

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.

2. SCOPE OF APPLICATION

As a global company, this CSR Policy applies to all employees of LLB plants (Europe & India).

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 pro-actively 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.
- 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 of 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:

Customers

- Place customers at the centre of our activity, with the aim of establishing long-lasting relationships, based on mutual trust and value contribution.
- Promote the development of products with a high social impact, adapted to the context in which our customers live.
- Develop sustainable solutions with high quality and reliability.
- Promote transparent, clear and accountable communication with our customers.

Workers

- Respect diversity and promote equal opportunities, as well as non-discrimination on the basis of gender, age, disability or any other circumstance.
- Promote work-life balance practices.
- Ensure the implementation of health and safety measures to guarantee the safety and health of all people (ISO 45001).
- Foster a culture where Health & Safety, Quality and Environment are never compromised, empowering our people to take right decisions.
- Empower our employees through involvement, participation, consultation, and competence development, and provide the necessary resources, training, and support.
- 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.
- Guarantee bi-directional communication strategies with employees.
- 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.

Society

- Promote initiatives to achieve the United Nations Sustainable Development Goals.
- 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

social 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.

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 United Nations, the Organization for Economic Co-operation and Development and the International Labour Organization.

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.
- Promote the progressive integration of environmental variables in product development, such as reduction of energy consumption, air pollution, material use
- Promote action against climate change, focusing on the decarbonisation of our activities and protection of biodiversity. We strive to reduce our greenhouse gas emissions by 50% by 2030, aligned with goals set by the 2021 Paris Climate Agreement.
- Develop innovative solutions in order to minimise environmental impacts during the product life cycle.

Supply Chain

- Define and apply a Code of Conduct for Suppliers and Service Providers that includes, among others, providing complete and transparent information in procurement processes, compliance with laws and regulations, respect for human and labor rights in the supply chain, and stimulating demand for socially responsible products and services.
- Build strategic, sustainable partnerships to evolve the renewable ecosystem and involve our business partners, and suppliers in activities across the value chain. With equal, transparent and impartial treatment, ensuring advantageous dialogue and respect for the commitments mutually made. We expect the same performance from them in all aspects of Safety, Quality, Health and Environment as we expect from ourselves.

5. OTHER POLICIES AND PROTOCOLS

Other policies and protocols:

- Code of Conduct for Suppliers and Service Providers
- Code of Professional Conduct for LLB employees
- Diversity, Equity and Inclusion policy
- Innovation policy
- Equality plan
- Protocol for sexual and moral harassment protocol
- Whistleblowing policy
- Cybersecurity policy

In Olaberria, on 25th October2023.

Approved by:

Pello Irujo

CEO