

Statement for Due Diligence Assessments – Transparency Act

Reporting Year 2023

1. Introduction

This statement is prepared in accordance with the law on companies' transparency and work with basic human rights and decent working conditions (Transparency Act) which came into force on 1 July 2022.

The law requires large companies to conduct due diligence assessments to avoid negative impacts on human rights and decent working conditions in their own operations and supply chains.

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

2. Introduction

a. **Contact Information**

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b. **Reporting Obligation**

The Transparency Act is a law intended to promote companies' respect for fundamental human rights and decent working conditions. It aims to prevent human rights violations and indecent working conditions within the company, its business connections, and throughout its supply chains.

This report addresses Nerliens Meszansky's routines and practices and describes how we comply with the requirements outlined in the law. It is available to everyone through publication on our website.

3. About the Company's Business

a. **Organization and Area of Operation**

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, and the pharmaceutical and biotechnology industries, as well as defense, government authorities, nuclear power plants, and the food and packaging industries. Our subsidiary, Nordic Biolabs, is based in Sweden. Our total of 90 employees possesses high professional competence across a wide range of fields and always aim to guide our customers to the best solution for their needs. We have



a large service organization to ensure safe and trouble-free operation and follow-up of equipment.

b. Internal Guidelines

The HSE system stems from several laws and regulations. These are listed and compliance-reviewed in a dedicated assessment within Nerliens Meszansky's quality system. We have implemented a management system for quality, working environment, and environment. The system is a tool for meeting public requirements, customer demands, and improvement.

The system is adapted to our company, and we have implemented routines that ensure the system is regularly reviewed, updated, and complied with (activity plan and audit plan).

The system includes the following:

- Routines, 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
- Routines for supplier selection and follow-up
- Ethical guidelines – Code of Conduct
- Routine for whistleblowing on critical matters

Ethical trade is important to ensure sustainable development so that future generations can also meet their needs. Our ethical guidelines help ensure high ethical standards through rules of good business conduct.

Unworthy working conditions, child labor, and environmental destruction counteract sustainable development, and we therefore distance ourselves from this.

We will work to ensure that human rights, labor rights, development, and the environment are safeguarded throughout the entire value chain. Furthermore, we wish to take broad social responsibility by counteracting illegal and unethical behavior, such as corruption.

Violations of the guidelines may result in disciplinary action for employees. The ethical guidelines are also intended to maintain trust in our competence, impartiality, judgment, and integrity. The ethical guidelines can be used as an annex to contracts and serve as a quality criterion.

We will act orderly, transparently, and predictably towards both existing and potential suppliers, and we strive to use suppliers who comply with ethical guidelines.

Our suppliers are encouraged to present their own Code of Conduct, or alternatively, sign Nerliens Meszansky's Code of Conduct. If we discover significant deviations from this, we will use appropriate means to achieve improvements.

We will avoid purchasing products or selecting suppliers from countries where Norwegian and international consensus exists for boycotts.

All contact our employees have with existing and potential suppliers, involving participation in meetings, trips, and seminars or hospitality beyond modest entertainment, must be pre-approved by the immediate superior. Gifts of significant value should not be accepted by employees.

We will strive to maintain a proper and good relationship with our employees and handle any problems that may arise in a way that limits the impact on both the employee, the company, and the industry. Employees must safeguard their professional integrity and not be subject to undue pressure that may affect the quality of the work. All employees are obligated to maintain confidentiality.

Our routine for whistleblowing on critical matters is easily accessible to all employees and is reviewed with new hires.

The fundamental principles for whistleblowing are as follows:

- All reports should be taken seriously and dealt with
- Our communication should be characterized by openness and honesty
- Whistleblowing should generally follow the chain of command
- All parties in a whistleblowing case should be treated properly and transparently

Risk assessment is actively used in the organization to ensure the best possible use of resources and to assess the context relative to our strategy.

Risk assessment is used 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 everything we do.

The system is built according to the requirements of ISO 9001:2015 standard for quality and ISO 14001:2015 standard for the environment, covering the entire company.

4. Due Diligence Assessments

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

Nerliens Meszansky AS is ISO 9001:2015 certified, and our quality system also includes the due diligence assessment of our own company and our



subcontractors. The company complies with Norwegian law and current guidelines at all times.

Each year, an internal due diligence assessment is conducted for our suppliers. We assess the risk of human rights violations based on which countries the suppliers produce their goods in (<https://www.ituc-csi.org/global-rights-index>).

b. The Company's Supply Chain and Business Partners

Nerliens Meszansky collaborates with over 100 suppliers of goods and services, and we conduct annual due diligence assessments.

When we choose to collaborate with a supplier, we follow a procedure where we assess the supplier based on whether they have:

- A quality system that follows a standard (e.g., ISO 9001)
- HSE documentation (e.g., ISO 45001)
- Environmental guidelines (e.g., ISO 14001)
- Ethical guidelines and conduct due diligence assessments
- A sustainability report
- GDPR guidelines and documentation
- Necessary CE marking of their products according to usage (CE-IVD, CD-MDR, etc.)
- Compliance with REACH and CLP regulations.

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

If our suppliers cannot document the conditions described above, we ask whether they have plans to implement this and when it will happen.

We adhere to the stated date and follow up.

If the supplier has not implemented measures, we will ask again and follow up with a shorter deadline.

6. Results and Follow-up of Measures

- a. Nerliens Meszansky selects its suppliers and partners based on a dialogue before signing contracts. This dialogue is systematic and part of our quality system.
- b. If it turns out that there are blameworthy conditions with our suppliers, we will implement measures and follow them up as described in paragraph 4.
- c. We expect all our suppliers to respect and comply with fundamental human rights and provide decent working conditions for their employees.



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- d. If Nerliens Meszansky uncovers negative consequences or significant risks of this, we will request the business to address it. Nerliens Meszansky will offer our suppliers assistance and guidance. If no measures are effective over a reasonable period, we will ultimately report the business and terminate all cooperation.