



LARS LARSEN GROUP

EMPLOYEE CODE OF CONDUCT

Version 5



LARS LARSEN GROUP

EMPLOYEE CODE OF CONDUCT

Dear all,

Lars Larsen Group is owned by the Brunsborg family, descendants of Lars Larsen, who founded JYSK in 1979. We are active within a broad range of business areas as majority owner and investor.

The way we do business in Lars Larsen Group is anchored with, and driven by the family values; Tradesmanship, responsibility and growth.

With the family values as our framework, we continuously strive towards long term, successful development of Lars Larsen Group, while at the same time leaving a significant positive imprint on society.

Our most significant impact, in a sustainability context, is based on our role as majority owner and through our investment activities. Investments are made responsibly with the purpose to support a more sustainable development. As majority owner, we set forth requirements to the companies within Lars Larsen Group and impact is realised primarily by the performance of these companies.

Lars Larsen Group operates globally and is represented in many different countries and across different cultures, traditions, local laws and legislation. On behalf of Lars Larsen Group, we will do our utmost to continuously perform business with integrity.

Jesper Lund
President and CEO
Lars Larsen Group



Table of Contents

| | |
|--|----|
| Introduction to the Code of Conduct | 4 |
| scope..... | 4 |
| Compliance with Legislation and Regulations..... | 5 |
| Respect for Confidential Information..... | 5 |
| Human Rights | 5 |
| Anti-Corruption and Bribery..... | 7 |
| Environment and Climate..... | 9 |
| Social and Employee Terms..... | 9 |
| Reporting Non-Compliance | 10 |
| Special circumstances..... | 10 |



INTRODUCTION TO THE CODE OF CONDUCT

We support the UN Global Compact and aim to align our business activities with universal principles, including OECD Guidelines for Multinational Enterprises (OECD), on Human Rights, Labour Rights, Environment and Anti-Corruption.

Companies, ultimately owned by Lars Larsen Group, can choose to directly adopt the Code of Conduct as presented here or to adopt their own Code of Conduct, and included policies, which adheres to the same principles as a minimum. The designation Code of Conduct refers hereinafter to one of these two alternatives.

The CEO of companies, within Lars Larsen Group, is responsible for implementation of the Code of Conduct, policies as well as related company sub-policies and procedures.

Managers, in companies owned by Lars Larsen Group, have a special responsibility and should lead by example. Managers are advised to go through the Code of Conduct with employees to ensure that all parties concerned are aware of the guidelines and what they mean in relevant contexts.

This Code of Conduct is published together with a Guide¹ that instructs on implementation requirements. The Guide sets a shared minimum-level across Lars Larsen Group. Companies within the group are encouraged to strive for a higher ambition level.

Lars Larsen Group Employee Code of Conduct communicates, amongst other, our group policies².

- Human Rights
- Anti-Corruption and Bribery
- Environment and Climate
- Social and Employee Terms

SCOPE

This Code of Conduct communicates requirements for all employees within Lars Larsen Group as well as business partners doing business on behalf of Lars Larsen Group, hereinafter referred to as employees³. If a company within Lars Larsen Group participates in joint ventures as a non-controlling shareholder, the Code of Conduct should be introduced to the other parties, with the intention to commit the other shareholders to adopt the Code of Conduct or a similar policy. Requirements towards suppliers⁴ are communicated via a Supplier Code of Conduct⁵.

¹ The Guide is published internally in the form of an internal work document.

² Cf. Danish Financial Statements Act §99a.

³ Employees, Board members, and business partners in companies where Lars Larsen is majority owner.

⁴ Primarily first tier suppliers.

⁵ Companies, who have not yet implemented a Supplier Code of Conduct, will communicate supplier requirements in standard supplier contracts.



COMPLIANCE WITH LEGISLATION AND REGULATIONS

In addition to this Code of Conduct, all employees within Lars Larsen Group must comply with the laws and regulations of the legal system in which they are operating. Employees are responsible for knowing the laws, guidelines, and regulations relevant for their working duties.

Where a local legislation sets higher standards than those set out in the Code of Conduct, the local law takes precedence.

PRODUCT SAFETY

Products sold through Lars Larsen Group must comply with laws and regulations relating to product safety, relevant for the respective company.

RESPECT FOR CONFIDENTIAL INFORMATION

Employees within Lars Larsen Group may not spread or abuse confidential information. This principle may be waived if specific permission has been given by the immediate manager. Examples of confidential information include, but is not limited to, non-public information about financial position, strategies, business transactions, business plans, and business processes. Detailed information and instruction are communicated in the Lars Larsen Group Communications Policy.

HUMAN RIGHTS

This chapter of our Code of Conduct communicates our policy on Human Rights Cf. §99a of the Danish Financial Statements Act.

