



# CODE OF CONDUCT



## WHY WE HAVE A CODE OF CONDUCT

In a rapidly changing world, where innovation is key to maintaining and growing in the markets we serve, we want our employees to take smart risks. At the same time, we are committed to our principles and doing the right thing. LGI's Code of Conduct outlines our shared ethical standards for conducting business throughout the world and serves as a guide for answering questions or solving problems when the right choice may not be clear.

As an employee of LGI or its subsidiary companies (together, sometimes referred to herein as the "Company" or "LGI"), reading and understanding the Code of Conduct is an important first step in getting to know our history, our culture and our expectations. Nothing is more fundamental to your success at LGI than understanding and demonstrating the ethical standards explained in our Code.

The Code cannot describe all laws, regulations or LGI policies that apply to us or a specific situation. Rather, it provides rules and guidelines to help employees make good decisions in ways that allow the business to progress yet honor LGI's strong culture and tradition of ethical business conduct.

## THE CODE APPLIES TO ALL OF US

Each of us has an obligation to read and understand the Code of Conduct.

We are each responsible for our own compliance with the Code, to report suspected violations, and to cooperate in the Company's investigation of potential violations. If you are in a management role, you have additional responsibilities to serve as a positive role model in every respect and to help our employees review, understand and apply the Code. Individuals and companies conducting business on our behalf must also follow our Code of Conduct, in addition to other relevant Company policies. Applicable provisions of this Code should be included in the contracts of third-party suppliers, manufacturers, contractors, vendors and distributors doing business on behalf of LGI or its subsidiary companies.

## SHARE YOUR CONCERNS WITHOUT FEAR

If you become aware of a Code of Conduct issue, there are many reasons that you may not want to tell anyone. You might not be sure it happened. You might be afraid to "cause trouble" or that someone will "get back" at you. You might think it is someone else's responsibility.

In some instances, reporting misconduct may take courage, but it's the right thing to do. LGI will not tolerate retaliation against anyone who, in good faith, raises a concern or participates in an investigation. Employees who intentionally make false accusations or provide false information may face corrective action.

We take all reports of potential misconduct seriously and handle them promptly, fairly and as confidentially as possible.

## WHERE CAN WE GO FOR ADVICE OR GUIDANCE ON OUR CODE?

Start by talking to your supervisor or manager. If you're not comfortable doing so, or if your he or she doesn't properly address the situation, then reach out to any of the following people:

- Your Human Resources Business Partner
- Your Department or Plant Leader
- The VP of Human Resources, your Company CEO, or other LGI Executives

# Q & A

Q) I overheard my manager tell my co-workers a joke involving religion that made my one of my co-workers uncomfortable. I don't want to get in the middle of anything. What should I do?

A) Report it. All employees are entitled to a workplace where their co-workers and leaders treat them with dignity and respect. If you are comfortable talking with that manager, do so. Sometimes just a discussion will help resolve the situation. Another option would be to report the matter to your Human Resources Business Partner or another leader within your business not involved in the situation. Doing so may be uncomfortable but it is the right thing to do.

Q) I overheard a co-worker threaten another employee, who is afraid to report the incident. What should I do?

A) Report the incident immediately. LGI will not tolerate acts or threats of violence and will investigate all reports. You have a responsibility to act when you know of a threat or risk to any of our people.

## OBLIGATIONS OF SUPERVISORS, MANAGERS AND OTHERS RECEIVING REPORTS OF POTENTIAL CODE VIOLATIONS

Supervisors, managers and others who receive reports of potential Code violations play a very important role in upholding the Code of Conduct. LGI encourages employees to talk to their supervisors or managers about their concerns. Supervisors, managers and others who receive reports of potential Code violations need to be prepared and well equipped to handle any Code of Conduct concerns or reports. **Supervisors and managers should:**

- Make sure you know and understand the Code and model your behavior consistent with the Code.
- Act to stop violations of the Code or the law by employees.
- Let employees know that you are available to discuss their concerns.
- Take employees' questions and concerns seriously.

### Once a potential Code of Conduct violations is reported to you:

- Feel free to seek guidance before responding.
- When in doubt on who to contact, at a minimum, inform your company CEO or VP of Human Resources.
- Support employees who raise concerns honestly and treat them with respect.
- Never let employees feel that their concerns are being ignored.
- Ensure that no retaliation occurs against someone for reporting a suspected violation of the Code.

