



SUSTAINABILITY HANDBOOK

Code of Conduct

LWT GmbH, [LWT-Airwalls.de](https://www.lwt-airwalls.de)

Author: Jürgen Stäudtner

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Table of contents

Table of contents.....	2
1 Introduction	3
2 Sustainability goals	4
2.1 Further support for the Global Compact	4
2.2 Our sustainability goals	5
3 Organization and procedure	7
3.1 Organization	7
3.2 Implementation and improvements	7
4 Human rights and work.....	9
4.1 The team is LWT	9
4.2 Freedom of expression	10
4.3 Realizing human rights for all.....	10
5 Environment worth living in.....	12
5.1 Air walls reduce global CO2 emissions.....	12
5.2 Reducing our CO2 footprint.....	12
5.3 Improving the quality of life.....	14
5.4 Reduction of waste	14
5.5 Clean water	16
6 Business integrity	17
6.1 Fair and honest relationships with business partners	17
6.2 Zero tolerance for corruption.....	17
6.3 Political neutrality	19
7 To Dos.....	20



1 Introduction

Sustainability is deeply rooted in LWT's business strategy and is central to our value proposition to our customers and stakeholder expectations. It is woven into all elements of our business, including our airwalls, customer partnerships, innovation and operational functions. And it starts at the top.

LWT supports the United Nations Global Compact initiative¹ (UN GC) for responsible business practices. We have joined thousands of companies who are committed to creating the world we all want.

This document arose from the obligation to report to the UN Global Compact once a year on progress, the so-called "Communication of Progress" (CoP).

LWT GmbH has begun to analyze what it should do within the framework of the Global Compact in order to follow the business and regulations of the Global Compact. This document is the result of our initial understanding and the basis for further work.

It is difficult to find your way around the mindset and language of the United Nations. Topics are also considered that do not play a role in the perspective of many small and medium-sized companies. But LWT's customers are often large companies that (have to) report on sustainability.

The document "QUESTIONNAIRE GUIDEBOOK, COMMUNICATION ON PROGRESS, Document version: March 2024" was the basis for the report.

¹ <https://unglobalcompact.org/>

2 Sustainability goals

2.1 Further support for the Global Compact

I am pleased to confirm that LWT GmbH reaffirms its support for the ten principles of the United Nations Global Compact in the areas of human rights, labor, environment and anti-corruption.

Jürgen Stäudtner, Managing Director

We join many of our customers and thousands of other companies around the world who are committed to creating the world we all want through responsible business practices.

We disclose our ongoing efforts to integrate the Ten Principles into our business strategy, culture and day-to-day operations and to contribute to the United Nations' goals, in particular the Sustainable Development Goals.



The UN Global Compact was launched in 2000 and is the largest sustainability initiative in the world with more than 15,000 companies and 3,000 signatories from over 160 countries and more than 70 local networks (such as the German Chapter).

Our aim is to support our customers in their responsibility for sustainability. Our products are already helping, but as a company we need to do even better. UN Global Compact is a perfect partner for LWT-Airwall's journey towards a sustainable world.

2.2 Our sustainability goals

As recommended by the UN GC, we have aligned our sustainability goals with the United Nations Sustainable Development Goals (SDGs).

1. Reduction of global CO2 emissions

We reduce global CO2 emissions by sealing doors and gates against incoming air when they are open, thus saving energy that would be needed to air-condition this air.



7.3, 8.2, 9.4, 9.5, 11.6

We will contribute to doubling the global rate of increase in energy efficiency by modernizing infrastructures and retrofitting industries. We will adapt to the respective possibilities of each country and find solutions for megacities.

This will be more successful if we maintain our pace in improving our airwalls and introducing new and digital controls and regulations. This also requires promoting scientific research and improving technological capabilities.

In this way, we contribute to a higher level of economic productivity through diversification, technological modernization and innovation, concentration on high value-added and labor-intensive sectors.

2. Green supply chain

We must ensure that our products are created and disposed of sustainably or recycled.



12.2, 16.5, 17.1

Therefore, sustainable management and efficient use of natural resources is mandatory.

We do not tolerate corruption and bribery.

We try to utilize domestic resources, especially when working on different accounts, to improve domestic capacity to collect taxes and other revenues.



4. Improve people's quality of life

Our employees and everyone in the vicinity of airwalls must not only be protected from any harm. They should also feel better.



3.4, 3.9, 8.3, 8.8, 10.2, 10.4, 11.6

Air walls can significantly improve work and air quality, preventing illness and promoting mental health and well-being. For a safe working environment for all employees

In this way, we help to promote the social, economic, and political inclusion of all people, regardless of age, gender, disability, race, ethnicity, origin, religion or economic or other status.

