

Würth Industri Danmark A/S

CODE OF CONDUCT

Würth Industri Danmark A/S and our commitment to a sustainable development - *With heart* and mind.

Demonstrating prudence, acting consciously and gaining insight.

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FOREWORD

DEAR READERS,

Can you measure success only based on a company's profit? Is it only our financial resources which ultimately decide our market competitiveness? Can we completely ignore environmental and social aspects?

Absolutely not!

Global issues such as climate change, the scarcity of natural resources, ever shorter economic cycles, the increase of global population and demographic change have an impact on markets and patterns of demand, presenting new challenges for business activities. As a customer, supplier, employee, interested member of the public or partner, you expect us to provide definite measures and responses. And rightly so.

We believe...

SUSTAINABILITY

Is for us a strategic success factor giving us a significant competitive advantage and is the

BASIS OF ALL OUR BUSINESS RELATIONSHIPS.

As pioneers in the areas of sustainability and C-Parts management, we wish to continue successfully shaping our business relationships and combine this with long-term future perspectives.

Sustainable, conscious action by all employees and high standards regarding the careful use of all resources in accordance with a company's economic objectives are no fad or trend, they rather form the basis of our daily activity and decision-making. An elementary aspect of this is that we continue to develop our activities, standards and guidelines to suit the changing conditions.

RESPONSIBILITY

Responsibility already starts before the goods arrive at our warehouse directly in collaboration with our manufacturers during the procurement process. The basis for this is our

CODE OF CONDUCT,

a binding code of conduct for all employees and business partners.

We attach great importance to responsible business conduct throughout the entire supply chain and cooperation based on mutual trust with you, as our customers, suppliers, dealers, contractors and other suppliers of goods and services all over the world. We expect compliance with and observance of valid laws and regulations as well as the conditions of our Code of Conduct.

All these guidelines have to be seen under the context of Würth Industri Danmark complying with the principles of the United Nations' Global Compact.

The Code of Conduct sets out the conditions we impose on our business partnerships at Würth Industri Danmark and how you can help implement the Code of Conduct.

You can find our valid Code of Conduct and more at www.wuerthindustri.dk

Annelie Andreasson
CEO

Christian Kjær Madsen
CFO

Niels Toftgaard
Sales & Market Director

OUR CODE OF CONDUCT

PREAMBLE

Würth Industri Danmark A/S (hereinafter referred to as "WIDK") attaches great importance to responsible business conduct throughout the entire supply chain and cooperation based on mutual trust with our suppliers, advisers, brokers, commercial agents, distributors, contractors, agents and other suppliers of goods and services to WIDK all over the world (hereinafter referred to as "business partners").

WIDK believes that respecting basic social, economic and environmental principles forms the basis of any responsible and sustainable corporate action. As such, WIDK expects its business partners to comply with legal provisions on working conditions, health, environmental protection, fighting corruption and safety at the workplace and to make their employees and sub-contractors familiar with the content of this Code of Conduct and with comprehensible formulations.

WIDK expects its business partners – as we expect of ourselves – to comply with the conditions set out below.

WIDK also expects of the signatory companies, that every company in the value chain stands by the WIDK Code of Conduct in equal measure. The signatory company is accountable for this and shall provide evidence to WIDK at our request.

A serious violation of the principles contained in this Code of Conduct will generally be considered a breach of a fundamental contractual obligation.

COMPLYING WITH LAWS AND REGULATIONS, TAKING INTO ACCOUNT CULTURAL VALUES

Behaving in compliance with the law is our highest priority. We act prudently and responsibly in accordance with the laws, guidelines and accepted behavioural codes of the cultures and countries in which the signatory business partners operate worldwide.

We expect compliance with and observance of valid laws and regulations. Naturally, this obligation applies to applicable guidelines as well as recognised operational rules of the cultures and countries around the world in which the signatory business partners and WIDK operate.

WIDK expects its business partners – as we expect of ourselves – to set up and maintain a monitoring system to ensure compliance with these laws, rules and regulations.

RESPECT FOR HUMAN DIGNITY

In business, as in the state and society, we see the dignity of human beings as the top priority and treat employees equally regardless of their gender, religion, background, education or age.