## VIOLATIONS OF THE CODE

Violations of the Code of Conduct are serious offenses. Violating the Code, our policies or the law may result in corrective action up to and including termination. It all depends on the facts of each case, including the type of violation and how severe it is.

## ENGAGING OUR WORKFORCE

### DIVERSITY, INCLUSION AND NON-HARASSMENT

LGI embraces the variety of backgrounds and experiences our employees bring to work and believes each of our employees should be treated fairly and respected for their contributions. Our Company provides equal opportunities for employment. We base employment decisions on merit, considering qualifications, skills and achievements. We do not tolerate discrimination based on characteristics such as age, gender, pregnancy status, marital status, disability, race, ethnic background, sexual orientation, gender identity, national origin or religious beliefs. We also do not tolerate harassment. Harassment is unwelcome and offensive conduct that may interfere with a person's ability to perform his or her work. Harassment does not require intent to offend. Inappropriate conduct meant as a joke, a prank or even a compliment can lead or contribute to harassment.

These provisions apply to interactions with employees, customers, contractors, suppliers and applicants for employment and any other interactions where employees represent LGI and its subsidiary companies.

## RESPECTFUL WORKPLACE

We are committed to providing our employees with a work environment free from discrimination, harassment, intimidation and other inappropriate behavior.

### **Examples of harassment can include:**

- Unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature
- Offensive talk, jokes, pictures and comments that involve race, color, sex, pregnancy status, marital status, sexual orientation, gender identity, age, religion, creed, national origin, disability, veteran status or other protected categories

### **Examples of inappropriate behavior can include:**

- Shouting or screaming in anger
- Name calling
- Profanity directed at another person
- Threats and intimidation
- Public teasing or ridiculing
- Intentionally excluding a person from a group

Any employee who feels that they have been the victim of discrimination or harassment, or believes they have witnessed discrimination or harassment against another, should immediately report the discrimination or harassment to your Human Resources Business Partner or a member of management.

Any reported situation will be investigated by your Human Resources Business Partner. Confidentiality will be maintained throughout the investigation process to the extent consistent with adequate investigation and appropriate action. The Company prohibits retaliation against any employee who makes a good faith report of discrimination or harassment.

## RETALIATION

LGI prohibits any form of retaliation against any employee who has made a report of discrimination or harassment, or made any other report or complaint protected by law. Any employee who feels that they have been the victim of retaliation, or believes they have witnessed retaliation against another, should immediately report the retaliation to your Human Resources Business Partner or a member of management.

## SAFE AND HEALTHY WORK ENVIRONMENT

At LGI we are committed to providing a safe and healthy workplace. Ensuring everyone returns home safely from work every day is core to our operations. This requires an unwavering commitment from leaders, employees and contractors who come to work at LGI.

All employees are responsible for following health and safety laws and company requirements that apply to their jobs. Employees must also take precautions to protect themselves, their fellow employees and visitors to our facilities and report any incidents or unsafe practices they witness to their supervisor or manager. LGI supervisors and managers must provide people with training, programs and resources to do their jobs safely and design and maintain our processes and facilities in a manner that ensures safe working conditions.

For additional guidance, see Safety Policies in the “Information to Get You Started” section of this handbook.

## WORKPLACE VIOLENCE

LGI is committed to a violence-free workplace. We should each:

- Report any act, whether physical or verbal, which threatens or harms an employee in a violent or potentially violent manner
- Not possess or use a weapon while on company premises or at company functions.

Any reported situation which has a possibility for workplace violence, even if meant as a joke, should be reported and will be investigated by local leaders and Human Resources.

## DRUGS AND ALCOHOL

We are committed to a drug-free workplace.

- Do not manufacture, possess, sell, use or be under the influence of alcohol, non-prescribed drugs, narcotics or any other “controlled substances” as defined by applicable laws while at work, except for the lawful use of legally- obtained prescriptions drugs to the extent such use does not impair job performance, or alcoholic beverages served and consumed in connection with an authorized event.
- Participate in LGI’s training programs to educate yourself about the hazards of substance abuse and addiction.
- Contact the confidential life/employee assistance program if drug and alcohol abuse may be affecting your job performance or the performance of others. Information is found in your benefits booklet.
- All employees are subject to testing, if allowed by local law, if the employee appears to be under the influence of drugs or alcohol at work, or when the Company has reason to believe an employee has violated this policy.
- All applicants must pass a post-offer, pre-employment drug screening. Additionally, random unannounced drug testing is conducted at some locations, where regulations allow. You will be notified if your site conducts such testing.

