

February 10, 2016

Conflict Minerals Policy

There has been increased awareness of violence and human rights violations in the mining of certain minerals from a location described as the "Conflict Region", which is situated in the eastern portion of the Democratic Republic of the Congo (DRC) and surrounding countries. Companies around the globe have been requested to practice reasonable due diligence with their supply chain to assure that specified metals are not being sourced from mines in the Conflict Region, which is controlled by non-government military groups, or unlawful military factions.

Danotherm Electric A/S supports this initiative and has either obtained, or is in the process of obtaining, information from our current metal suppliers concerning the origin of the metals that are used in the manufacture of Danotherm Electric A/S products. Based upon information provided by our suppliers, Danotherm Electric A/S does not knowingly use metals derived from the Conflict Region in our products.

Suppliers of metals used in the manufacture of Danotherm Electric A/S products (specifically gold, tin, tantalum, and tungsten) must demonstrate that they understand the conflict minerals laws and will not knowingly procure specified metals that originate from the Conflict Region.

Suppliers must review and agree to the following conflict minerals contractual language:

- Supplier represents and warrants that it is in full compliance with conflict minerals laws, including, without limitation, Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act as it may be amended from time to time and any regulations, rules, decisions or orders relating thereto adopted by the Securities and Exchange Commission or successor governmental agency responsible for adopting regulations relating thereto (collectively, "Dodd-Frank Section 1502").
- Supplier must cooperate with Danotherm Electric A/S to make available to Danotherm Electric A/S and/or its agents, full material declarations that identify the sources of and amount of all substances contained in the Products. Unless Danotherm Electric A/S specifically agrees that a particular Product may contain a particular material, Supplier will also provide a statement that the Products do not contain various materials at issue in applicable laws and regulations.
- Supplier must declare each Product's compliance to all applicable hazardous material legislation and identify any substances that are banned or must be declared under applicable laws. In addition, Supplier will make available any documentation that supports the declaration. Without limiting the generality of the foregoing, Supplier agrees to disclose to Danotherm Electric A/S, upon Danotherm Electric A/S' request, to the extent known or discoverable by Supplier following inquiry, the original source of all minerals contained in the Product.
- If Supplier does not know the original source of the minerals, Supplier agrees to cooperate with Danotherm Electric A/S, including disclosing from whom Supplier purchased the minerals and urging others to disclose such information, so that the original source of minerals can be accurately determined and reported. Supplier shall comply with all laws regarding the sourcing of minerals, including, without limitation, laws prohibiting the sourcing of minerals from mines controlled by combatants and Dodd-Frank Section 1502.
- Without any further consideration, Supplier shall provide such further cooperation as Danotherm Electric A/S may reasonably require in order to meet any obligations it may have under conflict minerals laws, including, without limitation, under Dodd-Frank Section 1502.

As a global company in the development of qualified design and products of high quality power resistors for the electronic-, the windpower- and the telecommunication industry, Danotherm Electric A/S is committed to ensuring the safety, health and protection of people and the environment worldwide. We promote these principles in our global business practices and our code of conduct.

Michael H. Laursen

Managing Director