



VESTERGAARD CODE OF CONDUCT

Date: October 2023

TABLE OF CONTENTS

1. VESTERGARD'S PRINCIPLES	2
2. THE UN GLOBAL COMPACT	3
3. HUMAN RIGHTS	4
4. LABOUR PRINCIPLES	5
Voluntary employment	5
Child labour	5
Wages and benefits	6
Working hours	6
Freedom of association and collective bargaining	7
5. ENVIRONMENTAL PRINCIPLES	8
Environment.....	8
Health and safety	8
Third Party's own supply chain.....	9
6. ANTI-BRIBERY and FAIR COMPETITION PRINCIPLES.....	10
Business ethics and anti-corruption.....	10
Fair competition	10
Money laundering.....	10

1. VESTERGARD'S PRINCIPLES

Vestergaard continuously strives to do business with social responsibility and integrity. These values have been and will continue to be our core guiding principles.

This Code of Conduct fully embraces the United Nations (UN) Global Compact Framework and Principles.

Vestergaard expects all its business partners such as manufacturers, suppliers, subcontractors, consultants, service providers, agents, distributors, and other third parties in general to uphold standards similar to the ones outlined in this Code, and aspires to do business only with third parties who have a reputation for integrity. In addition, we expect that our business partners respect and adhere to the following principles:

- Communicate our ethical standards at least to their Tier 1 suppliers.
- Operate in accordance with all local laws and regulations in the countries where they operate or are present.
- Obtain and keep up-to-date required permits, licenses and registrations to operate in accordance with the applicable local laws.

Vestergaard will regularly review and revise this Code of Conduct, when needed, to reflect changes in the best practices.

2. THE UN GLOBAL COMPACT

Corporate sustainability starts with a company's value system and a principles-based approach to do business. This means operating in ways that, at a minimum, meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. Responsible businesses enact the same values and principles wherever they have a presence, and know that good practices in one area do not offset harm in another.

By incorporating the Ten Principles of the UN Global Compact (described below) into strategies, implementing policies and procedures, and establishing a culture of integrity, companies are not only upholding their basic responsibilities to people and planet, but also setting the stage for long-term success.

The Ten Principles of the UN Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the UN Convention against Corruption.

Below is a description of the Ten Principles grouped by Area.

Area	Principle	Description
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	Elimination of all forms of forced and compulsory labour.
	Principle 5	Effective abolition of child labour.
	Principle 6	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 corruption in all its forms, including extortion and bribery.

3. HUMAN RIGHTS

Vestergaard is committed to conducting our business with integrity, in a manner that respects the rights of all people. We are committed to prevent, mitigate and remediate any adverse human rights impact throughout our workplace and manufacturing operations in the communities in which we work. Therefore, we want to work with Third Parties who operate in a manner that is consistent with our values and ethical principles in its operations and supply chains.

Third parties are expected to comply with all applicable employment laws and regulations including those prohibiting discrimination at the workplace. The employees shall be treated with fairness, dignity and respect. No form of physical, sexual, psychological or verbal harassment or abuse shall be tolerated. Suppliers shall only use disciplinary measures which are in accordance with the applicable laws and fully transparent with internal policies.

In case if there is a perceived risk or actual violation of human rights within the value chain of our third parties, we request them to inform us.

Expected business practices:

- Third Party protects employees from acts of physical, verbal, sexual or psychological coercion, harassment, abuse or threats in the workplace, whether committed by managers or fellow employees, including when they are determining and implementing disciplinary measures. A procedure for receiving reports of workplace violence, harassment, threats and all other types of workplace misconduct is in place.
- Third Party timely investigates all complaints of workplace misconduct and takes appropriate preventive, corrective and disciplinary actions. No retaliatory action is taken against any employee who raises a concern relating to workplace misconduct in a good faith.
- Third Party has established and enforces a written policy in a language that employees understand, ensuring that all employment-related decisions are based only on relevant and objective criteria.
- Third Party sustains an environment free from discrimination on the basis of race, religious belief, colour, gender, age, national origin, sexual orientation, medical condition, marital status, political opinion or any other classification protected under applicable law.

4. LABOUR PRINCIPLES

Voluntary employment

Third parties shall not, directly or indirectly, use forced or involuntary labour (that includes bonded, slave or forced convict labour). No retention of identification documents, trafficking of human beings or repayment of debt through work shall take place.

Expected business practice:

- Third Party has a written contract (or letter) of employment with each employee.
- Third Party ensures that employment terms are fair, transparent and understood by the employee prior to employment and that workers do not pay recruitment fees or deposits to secure a job.
- Third Party ensures that all employees are allowed to leave the working premises at the end of their shifts or rotations in accordance with the established rules.
- Third party does not require employees to lodge money deposits or requests to retain employees' passports or identity documents.

Child labour

Children below the local minimum working age, the age of compulsory education or the ages set out in the International Labour Organization Core Conventions (whichever is higher) shall not be employed.

No Young Worker below the age of 18 shall be employed in the hazardous or night work. Young Workers must be above a country's legal age for employment and the age established for completing compulsory education. If children are found engaged in prohibited Child Labour, Third Parties shall put in place a suitable remediation plan to support the children in question. Such remediation plans shall conform to the provisions of the relevant ILO standards. The same is expected from the subcontractors of Third Parties.

Expected business practices:

- Third Party has established and enforced a clear policy regarding the minimum age of employment, which complies with local laws; Third Party deploys an adequate mechanism of age verification in its recruitment practices.
- If children are found engaged in prohibited child labour practices, Third Party shall put in place a suitable remediation plan to support such children. Below are examples of the remediation programs, which are in line with UNGC and ILO standards:

- a. Remove the child from the workplace, while continuing to pay salary and/or the cost of formal or vocational training until adulthood.
- b. Remove the child from the workplace and, if applicable for the job in question, offer to hire parents, guardians or elder siblings of the affected child instead.