For further information, read the policy specific to the state in which you work can be found in the Additional Resource Information section in the back of this handbook.

## CONDUCT WITH OTHERS



### CUSTOMERS AND SUPPLIERS

We are committed to fair dealing with our customers and suppliers.

- Do not mislead, misrepresent, deceive or take unfair advantage of customers or suppliers.
- If you know of a mistake, whether it is in LGI's favor or not, correct it.
- Follow LGI sourcing processes before engaging suppliers.
- Buy from suppliers and sell to customers based on appropriate business considerations such as quality, price, service, reliability and commitment to sustainability and human rights.
- When buying goods and services on behalf of the Company, treat all potential suppliers fairly and honestly.
- Do not offer, give, solicit or receive any form of bribe or kickback.
- Do not offer or give gifts, entertainment or favors for the purpose of obtaining an improper business advantage with a customer. (See Gifts, Entertainment and Other Favors in this Code.)
- Suppliers to LGI are required to comply with all applicable local and national laws, rules, regulations and requirements in manufacturing and distribution of our products and supplies and in provision of services.

### CONSUMERS

You should never compromise product quality or safety.

- LGI's reputation for product safety and quality is one of our most valuable assets. We are committed to providing products that are safe and please our customers.
- The health, safety and well-being of those consuming our products are our primary concern. We will meet or exceed legal and regulatory requirements and industry standards for product safety and quality. We work every day to earn the trust of our customers and consumers through all our actions and decisions.
- We are committed to producing safe, high-quality products across all our brands. We maintain customer trust by developing and manufacturing superior products, starting with the purchase of raw ingredients and continuing until the finished product is used by the consumer.
- Each one of us plays a role in providing our consumers with the safe, high-quality products they expect. Know the quality standards, policies and procedures that apply to the products and activities at your location.

## Q & A

**Q)** I'm in the final stages of signing a contract with a customer, and its most recent terms include product specifications that are a little different than what we actually offer. However, our product is functionally equivalent and I am confident it will work well for the customer's application. Time is running short and I need to get the contract signed soon. I don't feel right about agreeing to these product specifications, knowing that the product we'll supply does not meet them. What should I do?

**A)** We must supply product meeting the specifications provided in the contract. If we do not, we may be supplying false information or breaching the contract. It also conflicts with our principle of honoring business obligations and being honest with our customers. You'll need to make sure the correct specifications are included—even if that means that the contract process takes a little longer.

**Q)** We received a raw material on our production line. The material just did not look like the material I am used to working with. I think it might be contaminated. We are in a rush to make this order. What should I do?

**A)** Stop and report it. Never do anything that you believe could compromise the quality or safety of our products. No production goal or time saving measure is worth compromising the trust our consumers place in us. Stop what you are doing and contact your supervisor or manager to determine whether the material is safe and meets our quality specifications.



# Q & A

Q) A co-worker posted an offensive, sexual comment about me on his personal social media page. Is my co-worker allowed to do that?

A) You should discuss this situation with your supervisor, manager or HR Business Partner. Employee use of online media must comply with company policies including company harassment policies.

- If you see, hear or become aware of something that could negatively affect or has negatively affected the quality or safety of an LGI product, speak up and report it immediately to your supervisor, manager, department or plant manager.

## DATA PRIVACY

As part of our everyday work, many of us have access to personally identifiable information of our employees, suppliers, joint venture partners, customers and consumers of our products. Accordingly, we are committed to handling their personally identifiable information in compliance with LGI's policy on data privacy, contractual obligations and applicable privacy and data protection laws and regulations.

We maintain contractual, technical and physical safeguards designed to protect this information. We use these safeguards to protect against accidental, unlawful or unauthorized destruction, loss, alteration, access, disclosure or use of this information. Failure to meet our obligations could result in government actions, damage to our reputation, potential lawsuits, fines and penalties.

It is important that we understand our obligations and exercise proper care and judgment to fulfill our obligations concerning handling of this information. In addition, LGI employees who interact with third parties that may be acting on our behalf are responsible for managing these relationships to ensure that LGI maintains data privacy.

