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Attention:	All LSH Group Australia Employees
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Approved By:	MD and CFO

## LSH Group Australia Code of Business Conduct & Ethics

### Introduction

LSH Auto Australia (“LSH” or the “Company”) and its subsidiaries (together “Group”) are committed to achieving high standards of business and personal ethical conduct for themselves, their board members (“Directors”) and all the Group’s personnel. Through performance in accordance with these standards, the Group, its Directors and all of its Employees will merit and enjoy the respect of one another, the business community, our shareholders, our customers, suppliers, and vendors.

It is the personal responsibility of all Directors and Employees to acquaint themselves with all legal and policy standards and restrictions applicable to their duties and responsibilities, and to conduct themselves accordingly. Over and above the strictly legal aspects involved, all Directors and Employees are expected to observe high standards of business and personal ethics in the discharge of their duties.

This Code applies to all Directors and Employees of the Group in all countries and business units. “Employee” means an officer or employee of the Group and, if applicable, its affiliates, and it includes Executive Officers, unless otherwise stated. Certain parts of this Code may apply specifically to “Executive Officers,” and are so indicated. “Executive Officer” means a member of LSH management so designated by resolution of the relevant board of directors (the “Board of Directors”). “Chairman” means a chairman of LSH management so designated by resolution of the relevant Board of Directors. All Directors and Employees are required to read and understand this Code, and compliance with the conduct policies set forth herein is required of all the Group’s personnel.

### 1. Conflicts of Interest

#### 1.1 *Introduction*

For purposes of our Code, a “conflict of interest” occurs when an individual’s private interests interfere in a material way or appear from the perspective of a reasonable person to interfere in a material way with the interests of the Group as a whole. A conflict situation can arise when a Director or Employee takes actions or has interests that may make it difficult to perform his or her responsibilities for the relevant Group company objectively and effectively. Ordinarily, a conflict exists when an outside interest could actually or potentially influence the judgment or actions of an individual in the conduct of the Group business. Conflicts of interest may also arise when a Director or Employee, or a member of his or her family, receives improper personal benefits as a result of his or her position with the relevant Group company.



Notwithstanding the foregoing, accepting things of value in accordance with the rules outlined in this Code shall not generally constitute the receipt of improper personal benefits.

### **1.2 *General Policy***

The Group must have the confidence of its customers, suppliers, vendors and the public. Directors and Employees must avoid any conflict of interest or the appearance of any conflict of interest. Specifically, Employees should avoid any outside financial interests that might conflict with the Group's interests. Such outside interests could include:

- Personal or family's financial interests in or indebtedness to enterprises that have business relations with the Group, such as relatives who are employed by or own an interest in vendor companies.
- Acquiring any interest in outside entities, assets, etc., in which the Group has an interest or potential interest. This may include, for example, acquiring stock in a business being considered for acquisition by a Group company, or purchasing real estate being considered for acquisition by the Company.
- Conduct of any business not on behalf of the Company with any vendor, supplier, customer or agency or any of their officers or employees, including service as a director or officer of, or employment or retention as a consultant by, such persons.

No Director or Employee shall engage in any activity which competes with any Group company.

Employees should report any personal transaction or relationship that could result in a real or apparent conflict of interest to the Company's HR Department, or through such other processes or additional contact(s) as may be provided for by the Company's Board of Directors.

### **1.3 *Serving as a Director, Officer or Employee of a Non-LSHI Business***

The Company expects its Employees to devote their full professional energies to their work. Therefore, an Employee's outside activities must not reflect adversely on the Company or give rise to a real or apparent conflict of interest with the Employee's duties with the Company. Employees must be alert to potential conflicts of interests and may be asked to discontinue any outside activity should such a conflict arise.

Employees must have the written approval from their corporate/business unit Head (or for Head, from an Executive Officer and for Executive Officers, from the Chairman or the Board of Directors) in advance of accepting an appointment or position to serve as a director, partner, owner, officer, or employee of any non-LSH business. Employees shall submit in writing any requests for approval to the appropriate approver mentioned above stating the name and address of the non-LSH business, the nature of the proposed position, and the expected hours of service. If the Employee is permitted to accept such an appointment or position, the Employee shall notify the appropriate approver mentioned above of any subsequent conflict(s) of interest in connection with such appointment or position as they may relate to the Group. The appropriate approver may instruct the Employee to take steps to eliminate any actual or apparent conflict of interest. These steps may include abstaining from involvement in specific matters or resigning from the position.



