

Statement on Due Diligence Assessments – Transparency Act

Reporting 2022

1. Introduction

This statement has been prepared in accordance with the act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (Transparency Act), which came into effect on July 1, 2022.

The law requires larger enterprises to conduct due diligence assessments to avoid negative consequences for human rights and decent working conditions within their own operations and throughout their supply chains.

The law is based on the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

a. Contact Information

Portfolio Developer Thomas Kongsvik, email: thomas.kongsvik@nmas.no

HR Partner Hanne Wenggaard, email: hanne.wenggaard@nmas.no

b. Reporting Obligation

The Transparency Act is a law designed to promote businesses' respect for fundamental human rights and decent working conditions. Its objective is to prevent human rights violations and indecent working conditions within companies, their business relationships, and down their supply chains. This report pertains to Nerliens Meszansky's procedures and practices, describing how we meet the requirements outlined in this law. It is accessible to everyone via publication on our website.

2. The Company's Operations

a. Company's Organization and Scope of Operations

Nerliens Meszansky is a leading supplier of laboratory equipment, consumables, and reagents to the Nordic market. Our customers include all types of laboratories in hospitals, universities, pharmaceutical and biotechnology industries, as well as defense, government authorities, nuclear power plants, and the food- and packaging industry. Our subsidiary, Nordic Biolabs, is located in Sweden. Our total of 90 employees possess extensive expertise across a wide range of fields and always aim to guide our customers to the best solutions for their needs. We maintain a large technical service organization to ensure safe and seamless equipment operation and maintenance

b. Internal Guidelines

The HSE system originates from a series of laws and regulations. These are listed and assessed for compliance in the quality assessment system at Nerliens Meszansky. We have implemented a management system for quality, occupational health and safety, and the environment. The system serves as a tool to meet requirements from the authorities, customer demands, and as a means for improvement. The system is tailored to our company, and we have established procedures to ensure that the

system is periodically reviewed, updated, and adhered to (activity plan and audit plan).

The system includes the following:

- Procedures, documents, and checklists to meet HSE and quality assurance requirements
- Reporting and handling of unwanted incidents (HSE) and deviations, both internally and externally
- Reporting and handling of changes
- Procedures for supplier selection and monitoring
- Ethical guidelines – Code of Conduct
- Procedure for reporting of critique-worthy conditions

Ethical trade is important to ensure sustainable development, allowing future generations to have their needs met. Our ethical guidelines contribute to maintaining a high ethical standard through rules of good business practice. Unworthy working conditions, child labor, and environmental destruction counteract sustainable development – and we distance ourselves from this.

We are committed to upholding human rights, workers' rights, development, and the environment throughout the value chain. Furthermore, we aim to take social responsibility in a broad sense by combating illegal and unethical behavior such as corruption.

Violations of the guidelines may result in disciplinary consequences for employees. The ethical guidelines also contribute to maintaining trust in our competence, impartiality, judgment, and integrity. The ethical guidelines can be used as attachments to contracts and serve as a quality criterion.

We shall conduct ourselves in a transparent, open, and predictable manner towards both existing and potential suppliers, and we strive to engage suppliers who adhere to ethical guidelines.

Our suppliers are encouraged to present their own Code of Conduct or alternatively sign Nerliens Meszansky's Code of Conduct. If significant deviations are discovered, we will employ appropriate measures to achieve improvements.

We shall avoid purchasing products or selecting manufacturers from countries that have national (Norwegian) and/or international support for boycotts.

Any contact our employees have with existing and potential suppliers involving participation in meetings, travel, seminars, or hospitality beyond modest entertainment must be approved in advance by the immediate supervisor. Employees shall not accept gifts of substantial value.

We strive to maintain a transparent and positive relationship with our employees and handle any problems that may arise in a way that minimizes their impact on the employee, our business, and the industry. Employees should uphold their professional integrity through their actions and should not be subjected to undue pressure that could affect the quality of their work. All employees are obligated to uphold confidentiality.

Our procedure for reporting unethical conduct is readily accessible to all employees and is reviewed with new hires.

The fundamental principles of reporting are as follows:

- All reports shall be taken seriously and addressed
- Our communication shall be characterized by openness and honesty
- Reporting shall generally follow the chain of command
- All parties in a reporting case shall be treated fairly and respectfully

Risk assessment is actively used in the organization to ensure the best possible utilization of resources and contextual evaluation in relation to our strategy.

Risk assessment is utilized as a management tool at all levels of the organization.

Our management model structures work processes, procedures, roles, and responsibilities. It contributes to consistency, predictability, and clarity in all our actions.

The system is built in accordance with the requirements of the ISO 9001:2015 standard for quality and the ISO 14001:2015 standard for the environment, encompassing the entire company.

3. Due Diligence Assessment

a. Overview of the Company's Implementation of Due Diligence

Assessments Nerliens Meszansky AS is ISO 9001:2015 certified, and our quality system also encompasses due diligence assessment of our own company and our subcontractors. The business follows Norwegian law and applicable guidelines at all times.

An internal due diligence assessment of our suppliers is conducted annually. We assess the risk of human rights violations based on the countries where the suppliers manufacture their goods.

b. Company's Supply Chain and Business Partners

Nerliens Meszansky collaborates with over 100 product and service suppliers, conducting annual due diligence assessments.

When selecting suppliers to collaborate with, we follow a procedure where we evaluate the supplier based on whether they have:

- Quality systems following a standard (e.g., ISO 9001)
- Occupational health and safety documentation (e.g., ISO 45001)
- Environmental guidelines (e.g., ISO 14001)
- Ethical guidelines and perform due diligence assessments
- Sustainability reports
- GDPR guidelines and documentation

- Necessary CE marking on their products according to usage (CE-IVD, CD-MDR, etc.)
- REACH and CLP regulations.

4. Measures to Stop, Prevent, or Limit Negative Consequences

If our suppliers cannot document the conditions described above, we inquire whether they have plans to implement these measures and when this will occur.

We follow up on the provided date.

If the supplier has not implemented measures, we request this again and provide a shorter deadline.

5. Results and Follow-Up of Measures

- Nerliens Meszansky selects its suppliers and partners based on a dialogue before signing contracts. This dialogue is systematic and a part of our quality system.
- If there are critique worthy circumstances with our suppliers, we will implement measures and follow up as described in paragraph 3.
- We expect all our suppliers to respect and uphold fundamental human rights and maintain decent working conditions for their employees.
- If Nerliens Meszansky identifies negative consequences/significant risks related to this, we will request the business to rectify this. Nerliens Meszansky will offer assistance and support to our suppliers. If no measures prove effective over a reasonable period, we will ultimately report the business to the right authorities and terminate all collaboration.