NON-DISCRIMINATION

It is WIDK policy by conviction to recruit people with different backgrounds and experiences. As such, WIDK expects of our business partners – as we expect of ourselves – to prevent or eliminate discrimination in recruitment, employment or access to training opportunities on the basis of race, skin colour, pregnancy, religion, gender, sexual orientation, age, physical or mental disability, state of health, political persuasion, nationality, social or ethnic origin, trade union membership or material status.

HEALTH AND SAFETY

WIDK expects its business partners – as we expect of ourselves – to ensure a safe and healthy work environment. This includes in particular, appropriate sanitary conditions and health and safety policies and procedures.

We expect that suitable protective equipment is provided to all employees free of charge. Safety-related information on dangerous substances must be provided to employees if there is a legitimate need. In case of fire or other emergency, there must be adequate and clearly marked emergency exits. Escape routes must be visible and clearly described, free from obstruction and signposted. Fire alarms and fire extinguishers should be installed on each floor. All applicable laws on occupational health and safety, hygiene, fire safety and risk protection must be complied with and regularly trained. All necessary permits, licences and registrations must be complied with, maintained and up-to-date.

Strict compliance with the safety regulations is a prerequisite. Any violations must be resolved immediately.

WORKING HOURS

WIDK expects its business partners – as we expect of ourselves – not to exceed the statutory maximum working hours. The working week including overtime must not exceed 60 hours, with the exception of emergencies and exceptional circumstances. The workforce is entitled to one non-working day in a seven-day week, as well as appropriate annual leave.

REMUNERATION

WIDK expects its business partners – as we expect of ourselves – to pay equitable remuneration to employees or to compensate for compulsory overtime in accordance with the statutory provisions. In particular, this includes compliance with the statutory provisions on the minimum wage. Wages must be paid regularly and in legal tender. Deductions from wages as a disciplinary measure are not allowed.

PROHIBITION OF CHILD LABOUR

WIDK does not tolerate child labour or any exploitation of children or young people. The term “child” refers to any person under the age of 15 years (or 13 years, depending on local law) or school-age persons or those who have not yet reached the minimum employment age applicable in that country. The highest age limit applies. We encourage approved training programmes that comply with all laws and regulations. Workers under the age of 18 years may not perform any work that may endanger the health and safety of young workers.

WIDK expects its business partners – as we expect of ourselves – to comply with the prohibition of child labour.

REJECTION OF FORCED LABOUR

All forms of forced labour are rejected by WIDK. WIDK expects of its business partners – as we expect of ourselves – that no staffmember may be directly or indirectly compelled to work by means of violence or intimidation.

TRADE UNIONS / EMPLOYEE REPRESENTATIVES

WIDK expects its business partners – as we expect of ourselves – to respect the right of workers to freedom of association, freedom of assembly and collective negotiations, as far as this is legally permissible and possible in that country.

OUR CODE OF CONDUCT

ENVIRONMENTAL PROTECTION

We are committed to an integrated approach to environmental protection and the responsible use of natural resources. For us, environmental protection includes measures that serve to prevent pollution damage on the natural environment. This includes knowing, documenting and observing legal requirements, the proper disposal of waste, sustainable land use, logistics and customer solutions and the increasing use of digital media, among other things.

We expect that the resources of energy, water and raw materials are used sparingly and efficiently. The use of renewable raw materials and the development of environmentally-friendly packaging should be supported by every individual. As a result, WIDK expects its business partners – as we expect of ourselves – to comply with the environmental protection regulations and standards that apply to their operations at each location, and to minimise their environmental pollution. WIDK and the signatory companies shall use natural resources responsibly and in accordance with the principles of the Rio Declaration.

ENVIRONMENTAL PERMITS AND REPORTING

WIDK expects its business partners – as we expect of ourselves – to obtain and maintain all the required environmental permits, approvals and registrations. All notification and reporting requirements must be followed. There should also be a written procedure to notify the authorities or governing bodies in case of accidental leaks or release of dangerous substances into the environment or in the event of an environmental disaster.

DANGEROUS SUBSTANCES

WIDK expects its business partners – as we expect of ourselves – to identify and use chemicals or other materials that are at risk of spilling into the environment in such a way that their handling, transport, storage, use, recycling, reuse and waste management are entirely safe.

AVOIDING POLLUTION AND REDUCING THE USE OF RESOURCES

Any form of waste, including water and energy, must be avoided or reduced; either directly at the action site or by procedures and measures, such as adapting production and maintenance processes or internal processes, using alternative materials, saving resources, recycling and reusing materials.

