

DEAR COLLEAGUES

We all face difficult situations during work, and as individuals, we tend to interpret incidents in different ways. It is not always easy to decide what is the right thing to do. That is why we have supplemented our values with a Code of Conduct.

The Code of Conduct is our way of doing good business responsibly. It builds on our culture and values and directs us to appropriate behaviour. Combined with our values and common sense, the Code of Conduct provides the basis for all of our behaviour.

We want our company to be perceived as honest and trustworthy by our employees, customers, suppliers, business partners and society in general. How you act and conduct business matters. We are all representatives of our brand. Your actions have an impact on STARK Group.

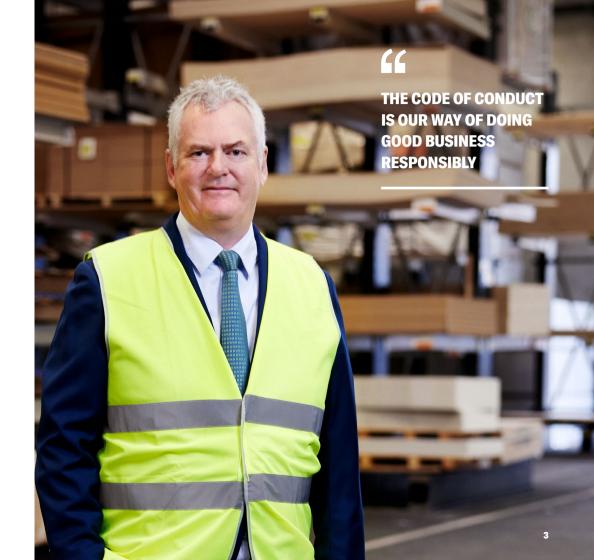
To support our efforts to act ethically and responsibly the Code of Conduct outlines:

- how we act
- how we work together
- how we handle external relations

With your help, I am confident that STARK Group will continue to build trust amongst our colleagues and external stakeholders.

Thank you for joining me in this effort.

Søren P. Olesen CEO, STARK Group



OUR VALUES



DECENCY

We act with decency towards customers, colleagues and partners

In everything we do, we aim to earn trust. Trust requires integrity, and integrity requires decency. As a market leader, the success of our customers is always at the forefront of our daily activities. It is only by being fully committed to our dealings with customers, colleagues and partners, that we earn the right to be the most trusted builders' merchant.



PASSION

We care deeply about people and society

We are driven by people with a passion for our customers and our business. People who go out of their way to help build success for others and for society as a whole. With enquiring minds and easy smiles, we encourage each other to be better every day, and we celebrate our accomplishments together.



PRIDE

We take pride in delivering what we promise

We have come a long way since our beginning in 1896. Today, we are grateful to have earned our position as a market leader. We take pride in delivering on our promises to customers, colleagues and partners every day, and continue our efforts to remain trustworthy as we build our future and welcome new colleagues on board.

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OUR WAY OF DOING BUSINESS

STARK Group companies are built on a solid foundation of integrity and our core values of decency, passion and pride. Every one of us at STARK Group must strive to preserve this foundation by acting accordingly every day.

Integrity is critical for STARK Group. We strive to be seen as honest and trustworthy by all our employees, customers, suppliers, partners and society as a whole. As part of our values, we have the privilege to take responsibility in our daily work life and the power to influence our business.

Some of the decisions we face are difficult and requires us always to use our sound judgement and common sense to act in the right way. By doing so, we live our values, which will impact the image and reputation of the STARK Group companies in a positive manner.

In short, we simply want to do what is right – for ourselves and the STARK Group operations everywhere.

The STARK Group Code of Conduct describes the daily behaviour we expect from every one of our employees to ensure compliance and high ethical standards across companies in STARK Group. The Code addresses how we, as STARK Group employees, relate to each other, customers, partners, suppliers, public authorities, and other organisations.

EVERYONE MUST FOLLOW THE STARK GROUP CODE OF CONDUCT

The Code of Conduct applies to all employees at STARK Group. We expect our business partners, suppliers and contractors to adhere to our Code of Conduct or adopt similar ethical standards. The use of the term Code refers solely to the Code of Conduct that you are now reading.

EXTERNAL STAKEHOLDERS

STARK Group is committed to high standards of corporate governance, transparency and responsibility and does not contribute in any way to parties or political organisations.