## USE OF SOCIAL MEDIA

Social media outlets such as Facebook, Twitter and LinkedIn are an important method of personal and business communications. We must, however, use care and consideration in posting or sharing anything online.

- There should be no expectation of privacy if you participate in social media while using LGI equipment.
- Only authorized employees as determined by CEO's, such as those in marketing or HR/ recruiting, may use social media on behalf of LGI or its subsidiary companies. If you are not authorized, when making posts about the Company or its products you should identify that you are an employee of LGI or one of its subsidiary companies and make it clear that any opinions expressed are your own and not those of the Company.
- Be careful never to disclose LGI's confidential or proprietary information, including trade secrets, intellectual property and copyrighted or trademarked information and information from others that we are contractually or legally obligated to keep confidential when using social media (or otherwise).
- Never disclose photos or any other personal information on behalf of LGI without first obtaining permission.

- Be courteous, respectful and use good judgment in what you say online. Never post anything that is defamatory, discriminating, harassing or retaliatory.

## COMPETITION

We are committed to fair competition in compliance with antitrust laws (also called competition laws) in every country, state and locality where we do business. We compete vigorously and ethically by making independent decisions on how to compete. We treat customers fairly and do not undermine free competition in the marketplace.

Penalties for violations of antitrust laws can be severe and include damage to reputation, high fines and jail. More and more countries share information to enforce these types of laws, so an investigation in one country can quickly expand to many countries.

### **In general:**

- Never discuss topics with competitors that could affect pricing or marketing decisions such as prices, sales terms, business plans, margins, costs, bids, production capacity, inventory levels, trade promotions or discounts.
- Never agree with competitors to fix prices, limit production or sales, or divide territories, customers or suppliers.
- Never allow retailers, distributors or customers to coordinate pricing in the marketplace or place the Company in a position where it could be considered to be acting as a conduit for such conduct. For example, never forward pricing information from one retailer to another or consider one retailer's suggestions in making pricing recommendation to another retailer.
- Do not agree with other companies to boycott suppliers or customers.
- Contact your manager for assistance on seeking guidance about the laws in the country where you are doing business and report all inappropriate conversations with competitors.

## Q & A

Q) I was having lunch with a friend and he wanted to know how well one of our product trials was going. I'm sure he was just asking out of curiosity, but I wasn't sure how to handle the situation. Should I have changed the subject or would it have been okay to let him in on a little bit of the early results from the testing?

A) Changing the subject is one way to handle the situation. Another way would be to tell your friend that we do not share this type of confidential information.



# Q & A

Q) I've just done an audit of the environmental permits that apply to various processes at our facility. We're in compliance with most of them. However, one permit has expired and another has limits that we won't be able to meet. Shutting down these processes would shut down the plant, which would hurt our business. What should I do?

A) Many LGI facilities are required to have necessary permits and operate in compliance with them. If we are out of compliance with one or more permits, you must notify your plant management team immediately. Your plant management will work with our environmental experts to promptly return the facility to full compliance, obtain regulatory permission to continue operations until compliance is achieved or curtail operations.

## COMPETITIVE INFORMATION

In the ordinary course of business, information is routinely acquired about other companies, including customers, suppliers and competitors. Being exposed to this type of competitive information is an ordinary part of a competitive business environment. **However, there are legal and ethical limits on acquiring competitive information:**

- Never use, obtain, accept or receive any information to which LGI is not clearly and legitimately entitled.
- We should not seek to acquire information through improper means, such as through bribery or covert surveillance of our competitors.
- We should not hire an employee of a competitor to get confidential information or encourage employees of competitors to disclose confidential information about their employer.
- If offered information about a competitor that you believe may be confidential, you should ask if it is confidential and how it was obtained. If similar information about LGI is confidential, then you should assume that the competitive information is also confidential and treat it accordingly.
- If the material that is offered is written material and carries a classification such as "secret", "confidential" or "proprietary" or if you otherwise determine that it is confidential, you should refuse to accept it. Immediately make a note of what occurred and provide the details to your company CEO.

## ENVIRONMENT

LGI is committed to operate its business in a way that protects the environment and promotes the sustainable use of natural resources. **We should each:**

- Know and comply with applicable laws and regulations.
- Where commercially reasonable, support the sustainable use of natural resources including water conservations, the reduction and beneficial reuse or recycling of waste, and energy conservations. We regularly assess performance in these areas and develop action plans to ensure compliance with environmental requirements and to mitigate our use of natural resources.

