

Troldtekt A/S

Code of Conduct

For suppliers to Troldtekt A/S
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PART 1: INTRODUCTION

Responsibility is deeply rooted in Trolldtekt's traditions and culture. We produce our acoustic panels from sustainable forestry operations in Denmark and cement produced in Denmark subject to strict environmental requirements and for this reason we have not previously subjected our suppliers to further requirements. But in an ever changing world where globalisation and multiple stakeholders set the agenda for growth, the need has arisen for a formalised code of conduct which our suppliers must observe, enabling us to ensure and document responsibility throughout our supply chain.

Trolldtekt's Code of Conduct is a set of guiding principles governing the partnership between Trolldtekt and our suppliers to ensure that all our product-related purchases are in line with our aim of being a responsible business towards all our stakeholders.

We aim to establish long-term relationships with our suppliers for the mutual benefit of both parties, and when concluding partnership agreements, constructive dialogue is always a key element of this process.

In 2010, Trolldtekt joined the UN Global Compact initiative and thus committed to observe ten principles within the areas of human rights, employee rights, environment and anti-corruption. Trolldtekt encourages all its suppliers to support the UN Global Compact initiative.

Scope of application

Trolldtekt complies with the principles of this Code of Conduct and we require our suppliers to do the same. Our Code of Conduct extends to all staff of our suppliers, regardless of employment status with the individual supplier, i.e. whether permanent, part-time or short-term employees. Trolldtekt's suppliers are furthermore responsible for ensuring that their sub-suppliers do not violate Trolldtekt's Code of Conduct.

Legal compliance

Trolldtekt's suppliers must comply with all applicable national legislation, provisions and industrial standards. This Code of Conduct must be regarded as a minimum standard and must not be used to lower any standards that may have applied prior to this Code of Conduct taking effect.

Publication

Suppliers must ensure that the contents of Trolldtekt's Code of Conduct is communicated to all employees, and that they understand the Code of Conduct.

International standards

This Code of Conduct is based on the general principles of international conventions such as 'The Universal Declaration of Human Rights (1948)', 'The International Covenant on Civil and Political Rights (1966)', 'The International Covenant on Economic, Social and Cultural Rights (1966)' as well as 'The Eight Fundamental ILO Conventions'.

PART 2: CODE OF CONDUCT

Forced labour and freedom of movement

Troldekt's suppliers must not directly or indirectly use forced or bonded labour. Employees have the right to enjoy freedom of movement during the course of their employment, and suppliers must refrain from retaining identity cards, travel documents or other important personal documents from its employees.

Child labour

Troldekt's suppliers must not directly nor indirectly engage in child labour. As a general rule, children must not work before reaching the age of completion of compulsory schooling, and the minimum age for fulltime employment is 15 years (or 14 years where established by national laws in accordance with the ILO developing-country exception). The minimum age for light work/spare time employment that does not interfere with education is 13 years (or 12 years where established by national laws in accordance with the ILO developing-country exception). Employees under 18 years of age must not be involved in hazardous work or work at night regardless of the number of hours worked. For this kind of work, employees must be older than 18 years and suppliers must comply with all local laws and regulations.

Non-discrimination

Troldekt's suppliers must neither directly nor indirectly discriminate on the basis of race, colour, sex, language, religion, political or other opinion, age, nationality, social or ethnic origin, property, birth, sexual orientation, health status, age, disability or other distinguishing characteristics. Hiring, remuneration, training, dismissal, pension or any other employment-related decisions must be based on relevant and objective criteria.

The right to freedom of association and collective bargaining

Troldekt's suppliers must not interfere with employee rights to join unions and participate in collective bargaining. In situations or countries in which the rights regarding freedom of association and collective bargaining are re-

stricted by law, parallel means to freedom of association and collective bargaining must be facilitated for all personnel by the supplier.

Occupational health and safety

Troldekt's suppliers must ensure that their employees are offered a safe and healthy working environment. Suppliers must ensure that adequate health and safety policies and procedures are established and followed.

Conditions of employment and work

Troldekt's suppliers must protect their employees from physical punishment, threats of violence or other forms of mental or physical coercion or abuse. Suppliers must comply with local laws and regulations concerning minimum wage, and employees must always be provided a 'living wage' which enables them to meet their basic needs. In situations where the legal minimum wage does not cover a decent living wage, suppliers must provide their employees with adequate compensation to meet these needs. Wages must be paid in legal tender and not less frequently than on a monthly basis. Disciplinary sanctions in the form of monetary fines or deduction in compensation are not allowed. Employees must be provided with written confirmation of employment terms, if and as required by local laws and regulations, and suppliers must not rely on seasonal, part-time or short-term employment if such employment is solely established to obtain lower wage costs than from permanent employment. Suppliers must offer their employees paid holidays in compliance with applicable legislation, and employees must be entitled to sick leave and parental leave. Women who take maternity leave must not face dismissal or threat of dismissal, and must be offered to return to their former job function at the same rate and benefits. Suppliers must ensure that the work week, including voluntary overtime, does not exceed 60 hours. Employees are entitled to at least one day off per week, and must be given reasonable breaks while working and sufficient rest periods between shifts. Suppliers must respect the privacy rights of their employees and must not pass on private infor-

mation to any third party.

Environmental protection and industrial accidents

Trolldtekt's suppliers must establish and maintain emergency procedures to effectively prevent and address any environmental issues and industrial accidents affecting the surrounding community or having an adverse impact on the environment. Suppliers must strive to minimise any adverse environmental impacts of their activities, products and services by using environment management systems to:

- reduce waste and emissions to air, ground and water;
- handle chemicals in an environmentally safe way;
- handle, store and dispose of hazardous waste in an environmentally safe way;
- contribute to the recycling and reuse of materials and products;
- implement environmentally friendly technologies.

Product safety

Trolldtekt's suppliers must ensure responsibility in product design and testing to prevent products from causing injury during or after their manufacture.

Corruption and bribery

Trolldtekt's suppliers must not directly nor indirectly engage in, offer, accept or benefit from any form of corruption or bribery.

PART 3: IMPLEMENTATION, AUDIT AND EVALUATION

Trolldtekt classifies its suppliers in low, medium and high-risk groups in relation to their strategic importance and the level of risk of the guidelines of this Code of Conduct being violated.

All classified suppliers must sign Trolldtekt's Code of Conduct, and suppliers in the medium-risk group must also complete and hand in a self-evaluation form.

In relation to the high-risk group, Trolldtekt reserves the right to make unannounced audits to inspect suppliers and their facilities to ensure that they observe the Code of Conduct.

Suppliers must keep appropriate records on site to always be able to demonstrate compliance with the requirements of Trolldtekt's Code of Conduct.

If a self-evaluation or an inspection reveals non-compliance with this Code of Conduct, Trolldtekt will enter into constructive dialogue with the supplier in question with a view to improving conditions. If a subsequent audit shows that conditions have not been improved, Trolldtekt reserves the right to terminate the partnership.

Date

Supplier