We support entrepreneurship, creativity, and innovation.



3 Organization and procedure

The decision-makers at LWT are behind this initiative. We will now ensure that our entire team is involved and has influence. Over the next two years, we will also set up independent committees to review us and establish channels for complaints.

3.1 Organization

Managing Partner

Of the two owners of the company today, only one is active in management. With Jürgen Städtner, LWT has joined the Global Compact.

Due to the size of LWT, there are no other appointed individuals for sustainability. This fulfills the requirement that the highest governance body approves the sustainability goals and leads the ESG reporting practices.

Management body, board

Regular meetings with investors are held twice a year, at which sustainability issues are also discussed.

We are also planning to set up a diverse management body for LWT to monitor and advise the management.

3.2 Implementation and improvements

The LWT team will take over

LWT is small and strives to maintain a flat hierarchy. That is why every person at LWT must be familiar with this document. Our experienced team works together with proven suppliers and freelancers.

We will start by training and empowering our team to understand our goals and the resulting tasks. Experience shows that the influence of everyone at LWT will increase over time.

Consulting with stakeholders

UN GC calls for coordination with stakeholders (which we need to define) at several points.



This is a good idea, but not efficient or easy to implement for a company the size of LWT. We will investigate this and try to implement it over the next two years.

Public communication

We communicate our goals, efforts, and status in relation to sustainability publicly on our website.



4 Human rights and work

LWT is a well-coordinated and diverse team in which each person has the freedom to do the things they do best. It is important to us that work is safe. For us, human rights are a high good.

That is why we promote a speak-up culture and use the Health, Safety and Environment (HSE) handbook.

Nevertheless, we want to keep improving. Over the next two years, we want to intensify training for everyone, set up a whistle-blower channel and access to governmental and non-governmental complaints bodies. When we are big enough, we will carry out due diligence on these issues.

4.1 The team is LWT

Image of society

LWT welcomes anyone who wants to make an upright contribution to our goals. Gender, origin, skin color or views do not matter. So that we are as diverse as the world around us.

Empowerment and best self

LWT is working on organizing itself to be able to use a flat hierarchy even as we grow.

To this end, it is important that people can do what they do best with us. We will help them to identify their strengths and continue to improve.

We are well positioned in terms of training and further education. We will therefore be setting up an internal training program next year.

High occupational safety

We do everything we can to make working at and for LWT safe. That is why we adhere to the well-defined LWT HSE/GAU manual (Health, Safety and Environment), which is retrained annually.



4.2 Freedom of expression

Speak-Up

LWT employees and third parties acting for and on behalf of LWT are responsible for coming forward when they have identified a potential or actual violation and reporting it to management immediately.

Everyone has the right to freedom of expression. This right includes the freedom to hold opinions and to receive and impart information and ideas without interference by public authority and regardless of frontiers.

Fairness

However, LWT asks for fairness. This means that LWT is given a reasonable amount of time to resolve a reported problem and that the reporting party is available to determine the causes. In addition, the instructions of LWT's customers must be respected. This requires that LWT's customers comply with the law, as they are mostly first-class companies.

We respect the freedom and pluralism of the media, provided they are scientifically sound.

Whistleblower

There is no whistleblower channel yet, but we are planning to set one up in the next two years.

4.3 Realizing human rights for all

We are committed to respecting human rights and the rights of children in our business operations and throughout our value chain, as set out in the UN Guiding Principles on Business and Human Rights (UNGPs).

For example, child and forced labor are unacceptable to us.

Careful examination of human rights

This requires us to conduct human rights due diligence to ensure that our business activities, our products, our strategic and day-to-day decisions and our business relationships do not harm individuals or communities.

However, LWT does not have the resources to do this in the foreseeable future. We hope that we will be able to start this in the next two years.



That's why we make a promise: We only work with companies, worldwide, that are either large enough or well-known enough that they cannot afford to become known for violating human rights. Order with companies that we know well.

Procedure in the event of negative effects

If we discover that our business activities and decisions have a negative impact on human rights, we will take remedial action.

We also want to be transparent about how we deal with human rights and what measures we take.

When conflicts arise between national law and international human rights, we look for ways to respect international human rights principles and standards while remaining legally compliant.

Remedial procedure

Individuals whose human rights have been violated by us or our suppliers must receive effective remedy. Over the next two years, we will endeavor to create access to governmental and non-governmental complaints bodies, as well as the possibility of taking legal action.

5 Environment worth living in

Air walls protect the environment and improve the quality of life for many people. We will present this in detail in our sustainability report.

