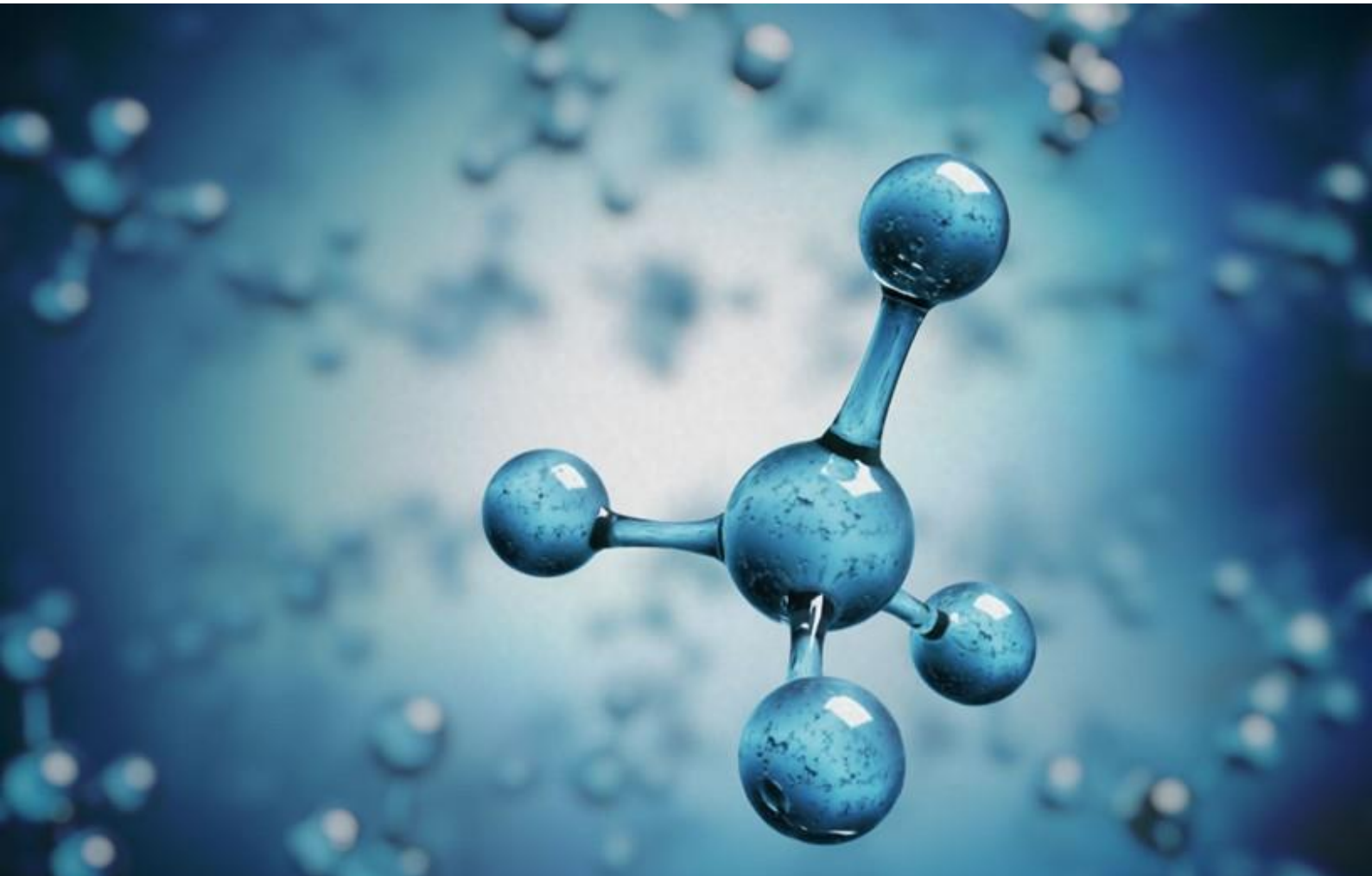


# Norway Transparency Act



June 2024



## OUR COMPANY

### REPORTING ENTITIES

This is a report made pursuant to the *Norwegian Transparency Act (Åpenhetsloven)* for Solenis Norway AS, **Organisation Number 913499654**.

