

Allnex Norway AS – Account for due diligence assessments 2024

Allnex Norway AS, (“Allnex”) (999 177 565) is committed to doing business ethically and responsibly. Allnex is covered by the Norwegian Act on enterprises’ transparency and work with fundamental human rights and decent working conditions (Transparency Act) <https://lovdata.no/dokument/NLE/lov/2021-06-18-99>

Allnex is committed to the protection of our employees, stakeholders future generations, and the communities where we live and work. All our values are people-oriented, and we aim to treat each other professionally based on fairness, respect, and dignity. We encourage fair employment practices worldwide and offer equal opportunities to all our employees. We comply with all labor and employment laws and standards in the countries where we operate, including all laws pertaining to fundamental human rights and decent working conditions.

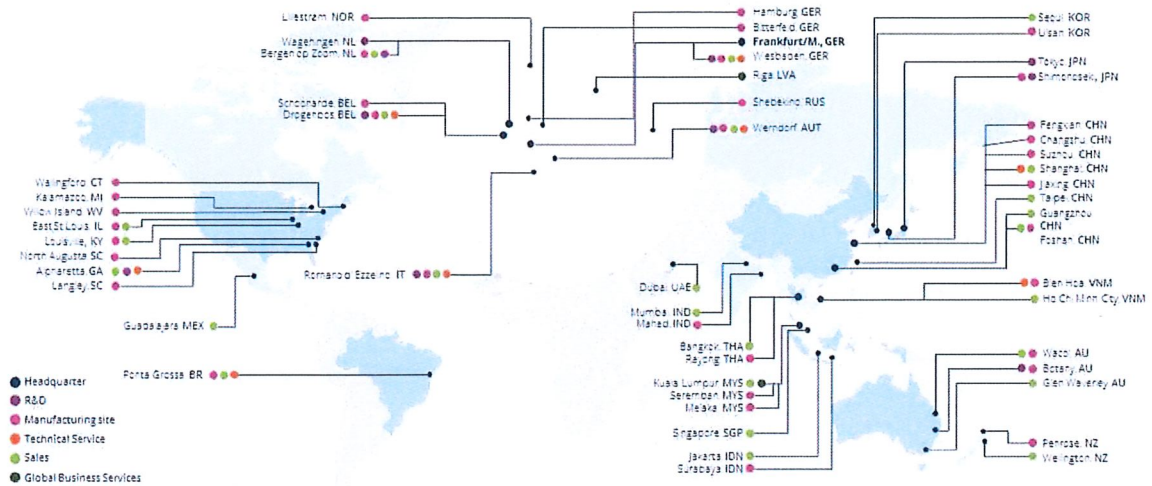
This single entity report, has been prepared to fulfill Allnex Norway AS’s obligation to account for our due diligence process. The document will be updated and published annually by June 30th. It will also be updated in the event of significant changes in the business risk assessments.

Structure

Allnex Norway, incorporated under the laws of Norway, is part of the Allnex Group (“Allnex Group”) which is a global company.



Allnex Belgium SA/NV, the parent company of Allnex is managing and overseeing the global operation of Allnex Group. Allnex Belgium is a 100% affiliate of Allnex Management GmbH (Germany). Allnex and other Allnex companies in the Allnex Group’s global structure operate under the same management structure and policies. Allnex has 82 employees (YE 2024) within Norway and 3,963 globally.



At Allnex Group, our success is based on a global network of manufacturing facilities which ensures supply reliability and a deep understanding of local regulations, with 33 manufacturing facilities and 23 research and technology support centers globally.

Allnex Group is the leading company globally for industrial coating resins, crosslinkers and additives. The majority of Allnex Norway AS operations are in Crosslinkers division. We operate one manufacturing site located in Lillestrøm, Norway.

Training

The fundamental principles described in our Code of Conduct apply to all Allnex managers and employees, regardless of the country they work in or the job they do. All employees are trained annually in most policies; this is important as markets and the ways of doing business vary. Our common objective is to ensure that, every day, all activities at Allnex are shaped with reliable standardized codes of behavior.

