

Carlsberg Group Supplier and Licensee Code of Conduct

Introduction

Our commitment

Carlsberg Group is committed to making a positive contribution to society and the environment by developing and implementing ethical business practices and securing a sustainable future. We take pride in being an ethical business, and we expect our suppliers, licensees and distributors (**Supplier(s)**) to share our standards. In doing so, we seek to create value for our shareholders and our broader stakeholders, including our employees and business partners, and the communities in which we operate.

Carlsberg Group supports the United Nations Universal Declaration of Human Rights and is a signatory to the United Nations Global Compact, which means that we follow 10 principles within the important areas of: labour and human rights; health and safety; the environment; and business ethics (including anti-corruption). Further, Carlsberg Group supports vigorous and fair competition and believes in properly protecting the personal data of employees and third parties.

Scope

This Code applies to all Suppliers and as such it is an integral, mandatory part of any agreement between a member of the Carlsberg Group and a Supplier.

Further, this Code extends to all of a Supplier's employees and supply chain. It is the responsibility of Supplier to ensure that its employees, sub-suppliers, sub-contractors or sub-licensees, and other third parties acting on its behalf, do not breach this Code. Carlsberg Group will periodically review the adequacy and continuing effectiveness of this Code and notify Suppliers of any resulting revisions.

Compliance

Supplier must comply with applicable laws and regulations (**Applicable Laws**) This Code sets out the behaviour Carlsberg Group expect its partners to adopt beyond laws and regulations.. Supplier must be able to prove its compliance with this Code and Applicable Laws on request.

Carlsberg Group strives to continuously improve and strongly believes that building long-term, collaborative relationships with Suppliers is crucial for our business. We value honest and open communication and believe that transparency is vital to successful business relationships.

Supplier must, in the event of any non-compliance with this Code: (i) promptly inform the relevant Carlsberg Group top management and/or legal representative; and (ii) remedy such non-compliance in a timely manner. Carlsberg Group reserves the right to audit Supplier's compliance with this Code and Supplier must grant Carlsberg Group the necessary access to property and information.

Carlsberg Group reserves the right to terminate its agreements, or refuse to do business, with any Supplier who fails to comply with this Code, notwithstanding any provision in any such agreement to the contrary and without thereby incurring any liability to Supplier.

1. Labour and human rights

1.1. Non-discrimination

Supplier must not discriminate against employees based on race, colour, gender, language, religion, political or other opinion, caste, national or social origin, property, birth, union affiliation, sexual orientation, age, disability, or any other distinguishing characteristics.

Any employment related decisions, from hiring to termination and retirement, must be based solely on lawful, non-discriminatory criteria.

1.2. Forced labour

Supplier must: (i) not participate in, or benefit from, any form of forced / slave labour or human trafficking; (ii) comply with all Applicable Laws relating to anti-slavery and human trafficking; and (iii) maintain its own policies and procedures to ensure such compliance; (iv) ensure that there is no slavery or human trafficking in its supply chain by implementing due diligence procedures for its sub-contractors, suppliers and other supply chain participants; and (v) notify Carlsberg Group as soon as it becomes aware of any breach, or potential breach, of relevant Applicable Laws or any actual or suspected slavery or human trafficking in a supply chain which has a connection with any agreement with Carlsberg Group.

1.3. Child labour

Supplier must not engage in, or benefit from the use of, child labour. All Supplier's full-time employees must be at least 15 years old, or the minimum age for employment under Applicable Law, whichever is higher. Where the applicable minimum working age is 14 in accordance with the United Nation's exceptions for developing countries, this lower age will apply.

Supplier must not hire employees under the age of 18 for positions that require hazardous work that could jeopardise health, safety or morals.

1.4. Freedom of association and collective bargaining

Supplier must respect the right of employees to join (or not) a labour union, or other organisation of their choice, and to bargain collectively in support of their mutual interests without fear of punitive actions such as intimidation, harassment or termination of employment.

1.5. Harassment

Supplier must protect employees from: any acts of physical, verbal, sexual or psychological harassment; bullying; or abuse or threats in the workplace, by either their fellow employees or their managers.

1.6. Working hours, benefits and wages

Supplier must adhere to the stricter of Applicable Laws or industry standards relating to minimum wages, working hours, overtime and benefits.

Supplier's employees must not be required to work more than 60 hours a week, including overtime, on a regular basis (or more than the limits on regular hours and overtime allowed by Applicable Laws).

Wages for overtime must be paid in legal tender on a regular basis. Supplier's employees must be entitled to at least one day off in seven, and must be given reasonable breaks while working and sufficient rest periods between shifts.

1.7. Paid leave

Supplier must ensure that all employees are entitled to sick leave and annual holiday, as well as parental leave for employees who have to care for a new-born or newly adopted child, as provided by Applicable Laws. Employees who take such leave must not, as a result, face dismissal or threat of dismissal.