Directors who accept nominations to serve as directors of public companies shall, in cases where such nominations have not previously been disclosed, notify the Company's Board of Directors in writing.

Notwithstanding the foregoing, Employees are encouraged to volunteer in civic and charitable organizations. To serve as a director or officer of a charitable or civic organization, an employee must obtain prior written approval from the appropriate approver mentioned above or the Company's HR Department (or for Executive Officers, from the Chairman or the Board of Directors) before accepting the appointment. Participation in such activities shall not be deemed to be within an individual's scope of employment or authority as an employee, and LSHI assumes no liability thereof.

#### **1.4 *Employees as Contractors or Vendors***

Purchase orders may not be issued to an Employee or to a partnership or corporation in which an Employee is a principal or otherwise has a material interest without the prior approval of the Board of Directors.

#### **1.5 *Conflicts of Interest Arising from Activities of Family and Friends***

There may be situations where the actions of family members and close personal friends may result in an actual or apparent conflict of interest for an Employee. For example, gifts or other benefits offered to an Employee's family members by suppliers or potential suppliers may be considered business gifts, with amongst other risks, the same risk of creating actual or apparent conflicts of interest as gifts to the Employee.

If an Employee's spouse, relative or a close personal friend is directly involved in a business that seeks to provide goods or services to a Group company, the Employee shall remove himself/herself from all dealings that business has with that Group company and shall not act in any way to influence the outcome of any such dealings.

#### **1.6 *Political Activities***

It is the Company's policy to comply with all laws relating to elections, the political process, and political activities, as applicable in the various jurisdictions in which the Group operates.

No Employee, acting on the Company's or any Group company's behalf, may contribute or loan money or items of value to any political candidates or parties. Employees may, however, participate in and/or contribute to the political process as concerned individuals on their own behalf, through means which would include voting and the contribution of their own time and money, and participate in or make contributions to political action committees, as permitted under applicable law.

If you encounter situations in which you are not sure of your obligations, you should consult the relevant Group company's Legal Department or the Company's HR Department.

#### **1.7 *Prohibition of Appropriating or Diverting the LSH Business Opportunities***

It is the Company's policy that no Director or Employee shall take advantage of a LSH business opportunity for his or her own or another person's profit or benefit, unless prior consent of the Board of Directors has been obtained. Directors and Employees stand in a fiduciary relationship to the Company and must advance its legitimate interests whenever the



opportunity to do so arises. It is a breach of this duty for any such person to take advantage of a business opportunity for his or her own or another person's personal profit or benefit when the opportunity is within the corporate powers of the Company and when the opportunity is of present or potential practical advantage to the Company. If such a person appropriates a LSH business opportunity, the Company may claim the benefit of the transaction or business and such person exposes himself or herself to liability in this regard.

## **2. Confidentiality and Preservation of Records**

Employees frequently have access to confidential information concerning the Company's businesses. Confidential information includes all non-public information that might be of use to competitors or harmful to the Company or its customers if disclosed. Confidential information includes, for example, the Group's non-public business information, proprietary information and information relating to a Group company's vendors, suppliers, providers and customers. Safeguarding confidential information is a responsibility of every Employee. Caution and discretion must be exercised in the use of such information, which should be shared only with those who have a clear and legitimate need and right to know. Employees shall not use such information except for uses that are appropriate for the Company's business.

Information regarding a customer may not be released to third parties, governments, or other organizations, without the written consent of the customer, unless required or permitted by law. Any requests for information arising through a legal process (such as a subpoena or court order) must first be referred to the Company's General Counsel or the relevant Group Company's Legal Department before the release of the information.

Once an Employee becomes aware that a legal claim against a Group company has been asserted or litigation or an investigation affecting a Group company has commenced, or that such a claim, litigation or investigation affecting a Group company is imminent, he or she should immediately notify the Company's General Counsel, the relevant Group company's Legal Department or such other point of contact as the Board of Directors may dictate.

