



BY APPOINTMENT TO
THE ROYAL DANISH COURT

HARBOE

THE HARBOE GROUP'S SUPPLIER
CODE OF CONDUCT

INTRODUCTION

Harboe Group is committed to conduct business in a responsible manner. This includes respect for universally recognised principles on human rights including labour, the environment and anti-corruption. Thus, we have committed ourselves to the UN Global Compact, which forms the base for our CSR work. Harboe Group's Supplier Code of Conduct (CoC) reflects the ten key principles of the UN Global Compact:

Human Rights

- Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights
- Principle 2 Make sure that they are not complicit in human rights abuses

Labour

- Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
- Principle 4 The elimination of all forms of forced and compulsory labour
- Principle 5 The effective abolition of child labour
- Principle 6 The elimination of discrimination in respect of employment and occupation

Environment

- Principle 7 Businesses should support a precautionary approach to environmental challenges
- Principle 8 Undertake initiatives to promote greater environmental responsibility
- Principle 9 Encourage the development and diffusion of environmentally friendly technologies

Anti-Corruption

- Principle 10 Businesses should work against all forms of corruption, including extortion and bribery

This CoC applies to all suppliers of Harboe Group. Harboe Group will, when selecting and evaluating suppliers, in addition to quality-, logistic- and commercial aspects, consider compliance with this CoC.

This CoC outlines a minimum standard of conduct. We expect that our suppliers always try to exercise good judgement, care and consideration by following both the requirements and the intentions of this CoC. Furthermore, we expect our suppliers to be transparent and have an open dialogue with us about the challenges which they encounter as part of their operations. The suppliers are under obligation to obtain sufficient knowledge of sub-suppliers in order to assess the observance of this CoC.

When this CoC has been communicated to a specific supplier it shall be regarded as a contract document and as such an integral part of any contract entered between Harboe Group and the specific supplier in question.

In addition to this CoC, suppliers shall comply with all national laws and regulations as well as other applicable standards within these principles.

REQUIREMENTS

Human Rights

- The suppliers are encouraged to follow the UN Guiding Principles on Businesses and Human Rights (UNGPs) and have the relevant policies, processes and procedures in place as described in the guiding principles.
- Harboe Group and the suppliers must comply with the UN Universal Declaration of Human Rights (UN 1948).

Labour Standards

- Harboe Group and Harboe Group's suppliers must comply with the fundamental principles and rights at work defined by Worst Forms of Child Labour Convention (ILO 1999, No. 182), Minimum Age Convention (ILO 1973, No. 138), Fundamental Principles and Rights at Work (ILO 1998) and Occupational Safety and Health Convention (ILO Convention 155).
- Harboe Group encourages all suppliers to implement occupational health and safety (OHS) management systems based on international principles and standards (e.g. ISO 45001 or others).

Environment

- Harboe Group and Harboe Group's suppliers are obliged proactively to take necessary precautions and actions to minimize the adverse environmental impacts of its activities and base any approach to environmental issues on a principle of caution.

- Harboe Group and Harboe Group's suppliers are obliged to choose the most environmentally friendly product, method or technology when supplying Harboe Group.
- When contracting with sub-suppliers, Harboe Group and Harboe Group's suppliers are always obliged to take environmental issues into account to avoid "exporting" environmental challenges.
- Harboe Group and Harboe Groups's suppliers must continuously strive to reduce waste and emissions to the atmosphere, soil and water.
- Harboe Group and Harboe Group's suppliers must handle chemicals and all other hazardous products in an environmentally safe way and store and dispose of hazardous, as well as all other waste, in an environmentally safe manner.
- Harboe Group encourages all suppliers to implement environmental management systems based on international principles and standards (e.g. ISO 14001, EMAS or others).

Anti-Corruption

- Harboe Group and Harboe Group's suppliers must comply with the United Nations Convention against Corruption.
- Any form of corruption, including bribery, personal payments, extortions or kick-backs, are unacceptable to Harboe Group, regardless of local laws and practices.
- The suppliers are consequently obliged to refrain from engaging in or benefiting from any such payments when supplying Harboe Group. Further the suppliers are obliged to promptly contact Harboe Group whenever the suppliers are confronted with claims of payments as mentioned above in connection with supplying Harboe Group.

COMPLIANCE WITH THIS CODE OF CONDUCT

Applicability

This CoC applies to all suppliers of Harboe Group. Harboe Group requires that all suppliers ensure compliance with this CoC. Harboe Group encourages all its suppliers and their sub-suppliers to define their own set of Code of Conduct in order to create and promote a sustainable development, based on responsible production and business principles laid down by UN Global Compact.

The suppliers of Harboe Group are obligated to encourage that their suppliers are working according to the principles laid down in this CoC.

Support of UN Global Compact

Harboe Group wishes to support the continuous propagation and implementation of the UN Global Compact, and this CoC is an important tool to achieve our endeavours. Harboe Group operates its corporate social responsibility based on the notion that businesses should respect and promote the UN Global Compact, whilst governments should make and enforce the laws.

Harboe Group recognizes that compliance with the UN Global Compact still has to be established with due consideration of the stage of development and financial situation of the countries in question. Harboe Group is aware that the principles of the UN Global Compact may not be complied with all at once, but it is Harboe Group's firm aim, persistently to keep encouraging our suppliers to comply with – and preferably adhere to - the principles of the UN Global Compact. Harboe Group will only do business with suppliers, who share the notions forming the base of the principles of the UN Global Compact and who continuously work for the improvement of the areas comprised by the ten principles.

Monitoring the suppliers

In order to ensure our suppliers' compliance with this CoC, Harboe Group has established a practice pursuant to which all suppliers, who are considered critical according to internal guidelines, shall submit a supplier questionnaire on social responsibility upon request.

Monitoring and auditing may also be conducted by announced on-site inspections by Harboe Group or our representatives. The supplier is thus obliged to give Harboe Group's representatives full access for such on-site inspections, including access to all records and data, which may be relevant to evaluate the supplier's level of compliance with this CoC and access to interviewing randomly chosen employees.

Non-compliance with the obligations to submit supplier questionnaire and/or to give full access to on-site inspections constitutes a material breach of the business relation with Harboe Group, entitling Harboe Group to react accordingly, e.g. by terminating such relation.

However, Harboe Group would regret to terminate the business relationship, hence Harboe Group will, in the event of non-compliance, initiate a dialogue with the supplier and request further explanations and appropriate actions in order to ensure improvement on the subject(s) in question. The supplier is obliged to actually be co-operative in relation to ensuring such improvements. Harboe Group may co-operate with national or international organisations with specific focus on one or more subjects covered by this CoC.

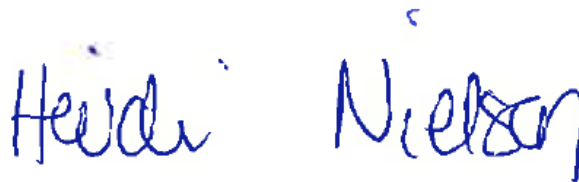
It will be regarded as a material breach of the business relation with Harboe Group if the supplier continues to fail or is unwilling to take active part in the dialogue, to establish adequate measures to improve on the subjects of non-compliance or to implement such measures. If this situation occurs, Harboe Group will be entitled to react accordingly, e.g. by terminating the relation.

Harboe Group Supplier Code of Conduct version 2021-1

Date: 26/11-2021



Kresten Piper
Group Purchasing Manager



Heidi Nielsen
Head of RD & Sustainability

Accepted by:

Company name: _____ Signature/stamp: _____

Date: _____

Name: _____

Signature: _____