

Grievance Procedure

Introduction

Although we seek to provide a workplace in which all employees and external stakeholders (e.g. suppliers and communities) feel that they are an important part of LGM, and where all stakeholders feel fairly treated, there may be times when you have a dispute with a supervisor or the Company which can best be resolved through a formal procedure for dispute resolution.

All disputes between any stakeholder and the Company are to be resolved by in accordance with the following procedure.

Please note, however, that the Company reserves the right to modify this procedure at any time and nothing in this procedure should be construed to constitute a contract between you and the Company or to constitute any part of a contract between you and the Company.

Any dispute between a stakeholder and the Company may be resolved using this grievance procedure, with the exception of oral reprimands which are not recorded in personnel files.

A grievance is a complaint by a stakeholder concerning any matter related to the stakeholder's relation with the Company. All grievances must be in writing.

Using the form provided by the Company, the stakeholder must state clearly and concisely all the known facts related to your grievance, including "who, what, where, when and the why." Clearly explain why you disagree with act or omission that forms the basis for the grievance. Also explain what remedy the stakeholder are requesting. The grievance must be signed and dated.

Grievance Procedure

Preliminary Step

The stakeholder must first address the grievance with the immediate supervisor. This may be done orally in informal discussion. If this informal attempt to resolve the matter are not successful, the stakeholder may implement the formal grievance process.

Step 1

The stakeholder must first submit the grievance in writing to the immediate supervisor. Grievances must be submitted within 30 calendar days following the date of the first knowledge of the grievance.

If you do not submit the grievance within the 30 day period, you waive your right to assert it.

Your supervisor will respond in writing within ten days following receipt of your grievance. All grievances and replies in Step 1 must be in writing. If the grievance is not settled in Step 1, then you may proceed to Step 2.

Step 2

Within ten days following your receipt of the written answer to your Step 1 grievance from your supervisor, you may appeal the disposition of your grievance by your supervisor to your Department Head.

The Department Head will then undertake an investigation of your grievance and the underlying facts.

Within 15 business days following receipt of your grievance the Department Head will meet with you in person to discuss your grievance.

The Department Head will then provide a written response to your grievance within 15 business days following the date of your meeting.

Step 3

If you are not satisfied with the response of the Department Head at Step 2, you may submit your grievance to the President of the Company for review within five days following receipt of the written response from your Department Head.

The President will review the grievance and provide a written response within 15 business days following receipt of the Step 3 grievance.

Step 4

You may appeal a Step 3 grievance to Step 4 and request final and binding arbitration of your grievance.

The request for arbitration must be in writing and must be made within 30 days following receipt of the response of the President at Step 3.

Upon receipt of your request, the Company will, within ten working days of its receipt of your request, ask Skiljenämnden (the Swedish arbitral tribunal) to provide a list of prospective arbitrators.

The parties will choose an arbitrator from the list provided. If the parties cannot agree upon the choice of an arbitrator, then you and the Company will ask Skiljenämnden to appoint an arbitrator to hear your case.

All fees or expenses of arbitration, including, without limitation, the arbitrator's fees and expenses and rental of a venue for the arbitration, if necessary, shall be borne equally by the parties.

Each party will pay its own attorneys' fees or costs other than the arbitrator's fees and expenses.

The grievant bears the burden of proof as to the validity of the grievance.

The decision of the arbitrator shall be in writing and the decision is final and binding. Skiljenämnden is the exclusive forum for resolution of discipline and discharge cases, and both the Company and you waive your right to bring any action in court or the enjoy trial by jury. Either party may, however, seek to enforce an arbitrator's award in a court of competent jurisdiction.