

Roxtec AS's account of the work with the Transparency Act and associated due diligence assessments in 2023.

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Purpose of this document

The purpose of this document is to have an established recipe for reports in line with Section 5 of the Transparency Act, which sets a set of requirements for how Roxtec AS must report on its due diligence assessments. The purpose of the document is also to use it in connection with summarizing information from due diligence assessments in Roxtec AS, and to explain the assessments when using the document.

Use of this document

The report shall be used in connection with Roxtec AS's public statements of the work with the Transparency Act and due diligence assessments, which have a deadline of 30th June each year, and with the general public report published on our [website](#). This is to show how Roxtec AS works diligently and systematically with due diligence assessments, and what are to be considered significant results from the due diligence assessments carried out in the reporting year.

Below is the explanation, and information from the work on the Transparency Act and due diligence assessments in 2023.

About the Transparency Act

The Act shall promote businesses' respect for basic human rights and decent working conditions in connection with the production of goods and the provision of services, as well as ensuring the public has access to information on how businesses deal with negative consequences for human rights and decent working conditions.

Procedure for working with the Transparency Act

The work with the transparency act in Roxtec AS is broadly organized in the following work phases:

Facilitation

- Establish scope of work with the Transparency Act and due diligence assessments
- Overall mapping of:
 - Own work operations
 - Products/services
 - Suppliers/connections
- Involve participants in the work
- Identify and analyze stakeholders for the work

Due diligence assessments

- Anchor the work
- Develop/improve and anchor guidelines for responsible business
- Map actual and possible negative consequences for human rights and decent working conditions
- Implement measures for actual conditions (violations) and significant risks related to violations of human rights and decent working conditions
- Check and document the effect of measures
- Communicate with stakeholders
- Restore and compensate for actual damage to human rights and decent working conditions

This procedure is based on the methodology and work surface from Tavler AS.

Scope description

Roxtec develops, manufactures and delivers flexible sealing solutions for cable and pipe penetrations. Roxtec modular-based transits are used for cable sealing and pipe sealing in numerous demanding industries and projects worldwide as the seals provide certified protection against multiple risks, including fire, gas and water. The Roxtec invention for adaptability, Multidiameter™, is based on sealing modules with removable rubber layers and allows for a perfect sealing, regardless of the outside dimension of the cable or pipe.

Roxtec AS is a subsidiary of Roxtec Group where purchasing is made through Roxtec International AB.

The main goal of Roxtec AS is to help companies in a way that both creates value and is sustainable. Roxtec AS and all its underlying businesses are obliged to follow the requirements of the Transparency Act as well as the guidelines established in Roxtec AS's management system.

Roxtec AS carries out due diligence assessments that include their own products and services, work operations, suppliers and business relationships. There has been a close collaboration between the companies delivering to Roxtec AS to ensure that this work is well established, continuously updated and that they have access to the best available information for the due diligence assessments.

Each company in the Group is obliged to follow the Group's guidelines for responsible business and carry out its own due diligence assessments in line with the established processes in the management system.

Roxtec AS takes its responsibility seriously when it comes to running the business in a way that is both ethical and sustainable. Through our comprehensive due diligence assessments and close collaboration within the Group, we ensure that our supply chain meets high standards for responsible business.

Guidelines and routines related to responsible business

#	Guideline	Use of guideline in Roxtec AS
1	<i>Roxtec AS 's guidelines for responsible business conduct</i>	<p>This document is used to ensure control of governing policies applied to safeguarding responsible business practices in Roxtec AS, and to have control of relevant responsible person for each focus area within responsible business practices.</p> <p>Responsible business is categorized in following three focus areas in Roxtec AS:</p> <ul style="list-style-type: none"> • Human rights in the environment in which we operate • Decent working conditions, which take into account human rights, HSE and wages in connection with work operations • Consideration of the external environment, nature and wildlife in connection with our operations
2	<i>Policy for Responsible Business Practices</i>	<p>Policy for responsible business practices must be used internally in our own company and also towards our suppliers and connections, so that we all work systematically and in the same direction when it comes to safeguarding human rights and decent working conditions.</p> <p>Policy for responsible business in Roxtec AS is an integrated policy document, which covers all three focus areas for responsible business.</p>
3	<i>Code of Conduct (internal and external)</i>	<p>Roxtec's Code of Conduct is used internally in our own company and towards our suppliers and connections, so that we all are covered by the same guidelines for ethical business operations.</p>
4	<i>Roxtec Group policy for management of suppliers on compliance with code of conduct</i>	<p>This governing document is used as an appendix to standard contracts with suppliers/connections, so that we agree to consider responsible business life in all contracts.</p>

5	Questions for self-evaluation	<p>This governing document is distributed to those actors who we consider should evaluate themselves regarding their own contributions to responsible business.</p> <p>The document is distributed in its entirety after adaptation to the dispatch, or relevant questions can be extracted and sent separately, if there is a need for more detailed information gathering.</p>
6	Report the Transparency Act	<p>The report is used in connection with the public explanation with a deadline of 30th June each year, and towards the general public in general by publishing it on our website.</p> <p>This is to show how Roxtec AS works diligently and systematically with the Transparency Act and due diligence assessments and what are to be considered significant results from the due diligence assessments that have been carried out.</p>
7	Answers to the Transparency Act	<p>The document is used in Roxtec AS as a guide to how we respond to questions from the public.</p> <p>The answer template in this governing document is also used for actual answers to questions/information requirements related to due diligence assessments in accordance with the Transparency Act.</p>

The work in Roxtec AS with due diligence assessments

Roxtec AS have identified certain facts and significant risk factors related to human rights and decent working conditions, which will be raised in this report.