This entity will be referred to as “Solenis Norway” throughout the remainder of this report.

This Transparency Act Report outlines the due diligence conducted by Solenis in the period from October 1, 2022, to September 30, 2023 (“reporting period”).

### OUR STRUCTURE

Solenis Norway is a Norwegian-based affiliate of Solenis LLC (“Solenis”), a leading global producer of specialty chemicals focused on delivering sustainable solutions for water-intensive industries. Solenis is headquartered in Wilmington, Delaware, United States, and is privately owned by Platinum Equity Advisors, LLC, headquartered in Beverly Hills, California, United States. The Company has more than 16,100 employees and 69 Solenis-owned manufacturing facilities, and our operations span approximately 130 countries and six continents. In Norway, we have **2** employees.

### OUR ACTIVITIES

Solenis offers a wider range of products and services:

Product / Service Line	Offerings
Commercial Cleaning	Building Care, Consumer Brands, Dilution Control Equipment, Diversey Consulting, Fabric Care, Floor Care, Infection Prevention, Kitchen Care, Personal Care, and TASKI Cleaning Machines.
Digital Solutions	Analysers, Controllers, HexEval™ Performance Monitoring Program, Internet of Clean, OPTIX™ Applied Intelligence, and Solenis™ Cloud.
Food and Beverages	Bottlecare, Cleaning in Place, Conveyor Lubrications, Engineering, Equipment, Membrane Cleaning, Open Plant Cleaning, and Services.
Industrial Processes	Biorefining Process Aids, Corrosion Inhibitors, Defoamers, Microbiological Control Agents, Mineral Processing Aids, Oil & Gas Processing Aids, and Scale Inhibitors.
Pulp and Paper	Barrier Coatings, Colorants, Contamination Control Agents, Pulp Mill Additives, Retention & Drainage Aids, Sizing Agents, Strength Additives. Surface Treatments, and Tissue Making Additives.
Water Treatment	Boiler Water Treatments, Clearpoint™ Biofilm Detection & Control, Cooling Water Treatments, Raw Water Treatments, Recovery Boilery Treatments, Reverse Osmosis Membrane Treatments, and Wastewater Treatments.

Our global customers include paper mills, chemical processing plants, municipal water treatment plants, food and beverage facilities, healthcare, educational and hospitality institutions, managers of commercial and residential pools, and beyond.

## RESPONSIBILITIES

Solenis is committed to strong corporate governance and has established oversight bodies that are responsible for our sustainability programs and material topics, which includes human rights and labor. This structure works to ensure our efforts remain relevant, compliant, and consistent with our strategy, goals and reporting standards.

- The **Operating Council** is the highest governing body at Solenis and measures company progress towards our stated goals against our Key Performance Indicators and targets.
- The **Executive Committee** manages day-to-day business operations, reviews and approves strategy and goals, builds company commitment, and ensures leadership is accountable for our goals and progress.
- The **Sustainability Task Force Leadership Team** develops strategy, sets goals, drives company culture and education, ensures ongoing data gathering and review, and provides regular updates to the Operating Council and Executive Committee on progress.
- Solenis has two dedicated, **senior-level positions** who are responsible for governance of human rights and labor practices. Human rights are overseen by our General Counsel, and labor practices are overseen by our Chief Human Rights Officer.
- The **Sustainability Task Force** drives efforts to effectively manage material issues across the organization and our supply chains, including human rights and labor practices. The Sustainability Task Force is led by our Chief Sustainability Officer, and includes cross-functional workstreams to drive improvement in areas including governance, compliance, laws & regulations, and due diligence.