Notwithstanding any records retention guidelines, under no circumstances shall any records known to be the subject of or relevant to any anticipated, threatened or pending lawsuit or governmental or regulatory investigation or case filed in bankruptcy be removed, concealed or destroyed. If you have any questions about what steps should be taken to retain any information, please call the relevant Group company's Legal Department or HR Department. For purposes of this section, "records" means hard copy, paper documents and electronic records, including but not limited to, e-mail, voicemail, and electronic records stored on hard drive, flash drive, CD, DVD, or other digital media. From time-to-time, the relevant Group company's Legal Department or HR Department may contact Employees about retaining records.

## **3. Business Conduct and Fair Dealing**

### ***3.1 General Policy***

The Company is committed to winning business through fair and honest competition in the marketplace. Compliance with the following policies concerning "Business Conduct and Fair Dealing" is the responsibility of everyone in the Group. The Company will abide by the letter and spirit of all applicable laws in conducting our business. All Directors and Employees will perform their duties in good faith and in the best interests of the Company. Each Director and



Employee shall deal fairly with the Company's customers, suppliers, competitors and other Employees. No Director or Employee shall take unfair advantage of anyone through manipulation, concealment, abuse of privileged or confidential information, misrepresentation of a material fact, or any other unfair practice. Promising, authorizing, offering or giving anything of value to anyone, with the intention or appearance of improperly influencing his or her decisions or conduct, is strictly prohibited. Each Director and Employee shall endeavour with his or her best efforts to fulfil all business commitments of the Company and abide by the letter and spirit of all agreements.

### ***3.2 Compliance with Antitrust and Competition Laws***

The Company is committed to fair competition. Many countries have antitrust or competition laws designed to promote competition and prevent anticompetitive practices. Violations of antitrust laws may result in civil fines, awards of damages to injured consumers and competitors, and, in certain cases, criminal fines, and imprisonment. Moreover, the antitrust laws of most countries apply to conduct that occurs outside their territories but nevertheless affects competition within their territories.

It is the Company's policy to comply fully with all applicable competition and antitrust laws.

In most countries, the most serious antitrust violations involve agreements and other concerted arrangements between competitors to fix prices, allocate customers, divide markets, or otherwise diminish the incentives for them to compete with one another. In a growing number of countries, such restrictive practices are punishable as crimes. It is not necessary to conclude an explicit written contract or oral agreement. Illegal agreements to restrain trade may be inferred from conduct by competitors suggesting an unspoken but tacit agreement to restrict competition.

Accordingly, no Director or Employee may discuss or reach any agreement with any competitor concerning product offerings, pricing, segmentation or distribution without prior legal advice.

Trade associations present risks under the antitrust laws. While beneficial in many respects, participation in trade associations necessarily results in contacts with competitors. Anti-trust sensitive topics must be avoided, and activities of the association should be closely monitored by legal counsel for the association.

In all dealings with competitors, trade associations, and potential partners, agents, and consultants, Directors and Employees shall be careful not to reveal any trade secrets that are unique or proprietary to the Company. A non-disclosure agreement with appropriate provisions protecting the Company's and the relevant Group company's rights and interests must be signed before and whenever proprietary or confidential information may need to be disclosed for legitimate business purposes.

Each Director and Employee has a fiduciary responsibility to take all appropriate steps to protect the Company's and the relevant Group company's confidential and proprietary information. Any questions related to propriety of a proposed disclosure or the need for a non-disclosure agreement should be raised with your manager or supervisor, any Executive Officer or the Legal Department as necessary.

### ***3.3 Compliance with Anti-bribery and Anti-corruption Laws***



The Company is subject to a wide range of laws and regulations to prevent corruption, bribery, and other unethical commercial practices. These laws and regulations distinguish between corrupt conduct involving employees or representatives of different types of entities.

