

# Policy for Responsible Sourcing of Raw Materials

This Policy ensures that LGM take actions to ensure the sustainable supply of raw materials.

LGM depend on natural resources for a large part of the raw materials used in our products. However, there is an increased pressure on nature globally compromising the health of ecosystems as well as the availability of natural resources associated with livelihoods and wellbeing of people. Unsustainable use of natural resources, agricultural expansion, deforestation, and land conversion are also drivers of biodiversity loss and climate change.

We are therefore committed to make sure that our materials are sourced in a responsible way that respect human rights and minimize negative environmental impacts.

We also strive to make sure that the natural raw materials used in our products are produced in a way that both contributes to sustainable development, preserves natural resources, and helps maintain and enhance biodiversity.

All business functions working directly with the product and supplier, and/or with the relevant materials in Production are responsible for:

1. Collecting all relevant documents required from our suppliers.
2. Conducting due diligence based upon the level of social and environmental risks associated with the specific raw material production, and/or country of origin, as well as volume.
3. Creating adequate action plans when risks are being associated any of the above.
4. Setting material specific goals and follow-up on progress towards these goals.
5. Assessing and investigating any potential policy breaches of this policy.

We expect that our suppliers:

1. Make sure that our requirements on raw materials is being communicated to any sub-suppliers and subcontractors related to our production.
2. Can provide all material specific required information on a product level.
3. Comply with any certification specific requirements and can provide with all relevant information for the material on time.
4. Collaborate with us on due diligence as well as sourcing mitigation strategies in line with this policy and across our joint supply chains.