Lars Larsen Group respect Human Rights as described in the UN International Bill of Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. We accept the responsibility we have towards our employees and the communities in which we operate, and we expect the same of suppliers.

We comply with the laws and regulations that apply in the countries in which we operate, and we do our utmost to integrate and work in compliance with the UN Guiding principles on Business and Human Rights.

Companies within Lars Larsen Group are responsible for working with human rights due diligence to regularly identify, prevent or mitigate potential adverse impacts, and provide for access to remedy for actual adverse impacts. Due diligence should be appropriate to the company's size, the nature and context of operations and the severity of the risks of adverse human rights impacts.



LABOUR RIGHTS

We offer our employees fair and reasonable working conditions.

- Our employees are our most important resource and employment must be based on compliance with relevant legislation as well as mutual respect and trust.
- Our employees shall be offered a safe and healthy work environment, which we continuously seek to improve.
- The conditions of employment offered to employees must meet the minimum requirements in national law and/or collective agreements as well as relevant ILO conventions.
- We make every effort to pay fair salaries and remuneration in accordance with relevant norms in the locations in which the Group is present.

We reject child labour and forced labour.

- We do not accept child labour and will follow guidelines by the International Labour Organization (ILO), to contribute to the abolition of child labour.
- We do not accept forced labour, slave labour or other forms of compulsory labour.

We respect our employees' right to be organised.

- Our employees are entitled to freedom of association and to establish or join trade unions and we respect the rights of our employees and their trade unions to collective bargaining.

RESPECT AND NON-DISCRIMINATION

We are a non-discriminatory workplace.

- We offer all individuals equal opportunities regardless of skin colour, gender, nationality, religion, ethnicity, or other distinguishing characteristics.
- We make active efforts to achieve a corporate culture and workplace free from discrimination and harassment of any kind.

PERSONAL INFORMATION

We respect individual personal information that the company can obtain or use in information processing. Personal data is handled in accordance with applicable laws and regulations.



ANTI-CORRUPTION AND BRIBERY

This chapter of our Code of Conduct communicates our policy on Anti-Corruption and Bribery Cf. §99a of the Danish Financial Statements Act.

The policy requires compliance with all applicable laws and regulations relating to corruption and bribery, including, but not limited to, the UK Bribery Act 2010 and the U.S. Foreign Corrupt Practices Act (FCPA).

The purpose of this policy is to outline compliance requirements relating to Anti-Corruption and Bribery, to reinforce our commitment to conduct business with integrity.

All employees, representatives, and third parties doing business on behalf of Lars Larsen Group, are expected to demonstrate honesty and integrity in dealing with other employees, customers, suppliers, business partners, organisations, and authorities.

Lars Larsen Group has zero tolerance for all forms of corruption and makes active efforts to ensure that this does not occur within the group.

The term corruption refers to abuse of a position of trust for personal or the company's gain.

Companies within Lars Larsen Group are responsible for working with Anti-Corruption due diligence, to ensure sufficient analysis of the risk of corruption, and implementation of adequate Anti-Corruption initiatives to identify, prevent or mitigate their potential adverse impacts in relation to corruption.

Furthermore, companies within Lars Larsen Group are responsible for preparing company-appropriate guidelines for employees concerning travel, business hospitality and gifts. Such guidelines must be detailed and provide adequate guidance for employees to make responsible decisions.

BRIBERY

It is forbidden to, directly or indirectly, offer, promise or give as well as request, accept or receive a bribe.

A bribe is a payment, a gift or other advantage that intend to influence another person, as part of his or her employment or duties, to show improper advantage to the giver.

Employees within Lars Larsen Group may, for example, not offer, give, receive or request gifts, services, entertainment or other rewards that:

- Violate accepted business practice and norms.
- Have an unreasonable value.
- Violate existing laws and/or go beyond local custom.
- Are offered to people employed in the public sector in conjunction with decision-making and/or the exercise of authority.
- Are likely to improperly influence the recipient in the exercise of their professional duties or in another manner risk distressing the company or the employee in the event they become public knowledge.



This does not prevent employees within Lars Larsen Group from receiving or offering rewards designed to retain and promote good business relationships with customers and other business partners. This subject to the condition that such rewards are modest, openly offered and accepted, and otherwise compliant with this Code of Conduct.

FACILITATION PAYMENTS

Lars Larsen Group does not allow the use of facilitation payments.

A facilitation payment is often called a grease payment. It is a payment, gift or other benefit intended to secure expedite an action to which the payer is already entitled.

