

CODE OF CONDUCT

LAMMHULTS DESIGN GROUP AB

PRESIDENT'S STATEMENT

Sofia Svensson
President & CEO

25th October 2018

THIS CODE OF CONDUCT IS BASED ON THE FOLLOWING INTERNATIONAL STANDARDS AND CONVENTIONS:

- United Nations Universal Declaration of Human Rights (1948); Children's Convention Article 32 and Declaration against Corruption
- ILO Fundamental Conventions on forced labour, child labour, discrimination, freedom of association and the right to organize (No. 29, 87, 98, 100, 105, 111, 138 and 182)
- Occupational safety and health legislation according to ILO 170, ILO 155, other labour legislation and environmental protection legislation in the production country.
- Global Compact's ten principles of environment, labour law, human rights and anti-corruption

PURPOSE OF THE CODE OF CONDUCT

The Lammhults Design Group's (LDG) Code of Conduct defines the expectations we have on how our employees and other who act in our, or our subsidiaries, name behave in different situations. By following the Code of Conduct, those who meet LDG or our subsidiaries will get an understanding of what we stand for and feel safe with LDG.

RESPONSIBILITY FOR THE CODE OF CONDUCT

The code applies to board members, employees and all who act in the name of our, or our subsidiaries, name. Managers in each company are responsible for their employees understanding of the Code of Conduct and that they act in accordance with the code. Deviations from the code are reported to the nearest manager, its superior or anonymously to the Group's whistleblower function. All employees should know how to report to the whistleblower function. Failure to comply with the Code of Conduct may be considered to violate the employee's terms of employment, which may have consequences for the employment.

HUMAN RIGHTS

LDG respects and promotes human rights within our own business and in our supply chain. We make sure that we do not directly or indirectly contribute to violation of human rights. This applies to our own organization as well as to companies in the supply chain. Subsidiaries are responsible for setting requirements that are at least equivalent to those set in LDG Code of Conduct for suppliers.

EQUAL OPPORTUNITIES, EQUALITY AND DIVERSITY

LDG Sustainability Policy and Code of Conduct stipulates our zero tolerance to discrimination. We do not tolerate offensive discrimination or harassment in any form. Employees have a responsibility to treat each other with respect and create a safe environment at the workplace. At LDG, working conditions, rights, payroll and development opportunities must be according to the principle of equal treatment. Recruitment processes must be done based on competence and suitability for the job.

HEALTH AND SAFETY

LDG strives for a good working environment and has a vision for zero serious accidents in the entire Group. Our companies shall work systematically to prevent sickness and injury among employees.

BUSINESS ETHICS, ANTI-CORRUPTION AND BRIBERY

LDG does not accept and does not practise bribes and unfair or anti-competitive arrangements. LDG shall comply with laws, regulations, agreements and accepted standards that applies on the markets in which we operate. LDG will maintain the guidelines defined in this Code of Conduct also on markets where unethical documents do not clearly fall outside the current legislation. LDG does not accept any form of corruption, here defined as a person utilizing their position to achieve an undue advantage for one's own or other's gain.

Certain benefits, such as everyday work meals, minor samples and goods without major market value are acceptable. For such benefits to be acceptable, they shall be presented openly and transparently, and approved

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by the nearest manager and be addressed to a certain function rather than a person. Further information about business ethical boundaries are available in the Swedish Anti-Corruption Institute code on gifts, rewards and other benefits in business.
(www.institutetmotmutor.se/english/)

CONFLICTS OF INTEREST

All affected by the code shall handle financial interests and other external activities in a way that does not violate, or may be perceived to contradict, the interests of the company. Still, situations should be avoided where conflicts of interest can arise or are perceived to arise. If a conflict of interests may arise, the concerned person must raise the matter for discussion with the nearest manager or the board.

FAIR COMPETITION

Effective and fair competition is a prerequisite for a functioning market for our companies. Therefore, LDG avoid unnecessary contacts with competitors. If contact with competitors takes place, this should be carefully arranged to comply with the competition rules. LDG must never prevent, restrict or eliminate fair competition.

ANCILLARY ACTIVITIES

Activities that are not of a private character and that employees have beside their employment at LDG, are defined as an ancillary activity. Ancillary activities shall be reported and approved by the nearest manager.

SUPPLIERS AND COLLABORATORS

LDG and our companies respect concluded agreements and commitments. We strive to only collaborate with suppliers and partners that comply with our environmental requirements and who have accepted our code of conduct for suppliers or have their own Code of Conduct that includes the requirements we set. In cases where subsidiaries have established their own Code of Conduct for suppliers, the subsidiary's CEO is responsible for ensuring that this also meets the requirements of the central code.

INTERNAL AND EXTERNAL COMMUNICATION

Everyone working in LDG or one of our subsidiaries is representatives of these organizations. We therefore expect all employees to communicate in a responsible way and in accordance with this Code of Conduct. Employees who are authorized to act against external stakeholders should do so in accordance with the principles of this code of Conduct

HANDLING OF INFORMATION AND ASSETS

LDG shall ensure that the personal data of employees and customers are handled in a responsible way that complies with current legal requirements regarding data management. Pricing or other information that could damage LDG are normally covered by professional secrecy that the employees must comply to. Confidential and sensitive company information shall be handled in a secure and structured manner. Furthermore, employees are responsible to ensure that logins, data and work materials are handled safely. All employees shall treat all information that may be critical for business with care.

IRREGULARITIES

LDG does not accept irregularities of any kind. Irregularities may, for example, be to acquire unjustifiable benefits or payments, to disclosure confidential or non-public information, to destruct information or assets, to deliberately tamper with LDG or our employees, to make false statements or to report incorrect information.