Nevertheless, it is important for LWT to constantly improve. Over the next two years, we will therefore analyze emissions of substances that are harmful to health and the climate across the entire value chain and begin to reduce them. We will also reduce waste by largely eliminating it over the entire product life cycle and taking the circular economy into account in new developments.

UN Global Compact focuses more on the impact of our production and work on the environment. We will also look at this and collect data before drawing fundamental conclusions.

5.1 Air walls reduce global CO2 emissions

Air walls save energy by preventing the exchange of air between air-conditioned interior spaces and the outside. This saves energy that would otherwise be used for heating or cooling. The emission of climate-damaging gases is reduced accordingly.

They also help to set the right temperatures in the workplace, reduce air pollution and keep out insects, gases, and moisture.

We have created and applied a sophisticated calculation based on real, humid air. There is also empirical data that confirms these calculations. We will further substantiate these findings and calculate how much CO2 LWT can save.

LWT is convinced that only applied science can help people to reduce their impact on the climate. This requires analytically sound conclusions and products that are constantly being developed on this basis.

5.2 Reducing our CO2 footprint

Structure of income and expenses

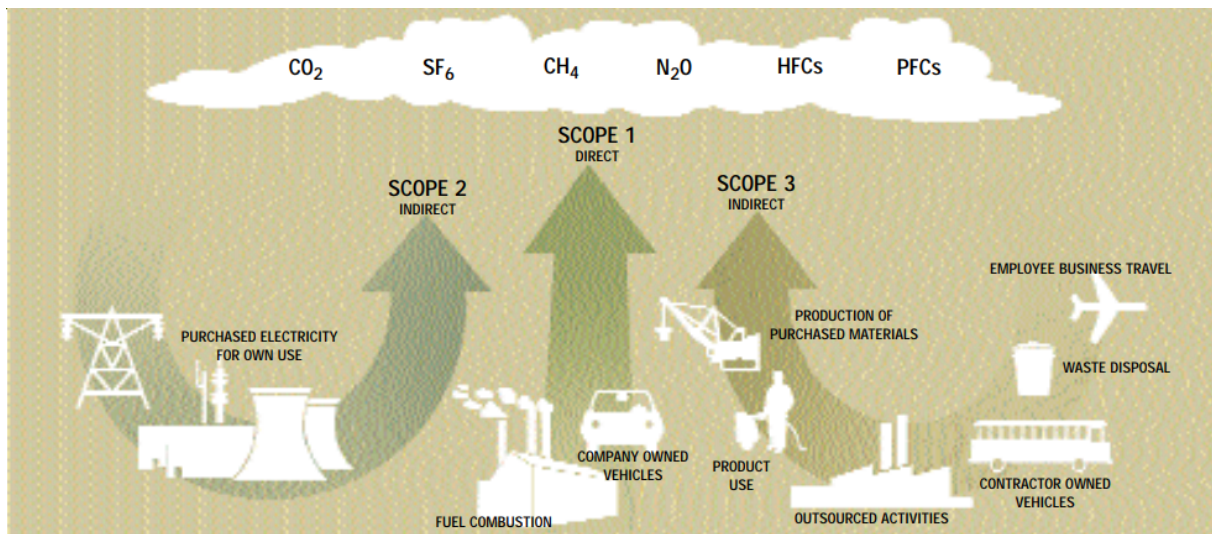
UN GC asks for some indicators that help to classify how well LWT can contribute to a climate-neutral economy.

We cannot provide this data precisely today. One goal for the next reporting period is to determine these indicators precisely:

- % of revenue from low-carbon products
- % of revenue invested in innovation or low-carbon products
- % of energy consumption is renewable

Our GHG emissions

We are also unable to provide information on the calculation of our "Greenhouse Gas" (GHG) emissions.



Overview of the areas and emissions in a value chain according to GHG

Over the next two years, we will endeavor to produce a well-founded calculation in accordance with the GHG specifications². The emissions of air walls during operation over their life cycle³ will also be determined in accordance with the GHG protocol.

Ejection of other things

Global Compact also asks about LWT emissions from other air pollution:

- NOx
- SOx
- Volatile organic compounds VOCs
- Hazardous air pollutants HAPs
- Particulate matter PM 10
- Persistent organic pollutants POPs

² Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard, <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>, 14.6.2024

³ <https://ghgprotocol.org/product-standard> from 14.6.2024



- Other

This suits us well, as we have already produced ^a white paper on this topic⁴. Accordingly, we will also try to generate data on this in the next two years. However, for PM 2.5 and not PM 10.

