

POLICY OF DUTIES ACCORDING TO THE NORWEGIAN TRANSPARENCY ACT

This document includes a description of the routines and due diligence assessments and measures to be implemented against violations of basic human rights and decent working conditions internally and in the supply chain of Secure HoldCo AS and its subsidiaries.

Secure
HoldCo AS

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This policy will be
reviewed and updated
annually.

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1. POLICY SCOPE

This policy provides a guideline for reporting of risk and due diligence assessments in accordance with the Norwegian Transparency Act, including principles as well as overall roles, authority, and responsibilities.

This policy, including routines and guidelines, applies to all subsidiaries of Secure HoldCo AS that are covered by the Transparency Act (hereafter referred to as ‘the company’).

2. POLICY DESCRIPTION

This document includes a routine description of assessments that are to be carried out against violations of basic human rights and decent working conditions in the company.

The guidelines within this document have been drawn up based on the Norwegian Transparency Act, relating to enterprises' transparency and work on fundamental human rights and decent working conditions. The Transparency Act entered into force on 1 July 2022 and is valid from the time of approval. The Act describes the overall principles and guidelines, including authority, roles and responsibilities related to assessments and measures against violations of basic human rights and decent working conditions.

2.1 PURPOSE

The purpose of the Transparency Act is to promote companies' respect for basic human rights and decent working conditions and to ensure that the public has access to this information. The law imposes an information duty on companies, including an obligation to carry out due diligence assessments.

The purpose of this routine policy is to provide guidelines and principles for the establishment, implementation, improvement, and monitoring of compliance, as well as to clarify the roles and responsibilities associated with this work. Therefore, this document provides a description of the company's measures in connection with the Transparency Act, including how the business is organised to comply with legal requirements.

The company prohibits and actively prevents violations of basic human rights and decent working conditions. Furthermore, the company has established a plan to actively prevent breaches of the Transparency Act, including routines for due diligence assessments, measures and reporting, described in chapters 6 and 7.

All employees must react to suspected or confirmed violations of human rights and decent working conditions.

2.2. UNDESIRABLE BEHAVIOR

Suppliers and business partners are central to the ability to carry out our business. The company wants all business relationships to be based on mutual trust and transparency, and suppliers must share this approach to ethics and compliance.

The company does not wish to purchase services or products from suppliers who:

- do not comply with relevant national legislation in countries where the supplier operates
- do not respect or comply with internationally recognized human and labor rights including, but not limited to, the ILO Convention on:
 - the right to freedom of association and collective bargaining
 - forced labor
 - child labor
 - prohibition of discrimination and harassment
 - terms of employment
 - working hours
 - violation of the right to privacy
 - risk of damage to life and health, for example through pollution or accidents
- do not maintain a safe working environment in accordance with current legislation,
- do not have good health and safety practices, and
- do not act ethically, responsibly, fairly and professionally.

The company has suppliers within several industries and segments. All potential and established supplier relationships are assessed on a separate basis. The company must keep up to date on risk-prone industries at all times.

3. DEFINITIONS

3.1 FUNDAMENTAL HUMAN RIGHTS

Fundamental human rights are defined in accordance with the internationally recognized human rights that follow from, among others, the UN Convention on Economic, Social and Cultural Rights from 1966, the UN Convention on Civil and Political Rights from 1966 and the ILO's core conventions on fundamental rights and principles in working life.

3.2 DECENT WORKING CONDITIONS

Decent working conditions safeguard basic human rights as defined in section 2.2, this includes health, environment, safety at the workplace and the provision of a minimum living wage.

3.3 SUPPLY CHAIN

Supply chain is defined as anyone in the chain of suppliers and subcontractors who supply or produce goods, services or other input factors that are included in a company's provision of services or production of goods from the raw material stage to the finished product.

3.4 BUSINESS PARTNERS

A business partner is anyone who supplies goods or services directly to the business, but who is not part of the supply chain.

4. GENERAL GUIDELINES AND PRINCIPLES

4.1 GENERAL

The Transparency Act emphasizes due diligence assessments in line with the OECD's guidelines for multinational companies and the OECD's guide for due diligence assessments for responsible business. In accordance with these guidelines, companies are expected to act in line with local laws and norms, as well as to assess, prevent and deal with violations of human rights and labor rights, environmental damage, and bribery caused by own operations, by suppliers or other business relationships. The risk of breach of the Transparency Act constitutes an operational risk and a compliance risk.

4.2 RISK-BASED APPROACH

A risk-based approach is necessary for the company to be able to ensure that measures to prevent violations of human rights and decent working conditions are in accordance with the risks that have been identified. This means that resources must be distributed efficiently and that the biggest risks must receive the greater attention.

