

Corporate Social Responsibility policy (CSR policy)

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1. PURPOSE

This document serves as comprehensive policy framework setting out the principles of all Lau Lagun Bearings S.L. ("LLB") policies.

The implementation of this CSR Policy is the responsibility of the ESG Committee / Management team and those responsible for each area (QHSE, HR, Purchasing, Finance...). The degree of progress and compliance will be revised every six months.

2. SCOPE OF APPLICATION

This policy applies to all Laulagun Bearings divisions, employees and activities, both in Spain and India, and to third parties acting on their behalf.

This policy is aligned with the principles of the United Nations (UN), International Labour Organization (ILO) and Organisation for Economic Co-operation and Development (OECD). As part of Legris Industries Group, Laulagun Bearings supports the commitments made under the UN Global Compact and contributes to its implementation. Laulagun Bearings also uses the United Nations Sustainable Development Goals (SDGs) as a reference framework to connect its ESG priorities, strategic objectives, action plans and stakeholder engagement activities.

3. PRINCIPLES

LLB understands Corporate Social Responsibility (hereinafter "CSR") as the responsibility that corresponds to our organization for the impact that our activity has on society.

To fulfill this responsibility, we integrate social, environmental, ethical and human rights needs and expectations into our day-to-day work.

Through this CSR Policy, our organization wants to contribute to the following objectives:

- Prevent and mitigate possible negative impacts arising from our activity, managing our risks and opportunities proactively and systematically.
- Carry out our activity responsibly, placing people and the environment at the centre of all decision-making.
- Creation of sustainable and shared value for our stakeholders and society as a whole.
- Align our sustainability priorities with the SDGs most relevant to our activity, focusing on those areas where Laulagun Bearings can generate the greatest positive impact through its operations, products and value chain.
- This CSR Policy aims to create a framework that contributes to defining and promoting behaviours that generate value for all stakeholders, through a series of guiding principles that permeate our entire organisation.

The principles that govern our policy are:

- Integrity, as a manifestation of ethics in our activities and in relations with stakeholders.
- Scrupulous compliance with all current legislation.

- Transversality, affecting all the business areas of our organization, as well as all the geographical areas where our activities are carried out.
- Prudent risk management, identifying, preventing and mitigating possible adverse consequences that may occur.
- Integration of Health & Safety, Quality and Environment in all our internal processes. We adhere to processes and see them as the base for learning and continuous improvement.
- Search for excellence in our solutions. We share lessons learned to maximize the impact and experience and to continually improve our performance.

4. COMMITMENTS

In order to comply with these principles, our organization implements the following commitments. These commitments will be reported annually in the corporate ESG Scorecard and reviewed by the CSR Committee.

Customers

- Place customers at the centre of our activity, with the aim of establishing long-lasting relationships, based on mutual trust and value contribution.
- Develop sustainable solutions with high quality and reliability.
- Promote transparent, clear and accountable communication with our customers.

Workers

- Promote diversity, equity & inclusion by ensuring equal opportunities for all employees—regardless of gender, age, nationality, disability, religion or sexual orientation—and by actively preventing discrimination and harassment.
- Promote work-life balance practices.
- Embed a zero-harm culture by implementing ISO 45001-based controls and empowering employees to pause any task that compromises Health & Safety, Quality or Environment.
- Involve employees through open, two-way dialogue and co-design of HR processes, ensuring consultation and feedback channels at every level.
- Respect and promote employees' rights to freedom of association, collective bargaining, and participation in company-level dialogue, in accordance with applicable local laws and ILO Conventions. We are committed to maintaining constructive relationships with employee representatives and ensuring their involvement in health, safety, and organizational development matters.
- Ensure that all employees receive a living wage, sufficient to meet their basic needs and provide discretionary income, in line with international benchmarks and local cost-of-living standards. We maintain the objective of ensuring that 100% of employees remain above applicable living wage thresholds across all operations.
- Promote a culture of social commitment and shared values among employees.

- Promote the participation of our employees in the definition of the Human Resources processes impacting directly in their training, professional development and performance management. Provide every employee with an individual development plan and guarantee a minimum of 8 hours of skills training per year, reinforcing technical, digital and leadership capabilities.
- Develop the organization through the development of the people, so that any positive result in our company means a positive impact in the development of our employees.

Community & Governance

- Integrate the United Nations Sustainable Development Goals (SDGs) into our sustainability strategy, ESG Scorecard and annual action plans, prioritizing the goals most closely aligned with the company's Double Materiality Assessment (DMA), material topics and business strategy.
 - Our priority SDGs include Good Health and Well-being, Gender Equality, Affordable and Clean Energy, Decent Work and Economic Growth, Industry, Innovation and Infrastructure, Responsible Consumption and Production, Climate Action, Peace, Justice and Strong Institutions, and Partnerships for the Goals..
- Monitor and report our contribution to priority SDGs through specific ESG indicators, stakeholder dialogue and the annual Sustainability Report.
- Participate in initiatives and collaborate with regulators and other organizations for the promotion and dissemination of responsible practices.
- Take part in activities and working groups with clusters and local organizations for the economic and social development.
- Carry out our activity in a manner that adequately complies with tax obligations and to avoid any practice that involves the illegal avoidance of the payment of taxes or the damage to the public treasury.
- Prevention of illegal conduct. Encourage compliance with legal obligations and avoid conducts that are contrary to internal rules and policies or that may damage the assets, image or reputation of our organization.