All employees are expected to act as responsible citizens and environmental stewards by adhering to laws, regulations and standards concerning the environment.

## GOVERNMENT

As a global company, LGI is subject to the laws of all countries in which we operate. We are committed to complying with all applicable laws, rules and regulations. It is important to remember that compliance with the Code reflects the minimum standard acceptable. Where local or

specific provisions are relevant and require an even higher standard of conduct, the more stringent rules may apply. Additionally, many countries sometimes apply their laws to company operations and personnel outside their borders. Always check with your company CEO if you are not sure what laws apply to your situation.

**In addition:**

- Be careful to make clear that you do not speak or act for LGI unless you have been specifically authorized to do so.
- If you are contacted by a government official in connection with your work, or are asked to provide information in connection with a government agency inquiry or investigation, you should contact your company CEO.
- Do not contact government agencies or personnel seeking to influence legislation, regulations or decision making on behalf of LGI without consulting your company CEO. Many countries have laws regulating or even prohibiting such activity.

**If you are involved in moving people, products, technology, software, information, money or equipment across borders:**

- You must know and comply with all applicable import/export laws and regulations.
- You must not engage in any prohibited conduct.
- You must report all requests related to boycotts to your company CEO.

**RESPECTING HUMAN RIGHTS**

LGI is committed to recognizing human rights on a global basis. **We have established certain standards designed to protect human rights and also expect our suppliers and business partners to follow these standards:**

- Protect against child labor
- Protect against forced labor and abuse of labor, including human trafficking
- Prohibit discrimination
- Comply with work hour, wage and benefit laws
- Provide a safe and healthy workplace
- Protect the environment
- Prohibit corruptions and bribery

**CONDUCT WITHIN  
OUR COMPANY**

**CONFLICTS OF INTEREST**

When conducting Company business, we each have a duty to act in the best interest of the Company and to avoid actual, potential or perceived conflicts of interest. A conflict of interest arises when personal interests, activities or relationships in a transaction or matter might reasonably appear to affect the judgment you exercise on behalf of LGI, influence your actions or lead you to neglect LGI’s interests. Some conflicts of interest are obvious, such as a kickback payment for awarding LGI business to a vendor. Other conflicts of interest may be less obvious, such as conducting business with a firm owned by a close family member, even when that firm appears to be offering the best value.

While it’s not possible to list every possible conflict of interest situation, there are certain key areas where conflicts typically arise. In all cases, we rely on you to exercise good judgment and to ask questions of and notify your supervisor, manager or HR Business Partner of any situations which may create a conflict.

### Examples of actual or potential conflicts of interest that must be disclosed.

- **A Second Job:** A conflict of interest can arise if you own work for or provide services to a business that is an LGI competitor, supplier or customer. Working a second job is acceptable as long as it doesn't interfere with your ability to perform your job here at LGI.
- **A Financial Interest:** Investing in a business that offers, manufactures or sells products or services that compete with or are similar to ours can also present a conflict of interest. You may not personally invest in a privately- owned supplier, competitor or customer, and you may not own more than 5% of the stock of any publicly held supplier, competitor or customer.
- **An Outside Business Interest:** Other activities and associations outside of work can create conflicts too. For example, conducting other-than-LGI business with one of our vendors, suppliers, customers or contractors may be a conflict depending on the circumstances; however, buying products or services from a customer on the same terms as those offered to the general public is not considered a conflict of interest.
- **Public Service:** Volunteering your time and talents to public service is encouraged. Some of the areas where a conflict could arise are raising money for a charity during work hours (except where sponsored by LGI) or when the organization's activities interfere with the time and effort required to properly perform your role with LGI.
- **Serving on a Board:** Before agreeing to serve as a director on a Board, we ask that you make sure their commitment won't interfere with your job responsibilities at LGI. Additionally, you may not accept a Board appointment for a company that supplies goods or services to us or purchases our products unless you obtain advance approval from your company CEO or the LGI President.
- **Supervising a Family Member:** Decisions about hiring and promoting can become difficult if the person you supervise is a close relative. Even if you work to remain objective in your business dealings, the fact that you share a personal relationship can create the appearance of a conflict of interest.
- **Doing Business with Friends and Family:** A conflict can arise where a family member or close personal friend owns or works for a business that is a competitor, supplier or customer of LGI.

