Whistleblowing Policy

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1. OBJECTIVE, PURPOSE AND SCOPE

Lau Lagun Bearings is bound by the principles of compliance, integrity and ethical behavior, the main exponent of which is the Lau Lagun Bearings Employee Code of Conduct.

The Board of Directors of Lau Lagun Bearings approves and recognises the Lau Lagun Bearings Whistleblowing System Policy (hereinafter referred to as the "Policy"), which constitutes the development of the Lau Lagun Bearings Employee Code of Conduct within its scope of application for informational, preventive and detective purposes. This Policy is a fundamental feature within Lau Lagun Bearings' Corporate Social Responsibility Policy (CSR Policy).

Every person has a role to play in promoting ethical behaviour and in combating criminal offences, corruption, fraud, human rights or environmental violations, among others, at all levels of society.

Committed to a culture of "whistleblowing", we have established this Whistleblowing System, based on the principles of trust, good faith, impartiality and protection, with the purpose of encouraging and facilitating the reporting of any form of misconduct or mismanagement related to the business activities of Lau Lagun Bearings and its authorized representatives.

The purpose of this Policy is to explain the general commitments and principles, reporting channels and concerns that may be raised, the handling of concerns, and the guiding principles of our whistleblowing system.

This Policy applies to all employees and managers of Lau Lagun Bearings, regardless of the type of contract that determines their relationship, hierarchical position or place in which they carry out their professional activity, as well as to all executives and directors who hold positions in any of Lau Lagun Bearings' companies. For the purposes of this Policy, they are hereinafter referred to as "Representatives".

All Lau Lagun Bearings representatives, external stakeholders and the general public are expected to report any suspected misconduct and mismanagement through the Whistleblowing System.

Being in line with applicable international best practices, standards and regulations, Lau Lagun Bearings ensures the law-compliant handling of any report, confidentiality at all levels, and effective protection of whistleblowers against retaliation, provided that the report is submitted in good faith.

This Whistleblowing System also serves as a grievance mechanism for external stakeholders, including suppliers and their workers, enabling them to raise concerns related to human rights, labor conditions, health and safety, environmental impacts, or any other adverse impact linked to Lau Lagun Bearings' activities or business relationships.

2. DEFINITIONS

Whistleblower/whistleblower: A person who reports in good faith about alleged misconduct or mismanagement that may cause substantial harm to the company, integrity, or reputation of Lau Lagun Bearings. A whistleblower, according to Lau Lagun Bearings, could be:

- an employee of Lau Lagun Bearings, including managers
- shareholders of Lau Lagun Bearings
- an employee of a business partner (e.g., vendor, contractor, subcontractor, service provider, customer)
- a person from the general public

Good Faith Report: A report made with a reasonable belief that the information and allegations are substantially true and not for the purpose of obtaining personal gain for the person reporting.

Retaliation: any direct or indirect act or omission that causes any type of harm or prejudice to the whistleblower, including all forms of harassment, discrimination, and acts of retaliation.

Misconduct: any conduct that violates local legal regulations (e.g., laws, stipulations), the Lau Lagun Bearings Employee Code of Conduct, the Lau Lagun Bearings Supplier and Subcontractor Code of Conduct, or any other internal regulations.

Mismanagement: any circumstance caused by people and/or activities of Lau Lagun Bearings, which pose a risk to people, the company's assets or its environment.

3. COMMITMENTS AND GENERAL PRINCIPLES

The Whistleblowing System:

- It reinforces Lau Lagun Bearings' ethical governance practices and transparent corporate environment.
- It works as an early detection system in case of potential risks of which Lau Lagun Bearings and its managers are not yet aware.
- It helps identify and prevent violations in a timely manner and implement preventive or corrective measures and/or penalties, if necessary.
- It creates a safe and trusting environment for whistleblowers and stakeholders.
- Protects Lau Lagun Bearings representatives from false accusations through professional case handling.
- It enhances our principles of responsible behavior and compliance set forth in the Employee Code of Conduct, Lau Lagun Bearings Supplier and Subcontractor Code of Conduct, and other internal provisions and regulations.
- It preserves the reputation and well-being of Lau Lagun Bearings, its shareholders, representatives and related third parties and intermediaries.
- It actively contributes to the construction of a more responsible and transparent

society.

4. REPORTING CHANNELS

- Personal contact: In the case of Lau Lagun Bearings Representatives, concerns can be raised personally in the Human Resources department.
- Online portal: a web platform that can be accessed 24 hours a day, 7 days a week, 365 days a year from any computer with an internet connection. Available in all company languages.
- Email: whistleblowing@laulagun.com
- Helpdesk at Laulagun Bearings Euskadi:
    - Phone: +34 674327299. Monday through Friday from 9:00 a.m. to 5:00 p.m. (CET). Outside of this time period, it is possible to leave a voicemail.
    - Mail: Lau Lagun Bearings, Harizti Industrialdea 201,
      20212 Olaberria, Gipuzkoa, Spain.
- Support at Laulagun Bearings India:
    - Phone: +91 73053997474. Monday through Friday from 9:00 a.m. to 5:00 p.m. (EST). Outside of this time period, it is possible to leave a voicemail.
    - Postal mail: Lau Lagun Bearings India, A6/2, C-1, SIPCOT Industrial Park, Thervoykandigai Village, Gummidipoondi Taluk, Tiruvallur 601202
      Tamil Nadu, India.

