

LAULAGUN BEARINGS, S.L. CORPORATE CODE OF CONDUCT

Introduction

What is the Laulagun Bearings, S.L. Code of Conduct?

The Laulagun Bearings, S.L. corporate code of conduct is the core that identifies the standard of conduct that the Company wishes to apply throughout its business activities.

This requires the establishment of a series of principles/values in corporate behaviour, as well as in the conduct of the Company's management and employees. The corporate code of conduct is also a written reflection of a public commitment by the Company to uphold these principles/values.

The code of conduct has been defined by the Board of Directors/Directors of the Company acting as the most senior governing body, and is a commitment of the highest level.

What the Laulagun Bearing, S.L. Code of Conduct is not.

The code of conduct is not a replacement for the statutory regulations that are applicable in any event and in any territory, nor does it contradict the obligations validly undertaken in each specific case by way of contract or collective bargaining.

Moreover, it is not an exhaustive internal regulation for the company. The Company has internal rules and regulations that are different to the code of conduct -although they are compatible- which have been duly approved and disseminated within the organization, and as a result, must be understood and followed.

Who is it for?

The Laulagun Bearings, S.L. corporate code of conduct is aimed at those persons and entities that are direct intended recipients (intended recipients) and also those who should be or may be aware of it (informed parties).

The intended recipients of the Laulagun Bearings, S.L. corporate code of conduct are first of all those that provide services within the company as directors, managers and workers, whose conduct must comply with the standards established therein.

Similarly, the intended recipients of the code of conduct also include representatives, proxies, agents, brokers and any other natural or legal person that typically collaborates with the company transactions associated with its corporate purpose, or act in the interests of, or on the behalf of, the Company. These persons or entities must adapt their conduct to the standards of the code whenever they represent or operate in the interests of Laulagun Bearings, S.L.

The main parties that should be made aware the Laulagun Bearings, S.L. code of conduct are customers, suppliers, advisors and other persons or entities that have a professional or business relationship with Laulagun Bearings, S.L. All these persons, in addition to being informed by

Laulagun Bearings, S.L. so that they are aware of the code of conduct, must accept that the conduct of the company and the natural persons intended recipients of this code are bound by its provisions during the professional or business relationships with Laulagun Bearings, S.L. Laulagun Bearings, S.L. shall determine the contractual format that the acceptance of the Code by said persons shall adopt on a case-by-case basis.

Lastly, the code of conduct is aimed at any person who does not have a direct relationship with Laulagun Bearings, S.L., but has an interest in knowing the principal/values that govern its business conduct or in making the Company aware of any violation of the rules of this code of conduct.

What effect is expected?

The main effect expected of this code is to provide its intended recipients and informed parties with the knowledge of the standards of conduct that must be observed and respected, as applicable. Ultimately, it is expected that both the intended recipients and the informed parties of the code of conduct work together to avoid its violation.

What effect is not expected?

The effect not expected from the code of conduct of Laulagun Bearings, S.L. is for it to make any or all of the intended recipients believe that they are exempt from the duty of understanding and complying with the statutory regulations or internal rules of the company applicable at any time. Nor is it expected that the existence or the content of the code may be used by its intended recipients for the purposes of creating confusion and/or discrepancies with regard to its interpretation, with the intention of hindering its fulfillment in some manner.

Another effect that is also not expected of the code of conduct is for it to be used solely to resolve all cases or doubt that may be raised when complying with the principles/values of the corporate conduct of Laulagun Bearings, S.L.

Principles/Values of Corporate Conduct

The principles/values of corporate conduct to which Laulagun Bearings, S.L. is committed at the highest level and which inspire this code are the following:

- I. Compliance with the law
- II. Integrity and objectivity in business dealings
- III. Respect for people
- IV. Protection of health and physical integrity
- V. Data use and protection
- VI. Efficient management
- VII. Quality
- VIII. Environmental protection

Each one of these principles forms a set of rules of conduct. Below follows an explanation of the most important contents of these rules of conduct.

I. Compliance with the law

The first commitment of the corporate conduct of Laulagun Bearings, S.L. is to always comply with the applicable legislation in all countries in which it operates. Laulagun Bearing S.L. places particular emphasis on the commitment to respond accordingly to any violations thereof and to work together with Judicial Authorities in the event of any possible violations of the law which may result in direct criminal liability for the company pursuant to the provisions of the Spanish Criminal Code in force or any other provision to this regard which, in the future may substitute and/or supplement it, as well as any other applicable criminal regulation.

