

Lilaas AS Supplier Code of Conduct

About Lilaas AS

Lilaas is one of the world's leading manufacturers of various types of control levers and joysticks for marine and offshore use. As a result of unique design, top quality materials and rigorous testing procedures, we produce high quality products that require a minimum of service and maintenance. Lilaas is also a renowned manufacturer of precision mechanics. Through our highly qualified employees and modern machine and robot park, we can produce mechanical parts with incredible precision.

We want to contribute to a better and more sustainable society by being an active supporter to the local community, partners, employees and owners. To achieve this, we will always act in an ethical, socially responsible, and sustainable manner, complying with applicable laws.

Through this Supplier Code of Conduct, Lilaas expect our suppliers and partners to conduct their business on a fair and ethical basis, and in line with our core principles of ethics and sustainability. This includes providing accurate and consistent information to stakeholders at the right time.

Lilaas

In the event of a breach of the requirements of the ethical guidelines for suppliers, the subcontractor shall notify Lilaas and rectify the situation within a reasonable time. Where the Contractor itself discovers such a breach through internal control or through its own follow-up of its subcontractors, the Contractor shall without delay inform Lilaas of the breach and rectify the situation within a reasonable time. Significant breaches of the requirements may, if the matter is not rectified within a reasonable time, lead to consequences for concluded agreements.

All suspected violations must be reported to Lilaas without delay, by sending an e-mail to lilaas@lilaas.no.

Lilaas ethical requirements for suppliers and partners

These core principles of ethics and sustainability must be recognised and implemented by our suppliers, and Lilaas expects their subcontractors to follow this as well. In order to ensure that the core principles are complied with, suppliers shall, on request and without undue delay, obtain the necessary documentation and otherwise contribute to Lilaas being able to carry out such investigations as deemed necessary by the supplier and its subcontractors.

1. Compliance with laws and regulations

The Supplier shall comply with all applicable laws and regulations where they operate.

2. Non-discrimination and diversity

Lilaas does not accept unlawful discrimination of any kind in employment relations. All suppliers should treat their employees equally and with respect, and we expect diversity and inclusion to be promoted throughout the supply chain.

3. Fair pay and equal pay for equal work

The supplier shall undertake to pay fair wages to all its employees. This means that the salary is paid on time and according to legal requirements. Employees shall receive equal pay for equal work. In any case, wages should at least be paid on a monthly basis, and in the name of the individual performing the work.

4. Employee safety, well-being and development

The supplier must ensure that all employees work in accordance with applicable laws, agreements and standards relating to working hours and overtime, including breaks, rest periods, holidays, and maternity leaves.

5. Health and safety

The supplier shall ensure that employees have a working environment that safeguards physical safety and contributes to mental and social security.

6. Human rights

The supplier shall respect and support the protection of fundamental human rights as enshrined in the United Nations Universal Declaration of Human Rights and the core principles set out in the International Labour Organization's (ILO) Declaration of Fundamental Principles and Rights at Work.

Lilaas will not tolerate any human rights violations by our suppliers, partners, customers and other stakeholders.

Lilaas expects all business partners to map their supply chains to assess specific product-related or geographical risks of adverse human rights impacts, including risks related to forced labour and modern slavery, child labour, freedom of association and the right to collective bargaining among workers.

A. Forced labour and modern slavery

The supplier shall not use any form of forced labour. All workers must be employed on a voluntary basis, free from threats of violence, threats of punishment, and restrictions on freedom of movement.

Employees shall not be required to provide security deposits or hand over money or personal papers to their employer. All employees shall have the right to leave employment upon reasonable notice.

B. Child Labor

The supplier shall not use workers who are below the minimum age for work or when the work prevents compulsory schooling. When young workers are employed, they must not perform work that is psychologically, physically, socially or morally dangerous or harmful. The work should not interfere with their ability to go to school and personal development. For hazardous work, the minimum age is 18 years.

C. Freedom of Association and Right to Collective Bargaining

Collective bargaining is a way for employees and employers to reach agreement on issues that affect working life. Such negotiations can be a powerful tool for engagement between employers and employee organizations, to address economic and social concerns. Central to

this model are the principles of freedom of association and the right of employees and employers to form and join organisations of their choice.

7. Privacy and Security

Lilaas has a strong focus on safeguarding our customers' privacy. All our suppliers are expected to comply with applicable regulations and agreements to ensure the privacy and security of all data concerning Lilaas, employees, our customers and partners.

8. Confidentiality and intellectual property

The Supplier shall take appropriate steps to safeguard and preserve confidential and proprietary information or trade secrets of Lilaas, our customers, other suppliers and individuals. Such information may only be used for the purposes agreed with Lilaas and within the framework of applicable laws.

9. Prevention of bribery and corruption

Lilaas will not tolerate any form of corruption in any of our business activities or among suppliers or partners.

The Supplier is expected to take reasonable steps to prevent and detect corruption in all business relationships. The supplier must comply with anti-corruption laws, directives and regulations governing the activities of the countries in which it operates.

10. Work for the environment

At Lilaas, we are committed to understanding how our operations affect the environment, and we work continuously to reduce our negative impacts on the environment, climate and nature.

Lilaas expects all suppliers to take a precautionary approach to environmental challenges and take initiatives to promote greater environmental responsibility. To the extent possible, this includes to:

- identify and reduce risks associated with climate change and loss of biodiversity
- Identify the main sources of environmental impact of the company and work to minimize any negative impacts
- Minimize waste and implement circular thinking in the business model
- Conduct life cycle assessments of products and services and ensure sustainable supply chains
- Reduce the number of business trips, especially air travel
- Shift to renewable energy sources to the extent possible
- Help consumers and employees make emissions-friendly choices

11. Policy violations

In the event of a breach of these guidelines, the supplier undertakes to indemnify Lilaas for all consequences resulting from violations, whether by third parties, authorities or other parties. In addition, Lilaas may in some cases claim the right to compensation.