The selection of the reporting channel is voluntary, however, we recommend that you use the online portal whenever possible, as it is the safest channel. For Lau Lagun Bearings representatives, Lau Lagun Bearings' Whistleblowing System is an alternative available to raise concerns, in addition to the hierarchical superior, People and Culture, Works Council or other representatives, where applicable. Lau Lagun Bearings' Whistleblowing System is not a substitute for any of the traditional labour dispute resolution procedures.

While internal disclosure is recommended at all times, a whistleblower may decide to externally report breaches of any EU legislation to the competent authorities.

5. WHAT CAN I REPORT?

The Whistleblowing System is open to all types of compliance violations, regardless of the subject matter. Examples include, but are not limited to:

- Violations of Lau Lagun Bearings' Employee Code of Conduct
- Violations of Lau Lagun Bearings' Code of Conduct for Suppliers and Subcontractors

- Violations of the Equality Plan and/or the Sexual Harassment Protocol
- Bribery and corruption
- Conflict of Interest
- Money laundering
- Data protection breaches
- Violations of competition law
- Violations of HSE regulations
- Discrimination and harassment
- Human rights violations
- Security Violations
- Violations of labor rights
- Misappropriation of company assets
- Information Security Breaches
- Accounting, Internal Controls and Auditing Issues
- Violations of intellectual property and property law
- Unauthorized Disclosure of Information
- Unfair treatment or retaliation for reporting a concern

The reported concern should be described in detail and as clearly as possible. It's helpful to consider the following questions: who, what, when, where, why, and how?

Failure to report observed misconduct may, in certain circumstances, be considered in itself a breach of duty or misconduct under the respective applicable laws.

In addition to compliance violations, the Whistleblowing System can be used to raise grievances, defined as concerns or complaints related to actual or potential adverse impacts on individuals or groups, including suppliers' workers, arising from Lau Lagun Bearings' operations or value chain.

6. CONCERN MANAGEMENT

The Whistleblowing System is operated by the CSR Committee according to a defined standard process for validation, investigation, and conclusion, ensuring proper and timely handling of concerns.

First, the information is validated objectively and confidentially to ensure sufficient understanding of the problem and to verify plausibility and potential risks to Lau Lagun Bearings, its representatives, assets and reputation. If necessary, immediate action is taken to deal with any urgent threat situation. CSR committee evaluates the case and determines whether an investigation is necessary and the responsible role that should intervene.

The CSR Committee oversees investigations of all significant violations of laws and Codes of Conduct.

Once the investigation is concluded, the head of the CSR Committee prepares a final report that includes appropriate corrective and/or preventive measures and defined follow-up in light of confirmed misconduct or mismanagement. Such measures may include disciplinary and/or legal action.

7. GUIDING PRINCIPLES

Confidentiality and anonymity

Lau Lagun Bearings guarantees confidentiality at all levels. The identity of the whistleblower may only be disclosed under obligations imposed by court order, government, national or EU law.

All personal data provided by the whistleblower and the individuals involved is processed in accordance with the European General Data Protection Regulation (GDPR) and applicable local data protection regulations. Lau Lagun Bearings ensures that the identity of the complainant is not disclosed to anyone beyond the authorized staff members competent to receive or follow up on complaints, without that person's explicit consent. Any processing of personal data that is carried out in accordance with the EU Directive will be carried out in accordance with Regulation (EU) 2016/679 and Directive (EU) 2016/680.

The Whistleblowing System allows for optional anonymous reporting and reporting, unless prohibited by the laws of the country where the matter is reported.

Whistleblower protection and non-retaliation

A whistleblower who reports in good faith will be protected from any threat of retaliatory action and action. No person shall suffer disadvantage because of information provided in good faith, with reasonable belief, and not for the purpose of personal gain.

Any form of retaliation may result in disciplinary and/or legal action. A whistleblower who reasonably believes that he or she is subject to any form of retaliation related to a report is encouraged to contact the Corporate Compliance department directly or through the Whistleblowing System.

False accusations knowingly or made with reckless disregard for the truth may give rise to disciplinary and/or legal action under the terms specified in current regulations.

These protections apply equally to employees, external stakeholders, suppliers, and suppliers' workers who report concerns in good faith.

Individual rights prevail

The individual rights of the person(s) subject to an investigation shall be respected at all times. Investigations will be handled appropriately and confidentially to avoid reputational damage.

This includes the right to be heard and the right to access your file, excluding cases where this may compromise the protection of the whistleblower and/or the integrity of the investigation.

The presumption of innocence and the right of defence apply. No negative consequences will be imposed on anyone without sufficient evidence and the opportunity to clarify the facts and defend themselves.

Reporting & Record Keeping

Corporate Compliance regularly informs the Board of Directors, the Supervisory Board and the Works Council, when they so agree, on the reports received, their status and resolution.

All reporting information, including any information retained for statistical purposes, is anonymized.

All activities carried out within the framework of the investigation process are reflected in an appropriate written document that includes a clear justification for the decisions taken.

Additional Considerations

The existence of appropriate reporting channels in some jurisdictions is considered an adequate procedure for legal defence.

Any action will be carried out within an appropriate professional framework, in accordance with the relevant legislation and the internal agreements of the Works Council, where applicable.

8. RESPONSIBILITY

The Board of Directors demonstrates its commitment to preventing and addressing irregularities by overseeing the Policy and approving any changes and updates to further develop continuous improvement.

Lau Lagun Bearings will take all reports very seriously. All representatives of Lau Lagun Bearings are expected to report in good faith any suspicion of misconduct or mismanagement. In addition, managers should be role models in all respects, create a comfortable and trusting workplace in which to raise questions and concerns, as well as ensure confidentiality and absence of retaliation in the event that a report is filed in good faith.

The Policy will be reviewed periodically.