committed to creating an inclusive, supportive, and rewarding workplace for all.

OWN WORKFORCE

Smartoptics is committed to building a fair, inclusive, and safe work environment for all employees. We are continuously working to improve diversity, support professional development, and promote health and well-being throughout the organization.

EMPLOYEE COMPOSITION

The following table shows the gender distribution across Smartoptics Group's organizational levels for 2023 and 2024. While we saw growth in total headcount in 2024, we recognize the continued gender imbalance, particularly in technical and leadership roles — a challenge common in our industry. Despite this, we are making progress. The growing workforce has led to a more balanced age profile, and we continue working toward a more equitable gender balance across all levels. Our long-term goal is to become one of the most inclusive companies in our sector.

	2024		2023	
	Men	Women	Men	Women
Board of Directors	3	1	3	1
Executive Management	6	1	4	1
Non-Executive	8	4	8	4
Employees	106	26	82	16
Total	123	32	97	22

HEALTH AND SAFETY

Smartoptics has implemented a range of measures to improve workplace safety, promote employee health, and foster an inclusive work environment. These initiatives are part of our systematic work environment process, aimed at ensuring compliance with Health, Safety, and Environment (HSE) standards and driving continuous improvement.

There are safety representatives at both sites, supported by a chief safety officer who holds overall responsibility for ensuring that HSE audits are conducted, and any identified issues are addressed and followed up. These proactive measures are complemented by regular HSE rounds conducted by the safety representatives and the chief safety officer to identify potential risks and implement corrective actions. The company has also established an HSE Committee, where the results of safety audits, as well as topics related to the systematic work environment process, are reviewed and discussed. This committee ensures a structured approach to addressing workplace safety, health, and environmental matters, fostering a culture of continuous improvement.

In 2024, a comprehensive HSE audit was performed, confirming full compliance with key safety and health requirements and identifying no major issues. This outcome demonstrates Smartoptics’ steadfast commitment to maintaining a safe, healthy, and compliant work environment.

To further enhance workplace safety, Smartoptics has implemented ergonomics training programs and provides employees with voluntary health checks and massage during working hours. Smartoptics adheres to ISO 45001:2023, ensuring that our occupational health and safety management system meets international standards. As part of this framework, employees receive regular training in various HSE topics, including hazard identification, emergency preparedness, and workplace ergonomics. These training programs enhance awareness, improve safety practices, and empower employees to contribute actively to a safe work environment.

Our commitment to inclusivity and fairness remains unwavering. Smartoptics maintains a workplace free from discrimination, with all decisions related to recruitment, compensation, skills development, promotion, and retirement based solely on merit. To ensure a supportive and respectful environment, we have implemented a grievance mechanism that allows employees to raise concerns confidentially and without fear of retaliation.

Through these efforts, Smartoptics strives to create a work environment that prioritizes health, safety, and respect for all employees. These initiatives not only safeguard our workforce but also strengthen our organizational culture, fostering a collaborative and supportive workplace that contributes to the overall success of the company.

	2024	2023t
Number of reported work-related sick leaves	0	0
Number of fatal occupational injuries	0	0
Lost time injuries	0	0
Number of reported discrimination cases	0	0

EMPLOYEE TRAINING AND ENGAGEMENT

A motivated and engaged workforce is essential to organizational success, and effective training plays a pivotal role in achieving this. The process involves assessing the organization’s needs, setting clear and measurable goals, designing structured programs tailored to those needs, implementing them efficiently, and continuously evaluating their outcomes for improvement.

Key initiatives, such as leadership development programs, technical training sessions, and mentorship opportunities, equip employees with the skills and knowledge needed to excel in their roles. These efforts not only enhance individual competencies but also contribute to building a well-rounded, agile, and capable workforce.

To further support career growth, Smartoptics offers carrier development initiative, which can be initiated by either the employee or the manager. These discussions provide a structured opportunity to align individual career aspirations and skills or knowledge development with organizational goals, helping employees map out their career paths and identify the resources or training needed for advancement.