The risk assessment provides a basis for implementing necessary and targeted measures to comply with current and future legal requirements. The purpose is to assess the risk of our subsidiaries being exploited for human rights violations and violations of decent working conditions, as well as taking measures to minimise this risk.

The risk of violations of human rights and decent working conditions linked to new suppliers must be assessed before a supplier agreement is entered into, so that adequate risk-reducing measures can be implemented beforehand.

5. MANDATES AND RESPONSIBILITIES

5.1 THE BOARD

The board must supervise the work on compliance with human rights and decent working conditions. Compliance with the Transparency Act must be anchored in management, and the general manager of each company must appoint a person who has special responsibility for following up on compliance issues.

5.2 CEO

The company's CEO is responsible for ensuring compliance with the Transparency Act, adopting new procedures and approving the company's risk framework, including due diligence assessments.

The managing director must ensure that the company has the necessary resources to be able to comply with the current regulations and prioritize resources towards the areas where the risk of breaches of the Transparency Act is greatest.

5.3 THE GROUP

The Group is overall responsible for reporting externally on the annual report on the Transparency Act, on Group level and subsidiary level, respectively. The group must publish an account of the specific due diligence assessments on the Garda Group website.

Further, the Group must also ensure that the subsidiaries' annual reports state where the Garda Group report is available. This statement must be updated, approved by the board and published by 30 June annually or in the event of significant changes in the company's risk assessments.

The Group, including contact persons, is responsible for training the guideline with systems for the subsidiaries. As well as assistance for them to be successful in their work with the Transparency Act.

The Group is responsible for responding to written inquiries from external parties related to the Transparency Act within 3 weeks upon such a request, the Group may ask subsidiaries for access to documentation. The e-mail address communicated externally is:

transparencyact@Gardasikring.no

5.4 COMPANY

The company is responsible for implementing measures in accordance with the Transparency Act, as described in chapters 6 and 7 of this document.

The company will set up a team which is to work actively with the Transparency Act. The team must consist of a minimum of two people: (1) responsible for procurement in the company, and (2) someone who has expertise in risk assessments, human rights and decent working conditions.

The company must quarterly report measures in accordance with the Transparency Act for the company itself, as well as for suppliers and business relations to the group. The reporting is done by agreement, either by review in meetings or via e-mail.

6. INTERNAL INITIATIVES

6.1 COMPLIANCE WITH POLICIES, LOCAL AND BUSINESS-SPECIFIC REQUIREMENTS

The company must ensure compliance with the Group's policies, as well as local and company-specific requirements. This includes:

- the employees must sign and comply with the Employee Code of Conduct
- the company must have control and comply with external requirements and regulations that are in force at all times, including but not limited to, the Working Environment Act, the Internal Control Regulations, etc.,
- if the company is ISO 45001 certified, stricter requirements apply automatically, in this case the company must ensure compliance with such requirements and have an annual review with the auditor.

6.2 RISK ASSESSMENT OF OWN BUSINESS

The company must carry out due diligence assessments for basic human rights and decent working conditions, in line with the OECD's guidelines for multinational companies. This means that an overview of conditions within the company's own business must be obtained, this includes an overview by mapping supply chains and other business partners as well.

The company must survey all internal actual and potential negative consequences for human rights and working conditions and must carry out an analysis of these risks in the various parts of the business. For this occasion, a working document for risk assessment has been drawn up. This risk assessment has been prepared based on the OECD's guide for due diligence assessments for responsible business.

Filling out the working document and the risk assessment have been completed, results in an overall risk score, as well as a risk score per theme. By extension, the person(s) responsible for implementing and following up on new measures must be notified immediately.

6.3 IMPLEMENT ADEQUATE INITIATIVES AND MEASURE THE EFFECT OF THESE

The company must implement suitable measures to stop, prevent or limit negative consequences based on the uncovered risk(s) internally. The measures to be implemented are outlined in the working document for risk assessment. The company must follow up on the measures that have been implemented and assess their effect.

6.4 REPORTING TO THE GROUP

The company must report measures in accordance with the Transparency Act to the group on a quarterly basis. The reporting is done by agreement, either by review in meetings or via e-mail. The following documents must be produced: (1) an overview (list) of risks in the company, (2) the risk assessment that has been carried out, (3) which measures have been taken to reduce the risk, and (4) the result of the measures that have been implemented.

7. INITIATIVES FOR SUPPLY CHAIN AND BUSINESS PARTNERS

The company must carry out due diligence assessments for basic human rights and decent working conditions in line with the OECD's guidelines for multinational companies. This means that an overview must be obtained by mapping supply chains and other business partners.