BREACH OF THIS CODE

Any breach of this Code may be considered a disciplinary matter and could result in disciplinary action up to and including dismissal. It is therefore of critical importance that you read and understand this Code.

STARK Group Code of Conduct
How we act

WHAT WE EXPECT OF EVERYONE

Many business decisions may involve ethical dilemmas. This Code cannot address every possible situation. It is crucial that employees identify and recognise when they are in a difficult ethical situation and seek assistance as appropriate.

While the principles in this Code are intended to help guide you in the normal course of your work, they are not a substitute for common sense and proper internal consultation.

Comply with the Code and the law

Everyone working for STARK Group is subject to laws in many different jurisdictions. We refer to this set of legal requirements as the law in the Code.

We are all expected to comply with the

law and the Code. In the unlikely event that the Code is perceived to conflict with the law, the law always prevails over the Code.

Each of us must understand the Code and take personal responsibility for complying with the Code as well as the law. Wherever we work in STARK Group, we use our sound judgement and common sense.

If you are in doubt about any of your actions, simply ask yourself the following questions:

- Is it consistent with the Code?
- Is it ethical?
- Is it legal?
- Will it reflect well on me and STARK Group?

If the answer is no to any of these questions, do not continue your actions. Whenever you are uncertain, always ask for guidance.

The Code describes some situations that you will encounter in your daily work, but it cannot address every situation.

If in doubt you should always seek help from one of the below mentioned:

- Your manager
- Our senior manager responsible for your location (e.g. branch, warehouse, office etc.)
- Our risk manager or human resources representative

If you still have serious concerns and feel these need to be addressed urgently and with the strictest confidentiality, post a message to our Speak Up system. You will find full contact details at the last page of this Code.



WHAT WE EXPECT OF LEADERS

STARK Group leaders shall lead by example and promote a culture of common sense and ethical behaviour at all times.

All leaders must ensure that the employees under their leadership understand their responsibilities under the Code.

Leaders at every level must work proactively to keep the STARK Group culture and values a living reality. This is an integral part of the leadership role.

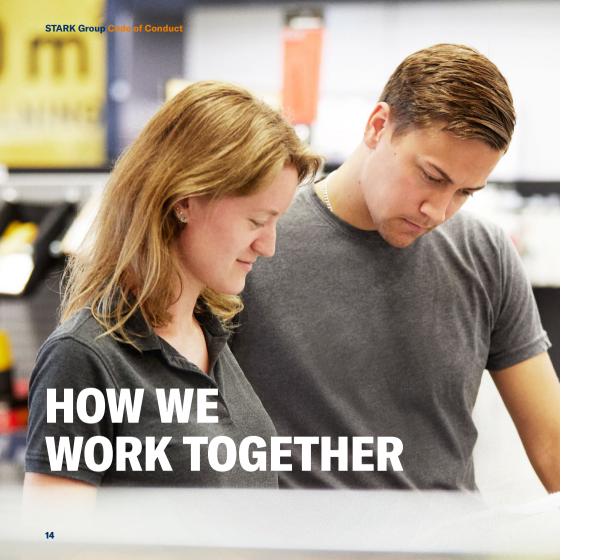
WE WORK TOWARDS SUSTAINABILITY

STARK Group runs efficient and safe operations, and we aim to run efficient operations that minimise waste and energy consumption and reduce our carbon footprint.

We promote sustainable development. We have set challenging targets within key areas of carbon emission, waste, customer advice, Health and Safety, Employee engagement, Gender equality and Products.

We comply with all relevant environmental regulations and provide relevant, sustainable knowledge and advice to our customers. To ensure a relevant assortment of products that continuously meet market expectations and follows product development, we consistently offer a broad range of eco-labelled products.

We encourage all employees to conduct their work with regard to the highest sustainable practices, which covers environmental, social and economic topics.



WE STAND FOR EQUAL OPPORTUNITIES

STARK Group supports the fundamental human rights of all people. We shall never accept any kind of discrimination. Consequently, every employee can expect fair treatment and equal employment opportunities without regard to race, ethnicity, religion, gender, disability or sexual orientation.

We value our employees and their diversity. We will develop our employees and reward them fairly.