- *Official Corruption Rules* generally prohibit offering or providing any personal benefit to “Covered Government Officials” (defined below) to influence their performance of their duties or induce them to serve interests other than their employers’. These laws impose specific requirements for dealings with governmental entities, state-owned companies, and individual Covered Government Officials. Corrupt conduct involving Covered Government Officials is a serious crime in the jurisdictions where the Group has operations and in most countries.
- *Commercial Bribery Rules* generally prohibit offering or providing any personal benefit to individual employees and representatives of commercial companies to influence their performance of their duties or induce them to serve interests other than their employers’. In some jurisdictions, commercial bribery may result in legal actions by the recipient’s employer against the giver and the giver’s employer. In addition, commercial bribery can be a crime in many countries, including the jurisdictions where the Group has operations.

In addition, many countries have enacted *Overseas Corruption Rules*, which generally prohibit their nationals and corporations from engaging in official corruption in other countries and prohibit anyone from acting in furtherance of corruption in other countries while within their territory. Examples of these include the U.S. Foreign Corrupt Practices Act (FCPA), German Anti –Corruption Law, and 2010 Bribery Act of UK. Many of these rules were enacted pursuant to the OECD Anti-Bribery Convention and the United Nations Convention against Corruption.

It is the Company’s policy to comply with all applicable Commercial Bribery Rules, Official Corruption Rules, and Overseas Corruption Rules.

*Company Employees may not:*

- A. Make or authorize an offer, promise, gift, or payment of anything of value, including intangible benefits and favours to any individual, either directly or indirectly through any intermediary for the improper purposes of
  - inducing the recipient to **misuse** his or her position, or
  - inducing the recipient to act inconsistently with the legitimate obligations of his or her position, or
  - influencing **improperly** the recipient’s performance of his or her responsibilities, in connection with the LSHI business and activities.

Even if local laws and regulations appear to be unenforced or routinely violated, it is the policy of Company to comply with all applicable Anti-Bribery Laws.

Any action that creates even the appearance of an improper offer, promise, gift or payment to a business contact must be avoided.

Anti-bribery rules may be violated simply by making an improper offer, even if nothing of value is ever delivered and even if the recipient never provides any benefit in return.

- B. Company employees are prohibited from using personal funds or resources for improper gifts or payments in connection with the business and activities of the



Company. Such conduct may result in disciplinary measures including termination and may also violate applicable laws.

Violations of the anti-corruption rules in many countries can lead to severe criminal and civil penalties both for companies *and for individual employees*. Individual penalties may include lengthy prison sentences, heavy fines, or even the death penalty in extremely serious cases in certain countries.

Even if the company and the individuals involved are not ultimately punished by the government authorities, the distraction of company personnel, legal defence costs, and harm to the company's reputation can be devastating.

C. Employees may not engage agents or other intermediaries to perform unlawful, unethical, or improper activities on behalf of the Company and/or any of its Group companies.

If agents or other intermediaries acting on behalf of the Company and/or any of its Group companies engage in corrupt conduct, the Company and/or any of its Group companies may be held responsible. Before engaging an agent or intermediary to interact with customers or government entities on behalf of the Company and/or any of its Group companies, an appropriate investigation into the reputation and business capabilities of the agent or intermediary should be conducted. All agreements with agents and intermediaries should be in writing, and should contain explicit anticorruption provisions approved by the responsible Compliance Officer or Legal Counsel. Please confer with the Compliance Officer or Legal Counsel for additional guidance.

### ***3.4 Relationships with Customers***

Employees shall act in a professional manner at all times when representing the Company and/or any of its Group companies. In dealing with a Group company's customers, Employees shall use prudent judgment and exercise good faith. Employees shall avoid situations that would generate a conflict of interest. Transactions with customers shall always be conducted at "arm's length."

No employee shall misrepresent or conceal the nature of any material aspect of any transaction when dealing with a customer.

If a relationship between an employee and a customer or a potential customer exists which potentially creates a conflict of interest, that employee shall remove himself/herself from all dealings from that customer.

## **4. Gifts and Entertainment**

### ***4.1 Offering Gifts and Entertainment to Business Contacts***

In many circumstances, providing gifts and entertainment to business contacts may be appropriate, constructive, conducive to the legitimate relationship with the Company and/or any of its Group companies, and courteous in the relevant cultural context. However, where the provision of gifts or entertainment has the potential to influence *unduly* the judgment of the recipient or to create any improper sense of indebtedness on behalf of the recipient to the giver, then gifts or entertainment may be perceived by the recipient or by others as improper or illegal. Accordingly, all Employees must exercise good judgment, comply with all applicable



laws and regulations, and follow these guidelines and procedures when providing gifts or entertainment to business contacts.