## CONFIDENTIAL INFORMATION

Our businesses operate in a variety of complex and competitive markets. Every employee needs to be aware that confidential information, intellectual property and trade secrets are among our most valuable asset and must be protected zealously. Confidential information must be held in the strictest confidence and the upmost care should be exercised in dealing with such information to avoid inadvertent or improper disclosure.

We are committed to protecting confidential information that is provided to us from our suppliers or customers under obligations of confidentiality. **In the course of our work, many of us have access to confidential information, including:**

- Business plans, including potential acquisitions or dispositions and potential organizational restructuring
- Pricing strategies
- Financial information
- Patent or trademark applications
- Product development or research and development information
- Employee personal, performance and salary information
- Manufacturing methods

A conflict of interest may exist when an employee, or one of their close relatives, friends or co-workers, misuses confidential information. Many employees have access to the Company's confidential information concerning our

business, finances, employees, or processes. Such information is confidential and employees should not disclose information to outside parties unless specifically authorized to do so. Obligations to preserve the integrity of the Company's confidential information are imposed by law and Company policy. These obligations exist both during and after employment with LGI.

Media tools such as social networking sites, blogs, or wikis are subject to the same rules as any other communications. Do not post any information concerning Company business, finances, employees or processes as once posted, it may become available to anyone in the world, including our competitors, even if the post is subsequently deleted. You should assume that company information is confidential unless you are certain the Company has publicly released the information. In addition, all files, records and reports created or acquired in the course of employment are the property of the Company.

## USE OF COMPANY RESOURCES

We are committed to protecting the resources under our control. **Company resources include, but are not limited to:**

- Equipment, machinery, tools and spare parts
- Product inventory and supplies
- Telephones and copiers
- Computers, laptops, mobile phones, tablets, printers and other technology resources
- E-mail and internet access systems and tools
- Confidential information and records
- Inventions and ideas
- Trademarks, copyrights and patents
- Trade secrets and plans
- Receivables
- Business relationships
- Reputation

### **Each of us must:**

- Use Company resources responsibly to ensure that they are not misused or wasted; always respect and protect the assets and reputation of the Company.
- Manage budgets, expenses and other funds accurately and prudently.
- Follow LGI travel rules and expense policies which are designated to maximize efficiencies and minimize costs.
- Be attentive to security procedures and be alert for situations that may lead to loss, theft or misuse of Company resources.
- Personal use of computers for e-mail or accessing the web, copiers and fax machines and telephones is permitted, if it does not distract from your job responsibilities and follows LGI policies and procedures.
- Do not allow other people, including friends and family members, to use LGI resources.
- Always use your own user ID and password while on a LGI computer and never give out your password to anyone.
- Treat company assets with care and avoid any use that might lead to loss or damage.

For further information, read the following: IT Policy, Travel Policy and Expense Policy in the Additional Resource Information section of this handbook.

# Q & A

Q) A customer asked us to change an invoice to make it look like the sale took place on an earlier date than it actually did. Apparently, their import permits recently expired and changing the sales date will help them avoid having to reapply for the permit. The change is easy to make and it will really help our customer. Can I go ahead and make the change?

A) No, you can't. It doesn't matter if the change is easy to make and it will help the customer. Our invoices are business records and should reflect the actual date on which the sale took place. Changing the date on the invoice would create a false and misleading record. Also, since the customer is making the change to avoid a legal requirement, your actions could assist them in breaking the law.

## GIFTS, ENTERTAINMENT AND OTHER FAVORS

### Accepting Gifts, Entertainment and Other Favors

In the course of your work with LGI, you may be offered gifts, entertainment or other favors from customers, suppliers, vendors or other business contacts. Although you may feel that accepting such things would not affect your behavior, it may cause some people to feel that they should do something in return. This could affect their ability to make objective business decisions in the best interest of LGI. We rely on employees engaged in situations that may involve offering or receiving gifts or favors to use their best judgment and, when in doubt, consult their supervisor or manager. A "gift" or "favor" does not include loans from financial institutions on customary terms, articles of nominal value ordinarily used for sales promotion, or ordinary business luncheons or reasonable entertainment consistent with social and business customs.