1.8. Employee contracts

Supplier must provide all employees with a written, understandable and legally binding labour contract.

2. Health and safety

Supplier must ensure it and its contractors provides its employees with a safe and healthy working environment including rules and procedures to be followed, protective equipment to be used and the training necessary to perform their tasks safely. In addition, Supplier must actively identify and eliminate, or adequately control, any hazards that present a risk to employees (and other persons present on its sites) and to the environment. Supplier must formulate and implement plans that clearly set out adequate measures to safeguard employees and others persons affected by its activities.

2.1. Systems, documentation and accidents

Supplier must, in accordance with Applicable Laws, develop and maintain effective systems for: (i) informing and consulting employees on relevant health and safety matters; and (ii) keeping accurate records of occupational accidents, injuries, illnesses and known exposures to health and safety risks at work.

2.2. Emergency response procedures

Supplier must establish and maintain emergency procedures to effectively respond to all health and safety emergencies and industrial incidents affecting its employees, sites or the surrounding community.

2.3 Health and safety requirements while on Carlsberg Group sites

Supplier and its contractors personnel must strictly follow Carlsberg Group health and safety rules and procedures when visiting or performing work at Carlsberg Group sites.

3. Environmental sustainability

Supplier must comply, and keep up to date, with all current Applicable Laws and other requirements relevant to the environmental impacts of its activities, products and services. Supplier must proactively ensure compliance with environmental regulations through ongoing training of all relevant employees, and effective operational control and monitoring across its business activities. Further, in addition to compliance with Applicable Laws, Supplier must identify, control and proactively manage any industry-specific significant issues such as climate change and water conservation.

3.1. Management of environmental issues

Supplier must strive to prevent any adverse environmental impact from its activities, products or services, and must operate effective systems to minimise, remedy and report any such adverse impact. Supplier must ensure and be able to demonstrate continuous improvement in its overall environmental performance, and must be committed to working with its own suppliers to enhance environmental performance throughout its supply chain.

3.2. Carbon emission management

Supplier must proactively work to understand and reduce its direct and indirect carbon footprint (e.g. CO₂ emissions as defined by the Greenhouse Gas Protocols) throughout its supply chain and define focus areas to reduce its carbon footprint.

3.3. Water and waste management

If Supplier uses significant amounts of water for non-sanitary consumption, it must maintain procedures regulating water intake and consumption, and solutions for water reduction, reuse or recycling. Supplier must pay particular attention to water management in areas where water supplies are at risk.

Waste water generated by Supplier must be properly treated on site or discharged to an authorised external treatment facility.

If Supplier uses special chemicals (other than common chemicals used in households or offices) it must: (i) maintain adequate procedures for the identification, procurement, storage, handling, use, recovery and disposal of such chemical substances, including hazardous materials and (ii) maintain valid Material Safety Data Sheets.

Hazardous waste must not be placed in landfill sites or incinerated on site unless authorised and approved by the applicable authorities. If non-hazardous waste is placed in landfill sites or incinerated on site, Supplier must comply with all Applicable Laws.

Supplier must ensure it complies with Applicable Laws in connection with air emissions (including odorous substances), noise pollution, soil pollution (including risks of historic or current pollution), water intake, discharges to ground and surface water, and waste processing and disposal.

4. Business ethics

4.1. Corruption and bribery

Supplier must comply with all Applicable Laws relating to anti-corruption in connection with its business activities, and in particular, it must not: (i) try to gain an undue advantage by promising, offering or giving anything of value, directly or indirectly, to any public official, business partner or any other third party; or (ii) engage in any other form of corruption, extortion, embezzlement or fraud that seeks to unjustly obtain improper advantages or otherwise influence the outcome of its business dealings. Supplier must ensure that all relevant employees and third parties have knowledge of and comply with Applicable Laws.

4.2. Gifts and entertainment

Supplier must not offer, fund or donate lavish gifts, extravagant entertainment or hospitality to any employees of, or other counterparts in, the Carlsberg Group in an attempt to influence business decisions. Supplier must ensure

that any gifts and entertainment offered to Carlsberg Group employees are transparent and have a justifiable business rationale. In any event, Supplier must not offer any gifts, entertainment, hospitality or travel to Carlsberg Group employees working in the Carlsberg procurement organisation.

4.3. Conflict of interest

Carlsberg Group employees would be exposed to a conflict of interest, if their personal interest may affect their ability to act objectively and in the best interest of the Carlsberg Group. Supplier must not engage in any activity which creates such a conflict of interest or where such a conflict of interest could be reasonably perceived to exist. Supplier shall immediately take measures to stop any such conflict of interest.

5. Competition and fair trade

Supplier must not enter into any agreement (written or oral), or engage in any other forms of activity, which has as its object or effect the prevention or restriction of competition and/or which breaches Applicable Laws relating to competition or fair trade.

6. Data protection

Supplier must comply with all Applicable Laws relating to data protection and the processing of personal data.