WASTEWATER AND SOLID WASTE

WIDK expects its business partners – as we expect of ourselves – to standardise, inspect and monitor wastewater and solid waste from operations, production processes and sanitary systems before their introduction or disposal and to make sure they undergo the correct treatment.

AIR EMISSIONS

WIDK expects its business partners – as we expect of ourselves – to standardise, inspect and monitor emissions of volatile organic chemicals, aerosols, corrosive materials, particles, anti-ozone layer chemicals or by-products resulting from combustion and to make sure they undergo the correct treatment.

RESTRICTIONS ON PRODUCT INGREDIENTS

WIDK expects of its business partners – as we expect of ourselves – that all applicable laws, regulations and customer requirements are respected with regard to the prohibition or restriction of specific substances. This includes the labelling requirement for recycling and disposal.

SOCIAL COMMITMENT

Entrepreneurial action means future-oriented action. As a family business, the Würth Group and, with it, the Board of WIDK, have always stood by this principle.

We are dedicated not only to the areas of customer service, employees, environment and along the supply chain, but also to an integral approach to our fellow human beings. Active promotion of non-profit, social organisations and support of numerous projects in arts and culture, research and science, training and education are particularly close to our hearts.

WIDK expects its business partners – as we expect of ourselves – to contribute to the social and economic development of the country and the region in which operations take place and to promote voluntary activities by its employees.

DATA PROTECTION

Digital media, social networks and blogs are increasingly gaining in importance. Due to the diverse number of communication channels that we use for customer support on a daily basis, our customer database containing contact details is a crucial foundation for optimum customer support. We abide by the corresponding the General Data Protection Regulation (GDPR) and our own data protection officer for compliance and implementation has been appointed.

Personal data is any data by the means of which our customers and business partners can personally be identified. One way of collecting this data is by receiving the data that customers and business partners provide to us. They have the right to inquire about the origin, recipient and purpose of their personal data stored with us. Furthermore, they have the right to demand the rectification, blocking and erasure of this data. You will find detailed information about the topic of data protection in our Privacy Statement at www.wuerthindustri.dk

SECRECY

The factor of security is not just an elementary component of customer support and processing. It is firmly anchored in our corporate philosophy at the core of every transaction with all stakeholders and with the values of trust, dependability, honesty and directness both internally and externally. As such, the confidential handling of sensitive information and data internally and externally is a matter of course.

WIDK expects its business partners – as we expect of ourselves – to protect the personal data of all customers and employees and to observe the national and international data protection rules. WIDK expects its business partners – as we expect of ourselves – to protect personal data from access and illegal use by unauthorised persons.

WIDK expects its employees and business partners to keep all sensitive information as well as operating and business secrets confidential.



OUR CODE OF CONDUCT

COMPETITION AND ANTITRUST PROVISIONS

We have derived valid codes of conduct for all employees from our corporate and management values. These apply as binding regulations across all divisions and departments when dealing with one another and with all stakeholders. All these guidelines have to be seen under the context of Würth Industri Danmark complying with the principles of the United Nations' Global Compact.

ANTITRUST LAW

Our business partners –like WIDK itself– commit themselves to fair competition. Competition-protective laws, in particular the antitrust law and other competitionregulating legislation must be adhered to without exception.

Illegal agreements on prices or other terms, sales territories or customers, as well as a misuse of market power, boycotting (e.g. refusing to deliver to a customer) contravene WIDK policies.