Investing in training and development is critical for driving higher performance, fostering innovation, and improving employee satisfaction and retention. Continuous learning is essential for ensuring long-term success, adaptability, and competitiveness in a dynamic business environment.

	2024	2023
Number of professional development engagement (example participate in internal/external trainee)	90	73
Number of employees changed role	15	13
Number of employees promoted	2	7

EQUALITY, INCLUSION, AND GRIEVANCE MECHANISMS

Smartoptics does not tolerate discrimination of any kind. Employment decisions are based solely on merit, and all employees have access to:

- Equal opportunities for hiring, promotion, and compensation
- A confidential grievance mechanism for raising concerns safely
- Regular internal communication on ethics and inclusion

We aim to continuously strengthen our diversity, equity, and inclusion (DEI) efforts, particularly as we grow internationally.

ESRS S1 Minimum Disclosure – Own Workforce

Actions taken (MDR-A):

In 2024, Smartoptics maintained its ISO 45001:2023 Health & Safety certification and continued to improve workplace practices through annual HSE audits, training programs, and ergonomic initiatives. The company preserved its Great Place to Work certification, supported employee career development, and launched DEI and grievance mechanisms. Gender distribution and promotion data are tracked and reported to support fair and inclusive growth.

Policies in place (MDR-P):

Our approach is supported by formally adopted and annually reviewed policies, including the Code of Conduct, Equality and Diversity Policy, Work Environment Policy, and HSE Policy. These policies address health and safety, non-discrimination, human rights, privacy, and equal opportunity. All employees are introduced to these during onboarding and through regular internal communication.

Targets set (MDR-T):

Smartoptics aims to maintain zero lost-time injuries and ensure 100% participation in HSE training. The company also targets continuous improvement in its Trust Index score (87 in 2024) and seeks incremental improvement in gender balance, particularly in technical and leadership roles. Annual reviews ensure that workforce KPIs align with ESG and operational goals.

WORKERS IN THE VALUE CHAIN

Smartoptics collaborates with a diverse network of suppliers and partners, emphasizing ethical and sustainable business practices. We have identified key material subtopics, including child labor, forced labor, health and safety, and working conditions, which are critical to fostering responsible and transparent supply chains.

To ensure adherence to these principles, all suppliers undergo a rigorous supplier qualification and assessment that evaluates their performance across risk management, corporate social responsibility (CSR), and compliance with our standards. Late 2024 a supplier program has been implemented; this program includes the following key elements:

- **Supplier qualification:** A comprehensive assessment process covering working conditions, human rights, and other critical aspects of responsible business practices.
- **Supplier classification:** Suppliers are categorized based on their risk profile and CSR performance to ensure tailored engagement and monitoring.

- **Continuous reassessment and site visits:** Suppliers in active collaboration are reassessed annually to evaluate their compliance and performance. Regular on-site visits are conducted to verify adherence to our standards and foster ongoing improvement.

To reinforce these efforts, Smartoptics has established a Business Partner Code of Conduct, which outlines our expectations and requirements for suppliers. This Code serves as a foundation for ethical and transparent partnerships, ensuring alignment with our sustainability goals. In 2023, Smartoptics resumed supplier on-site visits following the COVID-19 pandemic. During a dedicated supplier tour, we visited four of our main suppliers, focusing on their CSR activities, as well as four potential suppliers to assess their suitability for future collaborations. These visits continued during 2024 and will continue during 2025.

CONFLICT MINERALS ACT

The minerals tin, tantalum, tungsten, and gold (3TG) are critical components in electronic devices but are often associated with human rights abuses, including forced labor, child labor, and funding of armed groups. To ensure compliance with the Conflict Minerals Act, Smartoptics conducts third-party verifications and performs internal assessments of its main suppliers. These measures are integral to identifying risks and ensuring responsible sourcing practices throughout the supply chain. Smartoptics has a Conflict Minerals Policy that emphasizes the need for sustainable and ethical sourcing. By implementing these practices, Smartoptics demonstrates its commitment to ethical sourcing, regulatory compliance, and promoting sustainable global supply chains.