Relationship with public authorities and representatives:

In all of its relationships with Spanish public authorities and representatives, and those of third countries, Laulagun Bearings, S.L. shall all times act in a respectful manner and in accordance with the provisions of the applicable law to promote and defend its legitimate business interests.

The intended recipients of this code of conduct shall at all times work together with the public authorities and representatives when these exercise their duties as conferred by law.

Money laundering

Laulagun Bearings, S.L. is particularly committed to combating money laundering. The intended recipients of this code of conduct shall refrain from promoting, facilitating, participating in or in concealing any type of money laundering activity, and shall in any case report any money laundering that comes to their attention.

II. Integrity and objectivity in business dealings

The integrity and objectivity of business dealings implies that the actions of all intended recipients of the code of conduct must at all times seek a single objective within certain limits.

The aim is to, solely and exclusively in the interests of Laulagun Bearings, S.L., always seek the most convenient alternative in the interests of the company from among all those possible (the objective) which are permissible in accordance with the applicable law, this code of conduct, the internal rules of Laulagun Bearings, S.L. and any applicable contracts or collective bargaining agreements.

Rejection of arbitrariness

It is not permitted to act in an arbitrary manner or give preference to one's own interests or those of third parties, whether in favor of or against, by making a decision other than that which is objectively most appropriate to the interests of Laulagun Bearings, S.L.

Conflict of interest

A conflict of interest is when one of the intended recipients of the code of conduct must make a decision that in turn affects the interests of Laulagun Bearings, S.L. and the interests of the intended recipient and related parties. Related parties of the employee for the purposes of this code are considered to be parents, siblings, children not of legal age, spouses or partners, representatives, legal representatives, proxies or subsidiary companies.

For example, a conflict of interest would be:

- Deciding or recommending to award a Laulagun Bearings, S.L. contract to a company where a family member of the person responsible for making the decision is employed.
- Making a business decision that may directly benefit a person related to the person responsible for making said decision, whether because he/she will be one of those to earn money from the decision or because the company where they work stands to benefit.

When an intended recipient of this code of conduct is in a situation of conflict of interests, they must inform their hierarchical superior and the Compliance Committee and refrain from making any decision concerning the matter in which the conflict exists. If their superiors authorize the corresponding action or operation having studied the possible conflict of interest, then the

intended recipient may make the decision that is objectively most appropriate in the interests of Laulagun Bearings, S.L.

When allowing an intended recipient of this code of conduct in a situation of conflict of interest to make the decision in which the conflict exists, their superiors shall take into account not only the integrity and objectivity of the person to make the decision, but also whether the image of objectivity presented to third parties may be affected.

When the intended recipient of the code of conduct is in a situation deemed a conflict of interests forms part of a group of persons collectively responsible for making the decision, they shall inform the other persons responsible for making the decision of this fact and shall refrain from any voting.

Any related transaction between the Company and the employee, or related party, must be expressly authorized by the corresponding hierarchical superior and the Compliance Committee shall be informed of such. A related operation is considered to be any transaction or contract in which the employee or related person has a direct or indirect interest.

Gifts and hospitality. Donations

In the relationships with third parties, institutions and companies, the intended recipient of this code of conduct shall never give gifts or invitations of an economic value exceeding what would be considered reasonable and moderate in accordance with the circumstances of the matter and the particular country.

When the rules of conduct applicable to third parties or companies prohibit or restrict gifts or invitations to below the threshold of what is reasonable and moderate, the intended recipients of this code of conduct shall refrain from making any invitation or giving any gift that violates the rules of conduct applicable to the possible intended recipients.

In line with the foregoing, in the relationships with third parties and companies, the intended recipients of this code shall refuse any gift or invitation where the economic value exceeds what is considered to be reasonable and moderate in accordance with the circumstances of the matter and the particular country. The refusal shall always be performed politely, explaining that it is in accordance with the code of conduct of Laulagun Bearings, S.L.

In those exceptional circumstances where in accordance with the business practices of a foreign country, it is necessary to accept gifts that exceed the value of what in Spain would be considered moderate or fair, the gift shall be always accepted on the behalf of the company, which shall be its sole owner. In such cases, the employee will inform their hierarchical superior.