No gift or entertainment should ever be promised, offered, authorized, given or provided by any Employee, agent or representative of a Group company, either directly or indirectly (through an intermediary), to any individual in connection with the business, affairs, or activities of such Group company **unless** it satisfies **all** of the following conditions:

- It is not excessive in value.
- It is consistent with applicable laws and regulations.
- It is consistent with customary business practices and cultural norms.
- It is consistent with the policies of the recipient's organization.
- It is provided and properly documented in accordance with the Company's and/or the relevant Group company's policies and procedures.
- It is accompanied by an actual discussion of legitimate business issues (with respect to entertainment).
- It is not, in fact, intended to influence inappropriately the recipient's judgment or decisions in performing his or her duties.
- It cannot be reasonably interpreted by the recipient or any third parties as an effort to influence inappropriately the recipient's judgment or decisions in performing his or her duties.

Determining whether a gift or entertainment event is "inappropriate" under the circumstances requires good judgment.

A gift or entertainment may not be considered appropriate if an ordinary person would consider the gift or entertainment to be unusually lavish or expensive under the circumstances, or would consider the gift or entertainment to inappropriately influence the business decisions of the recipient or create a sense of obligation or indebtedness to the giver.

Even modest gifts and entertainment may raise problems if provided too frequently to a single recipient. Accordingly, you must ensure that any promotional event or business hospitality has a clear business purpose and occurs only with a frequency commensurate to the business purpose.

Particular care is required when offering gifts or entertainment to government officials or personnel of government-controlled commercial enterprises. Enforcement officials in many countries have found that inappropriately frequent or valuable gifts, entertainment, or other benefits to individual government officials may constitute bribery.

Gifts of cash or cash-equivalents (such as a gift certificate or pre-loaded debit card) are generally prohibited. No cash stipends or *per diems* should be provided; instead, payments for travel, accommodations, and meals should be made to the vendor, as appropriate. In very rare circumstances, it may be appropriate to provide cash gifts in connection with weddings, funerals, or similar cultural traditions. However, such gifts may only be made with the prior written approval of the responsible Compliance Officer or Legal Counsel.



The Company and/or the relevant Group company may adopt policies requiring advance approval by supervisors, Compliance Officer, or by the Legal Department of gifts and entertainment in various circumstances. The Legal Department or HR Department of the relevant Group company may also require written invitation letters and other steps to ensure that specific events are transparent and appropriate.

#### **4.2 Acceptance by Employees of Gifts and Entertainment from Business Contacts**

The following guidelines concerning the acceptance of gifts and entertainment from business contact are intended to safeguard the Company's business and Employees from the undue influence of bribery and personal favours.

Employees may *not solicit* any kind of gift or personal benefit from present or potential suppliers, partners, or customers. Employees are prohibited from accepting gifts of money (or monetary equivalents), whether solicited or unsolicited.

Employees may accept *unsolicited* gifts from business contacts in the following circumstances.

- Employees may accept gifts and entertainment based on obvious family or personal relationships (such as those with parents, children or spouses) when the circumstances make it clear that it is those relationships, rather than the business of the Company, that are the motivating factors.
- Employees may accept gifts and entertainment of reasonable value in the course of a meeting or other event for the purpose of conducting genuine, good faith business discussions or improving legitimate business relations. If a Group company would not be able to pay for the expense as a legitimate business expense in accordance with the Company's and the relevant Group company's policies under the circumstances, then Employees should not accept such entertainment from business contacts.
- Employees may accept advertising or promotional gifts of reasonable value such as pens, pencils, note pads, key chains, calendars and similar items.
- Employees may accept discounts or rebates on merchandise or services that are generally available to other customers.
- Employees may accept gifts of reasonable value related to commonly recognized events or occasions, such as a promotion, new job, wedding, retirement or Christmas.
- Employees may accept civic, charitable, education, or religious organizational awards for recognition of service and accomplishment.