HUMAN RIGHTS

To improve our labor and human rights reporting, we are implementing a human rights impact assessment to better evaluate and disclose our risks and progress. Additionally, we will enhance our supplier due diligence by expanding audits and ensuring compliance with international labor standards. As part of ongoing efforts, an internal review of labor and human rights policies has been conducted to identify areas for improvement. Smartoptics has actively engaged with suppliers to assess working conditions and ethical practices, ensuring compliance with responsible labor standards. To strengthen due diligence, human rights considerations have been integrated into procurement processes, reinforcing ethical sourcing and supplier accountability.

To enhance labor and human rights reporting, several steps have already been taken, with further improvements planned to ensure greater transparency and accountability in alignment with the UN Global Compact principles.

These efforts are part of the company’s commitment to the UN Global Compact’s principles on human rights, labor, environment, and anti-corruption. By aligning with these international standards, the company aims to foster responsible business practices, ethical sourcing, and continuous improvement in labor and human rights reporting.

ESRS S2 Minimum Disclosure – Workers in the Value Chain

Actions taken (MDR-A):

Smartoptics implemented a supplier assessment and qualification program in 2024, covering working conditions, human rights, and health and safety. On-site supplier visits resumed post-COVID and continued in 2024, focusing on CSR alignment and risk evaluation. A risk-based supplier classification system was introduced to ensure tailored follow-up, and grievance mechanisms are available to raise concerns confidentially.

Policies in place (MDR-P):

Smartoptics applies a Business Partner Code of Conduct, which outlines expectations related to labor rights, health and safety, non-discrimination, and ethical conduct. Compliance with the Conflict Minerals Act is ensured through supplier self-assessments and third-party audits. Supplier due diligence is integrated into procurement processes and monitored annually.

Targets set (MDR-T):

Smartoptics targets 100% of active key suppliers to be screened through its CSR assessment framework. Site visits are scheduled annually for high-risk or strategic partners. Conflict Minerals compliance is monitored for all relevant suppliers, with full traceability of 3TG minerals across the supply chain.

CUSTOMERS AND END-USERS

At Smartoptics, customers are among our most vital stakeholders, and addressing their needs and expectations is critical to our success. To maintain transparency and ensure we understand and respond to requirements, we engage in continuous dialogue. An essential part of this effort is our annual customer satisfaction survey, which provides valuable feedback and highlights areas for improvement. Our Net Promoter Score (NPS) has consistently reflected strong customer loyalty and satisfaction. As customers increasingly prioritize environmental responsibility, they expect products that are safe, high-quality, and sustainably sourced and manufactured. Recognizing these expectations, Smartoptics integrates sustainability into every aspect of its operations, products, and customer service.

	2024	2023
Net promoter score (NPS)	86	83

Our customer service approach aligns with our commitment to sustainability. We leverage efficient digital communication channels, such as online chat platforms and email, to reduce paper usage and the environmental impact associated with traditional mail. Additionally, remote support options enable representatives to work from home, offer flexibility and minimizing carbon emissions from commuting.

We also emphasize sustainability in our service offerings by promoting repair and reuse over replacement wherever possible. Our trained representatives are equipped to troubleshoot issues, guide customers through repair processes, and facilitate the responsible disposal or recycling of products at the end of their lifecycle. These efforts not only extend the life of our products but also reduce electronic waste and support a circular economy.

By integrating sustainable practices into our customer service, Smartoptics enhances customer satisfaction while contributing to broader environmental and social goals. This commitment strengthens our relationships with customers and ensures we remain a trusted partner in their sustainability journey.