Wages and benefits

Third Parties shall pay their workers at least the minimum wage required by the applicable laws or by the prevailing local industry standards, whichever is greater; all applicable legally mandated benefits, e.g., medical insurance, social insurance and pensions, in full and on a regular basis, shall be provided.

Expected business practices:

- Third Party ensures that wages are paid out in accordance with the applicable laws, on a regular basis and in a timely manner.
- Overtime hours should not be required, in order for employees to earn a living wage sufficient to meet basic needs.
- Prior to employment, Third Party informs employees of its policy on remuneration, including overtime compensation.

Working hours

Third Parties are responsible for organizing work schedules in a way that it respects the rights of their workers to a private life. Overtime work should preferably be assigned on a voluntary basis and should allow for the circumstances of the individual worker. The number and duration of breaks must be suitable for the nature of the work being performed and should afford the workers sufficient time for eating, drinking and resting.

Expected business practices:

- Third Party ensures by policy and practice that the maximum working hours in do not exceed the number of hours permitted according to the applicable laws and regulations, and/or relevant collective agreements.
- Overtime must be planned in a way that it ensures safe and humane working conditions. Overtime hours must be appropriately compensated.
- Employees are entitled to at least one day off per week. Workers are given reasonable breaks while working as well as sufficient rest periods between shifts.

Freedom of association and collective bargaining

Third Parties shall respect the rights of their workers established by the applicable laws, including freedom to join (or not to join) labour unions and workers' organizations, and to otherwise seek representation.

Expected business practices:

- Third Party respects its employee's right to associate freely, form or join organizations of their choosing and to bargain collectively in accordance with international standards, local laws and regulations, in full freedom and without fear of reprisal, intimidation or harassment.
- Third Party also recognizes its employee's right to refrain from collective representation.

5. ENVIRONMENTAL PRINCIPLES

Environment

Third Parties shall comply with all applicable environmental laws and regulations. By thorough adherence to all related requirements throughout the supply chain, we are committed to minimizing the environmental impact of our activities and products over their lifecycle.

Expected business practices:

1. Third Party ensures legal compliance with all relevant environmental requirements through training and awareness, obtaining and keeping current required environmental permits and licenses and following operational and reporting requirements.
2. Hazardous substance management: to ensure safe handling, movement, storage, recycling, reuse and disposal, Third Party has to identify and manage substances that pose a hazard if released to the environment and comply with applicable laws and regulations for recycling and disposal. Third Party needs to publish safety data sheets for any substances used in the workplace and train employees who will come into contact with such substances in the workplace.
3. Wastewater and solid waste emissions generated from operations, and sanitation facilities must be monitored, controlled and treated as required by the applicable laws and regulations before discharge or disposal.
4. Third Party maintains appropriate environmental records to demonstrate compliance with all requirements for environmental licenses and permits, including, but not limited to, data from the monitoring of significant environmental impacts.
5. Third Party works with its own suppliers to improve environmental performance, extending responsibility up the product chain and down the supply chain.
6. Third Party commits to prevent and reduce waste of all types, including water and energy, by implementing appropriate conservation measures in its facilities, in its maintenance and production processes. Systems need to be in place to prevent or mitigate accidental spills and releases of waste into the environment.

Health and safety

Third Parties shall provide a safe, hygienic and healthy workplace for their employees, and continuously take necessary steps to prevent incidents. Third Parties are expected to have procedures in place to detect, avoid, and respond to potential risks to the health and safety of their workers.

Expected business practices:

1. Third Parties shall have processes in place to provide workers with safety information related to hazardous materials, alongside with trainings and education on the subject.
2. Third Party ensures that its employees are offered a safe and healthy working environment, including protection from fire, accidents, exposure to chemical, biological, environmental and physical hazards.
3. Third Party has established and enforces a written health and safety policy and relevant procedures in a language that employees understands and in accordance with industry, national and international standards.
4. Third party ensures that his employees are provided with protective equipment and training, necessary to safely perform functions in their position.
5. Corporate accommodation conforms to the same requirements, including the general health and safety provisions listed above.
6. Third Party documents accidents and adjusts its processes to effectively prevent recurring problems.
7. Third Party ensures compliance with applicable laws and regulations pertaining to fire protection. This also includes compliance with inspections by the fire authorities and required corrective actions from such inspections must be documented and completed within the stipulated time.

Third Party's own supply chain

We are expecting our Third Parties not only to commit themselves to following the principles set forth in this Code of Conduct, but also work on their implementation in their own supply chain.

Third Parties shall be ready to disclose ESG-related information with Vestergaard upon request.

6. ANTI-BRIBERY and FAIR COMPETITION PRINCIPLES

Business ethics and anti-corruption

Third Parties shall not bribe any government officials in any country and shall not accept bribes themselves. No intermediaries, such as agents, consultants, distributors, etc. shall be used to commit acts of bribery.

Third Parties shall neither offer to, nor accept from, their business partners (whether private or public) bribes, facilitating payments or other unlawful incentives in any form in order to gain any improper business advantage of any kind.

Third Parties shall not offer gifts and entertainment to Vestergaard representatives in an attempt to influence business decisions.

Fair competition

Third Parties shall conduct their business in line with fair competition and in accordance with all applicable law pertaining to fair competition and anti-trust.

Money laundering

Third Parties shall not participate in any form of money laundering and will keep all financial transactions documented and transparent.