If there is any doubt regarding acceptability, the gift or entertainment should be refused or returned. In the case of a perishable gift, it may be contributed to a charitable organization in the donor's name. Also, the donor should receive written notification of the return or disposal of the gift and a reminder of the Company's policies and the Employee's manager/supervisor should be copied on such correspondence.

It is inevitable and desirable that you may have individual business and personal relationships with the Company's customers, vendors and others who do business with LSHI even though



such individual business and personal relationship is not connected with the Company's business. This policy is not intended to discourage such relationships. Any such business relationship should be on customary terms and for proper and usual purposes.

The Company may issue detailed guidelines and procedures for accepting and reporting offers of gifts and entertainment from business contacts. Employees are required to comply with such procedures.

## 5. Protection and Use of LSH Property

### 5.1 LSH Property

Directors and Employees have a duty to protect and conserve LSH property and to ensure its efficient use for proper purposes. All LSH assets shall be used for legitimate purposes and not for personal gain. Employees shall safeguard the LSH property. Notwithstanding the foregoing, at no time is an Employee to put his/her person at risk to safeguard LSH property. LSH property include, but are not limited to: (i) all physical property of the Company and/or its Group company, whether leased or owned by them including all fixtures; (ii) all books and records in the possession of the Company and/or such Group company; (iii) all marketing studies, advertising or promotional materials, customer lists, logs, reports or any other forms or surveys that are in the possession of the Company and/or such Group company; (iv) all Employee information; (v) all intellectual property, processes, procedures and other Confidential Information; and (vi) all proprietary software.

### 5.2 Use of Technology

Electronic mail systems (including electronic bulletin boards) are property of the Company and must be used for legitimate purposes. The use of e-mail must conform to the policies and values of the Company and/or the relevant Group company. Among other things, messages which violate any of the Company's and the relevant Group company's policies or invite participation in illegal activities, such as gambling or the use and sale of controlled substances, are prohibited. Statements or images which, if made in any other forum, would violate any of the Company's and the relevant Group company's policies, including without limitation, policies against harassment or discrimination and the misuse of confidential information, are prohibited to the same extent in an e-mail message. E-mail systems may be used to transmit sensitive information only when such information is adequately protected. *Subject to applicable laws and regulations, the Company and the relevant Group company reserve their rights to monitor, review and disclose e-mail and voicemail as it deems appropriate.*

The Internet is an efficient and valuable business tool and is to be used primarily for legitimate purposes.

*The Company and the relevant Group company reserve their rights to access all information on their servers and computers, including but not limited to e-mails and history of internet usage, even where personal passwords have been assigned.* If you have any questions about the use of your computer, the Internet, e-mail or voice mail, please consult your manager or supervisor.

## 6. Compliance with Laws, Rules and Regulations

### 6.1 General



Directors and Employees must comply fully with applicable laws, rules and regulations at all times.

### ***6.2 Integrity of LSH Records***

Accuracy and reliability in the preparation of all business records, financial statements and reports to regulatory and other government agencies are of critical importance to the corporate decision-making process and to the proper discharge of the Company's and/or any of its Group companies' financial, legal and reporting obligations. All business transactions shall be carried out in accordance with management's general or specific directives. To this end, the Company shall:

- comply with applicable Generally Accepted Accounting Principles (GAAP) at all times;
- maintain a system of internal accounting controls that will provide reasonable assurances to management that all transactions are properly recorded;
- maintain books and records that accurately and fairly reflect the Company's transactions; and
- prohibit the establishment of any undisclosed or unrecorded funds or assets.

All business records, expense accounts, vouchers, bills, payroll, service records and other statements and reports are to be prepared with care and honesty. False or misleading entries are prohibited. For example, no payment shall be requested, approved or made with the intention or understanding that it will be used for any purpose other than that described in the documentation supporting the payment. All company funds and assets are to be recorded in accordance with applicable corporate procedures, with appropriate documentation. Compliance with accounting procedures and internal control procedures is required at all times. It is the responsibility of all Employees to ensure that both the letter and the spirit of corporate accounting and internal control procedures are strictly adhered to at all times.