Reduction of the climate-damaging footprint

On this basis, we will define how we can reduce our emissions of climate-damaging substances. We may use the Science-Based Targets Initiative⁵ for this purpose.

5.3 Improving the quality of life

Air walls can ensure the right temperature at the workplace.

In winter, they prevent cold air from entering the building, thus reducing the sickness rate of employees working nearby. In summer, warm air is kept out, improving people's quality of life and productivity.

We do not yet have any indicators that we can measure, but we hope that we will be ready in two years at the latest.

5.4 Reduction of waste

Reuse of waste

LWT avoids waste, separates and disposes of waste and has introduced digital files to avoid unnecessary piles of paper.

In future, we will convert waste into resources and aim to avoid sending waste to landfill. This means a lot of work, which we want to tackle.

⁴ Air filters for solids, white paper for Europe, LWT GmbH, 2023

⁵ <https://sciencebasedtargets.org/resources/files/SBTi-criteria.pdf>

Waste hierarchy



European Waste Framework Directive⁶

In the first step, we will compile data on the metrics that UN GC queries, including

- Total waste tons
- Share of hazardous waste
- Single-use plastic in tons

Circular economy

Waste and emissions are reduced through a circular economy.

To date, this has not affected LWT products to any great extent, as we understand that almost all of them are still in use, even after more than 25 years.

When developing new products, we will nevertheless examine whether their reusability can be further enhanced. We strive to design each product from the outset in such a way that it can be reused, refurbished, remanufactured and finally - after all other options have been explored - recycled (as the Ellen Mac Arthur Foundation).⁷

⁶ https://environment.ec.europa.eu/topics/waste-and-recycling/waste-framework-directive_en from 14.6.2024

⁷ <https://www.ellenmacarthurfoundation.org/> Recommended by the US EPA.



Circular economy according to the EU

Our aim is to use only renewable or recycled materials by tapping into new sources and developing new materials.

Renovation of air walls

We now have enough information and knowledge to improve existing air wall systems.

LWT will adapt older air wall systems to today's standards by

- Replacing old fans with much more efficient ones
- Installation of controls and regulations
- Use of new, optimized print modules

We want to develop this offer over the next two years.

5.5 Clean water

The production of many technical systems requires water. This is also the case with air walls today.

For example, we use aluminum, which is difficult to replace due to its many properties. The production of aluminum generates around 1.5 tons of highly toxic and highly corrosive sludge per ton of aluminum.

Over the next two years, LWT will determine the water requirements for the production of air walls and begin to reduce them.

6 Business integrity

The way in which we deal with our business partners should be characterized by honesty, respect, fairness, and integrity. LWT complies with the laws and regulations in all countries in which we do business.

LWT has a zero-tolerance policy towards bribery and corruption in all our relationships and business dealings as part of our commitment to conducting business in an honest, prudent, and responsible manner.

LWT pays attention to neutrality regarding political parties and candidates.

6.1 Fair and honest relationships with business partners

The way in which we deal with our business partners should be characterized by honesty, respect, fairness, and integrity. LWT complies with the laws and regulations in all countries in which we do business.

We may not offer or accept rewards or benefits to customers and other business partners, official institutions or representatives of such entities that violate applicable laws or this Code. We ensure that our business partners and companies in which we invest directly are aware of our Code and our values.

6.2 Zero tolerance for corruption

LWT has a zero-tolerance policy towards bribery and corruption in all our relationships and business dealings as part of our commitment to conducting business in an honest, prudent, and responsible manner.

We do not accept or pay bribes or offer improper inducements or anything that could be construed as such. LWT expects the same from its customers, business partners and third parties who provide services or conduct business on its behalf.

Situations we need to be aware of

Below are some situations that we need to pay particular attention to

Business opportunities:

None of us may take advantage of business opportunities that arise during the performance of our duties for LWT if this could be contrary to the interests of LWT.



Nor may any of us use company property, company property or information for any kind of personal gain.

Other employment: Any employment outside of LWT

Group, with or without compensation, must not influence an employee's work performance. We must not pursue outside business interests that distract from our personal work responsibilities or require work during company time.

Board memberships and other external affiliations:

Any activity on a board of directors or similar body of a company or institution is not permitted if it causes a conflict of interest. All external professional activities must be approved.

Gifts, benefits, reimbursements:

No employee may offer or accept any gift, gratuity, or reimbursement to or from a third party in violation of this Code or applicable laws. Gifts of cash and others such as personal loans or guarantees of such obligations, whether in large or small amounts, may be considered bribes and may not be accepted under any circumstances.