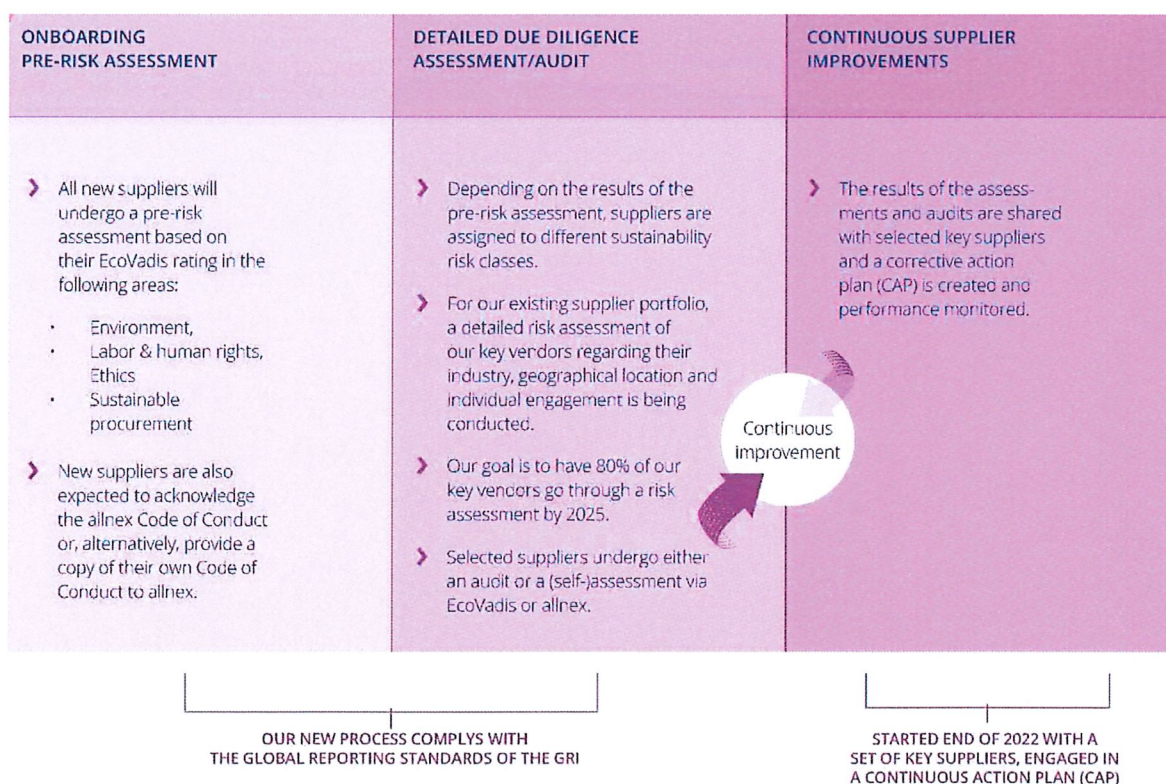
- Company-wide training on the Code of Conduct was conducted to refresh employees' understanding of ethical conduct and compliance in all aspects of business.
- Instead of conventional classroom teaching the training was offered on our e-learning platform "EXPLORE" to facilitate self-learning in the digital era.
- Employees provided with the CoC in 15 languages and were then required to go through a test including both theoretical and situational questions to confirm they had fully grasped the content of our CoC.

Supply Chain

Allnex Group manages global supplier performance, in line with our International Organization for Standardization (ISO) accreditation. Allnex conducts an annual review of supplier performance with all raw material and packaging suppliers. Assessing the risks of human rights violation amongst others within the supplier and its supply chain forms part of that review, together with our global Corporate Social Responsibility (CSR) evaluation.

As a result, Allnex requires suppliers to engage in its sustainable strategy, outlined in purchasing terms, contract templates and Supplier Code of Conduct, to ensure compliance with laws, regulations, industry standards, and sustainability requirements.

In 2021, Allnex implemented the Supplier Evaluation Program and in 2022, the program further developed into the Supplier Engagement Process, which standardized our internal assessment and evaluation process:



Allnex Group operates a comprehensive global corporate compliance program to guide its decision making and to promote ethical, legally compliant, and socially responsible business conduct. The Allnex Group has a range of policies which contribute to Allnex commitment to respecting human rights and which support and assist in reducing and, where possible, eliminating human risks.