Any donation or gratuity of the Company must be authorized by the Board of Directors or by delegation thereof, by the Compliance Committee. It shall be duly accounted for and must not be used as a means to cover an unlawful payment or bribe.

Image and communication

The managers and employees of Laulagun Bearings, S.L. shall refrain from carrying out any activities that may harm the image and reputation of the Company or maintaining any form of

relationship with the media. Such shall be exclusively channeled to the bodies and persons assigned such functions within the company.

Respect for free competition

Laulagun Bearings, S.L. is firmly committed to free competition and honest behavior on the markets. As a result, whenever Laulagun Bearings, S.L. competes with one or more competitors to carry out a business operation, the recipients of this code of conduct shall refrain from carrying out any practice contrary to free competition in favor of the interests of Laulagun Bearings, S.L.

Practices contrary to free competition are considered to be:

- Unlawfully obtaining information on the competitor's product or bid.
- Agreeing with one or more competitors to fix prices or other certain elements of the bid for which they are competing.
- The dissemination of false or distorted information that may be harmful for one or more competitors.
- The use of misleading advertising regarding their business and any conduct that may constitute abuse or an unlawful restriction to competition.

Relationships with shareholders

In the relationships with shareholders, agents, collaborators and third parties, as well as in the negotiations and operations for the restructuring or acquisition of companies, alliances with third parties or the acquisition of shareholdings, all efforts shall be made to ensure that these persons or entities comply with the corporate and professional standards of conduct and ethics that are aligned with and coherent with those contained in this Corporate Code of Conduct.

Contractual compliance

Whenever Laulagun Bearings, S.L. enters into a contract, it does so with the intention and commitment that the contract will enter into force and comply with that agreed. The intended recipients of this code of conduct shall not unjustifiably impede or hinder the fulfillment of the company's contracts.

Supplier relationships

The processes for the selection of suppliers shall be performed impartially, objectively and with full transparency.

Honest negotiation

When the intended recipients of this code of conduct negotiate on behalf of or in the interests of Laulagun Bearings, S.L., they shall refrain from dishonest or unfair practices.

Rejection of corrupt practices and bribery

Laulagun Bearings, S.L. rejects any form of corrupt practice, of a public or private nature, in particular bribery. All the intended recipients of the Laulagun Bearings, S.L. code of conduct shall refrain from promoting, facilitating, participating in or concealing a type of corrupt practice and shall report any corrupt practices of which they have knowledge.

In the development of its international business, Laulagun Bearings, S.L. shall be guided by the recommendations and guidelines issued by the Organization for Economic Co-operation and Development.

III. Respect for people

The respect for natural persons is any fundamental principle/value in all activities performed by Laulagun Bearings, S.L.

Respectful treatment

The intended recipients of this code of conduct shall at all times treat natural persons with whom they have dealings, whether or not they are intended recipients or informed parties of the code of conduct, with due respect. No disrespectful verbal or written actions or demonstrations shall be permitted against any person or group of persons, whether present or not.

Violence and aggressive behavior

Laulagun Bearings, S.L. categorically prohibits the intended recipients of this code from performing any form of violent conduct or aggressive behavior, including aggression, the threat of physical aggression and verbal violence.

Equality and nondiscrimination

Laulagun Bearings, S.L. guarantees all its employees an equal and non-discriminatory treatment regardless of their race, color, religion, gender and sexual orientation, nationality, age, degree of disability and during pregnancy, and any other circumstances that are legally protected.

Laulagun Bearings, S.L. is firmly committed to its equality policies and all intended recipients of this code of conduct shall act accordingly, awareness of and in support of said policies.

Harassment

Laulagun Bearings, S.L. also prohibits and shall prosecute any harassment in the workplace, including sexual harassment.

Work-life balance

The company undertakes to facilitate the work life balance of its employees in accordance with the legal regulations and the provisions set forth in the Collective Bargaining Agreement.

Respect for human rights

Without prejudice to the foregoing undertakings, Laulagun Bearings, S.L. has a general commitment to respect the human rights of all natural persons.

Similarly, Laulagun Bearings, S.L. has a particular interest in the control and monitoring of the compliance with human rights in its relationship with company personnel, with particular attention to those associated to the business activity. These include the freedom of association (trade union freedom and the right to collective bargaining), the rights of children and young people (elimination of child exploitation and forced labor) and the right to fair and satisfactory working conditions.

