

OUR COMMITMENT

PASSER is committed to carry out due diligence in accordance with the Norwegian Transparency Act and OECD guidelines for Multinational Enterprises.

- PASSER aims for full openness and transparency in how we conduct due diligence and promote respect for fundamental rights and decent working conditions. This commitment is duly communicated internally to all PASSER employees and to our supply chain.
- PASSER oppose and reject modern slavery in all its forms. We are committed to respect international human rights laws and eliminate illegal, forced, or compulsory labor and reject child labor.
- PASSER values human dignity, respects all individuals and does not accept discrimination of any kind with reference to gender, race, disability, religion, or sexual orientation.
- PASSER values a healthy and safe working environment. We support and respect internationally proclaimed human and labor rights and do not accept any form of discrimination, bullying, or harassment.
- PASSER believe bribes undermine all sorts of business and free enterprise, and do not accept any form of corruption.
- PASSER promote enterprises' respect for fundamental human rights and decent working conditions in connection with production of goods and provision of services.

Our goal and intention are to keep our supply chain fully transparent. We aim to ensure that our key suppliers are contractually obliged to manage such risks and follow the principles of the Norwegian Transparency Act and OECD guidelines for Multinational Enterprises.

We conduct risk assessment, require self-declaration, and perform audits of our key suppliers (when found necessary) - in pursuit of this objective.

ABOUT PASSER

PASSER is an international industrial group with its main activity in the offshore renewable market, as well as shipbuilding, marine cryogenic insulation, and specific industrial markets.

PASSER is headquartered in Norway with regional offices in China, Lithuania, UK, South-Korea, and the Netherlands.

PASSER GROUP consists in total of 16 legal entities. The group of entities provides turnkey solutions to customers worldwide.

Even though the principles and specific requirements stated within the Norwegian Transparency Act and OECD guidelines for Multinational Enterprises are not formally applicable to all PASSER entities, the listed statements within "Our Commitment" applies for all entities.

RISK MANAGEMENT

Our process for due diligence is based on "OECD Due Diligence Guidance for responsible business conduct".

PASSER overall business is basically project related and typically involves design engineering, purchase, construction, and installation activities (EPCI) of which involves a supply chain of products and services.

Initial project tender stage, bid / no-bid process.

On an initial top level, already during the project tender bid / no bid process, a part of the tender risk assessment is to identify and analyse whether the project / business opportunity might involve countries or geographical areas of which raise critical questions to the local political situation and/or if human rights and decent working conditions might be an issue. If such risks are identified, found highly critical and cannot be mitigated, there will be a no-bid decision.

This internal procedure and process supports our Business Integrity Policy and reduce our overall risk exposure by avoiding conducting business in countries associated with high corruption (Ref. Corruption Perception Index (CPI)), reputational and/or political risks and human rights issues.

Second stage in the tender process

If such risks are not identified, and there is a positive bid decision, another part of the tender risk assessment is the identify whether the existing well known and approved supply chain is sufficient to support the project scope of work with reference to capacity and overall need for products and services. If this is not the case and a need for new key suppliers of parts or services are identified, this is listed as an action in the tender risk register and actioned either during the tender process or during the project stage depending on criticality. These new suppliers will then go through the Key Supplier Due Diligence approval process.

KEY SUPPLIER DUE DILIGENCE

The nature of PASSER business requires a network of suppliers of parts and services. These suppliers are geographically well spread and have different levels of criticality and roles in PASSER projects. All suppliers are listed and categorized from A to D.

A and B suppliers are categorized as key suppliers meaning they are categorized with high importance for PASSER's ability to deliver projects to our clients' contractual needs, required quality and general expectations.

Our goal and intention are to keep our supply chain fully transparent. We aim to ensure that our key suppliers are contractually obliged to manage such risks and follow the principles of the Norwegian Transparency Act and OECD guidelines for Multinational Enterprises.

The key-supplier risk assessment involves the evaluation of supplier geographical location (Country) with reference to potential reputation associated with high corruption, reputational and/or political risks, and human rights issues. Evaluation of supplier key-suppliers is also part of the risk assessment depending on type of supplies and services. During the risk assessment process for new suppliers, we are typically checking supplier's website to evaluate their position with reference to the principles of the Norwegian Transparency Act and OECD guidelines for Multinational Enterprises. If no documentation is found, the supplier is obliged to do a self-declaration questionnaire to determine if the supplier has a system in place and follows the principles of the Norwegian Transparency Act and OECD guidelines for Multinational Enterprises

Further and as a part of the approval process, the supplier is obliged to sign PASSER Supplier Ethics and Anticorruption Policy.

If deviations are detected either in the risk assessment process or from the result of the self-declaration questionnaire, a corrective action plan shall be established with mutual agreed dates for close out of listed actions depending on criticality.

If the findings are critical the supplier will not be approved for supply of products and services to PASSER projects.

In cases where the supplier has minor non-critical deviations and is of critical importance for PASSER business, the supplier will typically be audited by PASSER.

SUPPORTING MEASURES & DOCUMENT

The following list of PASSER documents and procedures are found applicable with reference to the Norwegian Transparency Act and OECD guidelines for Multinational Enterprises:

- PASSER Ethical Guidelines. This document is signed by all PASSER employees and hired personnel.
- PASSER Supplier Ethics and Anticorruption Policy. This document is signed by all PASSER key suppliers.
- Approved Supplier List, categorize and list supplier status with reference to ISO certification and risk assessment (due diligence process) – Transparency Act and OECD principles.
- Supplier Risk Assessment Matrix – Transparency Act and OECD principles
- Auxiliary tool for mapping risk factors – Transparency Act and OECD principles
- Supplier Self-declaration – Transparency Act and OECD principles,
- PASSER Internal Whistleblower Procedure
- PASSER HSEQ Policy
- PO Check List
- ISO 45001:2018 – Occupational health and safety management systems

Sandefjord, January 29th. 2024

A handwritten signature in blue ink, appearing to read 'P. Mangelrød', written over a dotted line.

Petter Mangelrød,
CEO PASSER Group