



Code of Conduct for Business Partners



LGG INDUSTRIAL

This Code of Business Conduct is meant for and applicable to all our Business Partners.

Dear and valued business partner,

At LGG Industrial we are firmly committed to the principles of doing good business. Good business for us is legal, ethical, and honest business.

Our business partners are important to us, and we believe that only doing business according to these values is sustainable and lasting in the long-term.

This code of conduct for business partners is designed to outline ERIKS standards and is intended to be a guide to our partners on LGG Industrial's expectations when doing business.

Good business to us is legal, ethical and honest business. This applies without exception.

Business partners

Our business partners are suppliers, representatives, distributors, agents, and other service providers. Our commitment to act with reliability, commercial integrity and according to the law is what we also expect from our business partners.

The LGG Industrial Code of Conduct for business partners is based on two principles:

1. Laws and regulations

As an international company, LGG INDUSTRIAL continuously observes and complies with applicable laws, obtaining the required permits and respecting rights of third parties and stakeholders. We expect our business partners to endorse the principle of legality as well.

2. Business conduct

In our business relations and commercial initiatives, we uphold high integrity standards, such as transparency and honesty in dealings.

Even when not unlawful, we do not accept acts of collusive nature, favoritism or solicitations for benefits that are conflicting with our values and standards as outlined in this Code, because such activities compromise the relationship and reputation of LGG Industrial.

We expect our business partners not to engage in any conduct involving directly or indirectly dishonesty, fraud, deceit, bribery or corruption, or commit any action that reflects adversely on their own or LGG Industrial's reputation, integrity, or competence.

What we expect from our Business Partners

Legal compliance

Business partner shall act in accordance with the Laws and Regulations of the applicable jurisdiction(s), with reliability and credibility, irrespective of national boundaries and cultural diversity.

Anti-bribery and corruption

Business partner shall tolerate no form of and not engage directly or indirectly in any form of corruption or bribery.

No business partner acting on behalf of LGG Industrial may, in their dealings with customers, suppliers and other parties, offer or agree to pay for gifts, hospitality or other expenses that would violate the principles of this code.

Fair competition, anti-trust and Intellectual Property rights

Business partner will act in accordance with applicable anti-trust and competition rules.

Business partner shall respect the intellectual property of LGG Industrial, including patents, trademarks, industrial design rights and copyrights.

Business partner shall not disclose confidential and business sensitive information that they have obtained in the relation with LGG Industrial and have measures in place to protect and prevent access to such information by unauthorized persons.

Invitations and gifts

LGG Industrial Employees may only offer and receive gifts and hospitality to the extent allowed by law and the LGG Industrial gifts and hospitality policy.

Business partner shall refrain from invitations for hospitality or offering of gifts to LGG Industrial employees to gain any form of influence.

Business partner shall exercise special caution when offering gifts or hospitality without direct business relevance.

Business partner shall refrain from asking from LGG Industrial employees or LGG Industrial representatives, gifts or hospitality that may improperly influence the duty or decision of their own.

Conflict of interest

Business partner has the obligation to inform without delay if they have, or know of, or are in doubt, that there is a potential conflict of interest involving an LGG Industrial employee.

To ensure integrity in our supply chain, business partner is expected to refrain from any activity that may create a potential conflict of interest, such as offering of discounts or other privileges to LGG Industrial employees with the objective to gain influence.

Trade sanctions and export controls

Business partner shall act in compliance with applicable import- and export regulations and restrictions and will not import from or export to a destination, entity, or person to which such export is prohibited under the relevant laws and regulations.

Respect for basic human rights

Business partner shall treat its employees equal and with respect, regardless of origin, sex, age, belief, or disability.

Business partner shall respect personal dignity, privacy and rights of employees and take action against threat, abuse or exploitation of people.

Business partner shall respect applicable national laws regarding safety, minimum wage and maximum number of working hours and provide fair working conditions and remuneration.

Business partner shall recognize, as far as legally possible, the right of free association of employees and to neither favor or discriminate against members of employee organizations or trade unions.

Business partner shall ensure that its employees and employees of their suppliers have a minimum age under local law and ensure there is no forced labor. If there is no local law with a minimum age, no people under the age of 15 shall be working in its supply chain.

Health / safety of employees

Business partner shall take responsibility for the health and safety of its employees and take the best reasonably possible precautionary measures to prevent accidents and occupational diseases.

Business partner shall provide training and ensure that their employees are educated in health and safety issues and have a reasonable occupational health and safety management system.

Environmental protection

Business partner shall act in accordance with applicable laws and standards regarding environmental protection and pollution and ensure to have all necessary environmental permits.

Business partner shall make continuous improvements in environmental protection and set up or use a reasonable environmental management system to reduce or eliminate waste, emissions and substances of concern.

Procurement

The principal factors for business partner selection and evaluation at LGG Industrial are always the same and include next to process and technical criteria also the social and environmental performance of the business partner.

We expect our business partners to comply with national laws, with the principles of the UN global compact, and with the principles of this code of conduct. We expect our business partners to have the appropriate processes and reports to demonstrate meeting these standards.

Supply chain partners

Business partners in our supply chain are responsible for their own suppliers to comply with laws and regulations and the standards of this code of conduct, specific regarding the protection of human rights, working conditions, anti- corruption and environmental protection when fulfilling their contractual obligations.

Business partners shall take effort to know the origin of their raw materials and avoid the use of minerals that are mined in conflict areas.

Business partners shall provide LGG Industrial with the necessary information to ensure safe handling, storage, and disposal of products, specific those with substances of concern. Business partners shall comply with applicable laws and regulations that are prohibiting or restricting the use of specific substances.

Product compliance

Business partner shall provide complete and correct documentation with supplied products, such as country of origin, quality of materials, certificates and product specification sheets.

Business partners shall comply with applicable labelling laws and regulations for the design, manufacturing, recycling and disposal of supplied products.

Business partners shall take effort to meet the latest applicable market and industry specifications or mutually agreed specifications for the product and have appropriate procedures in place to avoid products or components being supplied that do not meet those quality standards.

Money Laundering

Business partner shall comply with applicable regulations governing the prevention of money laundering, and not to participate in any money laundering activities.

Monitoring and review

Upon LGG Industrial's request, business partner shall provide records and information that demonstrate compliance with the contract and how the business partner upholds the principles and requirements of this code of conduct.

Upon LGG Industrial's request, business partner shall allow a visit to the business partners site for a physical inspection.

Violation

A breach of any of the provisions in this code of conduct will be qualified as an ethics and compliance incident.

Business partner shall cooperate and provide requested information to LGG Industrial to support proper investigation of a possible irregularity or breach of any of the provisions of this code.

If a business partner witnesses or is approached by an LGG Industrial employee with an improper proposal, the business partner shall immediately report this incident to LGG Industrial.

Reporting of an incident

When a business partner is witnessing a potential violation of any of the principles of this Code, this can be reported via lggindustrial.ethicspoint.com

Acknowledgement

Business partners are requested to acknowledge this code of conduct for business partner. All LGG Industrial employees are bound by an internal code of business conduct.

Closing statement

LGG Industrial supports the objectives and principles as laid down in the following international documents: United Nations (UN) Global Compact; Universal Declaration of Human Rights; United Nations Convention against Corruption; United Nations Global Compact; ILO Code of Practice in Safety and Health, ILO International Labor Standards; OHSAS 18001 Health & Safety Standard; International Organization for Standardization (ISO); OECD Guidelines for Multinational Enterprises; Transparency in the supply chain relating to Child Labor Directive (EU); Transparency in the supply chain (UK).