

Due diligence report

How Hatteland Technology meets the Transparency Act

Hatteland Technology AS (HT) has its outspring over 35 years ago and is today 100% owned by Embron Group AS. We have more than 200 employees (2023) in 8 different countries and partners in many different countries worldwide. The company's management team is based in Norway and Sweden, consisting of ten people divided into four women and six men of different ages and areas of responsibility. Read more here. <https://www.hattelandtechnology.com/about>

The Norwegian Transparency Act came into force on 1 July 2022, and we at HT are undividedly positive about legislation that promotes respect for fundamental human rights and decent working conditions.

The core values in the Transparency Act are a natural part of our business, both internally and externally. The legislation requires us to document how we, as a company, promote these values with the associated value chain and obliges us to carry out due diligence assessments per the OECS guidelines.

These assessments are about prioritizing risks based on severity and possibility of impact. Different risk elements are linked to various industries and parts of a business. As a global supplier operating in several different markets, continuous dialogue and revision with stakeholders are essential to ensure we prioritize correctly. Through a due diligence assessment, we will identify, reduce and deal with negative incidents and aspects within human rights and working conditions.

A significant element in the legislation concerning the Transparency Act is the requirement for information, which demands clarity on the relevant topics. This means we may receive requests for information about our compliance with the Transparency Act. Submissions can be sent from any stakeholder where we must provide adequate and understandable information on how we work to ensure fundamental human rights and decent working conditions at all levels of our operation.

Internal procedures should be in place to handle information requests, including assessing the request, consulting with relevant parties if needed, and preparing responses within a set timeframe – hence according to the law, we must revert with answers within 21 days.

As a company operating in the dynamic world of technology and supply chain management, much of the work related to the Norwegian Transparency Act is from a Supply Chain point of view.

Due diligence assessment

At HT we recognize the importance of a responsible and sustainable supply chain. We are committed to upholding the principles of the Transparency Act, and we have established mechanisms to undertake due diligence assessments and monitor our suppliers' adherence to ethical and environmental standards.

Our supply chain management practices prioritize transparency, traceability, and accountability at every stage, from supplier selection to final product delivery.

As we navigate the complexities of a global supply chain, HT remains steadfast in its dedication to meeting the requirements of the Transparency Act. We recognize that transparency is a legal obligation and an integral part of our corporate values and commitment to sustainability.

From a supply chain perspective, the Transparency Act requires companies to ensure transparency and disclose relevant information about their supply chain activities. This includes providing insight into supplier relationships, procurement practices, and measures to prevent unethical practices such as human rights violations, environmental harm, or corruption.

Our suppliers are distributed within the following geographical areas.



Map visualizing Hatteland Technology's TOP20+ suppliers geographically by 2022 SupbillAmtNok

Negative consequences and significant risk

Hatteland Technology (HT) has conducted a risk assessment of its TOP 20 suppliers to identify potential human rights violations within its supply chain. The review includes evaluating factors such as geographical location, industry sector, supplier type, and known risks associated with

specific countries or regions. Identified risks are categorized based on severity, likelihood, and potential impact on human rights, enabling prioritization of mitigation efforts.

Based on the business relations with HT (at an average of 12 years) and their compliance with the requirements outlined in HT's *Sustainability and Corporate Social Responsibility guidelines*, the risk level identified is LOW.

Action plan

Processes and procedures have been implemented in the organization, and the intentions of the Transparency Act have been taken care of. HT's schedules periodic audits and assessments to verify the suppliers' compliance with responsible business practices, including human rights.

On a more general basis, in order to stop any negative consequences or limit the significant risk of negative consequences, we will closely monitor developments in China.

Conclusion and declaration

Through the due diligence assessment we have concluded that our processes and procedures implemented are sufficient. According to our investigation and review of relevant documents and practices, we have not found any indications or documented cases of violations of the intent of the Transparency Act.

We recognize that continuous and structured work from several departments is required to achieve the desired outcomes.

Hatteland Technology

June, 2023