IV. Protection of health and physical integrity

Occupational health and safety

Laulagun Bearings, S.L. gives maximum importance to the protection of the physical integrity and health of people, and the prevention of any type of risk to them in the workplace. The company shall at all times comply with the laws applicable in each country in which it operates and shall implement a comprehensive Occupational Health & Safety policy suitable to the activity of each work center.

Laulagun Bearings, S.L. has a clear commitment to inform its workers of the rules and procedures in relation to occupational health and safety.

Prohibited drugs and substances

Laulagun Bearings, S.L. is committed to a working environment free of drugs and the influence of other prohibited substances that may alter the behavior of people.

The intended recipients of this code of conduct, whilst on the premises of Laulagun Bearings, S.L., or carrying out their duties outside of them, shall refrain from consuming prohibited drugs or substances. Nor shall they consume alcohol or any other substance, whether permitted or not by the applicable legislation, that may affect their behavior.

V. Data use and protection

Protection of reserved and confidential data

Generally speaking, the intended recipients of this Code of Conduct will not be able to use the data that they become aware of as a result of their relationship with Laulagun Bearings, S.L. for personal gain, nor under any circumstances facilitate such to third parties.

Laulagun Bearings, S.L. has access to client and supplier data through its business dealings provided under the auspices of a confidentiality agreement. The company undertakes not to disclose and protect such confidential information. This commitment must be assumed and complied with by all intended recipients of this code of conduct.

As with all companies, Laulagun Bearings, S.L. in the course of its operations generates reserved or confidential data, both technical and commercial, which is of value to the company and the disclosure of which could harm its interests, those of its clients and suppliers, and its operations in the market. Laulagun Bearings, S.L. undertakes to regulate in a clear and fair manner the identification, handling and protection of its reserved, confidential and secret information. The intended recipients of the code of conduct must be aware of and comply with this regulation.

Protection of personal data

The laws of many countries protect the most sensitive of personal data, particularly for natural persons, thus impeding that such data may be disclosed or processed via computer systems without guarantees.

Laulagun Bearings, S.L. places particular attention on protecting the personal data to which it has access during the course of its business dealings, complying with the applicable laws at all times. The intended recipients of this code of conduct, responsible for processing or filing personal data that is legally protected, are obliged to be aware of the applicable legislation and to ensure its due application and full compliance.

Commitment to transparency

Laulagun Bearings, S.L. is fully committed to transparency in its actions, always respecting the restrictions on the free dissemination of technical or commercial information classified as reserved or confidential.

VI. Efficient management

Appropriate management of resources.

In order to facilitate efficient management, the intended recipients of this code of conduct shall at all times seek to correctly manage the resources of the company, thus preventing any type of unnecessary expense

Use and protection of company resources and assets

The intended recipient of this code of conduct shall refrain from using any of the resources of the company for their own use, except for those circumstances in which the legislation or company rules authorize the use of such resources for personal reasons.

The company is the owner of the property and the rights of use and exploitation of the computer systems and programs, equipment, telephones, computers, storage devices, electronic email systems, access to the Internet or internal and external databases, manuals, videos, projects, studies, reports and other works and rights created, developed, perfected or used by its employees.

In any case, the use of the assets and resources of the Company shall be in accordance with the safety and protection protocols established by the company.

VII. Quality

The Quality Principles form part of the organization culture of Laulagun Bearings, S.L. with the aim of obtaining the maximum satisfaction for the client with the adequate fulfillment of the requirements established in the contract.

VIII. Environmental protection

Environmental protection governs the business dealings of Laulagun Bearings, S.L., which shall act in accordance with the provisions set forth in the laws and other legislation on environmental protection.

Laulagun Bearings, S.L. shall possess and request that its suppliers of services or goods have a suitable system of rules and procedures with regard to environmental management, that meet the legal requirements in force in each case, which allow the identification and minimization of the different environmental risks, especially in relation to the elimination of waste, the handling of hazardous materials and the present prevention of spillages and filtration.

The intended recipients of this code shall ensure its compliance and inform their superiors or the heads of environmental management of any risks and violations of said procedures of which they are aware.

Control of Criminal Liability

The Board of Directors of Laulagun Bearings, S.L. reiterates its firm opposition to any practice that may suppose a risk of constituting a criminal offense or a violation of the Corporate Code of Conduct, both in Spain and in any other country in which the Company carries out its activity.