Roxtec AS anchored the work in the Group through the implementation of policy and guidelines applicable to all companies. Roxtec AS carried out due diligence assessments, by first surveying its own work operations, then suppliers and business relationships. The mapping provided information to create an overall risk picture.

Roughly speaking, the risk conditions above consist of four groupings of due diligence risk, which are explained in more detail below.

The risk factors related to human rights and decent working conditions are sorted by:

- Consequence assessments against the purpose of the law and Roxtec AS's ambitions for social sustainability (● High ● Medium ● Low)
- Probability assessments (● High ● Medium ● Low)
- Opportunities to influence actual conditions and risks
- Quality of the information that forms the basis of the due diligence assessments

Discrimination

(● Consequence, ● Probability)

What are we unsure about when it comes to discrimination?

We are unsure whether discrimination of any type is reported or not.

Why has the uncertainty been given this risk assessment?

Discrimination may have major consequences for the person(s) involved. As it is a sensitive topic people can find it difficult to report.

Measures to manage risk

- Onboarding Program for all new employees.
- Through culture building: we want all to have the "Roxtec culture". We have several different training programs in our Learning Management System (LMS). All employees must fulfill the training on Code of Conduct.
- Internal whistleblowing system, with the aim to encourage and enable employees to anonymously raise serious concerns related to inappropriate conduct and actions by Roxtec employees. This also includes a reporting procedure system.

What is the expected/actual effect of measures?

Increased awareness of equality and discrimination in general, and that Roxtec has a zero tolerance of any violations. We expect that these measures in a large way prevent incidents.

Possibility to influence sub suppliers

(● Consequence, ● Probability)

What are we unsure about when it comes to sub suppliers?

Some products are sourced from areas categorized as high risk of violations of basic human rights. As it is impossible to influence the complete supply chain, sourcing from risk areas may indirectly contribute to violations of basic human rights. It is particularly sub suppliers further down in the supply chain over whom we have little control. The risk is higher for suppliers from outside Europe, but the risk is present also in certain parts of Europe.

Our focus is on the suppliers who we can influence, as they are contract partners.

Why has the uncertainty been given this risk assessment?

The probability is assessed as high as a result of our lack of influence, and we know from, amongst other sources, DFØ's (The Norwegian Agency for Public and Financial Management) high-risk list, that there is a high risk in the value chain. This applies mostly for raw materials. The raw materials might be produced in countries that have little focus on human rights and decent working conditions.

Measures to manage risk

- Include Roxtec Code of Conduct in the purchase agreements with our suppliers.
 - Distribute requirements for suppliers to all our sub suppliers for better understanding and expertise around work for human rights and decent working conditions.
- Audits and close follow-up of suppliers/sub suppliers
- Source as much as possible from low-risk countries

What is the expected/actual effect of measures?

By implementing our own requirements and requiring suppliers in the industries to do the same, we hope that sub suppliers understand that there may be consequences for breach of human rights and our Code of Conduct. We hope they will do the same with their sub supplier. We believe that it can reduce the likelihood of breaches or that the breaches become less serious.

Lack of knowledge and compliance with HSE in transport sector

● Consequence, ● Probability

What are we unsure about?

We know that the transport sector have cases where they fail to follow HSE guidelines, in particular re. working hours and wages for foreign drivers. All our transport is done by external companies, where the knowledge and following up HSE might not always be best practice.

Why has the uncertainty been given this rating?

We see from the market that there is sometimes a lack of follow-up and compliance with HSE. Failure to comply can in the worst-case lead to damage to life and health. Therefore, the consequence is also set to be high. We have split the transport sector into three areas:

Heavy transport in Norway has low risk and regulated with:

- Collective wages
- Competence requirements
- Regulations of driving and resting time

The van industry has known risks such as:

- Low salary
- Breach of accommodation regulations
- Breach of the working time regulations, failure to pay overtime
- Circumvention of employer responsibility and undeclared work
- In Norway, the van industry is not regulated (such as heavy transport and as it is done in Sweden and Denmark). There is no lower limit for what it is permissible to pay drivers.

International heavy transport, we see the following risks:

- Working time and driving time (which are regulated through driving and rest time regulations).
- Salary, especially in connection with cabotage, i.e., transport of people and goods between places in another country than where the carrier belongs.
- Accommodation conditions and secondment for drivers (regulated through the EU's new mobility package).

Measures to manage risk

- Update contracts with supplier with Roxtec Code of Conduct.
- Set requirements for thorough monthly deviation reporting in case of deviation.
- Review of deviation reports in management meetings.
- Awarding and motivating good results and initiatives around HSE.

What is the expected/actual effect of measures?

We expect that the probability of breaches of HSE regulations will be reduced to low, and that employees will gain sufficient knowledge of the requirements to maintain acceptable HSE in the workplace. Several managers in transport sector have already increased the focus on HSE within their company.

Notifies of actual and possible violations of human rights and decent working conditions in Roxtec AS's operations

Roxtec AS encourages employees and others to report actual or possible violations of decent working conditions and basic human rights. There are 3 ways this can be done:


1. Notification internally: report to manager, send email info@roxtec.no or to Roxtec Whistleblower system on the intranet.
2. Notification to public authorities: The Norwegian Labor Inspectorate, the Norwegian Consumer Protection Agency, the equality and discrimination ombudsman are examples of this.
3. Notification to the public, e.g. the media.


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Control of this document

Version	Comments	Approved
1	Tavler template, customized for Roxtec AS	Work group for the Transparency Act
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