



H+H Group

DATA ETHICS POLICY

December 2021



Introduction, purpose & scope

Introduction

There is an increasing use in many business areas of new technologies and data science such as profiling and artificial intelligence (AI), and the use is primarily based on the processing of data – often personal data, but also other types of data. A common form of AI is machine learning (ML) where a company develops algorithms that based on input data can make classifications or predictions, uncovering insights that subsequently can drive decision making within applications or by human decision makers.

The actual or potential use of new technologies makes it relevant to establish principles for the application of new technologies and processes on company data and data provided by customers, employees, suppliers, and other stakeholders to ensure responsible use of the data.

Data ethics in this Policy means the dilemmas that occur when balancing the advantages of using technologies and data science for processing data vs the negative impact such use of data can have on the basic rights and interests of natural persons and society as a whole.

It should be noted that H+H does not currently carry out data processing using AI such as ML as a natural part of the business. A few uses of AI exist and relate to H+H's cyber security defences as well as H+H websites with tools like chatbot services. Potential future uses relate to production and logistics optimisation as well as marketing automation.

H+H does not purchase, sell, or broker data or otherwise profit from data transfers from or to third parties.

Policy purpose

The purpose of this Policy is to set out data ethical principles for H+H's processing of data so that the processing is not only legal, but also ethical.

With this Policy H+H wants to commit to high data ethical standards in line with H+H's overall ethics expressed in the H+H Purpose & Promises as well as the H+H Code of Conduct.

Scope

This Policy applies to all data processing in the H+H group, whether personal data or other data.

The Policy also applies to H+H's data processors and H+H's suppliers to the extent H+H is able to influence their data processing.



H+H's data ethical principles for data use

Responsible data use

Any technology and data science-based uses of data shall be designed, and input data shall be fit for purpose and processed legitimately and in ways that aim to avoid unfounded biases in input data and output categorisations, decisions etc. or biases that work against the basic rights and interests of natural persons and society as a whole. Basic rights and interests of natural persons concern e.g., privacy rights, non-discrimination rights and personal data protection rights and the overall societal interests concern e.g., avoidance of distribution of false information.

All data processing in H+H shall take place based on technologies, encryption methods etc. that provide appropriate protection against data breaches and misuse of the data being processed.

Transparent data use

H+H shall willingly inform relevant parties about data processing taking place. If data science principles such as AI are used for data processing, H+H shall be able to explain the purpose and processes of such use as well as the rationale and methods being applied.

If the processing concerns personal data, the respective data privacy notice made available to the relevant natural persons shall inform of the data processing taking place and all other rights for the data subject under the relevant personal data protection legislation.

Accountable data use

H+H's data ethics policy development, initiatives and reporting are anchored with H+H's Chief Financial Officer and Chief Information Officer. It is the Executive

Board that approves the Policy and that is accountable for ensuring compliance with the Policy.

All employees developing, purchasing, or otherwise working with technology and data science-based uses of data shall be informed about the data ethical principles set out in this Policy to create sufficient awareness and understanding of how to apply the data ethical principles in practice to help ensure compliance with this Policy.

The risks related to data ethical issues shall be included in H+H's ERM system and regular controls of compliance with this Policy and of implementation of mitigative actions to reduce the identified risks of non-compliance shall be carried out.

Any believed breach of this Policy can be reported by employees as well as external stakeholders to the H+H whistleblower system available from any website in the H+H group.



Reporting on data ethics

Annual reporting

H+H International A/S shall report on an annual basis about the Data Ethics Policy as well as H+H's activities in relation to data ethical issues as part of Management's review in the annual report for H+H International A/S.