Offers of this kind must be politely but firmly rejected or returned to the sender immediately.

However, we recognize that the acceptance of small promotional or advertising items that have no commercial value and modest hospitality and events are a legitimate contribution to building good business relationships.

Bribes, kickbacks, and the like:

We may not, directly, or indirectly, solicit or accept, offer or give bribes, kickbacks, unauthorized loans or any other unlawful or unethical advantage in the conduct of business for LWT.

Business meals and hospitality

Giving and receiving appropriate and customary meals in the normal course of business is permitted.

Lavish meals and inappropriate hospitality should be firmly but politely declined. The treatment of guests is the main issue here, and we show our respect, modesty, and cost awareness towards our business partner.



Personal relationships

All of us who work at LWT must be mindful of any conflict of interest where a family member, relative or close friend is involved. This applies both within the Group and to other business relationships.

How is monitoring done?

It is sometimes difficult to assess whether a conflict of interest exists. To begin with, we rely on three mechanisms:

- If in doubt, people at LWT can always ask their supervisor.
- We carry out checks on an ad hoc basis
- Employees evaluate themselves internally

We will start like this and should be able to report better next year.

6.3 Political neutrality

LWT pays attention to neutrality regarding political parties and candidates.

Company names, brands or assets associated with the company may not be used to support the interests of political parties or candidates.

7 To Dos

Cat.	Question / Task	To Do	Status
G13	Are details secured by a third party?	We will have the answers checked by a third party if we have more than 50 employees or 10 million in turnover.	Open
2.3	Every person at LWT must be familiar with this document.	All persons at LWT receive regular training on this document.	Once a year.
2.3	UN GC calls for coordination with stakeholders.	Define stakeholders and coordinate with them.	Over the next two years
2.3	We help our employees to identify their strengths.	I speak to every colleague at least once a year with this intention.	Annually
3.1	We help our employees to constantly improve.	We will be setting up an internal training program for this next year.	Priority
3.2	Define a whistleblower channel.		Over the next two years
3.3	Conduct human rights due diligence to ensure that our operations, products, strategic and day-to-day decisions and	Careful examination of human rights	Hopefully in the next two years

Cat.	Question / Task	To Do	Status
	business relationships do not harm individuals or communities.		
3.3	Individuals whose human rights have been violated by us or our suppliers must be given effective remedies.	Procedures for redress: We will endeavor to create access to governmental and non-governmental complaints bodies, as well as the possibility of taking legal action.	Hopefully in the next two years
4.1	UN GC asks for indicators that help to classify how well LWT can contribute to a climate-neutral economy.	We cannot provide this data precisely today. We want to determine these indicators precisely.	Over the next two years
4.2	UN GC proposes that a well-founded calculation of CO2 emissions be prepared in accordance with the GHG specifications ⁸ .		Over the next two years
4.2	Global Compact asks about LWT emissions at: <ul style="list-style-type: none"> • NOx 	This suits us well, as we have already produced ^a white paper on this topic ⁹ . Accordingly, we will also try to generate	Hopefully in the next two years

⁸ Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard, <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>, 14.6.2024

⁹ Air filters for solids, white paper for Europe, LWT GmbH, 2023

Cat.	Question / Task	To Do	Status
	<ul style="list-style-type: none"> • SOx • Volatile organic compounds VOCs • Hazardous air pollutants HAPs • Particulate matter PM 10 • Persistent organic pollutants POPs 	data on this in the next two years. However, for PM 2.5 and not for PM 10.	
4.2	Emissions from air walls during operation over the life cycle ¹⁰ are also determined in accordance with the GHG protocol.		Over the next two years
4.2	Reduction of the footprint for environmentally harmful gases	We will act according to scientific principles, possibly with "science-based targets"	Hopefully in the next two years
4.4	Waste should be reused We will convert waste into resources and strive not to dispose of waste in landfills.	In the first step, we will compile data on the metrics that UN GC queries, including ¹¹	Hopefully in the next two years
4.4	Circular economy means that LWT takes back air walls and recycles them professionally.	Circular economy: Take-back	Over the next two years

¹⁰ <https://ghgprotocol.org/product-standard> from 14.6.2024

¹¹ https://environment.ec.europa.eu/topics/waste-and-recycling/waste-framework-directive_en from 14.6.2024



Cat.	Question / Task	To Do	Status
4.4	Renovation of air walls	LWT will adapt older air wall systems to today's standards	Over the next two years
4.5	Clean water: Reduce the amount of water required for the production of air walls.	Over the next two years, LWT will determine the water requirements of air walls and begin to reduce them.	Hopefully in the next two years