Ethics & Business Integrity

- Our Code of Conduct also includes measures to prevent corruption, bribery, and conflicts of interest. We prohibit any improper advantage, including the offering or acceptance of gifts or hospitality that may influence business decisions, and we promote transparency and accountability at all organizational levels.
- Laulagun Bearings prohibits any form of fraud, including falsification of records, misuse of company assets, false reporting, or any other deceptive practice intended to obtain an unfair or illegal advantage.
- Laulagun Bearings does not tolerate money laundering or the financing of illegal activities and commits to conducting business only with legitimate counterparties, in compliance with applicable anti-money laundering regulations.
- Uphold fair-competition laws by prohibiting price-fixing, bid-rigging or market-allocation

practices and providing annual antitrust compliance training to relevant employees.

- Protect personal and confidential data through GDPR-compliant processes, regular cybersecurity drills, and ISO 27001-aligned controls, reporting any data breach within 72 hours.
- Provide an accessible, anonymous grievance and whistleblowing channel for employees, suppliers and other stakeholders, guaranteeing protection against retaliation and prompt, transparent resolution of all concerns.

Respect for Human Rights

- Implement the Human Rights Commitment, which includes respect for human rights in accordance with the International Bill of Human Rights, the United Nations Global Compact, and the principles of conduct and recommendations for business development published by the UN, the OECD and the ILO.
- Laulagun Bearings also commits to respecting the human rights of external stakeholders—including suppliers, customers, local communities, and any individuals potentially affected by our operations—across our entire value chain. This includes identifying, preventing and mitigating adverse impacts in line with the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct.
- Laulagun Bearings explicitly prohibits the use of child labor, forced or compulsory labor, and any form of human trafficking in its own operations and across its value chain. The Company complies with the minimum age requirements defined by the International Labour Organization (ILO) Conventions and applicable local legislation, and rejects any practice involving coercion, debt bondage, or restriction of workers' freedom of movement. These principles are applied to employees, contractors, and suppliers, and are reinforced through our Supplier Code of Conduct and due diligence processes.

Environment

- Ensure, within the framework of the ISO 14001 Standard, the sustainable management of the environmental risks and impacts identified.
- Foster a sustainable consumption of resources in the organization: raw material, water, electricity, paper, etc., aiming at a 50% reduction in waste from products delivered to our customers by 2030.
- Implement water-efficiency projects and set a target to reduce freshwater withdrawal intensity by 30% by 2030, ensuring regular monitoring of water risk hotspots across all sites.
- Promote the progressive integration of environmental variables in product development, such as reduction of energy consumption, air pollution, material use.
- Monitor and reduce other atmospheric emissions (NOx, SOx, VOCs, particulate matter) and industrial noise through best-available-tech abatement and preventive maintenance.
- Promote action against climate change, focusing on the decarbonisation of our activities and protection of biodiversity. We strive to reduce our greenhouse gas emissions (Scope 1 & 2) by 50% by 2030, aligned with goals set by the 2015 Paris Climate Agreement. We

periodically assess climate-related risks and opportunities affecting our operations and value chain and integrate them into our strategic planning process.

- Develop innovative solutions in order to minimise environmental impacts during the product life cycle.
- Collaborate with customers and suppliers to eliminate single-use plastic packaging and ensure 100 % of outbound packaging is recyclable, reusable or compostable by 2028.
- Although the dismantling and end-of-life waste management of our products is not directly carried out by LLB, we provide specific disassembly and environmental handling instructions for our bearings at the end of their service life. These guidelines, included in our article-specific maintenance instructions, cover material identification, proper segregation, recyclability, and compliance with applicable environmental regulations. In doing so, we promote a circular economy model that enables the responsible recycling of product components at the end of their lifecycle.

Supply Chain

- Train all purchasing staff on sustainable-procurement principles, including life-cycle thinking and the identification of environmental, social and ethical risks.
- Apply—and enforce—our Code of Conduct for Suppliers and Service Providers, which covers legal compliance, human- and labour-rights, environmental protection and business ethics in the supply chain. Strategic suppliers are expected to comply with these requirements and implement corrective actions where significant ESG gaps are identified.
- Integrate climate criteria into sourcing decisions by asking suppliers to disclose their annual energy use and GHG emissions and by favouring partners that show clear year-on-year improvements.
- Assess the environmental, social and ethical performance of strategic suppliers at least every two years, using EcoVadis or equivalent audits, and implement corrective-action plans when scores fall below the defined threshold.
- Build long-term, sustainable partnerships that advance the renewable-energy ecosystem, involving suppliers in joint improvement projects across the value chain.
- Ensure equal, transparent and impartial treatment in all commercial relationships, fostering open dialogue and mutual respect for agreed commitments—including Safety, Quality, Health and Environment standards.
- Source steel inputs responsibly by requiring suppliers to trace the origin of raw materials and avoid conflict-affected or high-risk areas, in line with OECD Due-Diligence Guidance.

5. OTHER POLICIES AND PROTOCOLS

- Quality, Environment & Safety Policy
- Employee & India Codes of Conduct
- Supplier Code of Conduct
- Sustainable Purchasing Policy
- Whistleblowing Policy
- Cybersecurity & Privacy Policy
- Innovation Policy

In Olaberria, on 10 July 2026.

Approved by:



Managing Director