

Corporate -CMA(Corporate Management)

CMA.00.41 Version : 7.0

Purpose

The objective of this Code of Conduct is to describe how AH Industries act according to human and labour rights, environment, business ethics and anti-corruption.

Scope

This policy is valid for all Business Units in AH Industries.

Exceptions

None

Policy

AH Industries operates its business in a responsible manner and we want to contribute to sustainable development, as well as maintain and strengthen our high degree of integrity and credibility. We respect the ten principles of UN Global Compact on human rights, labour rights, environment and anti-corruption. On this basis, we have established a Code of Conduct as an internal set of rules of ethical behaviour for AH Industries.

Our Code of Conduct contains the standards that every AH Industries employee must comply with. The Code of Conduct communicates what we expect of employees and people who act on behalf of AH Industries, including members of the Board of Directors and management (who are included in the broader term employees in this Code of Conduct). When we write “AH Industries” and “we” in this Code of Conduct, the obligations and expectations include AH Industries as a company as well as every employee, manager, board member and others acting on behalf of AH Industries, such as agents, consultants and other business partners.

If any AH Industries employee is unsure about the correct course of action, then he or she must contact the management for advice. Employees are encouraged to react immediately if they find themselves in a situation that does not comply with this Code of Conduct. Employees must report any breach of the Code of Conduct in accordance with the following reporting options:

- Inform Nearest Manager
- Inform CEO
- Inform CFO
- Inform CSR Manager

It is in the interest of AH Industries that any breach of the Code of Conduct is reported. This means that AH Industries will not tolerate any reprisals against an employee who has reported a breach of the Code of Conduct.

We also want to work with our suppliers to continuously promote their corporate social responsibility. Therefore, we have developed a Supplier Code of Conduct, which is the basis for dialogue with our suppliers and for monitoring their responsibility.

1 Complying with legislation

In addition to this Code of Conduct, we expect our employees to comply with all applicable international, national and local legislation and all applicable provisions and industry standards. Where a local legislation sets higher standards than those set out in this Code of Conduct, the local law takes precedence.

Author: CJA

Status: Approved

Approved by: BOARD

Date 26-04-2017

Page 1 of 6

2 Human rights

2.1 Human rights in general

AH Industries recognizes its responsibility to respect human rights and labour rights as expressed in the International Bill of Human Rights and the eight core conventions of the International Labour Organization. AH Industries commits to avoid infringing on human rights and labour rights and to address and remedy any adverse impacts with which AH Industries is involved.

2.2 Privacy

AH Industries respects the right to privacy of employees and customers. We respect personal data, obtained or used in information processing and we handle it carefully in accordance with applicable laws and regulations.

2.3 Discrimination

AH Industries does not discriminate customers or others in our value chain on the basis of race, skin colour, gender, language, religion, political or other beliefs, age, disability, nationality, social or ethnic background, financial circumstances, sexual orientation, origin or other status recognized by international law.

2.4 Impacts on local communities

AH Industries assess and address the impact of our activities on the human rights of local communities where we are present.

2.5 Country risk

AH Industries takes the necessary steps to avoid involvement in human rights violations in those countries where we operate.

2.6 Health and safety

AH Industries ensures a safe and healthy working environment.

- We are responsible for employee health and safety.
- We provide training and ensure that employees are trained in health and safety matters.
- We assess risks and take the best possible precautions in relation to accidents and occupational diseases.
- We use appropriate corporate, health and safety management systems.

2.7 Salary, remuneration and leave

AH Industries pays our employees a salary and remuneration that ensures they can maintain a reasonable standard of living and as a minimum, we comply with local laws and regulations for minimum wages. Salaries are paid via legal means of payment at least once a month.

Employees are entitled to sickness leave and maternity leave in accordance with local legislation.

2.8 Working hours

AH Industries respects that the total number of working hours of a normal working week must not exceed 48 hours. With overtime included, the normal working week must not exceed 60 hours in total. Overtime

Corporate -CMA(Corporate Management)

CMA.00.41 Version : 7.0

must be planned in a way that ensures safe and humane working conditions. Our employees may work more than 60 hours if they freely wish to do so, should local legislation permit it.

The total number of consecutive working days must comply with local legislation and employees are entitled to at least one day off a week.

2.9 Coercion and disciplinary sanctions

AH Industries does not use or tolerate physical punishment, threats of violence or other forms of physical or psychological coercion or abuse.

2.10 Freedom of speech

AH Industries does not carry out reprisals to prevent employees from expressing their dissatisfaction with their working conditions in an open and loyal manner. Employees may report any non-compliance of the Code of Conduct without fear of reprisals.

2.11 Stance against purchase of sexual services and child pornography

AH Industries take stance against purchase of sexual services, sexual exploitation of children and child pornography. Such activity might support trafficking, which is a violation of Human Rights. AH Industries employees on assignments and/or business travel are expected to respect and comply with this stance, both during and after working hours.

3 Labour rights

3.1 Child labour

AH Industries will not become involved in child labour - either directly or indirectly.

In general, children should not work until they are above the compulsory school age. The minimum age for full-time employment is 15 years (or 14 years should local legislation permit it). Employees who are younger than 18 years old must not carry out hazardous work or work at night, regardless of the number of hours they work. The minimum age for light work/after-school work (work that does not interfere with a child's education) is 13 years of age (or 12 years should local legislation permit it).