ESRS S3 Minimum Disclosure – Customers and End-users

Actions taken (MDR-A):

Smartoptics conducted its annual customer satisfaction survey in 2024, achieving a Net Promoter Score (NPS) of 86. The company continues to integrate sustainability into customer service, including digital-first communication, remote support, and promoting product repair and reuse over replacement. These efforts contribute to lower carbon emissions and improved product longevity.

Policies in place (MDR-P):

Customer-related practices are guided by Smartoptics’ Quality Management System (ISO 9001:2015) and internal customer service policies that ensure data privacy, fair marketing, and responsible product stewardship. Sustainability is embedded in product lifecycle thinking and customer interaction.

Targets set (MDR-T):

Smartoptics aims to maintain or improve its NPS annually and increase the share of support cases resolved through repair rather than replacement. Customer-facing sustainability efforts, including end-of-life handling and digital service channels, are monitored and reviewed each year.

5. GOVERNANCE INFORMATION (G)

BUSINESS CONDUCT

Smartoptics has implemented a robust anti-corruption program that is integrated into its Code of Conduct, which outlines the principles guiding ethical behavior across the organization. This program includes policies on anti-corruption, anti-bribery, and whistleblowing, providing clear guidance for employees and stakeholders to ensure transparency and accountability. We are committed to maintaining an ethical supply chain by continuously assessing suppliers to ensure they uphold high standards of labor practices, environmental responsibility, and governance. To further reinforce ethical practices, Smartoptics conducts anti-corruption and anti-bribery training for employees and implements comprehensive reporting mechanisms to identify and address any potential misconduct.

In addition, our conflict-of-interest management policies are designed to prevent and mitigate situations that could compromise impartiality or integrity. These policies are reviewed and updated regularly to align with evolving best practices and regulatory requirements. By embedding these measures into our operations, Smartoptics ensures that its governance framework promotes ethical conduct, fosters stakeholder trust, and supports long-term business sustainability.

INFORMATION SECURITY

Information security is a critical aspect of Smartoptics' operations, ensuring the protection of data from unauthorized access, disclosure, alteration, and destruction. We prioritize robust information security measures to safeguard the interests of our stakeholders, including customers, partners, and employees. To ensure compliance with data protection regulations, such as the General Data Protection Regulation (GDPR), Smartoptics has adopted stringent measures to safeguard personal and sensitive information. These include encryption, access control, and continuous monitoring of data usage.

In the event of a cyberattack or data breach, Smartoptics has established a detailed Incident Response and Recovery Plan to minimize impact and restore normal operations quickly and efficiently. This plan outlines specific roles, responsibilities, and processes to ensure an organized and effective response.

To enhance our information security framework, Smartoptics conducted a comprehensive information security assessment in 2024. As part of this initiative, we implemented Privilege Elevation and Delegation Management (PEDM) to secure privileged access and prevent unauthorized activities, further strengthening our defenses against potential threats. Through these measures, Smartoptics demonstrates its commitment to maintaining the highest standards of information security, ensuring the trust and confidence of its stakeholders while safeguarding critical business data.

COMPLIANCE AND REGULATORY ADHERENCE

Smartoptics is committed to full compliance with international, national, and industry-specific regulations, covering areas such as environmental standards, labor laws, and governance requirements. Our regulatory compliance framework ensures that all aspects of our operations meet applicable legal and ethical standards. We have implemented comprehensive CSR and ESG due diligence processes to assess and address risks related to environmental, social, and governance factors. This approach allows us to proactively identify potential challenges and mitigate them effectively, ensuring alignment with our sustainability and ethical goals.

To address the dynamic nature of regulatory environments, we have enhanced our systems for monitoring compliance. These improved systems enable us to stay ahead of regulatory changes, including those driven by geopolitical developments, ensuring that our business remains agile and prepared for evolving requirements.

Smartoptics has the capability to adapt swiftly to evolving sanctions regimes, ensuring that our operations remain compliant without causing significant business interruptions. This adaptability underscores our commitment to maintaining ethical operations while safeguarding our business continuity. By embedding these practices into our governance framework, Smartoptics demonstrates its dedication to regulatory adherence, ethical business conduct, and resilience in a rapidly changing global environment.

