

## ENVIRONMENTAL POLICY

L-Fashion Group's (hereinafter "Luhta") ethos is to make clothing, footwear and accessories that will last from one generation to another. Part of this manufacturing process Luhta is committed to protect and preserve nature for future generations and therefore Luhta follows and complies with the relevant regulations, guidelines, standards and recommendations regarding the materials we use, our supply chain and overall sustainability of our products.

Luhta aims to be carbon neutral group-wide by 2030. We have signed the The-Science-Based-Targets-initiative (SBTi) commitment to set CO2 emission reduction targets. By signing, we will set short and long-term targets for our climate work (scope 1, 2, 3).

### **At the headquarter**

We use renewable energy sources whenever possible and our operations in Finland were fully carbon neutral in 2022 (scope 1, 2). We are continuously looking to expand our material library to more eco-friendly choices and exploring new designs to make our clothing last longer. Luhta was also one of the first clothing manufacturers in Finland to take full responsibility of our items for their entire life cycle ("ReUse"-program). More details can be found from our Sustainability Report.

### **In our supply chain**

We require our entire supply chain to pay attention to the environment in all of their operations (including but not limited to prevention of harmful soil change, emissions, waste pollution, air pollution, harmful noise emissions and excessive water consumption).

We apply the REACH Regulation (Regulation (EC) No. 1907/2006) and POP Regulation (EU) No 2019/1021 of the European Parliament and of the Council of 20 June 2019 on persistent organic pollutants with regards to our products under Luhta Sportswear Company. Moreover, we follow the European Chemical Agency's (ECHA) list of avoidable Substance(s) of Very High Concern ("SVHCs") and we can confirm that the SVHC's in our products do not exceed 0,1% (w/w). We also comply with the "Restricted Substance List" recommended by the local Finnish trade union.

Luhta prohibits its partners and/or suppliers from exporting and/or importing hazardous waste under the Basel Convention on the Control of Transboundary Movements of Hazardous Waste and their Disposal and we prohibit handling, collection, storage and disposal of waste in a manner that is not environmentally sustainable and/or safe. Luhta also prohibits its suppliers from using mercury in the production process (Regulation (EU) 2017/852 of the European Parliament and of the Council of 17 May 2017 on mercury, and repealing Regulation (EC) No 1102/2008).

Luhta has communicated to its entire supply chain that the regulations, guidelines, standards and recommendations (including but not limited to REACH, SVHC list and POP) that Luhta is committed to comply with in the course of its business are also mandatory for our partners

and/or suppliers. Luhta enforces and monitors Partners' compliance with this Code of Conduct according to its North Star-process.

**With our customers**

We are using renewable sources of energy whenever possible and developing our operations in order to reduce our carbon footprint of our transportation.

We use recyclable packaging materials whenever possible but our goal is to reduce packaging materials as much as possible.

Adopted on the 12.12.2023.



Juha Luhtanen/CEO  
L-Fashion Group Oy