## GIFTS, ENTERTAINMENT OR FAVORS TO GOVERNMENT OFFICIALS

Nearly all countries have laws to prevent bribery and corruptions. Additionally, anti-corruption laws of some countries may apply not only to actions taken by LGI employees inside these countries but also to actions taken in foreign countries by LGI subsidiaries and others working on behalf of, or for the benefit of, LGI. Violations of those anti-corruption laws could subject the Company and its leaders to severe penalties and/or jail and significantly damage our public reputation.

It is generally illegal to offer, promise or give (either directly or indirectly) anything of value to induce or influence a government official or government employee to do something improper or to gain improper advantage. Violations of anti-bribery laws can subject you and the Company to severe penalties and significantly damage our reputation. Company policy prohibits you from giving anything of value to any government official or employee unless your personal safety is at risk or you have received prior authorization from your company's CEO or LGI President.

## RECORD RETENTION

We are committed to creating Company records that accurately and fairly represent our activities and transactions, and then maintaining those records for as long as required by law or our record retention schedules.

### Some examples of Company records are:

- Agreements
- Invoices
- Employment records
- Financial reporting and expense records
- Laboratory notes

- Import/Export documentation
- Manufacturing and production reports
- Quality records
- Research and development tests
- Environmental records
- Sales activity reports

As required by applicable laws, the Company has policies on the proper administration, maintenance and retention of records and each of us is responsible for complying with those policies. This means that records must be true and correct, they must be kept and made available to those who need them for their jobs, and they must be properly disposed of when no longer required to be kept by law or, as required, by our record retention schedules.

Please refer for Appendix F in the Corporate Purchasing Policies & Procedures Manual for record retention policy.

This policy manual is on SharePoint homepage.

## FINANCIAL REPORTING

LGI is committed to providing accurate and timely disclosure of financial information. Reporting of financial information requires the highest standard of honesty and integrity.

The integrity of the Company's accounting and financial records is based on the accuracy and completeness of basic information supporting entries to the Company's books and accounts. The harm done to the Company's reputation by fraudulent or misleading reporting can be severe.

Dishonest financial reporting can also result in civil or criminal penalties to the individuals involved and to the Company. The reporting of false or misleading information in internal or external financial reports is strictly prohibited.

### **All employees have a role in ensuring our financial integrity:**

- Ensure transactions are properly authorized and recorded properly in a timely manner.
- Properly protect Company assets and compare asset records with actual assets regularly.
- Submit or approve only valid business expenses for reimbursement.
- Follow corporate financial instructions to ensure accuracy and reliability of accounting records.
- Make accounting decisions based on accounting standards and LGI policies.
- Do not make any false or unsupported statements or entries in the books and records of our company or in any public disclosure, or in any internal or external correspondence.

If you become aware of any omission, falsification or inaccuracy of reported information, promptly report it to your company financial leader, CEO, VP of Human Resources or LGI CFO.

## FRAUD PREVENTION

All fraudulent activities are strictly prohibited. **LGI expects employees to:**

- Act with honesty and integrity when working with company materials, funds and financial reporting systems
- Prevent, detect and report fraud.



# Q & A

Q) I have a concern, but it is not covered by the Code of Conduct. Does that mean there is no problem?

A) The Code of Conduct cannot possibly answer every question or ethical situation. If something does not seem right to you, ask one of the following people:

- Your supervisor or manager
- Your Human Resources Business Partner
- Your department or plant manager
- The VP of Human Resources, your Company CEO or other LGI Executives

## Some examples of fraud are as follows:

- Stealing cash inventory, product or other assets
- Using company funds to buy equipment, supplies or other materials for personal benefit
- Receiving money or gifts from suppliers in exchange for giving them LGI business
- Submitting false or misleading requests for reimbursement
- Collecting workers' compensation benefits when you are no longer injured or affected by the incident
- Writing off recoverable assets or debts
  - Using company assets for personal benefit
  - Recording sales before the sale is delivered/earned
  - Falsifying timecards or time reporting
  - Making entries into the accounting system that are not valid
  - Authorizing or receiving payment for goods not received or services not performed
  - Authorizing or receiving payment for hours not worked or expenses not incurred and documented
  - Forgery of any type

## DOING WHAT'S RIGHT

Reading the Code is just a start. We expect everyone to act ethically, legally and in compliance with the Code of Conduct at all times. Each of us is responsible for our own compliance with the Code, to report suspected violations and to cooperating in the Company's investigation of potential violations. You cannot lose your job or your benefits, or be demoted, suspended, threatened, harassed or discriminated against for raising a Code of Conduct concern in good faith.