To maintain governance excellence, we conduct regular internal and external audits to verify adherence to these standards. These audits provide valuable insights into operational practices and help identify opportunities for continuous improvement.

GOVERNANCE FRAMEWORK

The Board of Directors at Smartoptics holds a central role in ensuring sound corporate governance. It is responsible for overseeing that the company operates efficiently, ethically, and in alignment with its strategic goals. This includes monitoring financial performance, operational efficiency, risk management, and sustainability efforts, thereby ensuring accountability across all areas of the organization.

As a publicly listed company, Smartoptics complies with strict corporate governance standards to meet both regulatory requirements and investor expectations. The Board ensures full adherence to stock exchange regulations, including transparent financial reporting, clear risk disclosures, and compliance with established governance best practices. To support ethical and transparent operations, Smartoptics has implemented comprehensive governance policies. These policies cover key areas such as leadership diversity, executive remuneration, and board independence, creating a governance framework that fosters inclusion, fairness, and effective decision-making.

Smartoptics has also established structured stakeholder engagement processes to maintain regular dialogue with employees, customers, investors, and other key stakeholders. By incorporating stakeholder input into governance and business decisions, the company builds trust, supports long-term value creation, and ensures that its governance approach remains responsive to changing needs and challenges.

WHISTLEBLOWER

Smartoptics has established robust processes and mechanisms to uphold ethical business practices and ensure accountability across its operations. A key component of this framework is the Whistleblower Policy, which provides employees and stakeholders with a secure and confidential channel to report unethical behavior, misconduct, or violations of company policies. This mechanism ensures that all reports are handled with the utmost confidentiality and that individuals can come forward without fear of retaliation.

SANCTIONS

As part of our commitment to strong corporate governance and responsible business practices, we strictly adhere to our Compliance Policy for Avoiding Engagement with

Sanctioned Companies or Countries. This policy ensures full alignment with international trade regulations, sanctions laws, and ethical business standards, reinforcing our dedication to transparency and integrity in all operations.

We actively monitor and enforce compliance with global sanctions programs, including those imposed by the United Nations (UN), European Union (EU), and the Office of Foreign Assets Control (OFAC). Additionally, we strictly adhere to export control regulations to prevent any engagement with restricted or embargoed entities. To uphold these standards, we have implemented risk-based screening processes.

Furthermore, we conduct regular internal audits to ensure that we comply with relevant sanctions and trade regulations. By maintaining a zero-tolerance approach to non-compliance, we mitigate legal and reputational risks while ensuring ethical business conduct across our entire value chain. This policy is a fundamental component of our sustainability governance framework, supporting our long-term commitment to corporate responsibility and global stability.

ESRS G Minimum Disclosure – Governance, Business Conduct, and Compliance

Actions taken (MDR-A):

In 2024, Smartoptics conducted an internal information security assessment, implemented Privilege Elevation and Delegation Management (PEDM), and maintained training programs on anti-corruption, conflict of interest, and whistleblowing. We also enhanced monitoring systems to ensure compliance with global sanctions regimes and conducted internal audits on governance and trade compliance. Board oversight ensures accountability for strategic, financial, and ESG-related matters.

Policies in place (MDR-P):

Smartoptics maintains a suite of governance policies, including its Code of Conduct, Anti-Corruption Policy, Whistleblower Policy, Conflict of Interest Policy, Information Security Policy, and Compliance Policy for Sanctions and Export Control. These are reviewed annually and integrated into employee onboarding, supplier due diligence, and third-party engagement processes.

Targets set (MDR-T):

Our targets include maintaining full compliance with GDPR, ISO 45001:2023, and relevant sanctions regimes. We aim to ensure 100% employee participation in annual compliance and ethics training, zero confirmed incidents of corruption or misconduct, and 100% board and executive compliance with conflict-of-interest declarations and governance reporting standards.



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