

Sustainability Policy

Lammhults Design Group AB (publ)

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Sustainability Policy

Introduction

Lammhults Design Group aims to be a leading player in Scandinavian design and furniture manufacturing, as well as a role model in sustainable development. This Sustainability Policy applies to the entire Group and establishes the overarching principles governing the Group's work with environmental and quality matters, social conditions, and responsible business practices.

Our sustainability strategy is a central part of the Group's business plan, with the ambition to strengthen both profitability and reputation, thereby contributing to Lammhults Design Group's objective of being the natural choice for our stakeholders.

Sustainability efforts shall be communicated both internally and externally, including through our annual sustainability reports. The Group's governing documents are continuously updated to ensure that sustainability is an integral part of operations throughout the entire value chain. Our documentation and reporting shall be transparent, support the requirements of customers and authorities, and promote trust and accountability.

Sustainability work is guided by ISO 26000 as well as the UN Global Compact's Ten Principles. Our resources are prioritized based on risk and impact, as well as our ability to influence these areas. Through a double materiality analysis, the Group has identified the sustainability issues that are most relevant from both a business and sustainability perspective.

The implementation of sustainability work is carried out with consideration for the Group's resources and is prioritized based on risk, impact, and business value.

Our Principles

Environmental Responsibility

Our ambition is to be a leader in complying with both legislation and customer requirements, and to continuously develop our operations in line with established environmental targets, while contributing to sustainable development by offering products and services with as low environmental impact as possible. At the same time, product quality shall always meet our customers' requirements.

We have a long tradition of timeless design, high quality, and long product lifespan. Our success factors include knowledge of our impact and a systematic approach to governance and follow-up.

Lammhults Design Group shall develop products characterized by quality and longevity. Design shall be guided by circularity and a life-cycle perspective; recycled and renewable materials shall be preferred where possible and commercially justified, with design enabling reuse and recycling of materials.

Our products shall, where possible, be designed with a circular approach in which components can be repaired, upgraded, or replaced, and where materials can be recycled to the greatest extent possible. We shall continuously develop our product development processes with consideration for the entire product life cycle and design products based on the principle of recycling and minimal raw material usage.

The Group shall always strive to reduce its environmental impact through energy-efficient and resource-saving production methods, continuous improvement in waste management and emission reduction, and collaboration with suppliers who share our values.

Lammhults Design Group shall work to reduce chemical usage and eliminate or minimize hazardous substances in products and materials.

Measures that reduce the Group's carbon footprint from energy use, material consumption, and transport shall be encouraged and implemented. We shall work systematically to reduce energy consumption in our operations and minimize the carbon footprint of the products we market.

We maintain an active dialogue with suppliers and prioritize those that implement environmental improvements. All suppliers must comply with applicable legislation, and we expect them to adhere to our Code of Conduct or equivalent ethical guidelines. We apply a risk- and materiality-based approach in our supply chain, where follow-up, dialogue, and, where necessary, audits are prioritized for suppliers where risk and impact are deemed highest.

Social Responsibility

Lammhults Design Group acts in a responsible manner that promotes human well-being. We actively support both mental and physical health and encourage wellness initiatives. We strive to be a responsible employer and to collaborate with selected suppliers who share our values.

Preventive work to reduce workplace accidents and incidents is a high priority, and incident reporting is encouraged in accordance with our zero-accident vision. Certified management systems are applied throughout the Group, and regular employee surveys are conducted.

As an employer, diversity and equality are key focus areas, and we strive for balanced representation across employee groups and management. We respect and take responsibility for human rights and continuously strive to improve our operations.

Lammhults Design Group's Code of Conduct for both employees and suppliers clarifies expectations in areas such as business ethics, human rights, working conditions, environmental responsibility, and regulatory compliance. For a more detailed description, please refer to LDG's *Code of Conduct for Employees* and *Code of Conduct for Suppliers*.

We are gradually developing a more systematic and risk-based approach to monitoring our supply chain through digital tools, audits, factory visits, and dialogue, with prioritization based on risk and materiality.

Lammhults Design Group maintains a whistleblowing policy to ensure a safe channel for employees and external parties to report suspected deviations from our Code of Conduct.

Business Responsibility

We take a long-term view of sustainable economic growth, which means enabling and financing sustainability initiatives. The sustainability strategy is a central part of the Group's business plan, with the ambition to improve both profitability and reputation.

We strive to develop our operations in line with circular economy principles. This means that we progressively strengthen circularity in our products and services by enabling reuse, repair, upgrades, and recycling where commercially and practically feasible. This includes increasing the share of solutions that extend product lifespans and reduce resource use over time.

Circularity is a guiding principle in our product and service development, where we aim to design solutions with long lifespans, high quality, and opportunities for repair, upgrading, and material recycling. This involves adopting a life-cycle perspective and promoting sustainable consumption.

All employees shall, in their work, contribute to a clear link between our operations and improvements in economic, environmental, and social outcomes, in accordance with our policies and governing documents.

Objectives and Commitments

We shall continuously reduce the environmental footprint of our products and processes and strengthen circularity in the product portfolio. At the same time, we shall increase resource efficiency, quality, and long-term thinking in our business practices.

Lammhults Design Group shall further develop products and processes that contribute to a more sustainable society. Through continuous improvement, clear prioritization, and a long-term perspective, we shall deliver solutions that create value for people, the environment, and future generations.

Our ambition to be a leading sustainability player in the industry means striving to develop more resource-efficient and sustainable solutions in our choices, processes, and products.

Companies within the Group and their employees shall act proactively rather than reactively. Sustainability work is therefore integrated into business processes and management systems, with each company responsible for implementation, compliance, and follow-up in areas such as environmental management, occupational health and safety, and business ethics.

10 april 2026

Susanna Hilleskog
CEO and Group President