STARK Group supports every employee's right to freedom of association and preference within the institutional and recognised employee associations. We respect the rights of employees to join, form or not

to join an employee association of their choice.

STARK Group complies with the employment laws of every country in which it operates.

STARK Group is committed to honouring the terms and conditions of employment of employees and requires all employees to do the same.

We are committed to providing fair pay, benefits and terms and conditions of employment and, where required, to seek agreement for changing these when necessary to meet business objectives.

WE DO NOT TOLERATE HARASSMENT

All STARK Group employees have the right to work in a place that is free from harassment. This includes, but is not limited to, intimidation, discrimination or abuse, sexual, racial or otherwise, as well as acts or threats of physical violence.

STARK Group will treat our people fairly and impartially, without prejudice and never tolerate harassment or bullying in any form. Employees are expected to be open, honest, courteous and to treat each other with dignity.

STARK Group does not tolerate verbal or physical conduct that disrespects or humiliates another person. This, of course, is also the case for visitors, customers, suppliers and everyone else with whom we associate.

WE WORK SOBER TO BE SAFE

STARK Group does not allow alcohol abuse or the use/distribution of illegal drugs on any STARK Group premises.

In STARK Group workplaces, no one may work under the influence of alcohol, illegal drugs or any substance that prevents them from performing the job safely and effectively.



WE PROVIDE SAFE WORKING CONDITIONS

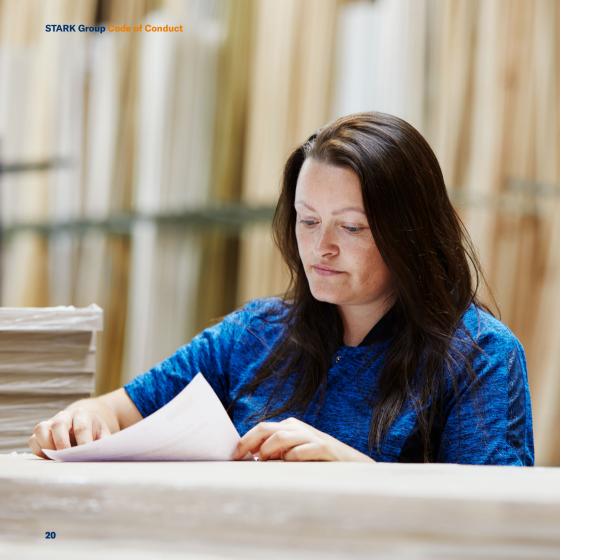
STARK Group is committed to providing a healthy and safe working environment. We follow national health and safety laws and regulations as well as our own health and safety rules and standards.

STARK Group's objective is to create an accident-free workplace, and we are committed to continuous improvement in health and safety performance throughout our operations. We will provide the necessary training and resources to allow for the safe performance of day to day activities.

Every STARK Group employee has an individual responsibility to take active part in creating and maintaining a healthy and safe working environment. STARK Group employees must take the necessary precautions to protect themselves, fellow employees, visitors, customers and people working on STARK Group premises.

To safeguard everyone's health and safety, employees must immediately report accidents and unsafe working practices or conditions to their manager.





WE SAFEGUARD INFORMATION AND RESPECT PRIVACY

STARK Group's trade secrets and other sensitive commercial information must be kept confidential.

Information is an important business asset for STARK Group and provides a competitive advantage. Information must be protected to avoid unwanted disclosure that may harm STARK Group's business operations, the STARK Group's brands or other stakeholders.

STARK Group obviously respects the privacy of employees and others, including suppliers, customers and visitors.

STARK Group employees must safeguard all STARK Group intellectual property and confidential information, including everything from contracts and pricing information, marketing plans, technical specifications and personal information.

All STARK Group employees who handle confidential information must act in accordance with relevant laws as well as STARK Group rules and standards.



WE ALWAYS REPRESENT OUR BRANDS

Employees representing STARK Group on business travel, at meetings, events and on social media are always seen as ambassadors for the STARK Group brands.

As private individuals employees can engage in any political, religious or other activities, as long as they ensure that their views are not perceived as being those of STARK Group.

STARK Group Code of Conduct

How we handle external relations

WE WELCOME COMPETITION

STARK Group's businesses and employees must comply with all competition and anti-trust rules in the countries in which we operate.