FRAUD

Fraud is an economic crime, which includes some form of deception or forgery. Employees within Lars Larsen Group should never compromise honesty and integrity by committing fraud. The term fraud refers to misuse of company resources, when intentionally concealing, altering, falsifying, or omitting information for own benefit or the benefit of others.

CONFLICT OF INTEREST

Employees within Lars Larsen Group work in the best interest of the company. Employees within Lars Larsen Group must avoid all acts that might be perceived as favoring a company, organisation, individual or other stakeholders at the expense of Lars Larsen Group. Employees must avoid all types of activity that violate the company's interests or have a negative effect on the employee's judgement and integrity.

MONEY LAUNDERING

Companies within Lars Larsen Group are obligated to have adequate due diligence processes in place to prevent actions related to money laundering. Financial transactions and activities must always be compliant with legislation and performed with transparency.

FAIR COMPETITION

Lars Larsen Group supports the importance of free competition and will perform our business activities lawfully and fairly in every market and country where we operate. Employees within Lars Larsen Group must comply with all relevant legislation regarding competition and refrain from concluding unlawful anti-competitive agreements as well as exchanging unlawful price and/or market information with competitors.



NON-COMPLIANCE

If an employee has questions relating to practical situations (e.g. giving or receiving gifts/rewards or conflict of interest) the immediate manager should be consulted in the first instance.

Confirmed non-compliance with our policy on Anti-Corruption and Bribery, by employees, or business partners can lead to dismissal, end of contract as well as court proceedings if the non-compliance involves infringement of law.

ENVIRONMENT AND CLIMATE

This chapter of our Code of Conduct communicates our policy on Environment and Climate Cf. §99a of the Danish Financial Statements Act.

The purpose of this policy is to outline our effort to reduce the negative environmental and climate impact of our business activities. It is our belief, that consistent and long-term environmental work creates both environmental benefit and value for our company.

We work with environment and climate considerations as a central part of decision making and business activities.

Environment and climate considerations are integrated with the management and operations of the companies within Lars Larsen Group where we strive to reduce the negative impact of business activities.

Our Environment and Climate policy is supported by initiatives defined within the individual companies, including company specific actions to map and reduce CO2 emissions.

Companies within Lars Larsen Group are responsible for working with environmental due diligence, to regularly identify, prevent or mitigate potential adverse impacts and inform the appropriate authorities of such significant impacts should they occur.

Furthermore, companies within Lars Larsen Group should implement a company-specific Environment and Climate policy, which will address key issues relating to environmental and climate efforts.

SOCIAL AND EMPLOYEE TERMS

This chapter of our Code of Conduct communicates our policy on Social and Employee Terms Cf. §99a of the Danish Financial Statements Act.

Lars Larsen Group aim to provide responsible work conditions and employment terms for all employees within the Group. We follow and comply with legislation, collective agreements as well as ILO conventions.

We seek to attract, develop, and retain qualified and motivated employees in a professional environment.



We perform surveys on employee satisfaction⁶. The results of these studies are followed by a process, where we work attentively to improve identified focus areas, while also maintaining a continued effort within already successful areas.

We perform staff development interviews (also known as e.g. PDP). A structured dialogue between employee and nearest Manager, with the purpose to systematically follow and support the development of the individual employee.

The purpose of this combination of the staff development interview and the employee satisfaction survey is to establish a foundation for continued development, ensuring that companies are performing effectively, leading to improved employee satisfaction and thereby a balanced and effective workplace.

We perform workplace assessment according to national legislation.

Furthermore, Lars Larsen Group⁷ engages with community work through strategic partnerships, donations, sponsor agreements, events or other ways of supporting.

REPORTING NON-COMPLIANCE

If an employee suspects a possible behaviour that deviates from the Code of Conduct, this should be reported to the immediate manager as soon as possible. If such person is involved in the situation of possible non-compliance with the Code of Conduct or otherwise is disqualified, the concern should be reported to the next-highest manager, or otherwise to the CEO of the company. Suspected deviation from the Code of Conduct can also be reported anonymously via a Whistleblowing service. This Whistleblowing service can be accessed via a link at www.larslarsengroup.com

All reports of concern will be taken seriously and investigated if necessary. There shall be no form of retaliation (termination of employment, harassment, discrimination, etc.) for reporting in good faith a concern of violation of the Code of Conduct or participation in the company's investigation of a report.

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

SPECIAL CIRCUMSTANCES

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 the event of an emergency situation. If an employee is involved in an emergency situation, where a breach of the Code of Conduct takes place, the employee is required to report the incident as soon as possible.

⁶ Employee satisfaction survey is obligatory only for companies required to report annually according to the Danish Financial Statements Act §99a

⁷ Community engagement work is obligatory only for companies required to report annually according to the Danish Financial Statements Act §99a