With regard to all types of work, we endeavour to take special care when organising work tasks, working hours and workloads considering the young age of the employee.

3.2 Forced labour and freedom of movement

AH Industries does not use forced or bonded labour - either directly or indirectly. Forced or bonded labour is any kind of work or service that is performed involuntarily under threat of penalty. Employees must have the right to freedom of movement during their employment.

- We do not withhold personal documents, work permits or salaries of our employees.
- We give employees confirmation of working terms and conditions, according to local legislation.

3.3 Discrimination

When hiring people or during employment, AH Industries does not discriminate on the basis of race, skin colour, gender, language, religion, political or other beliefs, age, disability, nationality, social or ethnic background, financial circumstances, sexual orientation, origin or other status - either directly or indirectly. We offer all individuals equal opportunity and make active efforts to achieve a corporate

Corporate -CMA(Corporate Management)

CMA.00.41 Version : 7.0

culture and workplace free from discrimination and harassment. AH Industries does not tolerate sexual harassment or any other kind of harassment of employees.

We do not require that employees undergo compulsory testing for HIV or AIDS.

3.4 Freedom of association and the right to collective bargaining

AH Industries does not interfere with the right of employees to join a union or their right to collective bargaining.

In situations or in countries where freedom of association and collective bargaining is restricted by local legislation, we recognise that employees can exercise their freedom of association and collective bargaining in some other way.

4 Environment

AH Industries complies with all environmental legislation to protect the environment.

4.1 Environment management system

We endeavour to utilise environment management systems to:

- Reduce the amount of waste and emissions into the air, ground and water.
- Handle chemicals in an environmentally responsible manner.
- Handle, store and dispose of hazardous waste in an environmentally responsible manner.
- Contribute to reusing and recycling materials and products.
- Implement environment friendly technologies.

4.2 Product safety

Products manufactured by AH Industries comply with all laws and regulations relating to product safety.

5 Business Ethics and Anti-corruption

AH Industries will demonstrate honesty and integrity in our relations with colleagues, authorities, customers, suppliers, partners, organisations and other business relations.

AH Industries exercises zero tolerance towards all forms of corruption. AH Industries does not offer, promise or provide any form of bribe to exert any unlawful influence over a public employee, judge or business partner. AH Industries refrains from receiving or accepting any form of bribery.

Corruption shall be understood as an abuse of position and/or trust for personal profit or for company profit, e.g. through the use of bribery. Bribery may be in the form of services or gifts that contrary to normal or generally accepted business and local practices have an unacceptably high or unusual value, or in the form of cash, shares or other personal payments. We also exercise zero tolerance in relation to 'facilitation payment', which can be a form of payment of a smaller amount of money to a public employee or authority to speed up the service of a routine case (e.g. the issuing of a permit or visa).

Our zero tolerance approach towards corruption does not prevent us from maintaining and promoting excellent business relations with customers and other partners as long as any exchanged advantage is moderate and exchanged openly and in accordance with this Code of Conduct.

Corporate -CMA(Corporate Management)

CMA.00.41 Version : 7.0

AH Industries supports and aim to achieve fair competition. AH Industries must therefore comply with all relevant competition rules and refrain from concluding unlawful anti-competitive agreements as well as exchanging unlawful price and/or market information with competitors.

6 Conflicts of interest

AH Industries employees shall always work in the best interest of AH Industries and avoid all acts that might be perceived as favoring any stakeholder at the expense of AH Industries. Employees shall avoid all types of activity that violate the company's interests or have a negative effect on the employee's judgment and integrity.

Interests such as ownership, board membership etc. in competing companies or companies with significant business relationships to AH Industries, must be approved by AH Industries Chairman of Board of Directors and Executive Board.

Agreements, including recruitment, purchase of goods and services, is always to be performed with transparency and in the best interest of the company. Consideration must be given to avoid agreements, that are based solely on and in favour of close related parties and/or relatives. Transparency and approval of nearest manager and/or Group Management is obligatory in such agreements.

AH Industries does not take a political stand and we do not support political campaigns or other political purposes.

7 Confidentiality

AH Industries protects confidential business information about our goods and data. Confidentiality is maintained both during a person's employment and after they have left the company. We respect the intellectual property rights and confidential information of others.

8 Breach and sanctions

Any breach of the Code of Conduct may result in disciplinary actions, including dismissal. Should a breach of the Code of Conduct involve an infringement of the law, it may result in court proceedings.

The safety of our employees is not something that is open to discussion. Under no circumstances may any of our employees be exposed to personal danger and in that regard, a breach of the Code of Conduct may be acceptable in an emergency situation.

The Code of Conduct is published in English and translated to Danish and Chinese. In case of inconsistency, the English version takes precedence.

Responsibility:

The head of Corporate Management is overall responsible for training and implementation, including compliance between daily operations and this procedure.

Archive:

N/A

Retention time:

0 years.

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Approved by: BOARD

Date 26-04-2017

Page 5 of 6

Corporate -CMA(Corporate Management)

CMA.00.41 Version : 7.0

References

ISO9001: 5.5.1

ISO14001 : N/A

OHSAS18001: N/A

Internal references:

None.