- Code of Conduct: Builds on company values and formulates guidelines for daily activities; the code is not only applicable to all our employees, but also to contractors and consultants.
- Labour and Human Rights Policy: Communicates expectations with respect to human rights and labour practices and the high standard of conduct expected of our employees worldwide.
- Sustainability Manual: Outlines the increasing efforts to uncover sustainable market offerings also in terms of raw materials, goods, and services, as well as best practice sustainable procurement principles to mitigate risks in its supply chain.
- Supplier Code of Conduct: Outlines how suppliers of goods and services are expected to respect and adhere to required principles of lawful and ethical business. The supplier is to confirm their signatory acceptance and demonstrate their commitment to Allnex's Supplier Code of Conduct.
- Responsible Sourcing of Minerals: Compliance with the existing conflict minerals regulations and also ethical and responsible sourcing of minerals globally.

The policies can be found at: <https://allnex.com/en/info-hub/compliance>.

The Supplier Code of Conduct is incorporated into Allnex's general terms of purchase and in respective purchase agreements for existing suppliers.

The Supplier Code of Conduct specifically outlined for suppliers, vendors, contractors, consultants and other providers of goods and services who do business with Allnex entities worldwide are expected to adhere to ten (10) principles within the code and take appropriate steps to ensure compliance.

In 2024, Allnex Group obtained EcoVadis Platinum Sustainability rating. This rating places Allnex in the top 1% of Chemical Companies globally. Allnex Group is also a member of Together for Sustainability (TfS), an international member-driven initiative raising corporate social responsibility standards throughout the chemical industry.

Compliance Violations Hotline

Allnex implemented a hotline to report compliance violations. Confidential reporting of any known or suspected violation of the Code of Conduct is encouraged to anyone. The hotline is easily accessible from our website 24 hours, 365 days a year and supports multiple languages communicated by either email, phone, or fax. All concerns are investigated and if necessary, action taken.

Risk Assessment and Due Diligence

An important milestone in driving impact in the chemical supply chain and our continuous improvement journey was at the end of 2022, when Allnex joined the chemical industry initiatives 'Together for Sustainability' (TfS). This member-driven organization consists in October 2024 of 54 member companies representing a global turnover in the chemical industry of over €800 billion and a global spend of over

€500 billion. A main focus in the concept of TfS is the development and implementation of a global supplier engagement process to assess and improve sustainability practices within the supply chains of chemical companies. The program is based on the UN Global Compact and Responsible Care®. The standardized approach of TfS Assessments and Audits is measuring suppliers' performance in key areas such as environmental, labour & human rights (including modern slavery), ethical and sustainable procurement. The sustainability assessments are performed by EcoVadis. Through the TfS academy, TfS provide training to our suppliers on sustainability topics.

In 2024 Allnex Group further developed the supplier performance evaluation framework to gain comprehensive insights into the commercial, environmental and social impact of our suppliers.

SUPPLIER PERFORMANCE EVALUATION FRAMEWORK



The evaluation of the sustainability performance of our suppliers includes corporate environmental, social, and governmental drivers that impact the final scoring. Allnex Group assesses the effectiveness of its actions by reviewing regularly the performance of their suppliers. Allnex's dedicated evaluation framework enables Allnex to identify improvement areas and gain comprehensive insights into the commercial, environmental and social performance of our suppliers. We track the progress through key performance indicators (KPIs) to ensure continuous improvement in sustainable sourcing.

The evaluation of the sustainability performance of our suppliers includes corporate environmental, social and governmental drivers that impact the final scoring. We utilize EcoVadis IQ for pre-risk screening to identify potential sustainability risks including modern slavery risks within our supply chain. Our suppliers undergo EcoVadis assessments and TFS audits which provide a comprehensive overview of their sustainability performance and compliance with our sustainability and ethical standards. For the 2024 Group supplier performance evaluation assessment, Allnex has assessed more than 1500 suppliers globally following the below-mentioned Supplier Performance Evaluation Framework. The focus has been on Allnex suppliers of raw materials and packaging.