We welcome and encourages free and open competition in the market place, and STARK Group's businesses will compete vigorously but fairly and legally.

Each business unit must have a formal process of educating its management on the competition and anti-trust laws that are applicable in their countries with regular reviews to ensure that management teams keep their knowledge up to date.

WE MUST AVOID CONFLICTS OF INTEREST

STARK Group employees must avoid situations where personal interests could conflict, or appear to conflict, with STARK Group interests.

A conflict of interest occurs when the private interests of an individual interferes in any way – or even appears to interfere – with the interests of STARK Group. Conflicts of interest also arise when an employee or immediate family members receive improper personal benefits because of his or her position within STARK Group.

STARK Group employees must always consider the impact of their own personal external relationships on their position

at that of STARK Group. This will help to identify situations that may potentially lead to conflicts of interest and prevent them from happening.

Assessing whether there is a conflict of interest can be difficult. If in doubt, always ask your manager, risk responsible or human resources partner for guidance.

Concealing a conflict of interest might be considered fraudulent.

WE FIGHT CORRUPTION

STARK Group has zero tolerance towards all corruption in any form. We do not permit bribery of any person involved in the Group's business or any customer, supplier or business partner of STARK Group.

We define corruption as the misuse of an official position by STARK Group employee for unofficial and personal enrichment, and/or the enrichment of others, through bribery, fraud or favour. Such conduct is always improper and, in most cases, unlawful.

No one acting on behalf of STARK Group may accept or offer bribes, kickbacks, facilitating payment, fraudulent financial reporting or other corrupt practices when conducting STARK Group business.

All such persons are required to comply strictly with all ethical rules and standards and applicable law.

We expect our business partners to uphold similar principles for fraud risk management.

BRIBE

A bribe is a reward, advantage or benefit made to influence and/or secure an improper advantage. The amount of the bribe offered or paid is irrelevant, and it need not actually be paid.

KICKBACK

A kickback (e.g. the payment or receipt of payment in return for securing a contract) is a form of bribe.

FRAUDULENT FINANCIAL REPORTING

A fraudulent financial reporting is a manipulation of vendor rebates, false sales, delaying or avoiding expenses.

FACILITATING PAYMENT

A facilitating payment is a relatively small payment or gift to an official or government employee made to expedite routine services or administrative actions to which the company would already be entitled. Such payments should not be made in any circumstances.

An example would be a payment to speed up the processing of a permit to do business in a country.

STARK Group Code of Conduct

How we handle external relations

WE NEVER REQUEST IMPROPER GIFTS AND HOSPITALITY

STARK Group employee or family member should never accept or solicit or give (directly or indirectly) any improper gift or hospitality.

Accepting hospitality from, or providing entertainment to, third parties is acceptable if it is reasonably related to a clear business purpose, transparent in the organisation and modest.

It is recognised that the giving and receiving of business gifts is an integral part of the way in which some businesses operate.

For the purposes of this Code, hospitality and gifts can include travel, accommodation, social or sporting events or other benefits received or given in the context of providing or receiving gifts and hospitality.

Every STARK Group business unit should keep a register of gifts and hospitality. If you are in doubt, always ask for guidance and advice.

WE PROTECT OUR ASSETS

STARK Group time and assets are not supposed to be used for the personal benefit of coworkers or the benefit of anyone other than STARK Group's businesses. Circumstances may allow additional personal use of certain STARK Group assets.

Use sound judgement and always check the relevant rules and standards to ensure that STARK Group assets are being used as intended.

Acts that involve theft, fraud or any other misappropriation of assets belonging to STARK Group businesses or any employee is strictly prohibited.



SPEAK UP!

At STARK Group we welcome feedback. We want to ensure a culture where you can speak up and articulate your opinion about the way we work. Our leaders will have an open-door policy, so you have the option to raise questions or concerns.

In all our Business Units, we also have an HR department and a Legal department so if it for any reason does not work to talk to your local management, HR and Legal are ready to listen.

If, for any reason, you are not comfortable speaking with someone within your own business, you can use our Speak Up system. Please go to https://starkgroup. whistleblowernetwork.net or find the link on our homepage, or download our Speak Up app to your smartphone.

The Speak Up system is monitored all year round by our Group HR and Group Legal and all information will be kept strictly confidential.













STARK Group Code of Conduct

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