The internal control of Criminal Liability constitutes a primary objective for Laulagun Bearings, S.L., being committed to the task of preventing, detecting and excluding any unlawful activity carried out within the scope of its responsibilities, in its name or on its behalf or for its gain by any of its legal representatives, directors in fact and by law, managers, employees, agents and collaborators.

In any case, the intended recipients of this code shall refrain from such acts or omissions that carry the risk of incurring any of types of criminal offense that may affect Laulagun Bearings, S.L. The intended recipients of this code that detect a conduct that is in violation of criminal law, any other peremptory norm, this Corporate Code of Conduct or the other internal rules of supervision and control of Laulagun Bearings, S.L. shall inform the Compliance Committee through the whistleblowing channel or by any other means valid to such effect.

Should any such person in the normal execution of the management, control or audit duties detect or become aware of a presumed unlawful conduct, must inform the Compliance Committee through any of the indicated means.

No employee will be obliged to comply with orders or instructions that are contrary to the law or this Code of Conduct. Should a situation of this nature arise, the employee shall notify the Compliance Committee by any of the above-mentioned methods.

Dissemination and application of the code of conduct

Training actions

Laulagun Bearings, S.L. shall implement the necessary training actions so that all its employees have sufficient knowledge of this code of conduct and its contents. The training will include criteria and guidance to resolve queries depending on the accumulated experience.

Together with the general training, Laulagun Bearings, S.L. shall provide specialized training to those groups of managers or workers who, due to the tasks they perform, must have a more precise and detailed knowledge of rules of conduct applicable in their area of activity.

Support and assessment

All intended recipients of this code of conduct shall have the following channels available through which to transmit their queries regarding the code of conduct in their respective areas.

- Their hierarchical superiors.
- The Human Resources Department.

Verification and Control

Verification and internal controls: Compliance Committee

Laulagun Bearings, S.L. will establish a suitable surveillance and control system to verify the compliance with the code of conduct without waiting until complaints or claims are received.

In addition to the bodies responsible for the day-to-day management, the Head of Human Resources shall carry out the surveillance and control of the compliance with the code of conduct, and shall report directly to the Compliance Committee.

The Compliance Committee is formed by the Quality and Human Resources management teams.

Whistleblowing channel

Whenever an intended recipient or informed party of the code of conduct of Laulagun Bearings, S.L. wishes to notify the Company of a possible violation of the criminal code or the Code of Conduct, they shall directly inform the Head of Human Resources or use the whistleblowing channel of the Head of Compliance.

Independence and confidentiality

Laulagun Bearings, S.L. guarantees the confidentiality of the identity of whoever files a complaint or claim in the manner indicated in the foregoing section, unless they must be identified before the authorities in accordance with the law.

Laulagun Bearings, S.L. also guarantees that the Company shall investigate the facts reported.

Prohibition of reprisal

Laulagun Bearings, S.L. guarantees that reprisals will never be taken against any person who in good faith informs the company of a possible violation of its code of conduct, who collaborates in the investigation or aids in its resolution.

This guarantee does not extend to those who would act in bad faith with the aim of disseminating false information or causing harm to people. Laulagun Bearings, S.L. shall adopt the necessary legal or disciplinary measures against such unlawful conduct.

Investigation of possible violations

The Head of Human resources will analyze the facts reported and shall request information from other bodies of the company which shall be at all times obliged to facilitate such information, provided that there is no legal prohibition otherwise.

As the investigation progresses, the Heads of Human Resources shall present the facts to the persons affected so they may submit the additional information and, where appropriate, present allegations or justify the grounds for the action, unless the applicable laws state otherwise.

Reaction in the event of a violation of the code of conduct

When the existence of a violation of the code of conduct that can be prosecuted under law is proven, Laulagun Bearings, S.L. shall inform the competent authorities when legally required.

If the violation of the code of conduct provides sufficient grounds for the company to take disciplinary actions against its managers, employees or workers, including dismissal, the company shall initiate the relevant proceedings to such effect.

Lastly, if the violation has been committed by the representatives, proxies, agents and intermediaries of Laulagun Bearings, S.L., the company will act in accordance with the provisions set forth in their respective contracts and in any event in accordance with the principles of this Code of Conduct, and terminate the employment relationship.