### ***6.3 Fair Employment Practices***

Employees are recruited, selected and hired on the basis of individual merit and ability with respect to the position filled. As a business comprised of talented and diverse team members, the Company is committed to the fair treatment of all Employees without regard to race, colour, religion, national origin, sex, age, covered veteran status, disability, or any other category protected applicable laws. Employees must keep in mind that equal employment opportunity is indispensable in every aspect of the employment relationship. The relationship covers origin, training, working conditions, benefits, compensation practices, employment functions (including promotion, demotion, discipline, transfer, termination and reduction in force) and Company sponsored educational, social and recreational programmes. The Company expects all of the Employees to treat one another, regardless of title or position, with the fairness and respect necessary to maintain a place of employment that encourages each person to contribute to her or his fullest potential.

Every person conducting LSH business or activity, whether or not employed by any of the Company and its Group companies, must refrain from engaging in any verbal or physical conduct that could be construed as harassment.



#### **6.4 Government Requests**

It is the Company's policy to cooperate with all lawful requests from government authorities. Documents should not be concealed, altered or destroyed in anticipation of, or in response to, any investigation. Any request for information from a government authority, other than routine items requested in the ordinary course of business, shall be reported to the General Counsel or the relevant Group company's Legal Department and the General Counsel or the Legal Counsel of such Legal Department shall be consulted prior to providing any information.

### **7. Compliance With and Implementation of the Code of Business Conduct**

#### **7.1 General**

All Employees are required to read, understand, comply with and regularly refer to this Code. Enforcement of the Code is the direct responsibility of every manager and supervisor. Managers and supervisors may be disciplined for failure to instruct their subordinates adequately or for failure to detect non-compliance with applicable policies and legal requirements, where reasonable diligence on the part of the manager or supervisor would have led to the discovery of any problems or violations.

If an Employee is approached by anyone inside or outside of the Group with a request to do something the Employee recognizes to be illegal or unethical, the Employee should refuse. The Employee should tell the person making the request that such conduct is contrary to the Company's and/or the relevant Group company's policy and then report the incident through the channels described below.

No manager or supervisor may direct a subordinate to violate this Code.

Employees should immediately disassociate themselves from and discontinue their participation in any discussions, activities, or other situations that they recognize to be potentially illegal or unethical.

THIS CODE SETS FORTH GENERAL GUIDELINES ONLY AND DOES NOT PROVIDE ALL-INCLUSIVE LIST OF PROHIBITED CONDUCT. EMPLOYEES SHOULD REPORT ALL SUSPECTED DISHONEST OR ILLEGAL ACTIVITIES WHETHER OR NOT THEY ARE SPECIFICALLY ADDRESSED IN THE CODE.

#### **7.2 Reporting Violations of the Code**

If an employee becomes aware of any conduct by anyone working for or on behalf of the Company which the employee believes in good faith to be illegal, unethical, or in violation of this Code, the employee should report such conduct promptly, fully, and objectively through an appropriate channel.

The Company has established several alternative channels to permit Employees to select the reporting channel with which they are most comfortable.

Employees may report violations of this Code and other illegal or unethical behaviour to:

- their manager or supervisor;
- the Legal Department of the relevant Group company;



- the Company's General Counsel or the responsible Compliance Officer;
- the Compliance Hotline, [compliance.report@lsh.com](mailto:compliance.report@lsh.com) ;
- the Company's HR Department; or
- other contacts designated by the Company's Board of Directors.

The Company will attempt to treat such reports confidentially to the extent permitted by law and consistent with the Company's need to investigate the matter and conduct its business. The Company will investigate all reported violations and take appropriate action(s).

It is the policy of the Company to comply with both the letter and the spirit of applicable laws and regulations that govern LSH activities. All operating policies, procedures and forms used to conduct LSHI business shall be in conformity with applicable laws and regulations. Any employee who violates a provision of this Code is subject to disciplinary action up to and including termination, and, where appropriate, the filing of a civil or criminal complaint. Directors who violate a provision of this Code are subject to such sanction(s) as the Board of Directors shall impose. Notwithstanding the foregoing, the Company and the relevant Group company also preserve and reserve their other legal and equitable rights and remedies against any individual who violates any provision of this Code.