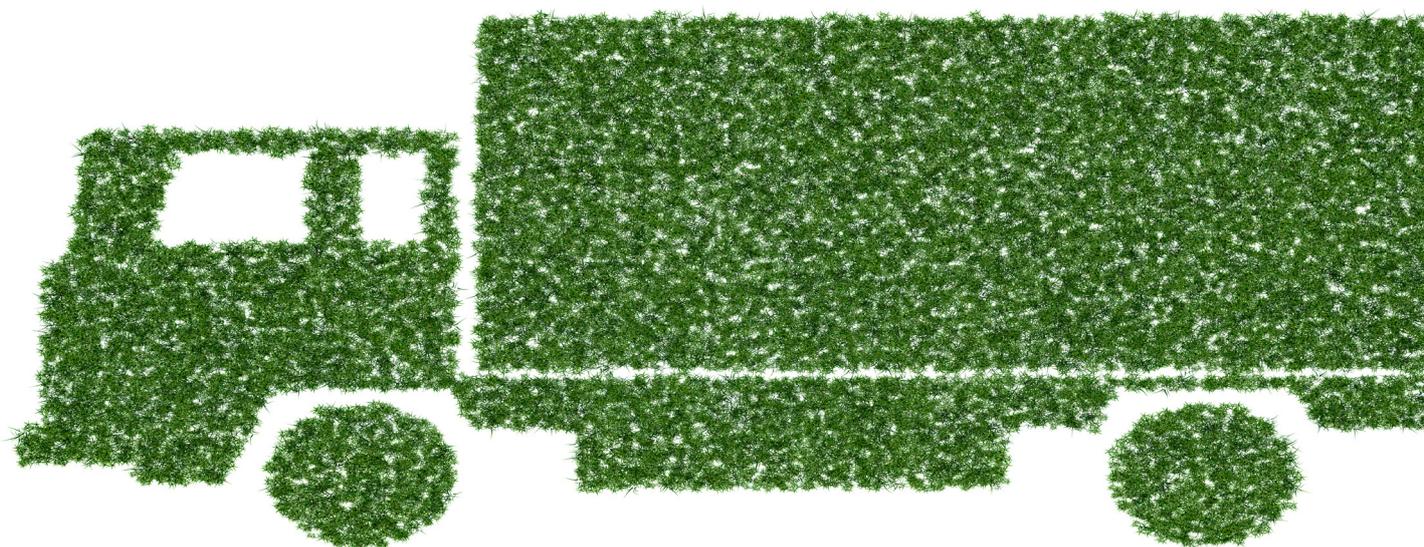
CORRUPTION, BRIBERY AND EXTORTION

WIDK does not tolerate any form of corruption, bribery, extortion or any other illegal granting of advantages.

Business partners – like WIDK itself – must ensure that no personal subjections or obligations to customers, suppliers or business partners arise through bribes, back-handers, kickback payments or other illegal payments.

Gifts or invitations may not be accepted or given if they could reasonably be assumed to influence business decisions.

Agreements or collateral arrangements to agreements based on the exploitation or favouring of individuals during the negotiation, procurement, delivery, settlement or payment of orders are not permitted. Any employee who allows themselves to be unfairly influenced by customers or suppliers or tries to unfairly influence them, shall be held accountable by way of disciplinary process – regardless of criminal consequences. Attempts by suppliers or customers to unfairly influence WIDK employees in their decision-making, must be reported to the relevant head of department. It is not allowed to offer, give or receive trips or other invitations that have no legitimate business purpose and/or could be interpreted as bribery, including if the destination in question has no connection to a business site.



RESPONSIBLE RAW MATERIAL PROCUREMENT

The Würth Group and WIDK purchase goods around the world and are therefore situated in an international procurement environment. Compliance with social and environmental standards is regulated by law in most of our sourcing countries and violations are punished by the state. However, violations of human rights and employment laws cannot be excluded with certainty in some sourcing countries. Our binding Code of Conduct and quality audits are intended to prevent these kinds of risks. Our technical supplier evaluation defines standards applied to our global supplier pool regarding technical quality and social compliance.