The weight of such social and environmental criteria will continue to grow in importance in our supplier evaluation process and the final rank of suppliers supports us to create transparency amongst suppliers so we can action in a focused manner for those suppliers with higher risk scores.

The "EcoVadis rating" covers a wide range of non-financial data, including the environment, labour, and human rights, including child labour and forced labour, ethics and sustainable procurement. The companies are assessed according to the company's size, location, and industry.

Depending on the results, the suppliers are assigned to different sustainability risk classes that lead to several actions being taken. Examples of actions are the filling out of self-assessment questionnaires, participating in an Allnex-led or TFS-led audit or in worst case if no improvement is visible after a certain time, a complete stop of business needs to be considered. The results of the assessment and audits will be shared with respective suppliers and Corrective Action Plans (CAP) will be created. We actively engage with suppliers to address any instances of non-compliance and work collaboratively to implement corrective actions.

Allnex Group implements sustainable strategy and ensures that our terms and Supplier CoC are clearly communicated to our suppliers to ensure responsibility throughout our supply chain. Through these standardized and mandatory policies and procedures, expectations and terms are clearly communicated. Suppliers are to conduct their business in compliance with applicable laws, regulations, industry standards, and high sustainability standards. In addition, the prevention of violation of fundamental forced human rights is clearly communicated and understood by our suppliers.

Allnex strives to establish positive long-term relationships with its suppliers and to foster a culture of true transparency, effective communication, and continuous improvement in our procurement practices.

At Allnex, we remain steadfast in our commitment to ethical sourcing and supply chain integrity. Through rigorous monitoring, supplier engagement, and continuous improvement initiatives, we

have implemented robust measures to prevent the scourge of violation of fundamental human rights from infiltrating our supply chain.

Implementation

Allnex Norway AS implements its duties on fundamental human rights in accordance with OECD Due Diligence Guidance for Responsible Business Conduct as listed in the Transparency Act. This implies:

- The accountability lies with the company's management and board
- The commitment and related policy are anchored in the company's management and routines
- The procurement department is aware of our obligations and its role in contributing to the implementation
- We organize trainings for our procurement department on CSR in the supply chain
- We carry out due diligence assessments for our supply chain and require the same from our suppliers
- We establish routines for regular due diligence assessments and reporting in line with the Transparency Act
- The responsibility for carrying out the due diligence assessments lies with Allnex procurement organization
- We follow up on information regarding negative consequences and significant risks for employees and others affected by our operations.
- Our policies on basic human rights and decent working conditions are reviewed bi-annually

Negative consequences and significant risks

Allnex Norway AS produces amino resins which are used in the Coatings industry in Europe, Asia and America. At the end of 2024 the company had 82 employees and a continuous 6 shift system. Allnex Norway AS places high demands on the health, environment and safety of its employees, and must always, as a minimum, comply with applicable laws and regulations.

In connection with our due diligence process, we have assessed risks for both our own business and our supply chain. We have not uncovered any actual negative consequences when undertaking our risk assessments for 2024.

Risk- areas in our own operations, and measures to limit risk

Allnex Norway AS produces chemicals and is obliged to follow the regulations on control of major accident hazards involving dangerous substances. We are audited on this on a regular basis. Allnex Norway AS strives to comply with all Norwegian regulations regarding employment and safe working environment. Based on the above, Allnex finds that our main risk of negative impacts on individual's lives, safety, health, well-being and dignity in our business are potential injuries in connection with production, maintenance and warehousing.

All risks on site are identified through our Overall Risk Analysis, which is updated when needed, or at least every 5th year. This analysis is also the basis of 'the Safety Report' required by the Norwegian

Directorate for Civil Protection (DSB), the 'Explosion Protection Document' required by the Norwegian Labour Inspection Authority and 'the Environmental Risk Analysis' required by the Norwegian Environment Agency. All reports were updated in 2022. The 'Safety Report' revisited in 2023, as security risks (deluded actions, terror) as DSB required new evaluation. 'Terror at site' was evaluated and became classified as not likely, but anyhow catastrophic if it should happen – eg in 'yellow area'.