### ***7.3 Questions Regarding the Code***

General questions regarding this Code or the application of this Code to situations may be directed to members of LSH management, the Company's HR Department's representatives, the Company's General Counsel, and the Legal Department and the Compliance Officer of the relevant Group company. Questions from Directors and Executive Officers may also be discussed with the Chairman of the Board of Directors or the Chairman of the Company's Audit Committee.

### ***7.4 Determination of Violations***

Determinations regarding whether a violation of this Code has occurred shall be made as follows:

- If the alleged violation under consideration concerns a Director or an Executive Officer, the determination of the existence of any violation shall be made by the Company's Audit Committee in consultation with the Company's General Counsel and/or such external legal counsel as the Audit Committee deems appropriate.
- If the situation under consideration concerns any other Employee, the determination of the existence of a violation shall be made by the corporate executive or business unit Head to whom the Employee ultimately reports, in consultation with the Company's General Counsel.
- Whoever makes the decision as to whether a violation has occurred shall document the decision and forward the documentation to the Internal Audit Department, the General Counsel and such other additional point(s) of contact as may be established by the Board of Directors, for filing and retention. These files may be shared on a confidential basis with such other departments, personnel, external advisers and agencies as the Company's Internal Audit Department, General Counsel or Board of Directors may in their sole discretion determine.
- In determining whether a violation of this Code has occurred, the committee or person making such determination may take into account to what extent the violations were



intentional; the qualitative and quantitative materiality of such violation from the perspective of either the detriment to LSH or the benefit to the Director, Executive Officer, or Employee concerned, the policy behind the provision violated and such other facts and circumstances as they shall deem advisable under all the facts and circumstances.

- Acts or omissions determined to be violations of this Code other than by the Audit Committee under the process set forth above shall be promptly reported by the General Counsel to the Audit Committee and by the Audit Committee to the Board.

### **7.5 Request for Waivers**

The policies and procedures outlined in this Code are designed to ensure that the Company operates in accordance with applicable law and ethical business standards. In certain exceptional circumstances, however, specific procedures may be waived without compromising the Company's commitments to ethical business standards and compliance with all applicable laws. Before engaging in any conduct inconsistent with this Code, a written waiver must be obtained in accordance with the following procedures:

- If the request under consideration relates to a Director or an Executive Officer, the determination with respect to the waiver shall be made by the Company's Audit Committee, in consultation with the Company's General Counsel and/or such external legal counsel as the Audit Committee deems appropriate and submitted to the Board of Directors for ratification.
- If the request under consideration relates to any other Employee, the determination shall be made by the corporate executive or business unit Head to whom the Employee ultimately reports, unless such request is quantitatively or qualitatively material or outside the ordinary course of business, in which case such determination shall be made by the Audit Committee; in either case in consultation with the General Counsel.
- The decision with respect to the waiver requested shall be documented and forwarded to the Internal Audit Department for filing and retention, with a copy to the General Counsel. These files may be shared on a confidential basis with such other departments, personnel, external advisers and agencies as the Internal Audit Department, General Counsel or Board of Directors may in their sole discretion determine.
- All waivers of this Code (other than those approved by the Audit Committee) shall be promptly reported by the Internal Audit Department to the Audit Committee.
- Waivers will not be granted except under extraordinary circumstances.

## **8. Disclaimer of Employment Contract**

The Company's and the relevant Group company's policies, guidelines and related procedures are subject to unilateral change by the Company and the relevant Group company at any time and as the case may be. The employment relationship between the Company and its Employees is "at will", except where applicable law or specific circumstances require the execution of a formal employment contract. This Code may not be construed as an employment contract or any guarantee of continued employment. However, failure to comply with this code may violate any applicable employment contract.

### **8.1 Revisions and Supplements**

This Code may be revised or supplemented in whole or in part, at any time by the Company and solely at its discretion.



## **9. Certification**

Each Director and Employee may be required to read or review this Code periodically and certify, in writing, that he or she understands his or her responsibilities to comply with the guidelines and provisions set forth herein.