

VKR GROUP POLICIES

5 March, 2018

Group CSR Policy

This policy describes the approach to be taken in relation to the corporate social responsibility (CSR) of the VKR Group based on the UN Global Compact, which we have signed, and the internationally agreed minimum standards for responsible business conduct – the UN Guiding Principles for Business and Human Rights (UNGP) and the OECD Guidelines for Multinational Enterprises (OECD).

The policy applies to VKR Holding A/S and affiliated companies in which VKR Holding A/S owns or controls, directly or indirectly, more than 50% of the votes or value of outstanding shares (the “VKR Group”).

It is the purpose of the VKR Group to establish a number of model companies, which co-operate in an exemplary manner. A “model company” is a company working with products useful to society, which treats its customers, suppliers, employees of all categories and shareholders better than most other companies.

It is the overall CSR policy of the VKR Group that all VKR Group companies, with the model company objective and the UN Global Compact principles as framework, live up to this CSR commitment, that all VKR Group companies, their employees, and their business relationships, at all times, comply with the UN Guiding Principles for Business and Human Rights and the OECD Guidelines for Multinational Enterprises in relation to the subject matters covered by UN Global Compact’s Ten Principles - and that they contribute to sustainable development in line with their corporate strategy.

At all times, the VKR Group will comply with existing laws and regulations for the jurisdictions in which we operate, and we expect all our business connections to do the same. Specifically, each Business Area in the VKR Group and any business connection of the VKR Group shall:

1. respect human rights
 - i.e. adopt a policy commitment to establish and maintain human rights due diligence, where the companies regularly identify, prevent or mitigate their potential adverse impacts, and provide for access to remedy for actual adverse impacts; at a minimum in relation to the human rights contained in the International Bill of Human Rights, that also contains the rights referenced in the International Labour Organization as reflected in the Declaration on the Fundamental Principles of Rights at Work. It shall be noted that impacts in relation to Modern Slavery and the right to safe and healthy working conditions are included in such due diligence,
2. systematically manage significant adverse environmental impacts
 - i.e. adopt a policy commitment to establish and maintain environmental due diligence, where the companies regularly identify, prevent or mitigate their potential adverse impacts, and inform the appropriate authorities of such significant impacts should they occur according to the OECD, and
3. systematically manage risks for corruption, money laundering and anti-trust practices
 - i.e. adopt a policy commitment to establish and maintain economic due diligence, where the companies regularly identify, prevent or mitigate their potential adverse impacts in relation to corruption, money laundering and anti-trust, and inform the appropriate authorities of such impacts should they occur according to the OECD.

The Group CSR Policy and its relation to other policies

This policy shall be embedded in all other policies (including Group policies) and procedures where relevant, and reference is made to these.

Our expectations to our employees:

We expect all our employees to assist us in meeting our core responsibilities and appreciate involvement in activities related to implementation of this policy. Furthermore, we expect our employees to react or inform their managers, or any other appropriate functions, if they identify any potential adverse impacts in relation to the principles included in the UN Global Compact framework. Procedures and programs, e.g. whistleblower programs, have been set up in this context.

Who is responsible? The Role of the Management of the VKR Group Companies

Compliance in relation to this policy is the responsibility of the management of each company of the VKR Group. Within the overall framework, each business area is responsible for identifying its own specific CSR strategic objectives according to which the individual company shall contribute to sustainable development, adapted to the company's organization, geographical presence and market position.

In VKR Holding and in each Business Area, one or more officers are responsible for implementation and for monitoring the compliance in relation to this policy. The officers shall implement due diligence processes in relation to compliance with this policy, cf. 1-3 above. These elements are part of a continual, ongoing process. The result of the due diligence process can be used to guide the VKR Group's strategy and execution efforts with continuous improvement of our general CSR activities within the framework of the UN Global Compact's Ten Principles.

Other UN goals within this framework, e.g. the Sustainable Development Goals (2015-2030) and the Blueprint for Corporate Sustainability Leadership, can inspire concrete strategic objectives and actions.

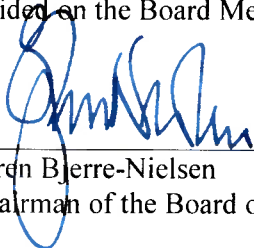
Involvement of VKR Holding

VKR Holding appoints an employee to be contacted by the above officers and the management of the individual VKR Group companies for advice in relation to the requirements of this policy. Whenever necessary, VKR Holding may issue guidelines and instructions to support the implementation of this policy and to ensure that the minimum standard for responsible business conduct is met.

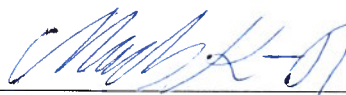
Renewal and Communication of the Group CSR policy

This policy shall be reviewed whenever relevant, and at least every three (3) years. It shall be made public and communicated to employees, business connections, and other relevant stakeholders of the VKR Group.

Decided on the Board Meeting of VKR Holding on 5 March, 2018:



Søren Bjerre-Nielsen
Chairman of the Board of Directors



Mads Kann-Rasmussen
CEO of VKR Holding A/S