In 2007 we started out with evaluating 17 different risks and gradually we have extended the list. Today 57 risks are on our list;

- None are classified as combination probable & critical worse (eg. In 'red area').
- 10 are in category less likely but critical (eg. In 'yellow area')
- The rest are classified as acceptable risks (in 'green area').

An external risk consultant has provided input to the report, input was provided by allnex personnel including employee's participation.

We produce, store, and handle flammable liquids on site. Our most critical risk is fire.

Of the 10 'yellow risks' 5 concern the risk for fire in the production area, at drumming stations and in workshops.

Consequently, our main focus is on mitigating the risk of ignition and prioritize actions that will reduce risk for escalation and domino effects if ignition should occur. This is systematically done through improvement projects, process monitoring, continuous focus on improving of our procedures and awareness training, all to ensure and maintain our safe working conditions.

3 of the 'yellow risk' are directly related to personnel injury risk, and categorized as fall from height and confined space entry. Personnel chemical exposure is classified with acceptable risk provided proper equipment is used, which means that for some operation respiratory protection is required. Strict routines follow these activities.

We work continuously and systematically work to prevent any injury to occur, through risk assessment and equipment improvements, combined with awareness training, communication, employee participation, routines, and work instructions. We have trained first aid personnel on site, fire brigade and smoke divers at every shift as part of our emergency response team. The team train regularly to ensure they know the correct response required.

Reporting accidents, incidents and near misses through our internal reporting system actively help us to improve our performance and preparation.

Personal protective equipment (PPE) is important when working in our environment. It is required to use PPE in according to our PPE matrix which all must confirm they have read and understood annually. The minimum requirement for outside and in production area is a safety helmet, face shield or tight safety goggles, safety shoes, protective clothing that covers arms and legs and a hearing protection in noisy zones.

What we do is described in more details in our HSE manual. Deviations and near-misses are registered and followed up. We place high demands on health, environment and safety for our employees, and as a minimum, we comply with applicable laws and regulations.

Risk- areas in Suppliers and measures to limit risks

Allnex Norway AS has in 2024 carried out a risk assessments of our suppliers (approx. 30 raw material/packing suppliers, approx. 50 logistic suppliers and approx. 230 other vendors).

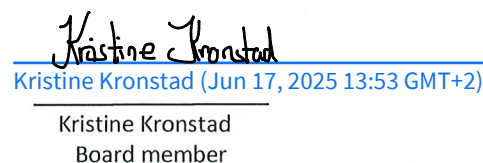
Since the end of 2023, the company has had access to the "EcoVadis IQ platform" and Allnex Norway AS has risk assessed the suppliers with the "EcoVadis risk rating" via the "EcoVadis IQ platform". Approx. 90% of the vendors, were covered by the EcoVadis risk assessment. "EcoVadis rating" covers a wide range of non-financial data, including the environment, labor and human rights, ethics and sustainable procurement. The companies are assessed according to the company's size, location and industry. In this assessment, three suppliers have been classified as "high" risk. All are located in Asia. Allnex follows up the companies that do not have a satisfactory score in the current assessment.

Our main supplier that is located at Lillestrøm in Norway, and is providing utilities, raw-material and other services, and the supplier is within the scope of the Transparency Act. They also have an overall Ecovadis score 66/100 that is within 85th percentile in its industry.

As detailed in this report, our efforts encompass comprehensive supplier vetting processes, ongoing audits, and partnerships with credible third-party organizations to ensure compliance with internationally recognized fundamental human rights and decent working conditions standards. Furthermore, we recognize the importance of transparency and accountability, which is why we are dedicated to openly sharing our progress and challenges in combating violation of fundamental human rights and decent working conditions. While we are proud of the strides we have made, we acknowledge that eradicating violation of fundamental human rights and decent working conditions requires sustained vigilance and collaboration across industries and borders. We remain committed to this cause and will continue to work tirelessly to uphold the dignity and rights of all workers throughout our supply chain.

In accordance with the requirements of the Act, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act. This account for due diligence assessments was approved on the date shown on the below electronic signatures by.

The board of Allnex Norway AS


Duncan Taylor
Chairman
Roger Sørådekkan
Board member
Kristine Kronstad (Jun 17, 2025 13:53 GMT+2)
Kristine Kronstad
Board member