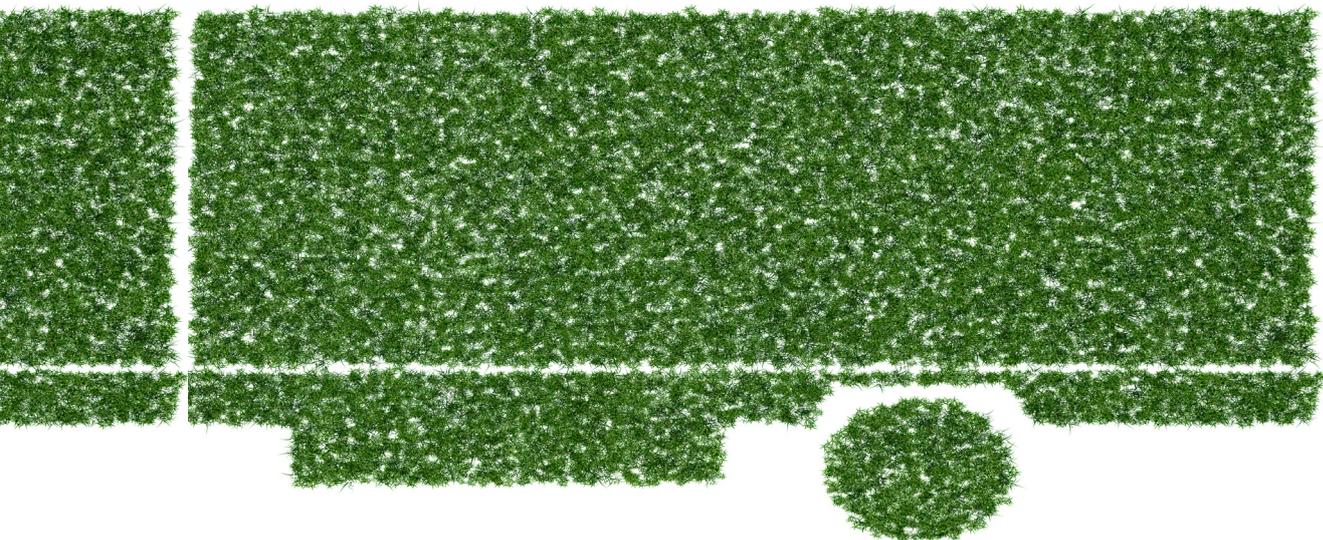
The supplier must devise measures to ensure that, to the best of their knowledge and belief, the tantalum, tin, tungsten, cassiterite, coltan and gold used in the products they manufacture do not directly or indirectly finance or support armed groups committing serious human rights violations in crisis regions, as per section 1502 of the Dodd-Frank Act. All parties should exercise due diligence in terms of the origin and chain of custody of these minerals and disclose these diligence measures to their customers on request.

IMPORT AND EXPORT REGULATIONS

Our role within the supply chain as an integrated C-Parts partner for supply concepts puts us at the forefront of transport logistics. The combination of economy, ecology and social responsibility is a task that we set ourselves and optimise every day, particularly in this field. Our approach is to be a complete C-Parts partner to allow the greatest possible supplier consolidation. This reduces goods flows considerably as the items are pooled and transported from one source, instead of many freight-intensive small deliveries arriving in the usual way.

We strictly adhere to the applicable import and export control laws during the transportation and shipment of goods.

Our business partners – like WIDK itself – must adhere to all applicable import and export control laws, especially all sanctions, embargoes and other laws, regulations, government directives and policies concerning the transportation or shipment of goods and technologies.



COMMUNICATION AND ACCOUNTABILITY / CONSEQUENCES

COMMUNICATION AND ACCOUNTABILITY

We understand the principles and requirements of our Code of Conduct to be standard for all our customers, suppliers and business partners, but also for ourselves. This is the basis of our mutual cooperation.

The business partners of WIDK shall communicate openly to employees, customers, suppliers, subcontractors and other interest groups and stakeholders about the requirements of this Code of Conduct and its implementation.

All documents and materials are dutifully created, properly stored and not unfairly changed or destroyed. The signatory company shall disclose to WIDK on request all the information required for the purpose of checking compliance with this Code and inform WIDK independently of anything that does not comply with the provisions of the Code.

WIDK reserves the right to make unannounced checks, with our assessor being granted access to all the relevant areas.

WIDK also reserves the right to have their business partners' compliance with this Code of Conduct investigated by a specialist independent organisation. WIS is obliged to share the results of these audits with their business partners. All employees must be given the opportunity to anonymously report inappropriate behaviour. WIDK intends to enforce its Code of Conduct for an indefinite period, but reserves the right to modify or terminate this Code of Conduct at any time and in any way with or without giving reasons.

CONSEQUENCES

WIDK will not immediately terminate a business relationship on the grounds of a breach of the Code of Conduct, if the partner shows willing to improve the situation as agreed by the parties. In the event of a repeat of offence, however, and if we see no satisfactory improvement in the situation, WIDK has the right to end the business relationship by extraordinary notice of termination.



TRANSPARENCY

This Code of Conduct is considered binding and employees can access it at any time online on the internal platform. We also hand it out to all new employees and trainees during their induction as part of our company agreements, for purposes of information and binding compliance.

Our customers, suppliers and business partners can access this Code of Conduct online at any time at www.wuerthindustri.dk or can have it sent on request by contacting the relevant inside or outside sales representative.



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You can find our Code of Conduct on our website at www.wuerthindustri.dk