



DANTHERMGROUP

HUMAN RIGHTS POLICY

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Introduction and purpose

As part of Dantherm Group's (hereafter Dantherm) commitment to sustainability and responsibility, Dantherm recognises the importance of upholding human rights throughout our business operations. We recognise that respecting human rights is fundamental to our core value of being reliable partners. We understand the importance of building and maintaining strong, long-term relationships with our customers, partners, and stakeholders, and that it is essential for sustainable development. At Dantherm, we are dedicated to operating and developing our company in a manner that improves our positive impact on the world.

The purpose of this policy is to outline our commitment to human rights and the principles, actions and targets to which we adhere in order to ensure respect for human rights throughout our business activities, and the expectations that we have for our employees, business partners and stakeholders.

Scope

The scope of this Human Rights Policy covers all sites, brands, and companies and is implemented across all parts of Dantherm, including the management, employees, and contract workers, such as consultants, freelancers, and seasonal workers. The scope applies to all aspects of Dantherm's operations affecting both internal practices and external relationships.

With this policy, Dantherm seeks to align our operation with respect to human rights as described in international standards, conventions and frameworks. These include, but are not limited to, ILO's Declaration on Fundamental Principles and Rights at Work, OECD's Guidelines for Multinational Enterprises on Responsible Business Conduct, and UN's Guiding Principles on Business and Human Rights.

In addition, Dantherm commits to any local law. If there are any contradictions between local laws and international standards, Dantherm follows the one with the highest requirements.

Definitions

This policy states our way of ensuring the protection of human rights in our value chain. The policy lays the foundation for our engagement with our suppliers and the process of sourcing. We define 'sourcing' as the process of identifying and selecting suppliers for specific products and services, and further evaluating, contracting, and interacting with them. By 'suppliers' we refer to all our external suppliers.

In addition, the policy also covers our commitment and actions towards the protection of our customers and end-users, and the local communities in which we operate.

This Human Rights Policy seeks to reinforce our company culture and values and minimise any risk affecting the people in our value chain, including, but not limited to, all workers in the value chain, customers, end-users, and affected local communities.

Dantherm's principles and commitments

The policy sets our ways of working and the principles we apply and to which we are committed in order to manage and respect human and labour rights. The principles follow the Ethical Trading Initiative Base Code:

Employment is freely chosen

- No type of forced labour, including bonded, and involuntary labour or human trafficking is allowed.

Freedom of association and the right to collective bargaining are respected

- Every employee has the right to be a member of a union and participate in collective bargaining.

Working conditions are safe and hygienic

- A safe and hygienic working environment shall be provided, and actions to avoid accidents must be taken.

Child labour shall not be used

- There shall be no recruitment of child labour, and young employees must not work during night-time or in hazardous conditions.

Living wages are paid

- All employees must at least receive a living wage.

Working hours are not excessive

- Working hours must follow national law and collective agreements.

No discrimination is practiced

- Any type of discrimination, including, but not limited to, race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership, or political affiliation, is not tolerated. This is especially regarding, but not limited to, recruitment, wages, access to training, promotions, layoffs, or pension.

Regular employment is provided

- The work performed must be on the basis of recognised employment relationship established through national law and practice.

No harsh or inhumane treatment is allowed

- Physical abuse or discipline, the threat of physical abuse, sexual, or other harassment and verbal abuse, or other forms of intimidation shall be prohibited.

Responsibility in the value chain

At Dantherm, we take responsibility to protect the above stated human and labour rights. We have implemented actions, procedures, guidelines, and targets to minimise any risk of non-compliance.

Responsible sourcing

At Dantherm, we seek to avoid and minimise any negative impact on human and labour rights caused by our activities either directly or indirectly. To do so, we take concrete actions and measures to secure a responsible sourcing process.

Suppliers are obliged to sign our Group Supplier Code of Conduct. The Group Supplier Code of Conduct covers areas of human and labour rights, environmental impact and business ethics, based on UN's Global Compact principles and the UN Guiding Principles. It is Dantherm's objective that suppliers are compliant with the Supplier Code of Conduct. All new suppliers sign the Supplier Code of Conduct or have their own aligned with the same standards and commitments or have more restrictive criteria. Our current target is that min. 92% of our procurement direct spend with existing suppliers is covered by our Supplier Code of Conduct and min. 95% of our procurement direct spend on printed circuit boards (PCBA) and trade goods suppliers is covered by our Supplier Code of Conduct.

When initiating collaboration with any supplier, Dantherm has a supplier approval process where the suppliers are risk assessed based on, but not limited to, the procurement value, location of the supplier and product category. If there are any deviations from human and labour rights or our Supplier Code of Conduct, we always engage in dialogue with our suppliers, as we believe it furthers greater partnership.

As part of our risk assessment, Dantherm has decided not to collaborate with any suppliers or companies in Russia, Belarus or any embargoed countries. Further, we are committed to keep track of the development of other risk areas, and we are continuously assessing whether there is a need to end collaboration with specific countries and/or regions. Our process for responsible sourcing is further described in our Supplier Code of Conduct, our Business Partner Compliance Policy, and our Trade Compliance Manual.

Supplier engagement

At Dantherm, we are committed to have a strong relationship and good communication with our suppliers and visit our key suppliers on a regular basis. SMETA audits are conducted at selected suppliers, and our ambition is to conduct min. 3 SMETA audits each year.

Dantherm is a member of EcoVadis which we use for keeping track of our own and our suppliers' sustainability performance, incl. working conditions and risk assessments. Our 2030 ambition is that 300-500 suppliers are onboarded in EcoVadis.

As part of our membership in EcoVadis our procurement team receives training in risk assessment and human and labour rights every year.

We initiate specific improvement actions for specific suppliers based on their respective EcoVadis assessment.

Consumer safety

Dantherm commits to ensure high product quality. We have clear actions and procedures in place to test our products before they reach the market. Each site has a safety track record of products and pro-actively addresses any issues that may arise.

If a sold product is non-compliant, the whole batch is recalled from the market to secure that the same non-compliance is not present in other products. For every non-compliant product, a report is created based on an analysis of the specific product.

Each year we monitor the number of product recalls and any health and/or safety incidents due to products' non-compliance. The target is always to have zero product recalls and no health and/or safety incidents due to products' non-compliance.

Local community

At Dantherm, we recognise the importance of engaging with the local communities in which we operate to understand and address the human rights impact of our operation. We actively seek to make a positive contribution to the communities where we are present. Specific initiatives are driven by our respective local leaders but implies, e.g., sponsoring of local sports associations and participating in local employment events.

Monitoring and evaluation

Everyone across Dantherm is obliged to follow the Human Rights Policy to ensure protection of human and labour rights across our value chain. We monitor and evaluate our performance on supplier engagement and performance annually to ensure compliance with our commitments. At each site we have specific procedures in place to collect the needed data and ensure high quality. We follow up on any development that does not align with our ambitions and actions and implement measures to improve.

Training and awareness

To secure awareness and compliance with our Human Rights Policy, and ensure continuous improvement of our impact, all relevant employees receive training. The training includes, but is not limited to, human and labour rights, sustainable procurement, and protection of local communities.

The Human Rights Policy is publicly available on our website.

Dantherm Group, 15 October, 2024.