

Sustainability policy

LNS Group



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1. Introduction

LNS has been part of Storskogen Group since 2022 and adheres to internationally recognized principles of environment, human rights, working conditions and anti-corruption. These principles are based on the **UN Declaration of Human Rights, ILO Guidelines**, and the **OECD Guidelines for Multinational Enterprises**.

Since becoming a member of the UN Global Compact in 2022, we have strengthened our commitment to sustainability. As part of the Storskogen Group, we benefit from a shared framework and common policies that guide our sustainability efforts. This foundation allows us to adapt and develop a tailored sustainability strategy that addresses our specific business needs and significant sustainability issues.

2. Purpose

This policy aims to ensure that [Company Name] integrates sustainability into business decisions and creates long-term value for society and our stakeholders.

3. Scope

This policy applies to our entire business and all employees and is adapted to our specific sustainability challenges while aligning with Storskogen Group's sustainability framework.

4. Governance and responsibility

Our sustainability efforts are guided by the following principles:

- **Monitoring and reporting:** The Board oversees sustainability initiatives and ensures they are integrated into the strategy.
- **Risk management:** Regular assessments are conducted to identify and mitigate sustainability risks.
- **Training:** Employees in key roles receive ongoing training to support sustainability goals.
- **Internal control:** Management is responsible for maintaining systems to review and improve sustainability performance.

The roles for the implementation and monitoring of sustainability work are distributed as follows:

Role/title	Responsibility
Board of directors	Monitors compliance with the sustainability policy and ensures adequate resources are allocated.
CEO	Ensures implementation of the policy, takes relevant measures, and provides training to employees.
Employees	Expected to comply with the policy and contribute to sustainability goals in their daily work. Violations or incidents must be reported to immediate managers.

5. Our commitment

LNS is committed to sustainably in three areas:

- **Environment:** We reduce our environmental impact by cutting emissions, minimizing pollution, managing water responsibly, protecting biodiversity, and promoting the circular economy.
- **Social aspects:** We promote fair working conditions, respect human rights, contribute positively to communities and protect consumer safety.
- **Governance:** We have zero tolerance for corruption, uphold an effective governance structure, and practice strong risk management.

6. Double materiality analysis and stakeholder dialogue

We carry out a double materiality analysis to identify how our operations affect the world around us and how external factors affect us. The analysis consists of the following steps:

- Mapping our impacts.
- Identifying external factors.
- Engaging with stakeholder.
- Integrating the results into our strategy.

This process helps us identify both risks and business opportunities that are important to our long-term success.

7. Strategy

Our sustainability strategy is aligned with Storskogen Group's framework but is tailored to our specific needs, as identified through the double materiality analysis. We ensure sustainability is integrated into business decisions by:

- Focusing on relevant sustainability issues.
- Continuously evaluating and improving performance.
- Embedding sustainability into all business decisions.

8. Risk management

We regularly assess and manage sustainability risks that could impact our business and take strategic decisions to mitigate these risks.

9. Targets, monitoring and reporting

We set measurable sustainability targets based on our dual materiality analysis. Progress on environmental, social, and governance issues is monitored quarterly and annually, with results reported to Storskogen Group.

10. Sustainability work in practise

Our sustainability work follows this structure:

1. **Double Materiality Analysis:** Identifying our impacts and risks.
2. **Goals and Actions:** Setting and tracking goals.
3. **Risk Management and Opportunities:** Reducing risks and identifying new business opportunities.
4. **Governance Documents and Compliance:** Creating and reviewing governance documents annually.
5. **Reporting:** Regular reporting to Storskogen Group.

11. Compliance

All employees are expected to comply with the policy. Violations may result in disciplinary action. Employees can report anonymously via <https://report.whistleb.com/storskogen>.

Appendix 1 - Definitions

This appendix provides definitions to ensure clarity and consistency::

Business Ethics: Norms and principles for conducting business with integrity and transparency, particularly in avoiding corruption, conflicts of interest, and other unethical business practices.

Biodiversity: The variation of living organisms on Earth, including diversity within species, between species, and in ecosystems. Businesses are responsible for minimizing their impact on biodiversity through sustainable practices.

Circular Economy: An economic system where resources are reused and recycled as much as possible, reducing the need for raw materials and minimizing waste.

Conflict of Interest: When a person's personal interests may conflict with the best interests of the company, potentially influencing decisions or actions in an unethical way.

Corruption: Abuse of power for personal gain, such as bribery or undue advantages.

Double Materiality Analysis: A method that identifies how a company's operations impact the environment and society (external perspective) and how external sustainability factors influence the company's performance and risks (internal perspective).

ESG (Environmental, Social, Governance): The three main areas of sustainability:

- Environmental: Actions to reduce the company's environmental impact.
- Social: Managing issues related to human rights, labor conditions, community impact, and diversity.
- Governance: Business ethics, transparency, corruption, and risk management.

Human Rights: Fundamental rights recognized internationally that protect individuals from abuse. Companies have an obligation to respect these rights throughout their operations and value chains.

ILO Guidelines for Working Conditions: International standards from the International Labour Organization (ILO) aimed at protecting workers' rights and ensuring fair working conditions.

Key Sustainability Issues: The sustainability aspects that are most significant for a company's operations and stakeholders, based on both the company's impact on society and how sustainability factors affect the company strategically.

OECD Guidelines for Multinational Enterprises: Recommendations for multinational companies on responsible business practices, covering areas such as human rights, labor conditions, the environment, and anti-corruption.

Risk Management: The process of identifying, assessing, and addressing risks that could impact a company's sustainability objectives, including environmental, social, and governance-related risks.

Stakeholders: People, groups, or organizations affected by or able to influence a company's operations, including employees, customers, suppliers, investors, and local communities.

Sustainability: Balancing economic growth with environmental and social responsibility to ensure long-term profitability without compromising future generations' ability to meet their needs.

The UN Declaration on Human Rights: A document outlining the basic rights and freedoms to which all people are entitled.

The UN Global Compact: A UN initiative encouraging companies to follow ten universally accepted principles in human rights, labor, environment, and anti-corruption.