The figure below illustrates the routine for how the company should carry out due diligence assessments of the supply chain and business relationships. These steps are further described in the remainder of this chapter.



Figure 1. Illustrates the process for due diligence assessment in the company.

7.1 SCOPE

To ensure that resources are distributed effectively and that the biggest risks receive the greater attention, it is necessary to exclude non-essential purchases. Therefore, a limitation on purchases per year has been set, see appendix 1.

Please note that our overall stance is to not deal with suppliers and business partners who do not respect or comply with internationally recognized human rights and labor rights, as referred to in chapter 2.2.

7.2 SUPPLY CHAIN RISK ASSESSMENT

The company must carry out an analysis on the risk of violating basic human rights and decent working conditions in the supply chains and with other business partners. The overall risk assessment is carried out to map which companies should be prioritized for further company-specific risk assessments.

Two categories are used in the due diligence assessment: (1) geographic risk, and (2) industry risk. Collectively, these two categories constitute the social risk.

Geographical risk: The company uses a system that pre-defines a risk parameter for country risk based on [ITUC's](#) index for workers' rights. Here, a country can be categorized into 6 different categories.

Industry risk: The company uses a system that defines industry risk at the [European Bank for Reconstruction and Development](#), which has categorized NACE codes (European standard for industrial codes) against social risk. This system has already coupled NACE codes to suppliers.

Social risk: Based on geographic and industry risk, the system automatically sets up a starting point for social risk for the suppliers.

The company must prioritize the areas where the risk is greatest and carry out further work with due diligence assessments within these areas. The system provides the company with an automatic overview (list) of risks in the supply chain. From this list, the company must prioritize companies for company-specific risk assessments. Prioritization must be done in the following way:

1. Prioritize the companies with the highest social risk.
2. Choose the number based on the risks in the overview, as well as the capacity of the team.

7.3 OBTAIN DOCUMENTATION

For the companies that have been prioritized for further scrutiny, the company must survey all actual and potential negative consequences for human rights and working conditions. This mapping involves obtaining documentation to be able to assess the specific risk of the individual supplier.

In the same system as the overall risk assessment is carried out, a questionnaire and a request for documentation must be sent out. This questionnaire is built to survey actual and/or potential negative consequences and has been prepared based on OCED's guide for due diligence assessments for responsible businesses.

7.4 SUPPLIER SPECIFIC RISK ASSESSMENT

The company must carry out an analysis on the risk of violating basic human rights and decent working conditions at the specific supplier. This is to assess whether the first social risk is correct, as well as to implement measures to reduce risk.

Based on the documentation obtained and knowledge on the supplier, a risk assessment must be carried out. The company has access to a working document for risk assessment. This risk assessment has been prepared based on the OECD's guide for due diligence assessments for responsible business.

Filling out the working document and the risk assessment have been completed, results in an overall risk score, as well as a risk score per theme. By extension, the person(s) responsible for implementing and following up on new measures must be notified immediately.

7.5 IMPLEMENT ADEQUATE INVITATIVES AND MEASURE THE EFFECT OF THESE

The company must implement suitable measures to stop, prevent or limit negative consequences based on the identified risk(s) at the individual supplier. The measures to be implemented appear

in the working document for risk assessment. The company must follow up with the supplier, the measures that have been implemented, and their effect.

The working document for the risk assessment must then be updated when new measures have been implemented after which it must be assessed whether the risk(s) can be lowered.

Cooperation and training of suppliers are important means of ensuring adequately implemented measures. Furthermore, an audit of the supplier's working conditions and approach to human rights may be relevant.

7.6 REPORTING TO THE GROUP

The company must report measures in accordance with the Transparency Act for suppliers and business relations to the group on a quarterly basis. The reporting is done by agreement, either by review in meetings or via e-mail.

The following documents must be produced:

- An overview (list) of risks in the supply chain,
- An overview of which companies have undergone a risk assessment,
- Which risks have been uncovered,
- Which measures have been taken to reduce the risk, and
- The result of implemented measures.

7.7 PREQUALIFICATION OF SUPPLIERS AND BUSINESS PARTNERS

The risk of violations of human rights and decent working conditions linked to new suppliers must be assessed before a supplier agreement is entered into, so that adequate risk-reducing measures can be implemented beforehand.

Pre-approval of suppliers or business partners is an effective way of mapping and reducing risk(s) in this connection. If the company already during negotiations with the supplier' asks questions regarding decent working conditions and human rights, this will have a significant effect on sustainability.