## SUPPLY CHAIN OVERVIEW

In 2023, we interacted with over 20,000 suppliers. The majority of our 2023 spend was with suppliers located in the United States, followed by Germany, China, the United Kingdom, France, Brazil, the Netherlands, and Canada. The goods and services procured by Solenis included:

- Direct Materials, such as chemicals & packaging, such as bottles, cardboard, plastic packaging, and pallets
- General Expenses, such as professional services, customer equipment, and office supplies
- Logistics, such as freight, logistics services, and warehousing
- Technical Goods, such as laboratory equipment & supplies, and plant equipment
- Technical Services, such as construction & maintenance, industrial cleaning, health & safety services, and waste management
- Information Technology, such as hardware, software, and services
- Packaging, such as bottles, cardboard, plastic packaging, as pallets
- Energy & Utilities, such as electric, natural gas, and water & sewer

## POLICIES, PROCEDURES AND COMMITMENTS

We have integrated responsible business conduct into our policies and management systems to promote respect for fundamental human rights and decent working conditions in connection with the production of goods and provision of services. This includes identifying and addressing adverse impacts within our operations and supply chains, monitoring processes and outcomes,

tracking and communicating results, and facilitating or implementing remediation where appropriate.

Solenis's expectations and requirements around human rights are defined in our **Human Rights Policy**, which applies to all Solenis employees and extends expectations to third parties across the value chain. The Policy prohibits all forms of forced labor, including indentured labor, bonded labor, military labor, slave labor and any form of human trafficking, in compliance with all relevant national and local laws and applicable collective bargaining agreements. We do not employ children or support the use of child labor, and comply with all local laws and regulations as well as International Labour Organization (ILO) conventions on minimum ages of employment and child labor. We also have a zero-tolerance policy on discrimination and operate a safe and healthy workplace in compliance with applicable laws, regulations and internal requirements. Our Human Rights Policy is aligned with internationally recognized standards including the:

- Universal Declaration of Human Rights (UDHR);
- International Covenant on Civil and Political Rights (ICCPR);
- International Covenant on Economic, Social and Cultural Rights (ICESCR); and
- ILO Declaration on Fundamental Principles and Rights at Work.

Our **Global Standards of Business Conduct** applies to all Solenis employees globally, and establishes our commitment to conducting business in accordance with the highest legal and ethical rules and principles across our operations, supply chains and activities following applicable laws, including on human rights. The Global Standards are the foundation of our global compliance program and underscore our **Responsible Care** framework, which guides our ambition towards excellence in environmental, health, safety, and security performance. All business partners operating on behalf of Solenis are provided a copy and are expected to comply with its requirements. The Global Standards were revised in 2023, are approved by our CEO, and are overseen by The Office of Ethics and Compliance.

Additionally, our **Supplier Code of Conduct** outlines our minimum standards for all suppliers globally and establishes our expectations for suppliers on human rights. It is explicitly aligned with our Global Standards of Business Conduct, Human Rights Policy, and applicable laws and regulations, and forms an integral part of all supplier contracts. It is based on the UN Guiding Principles on Business and Human Rights (UNGPs), the ILO Declaration on Fundamental Principles and Rights at Work, and the Ten Principles of the UN Global Compact.

Our commitment to human rights in our supply chain also informs our **Conflict Minerals Policy** which commits to ensuring that our procurement of raw materials, intermediates, or other goods are in compliance with the conflict minerals rule under Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Conflict Minerals Rule) issued by the U.S. Securities and Exchange Commission (SEC), as well as the EU Conflict Minerals Regulation.

## DUE DILIGENCE PROCESSES

### HOW DUE DILIGENCE IS CONDUCTED IN OUR ORGANISATION

As a member of the **Supplier Ethical Data Exchange (SEDEX)**, every Solenis production site supplying a product to a particular customer completes a self-assessment questionnaire aligning with the SEDEX Members Ethical Trade Audit (SMETA) pillars. Self-assessment

questionnaires include criteria on human rights, child and forced labor, ethical recruitment, and labor conditions. This standardized system complements our internal processes through the identification of potential risks at our facilities, ensuring compliance with our high ethical standards and reinforcing our commitment to accountability.

Solenis offers a dedicated grievance and reporting mechanism to effectively address concerns, in accordance with our **Reporting Policy**. Our 24-hour anonymous and confidential reporting platform, **Share Your Concern**, is accessible to all employees, business partners, and any other stakeholder to submit reports on compliance-related matters, potential breaches of our Global Standards of Business Conduct and supporting policies, or potential legal violations. Stakeholders can submit written reports or find telephone numbers to make verbal reports, with translation services available in local languages. Share Your Concern is managed by an independent third-party to preserve anonymity and provides the ability to follow up on any previously submitted reports. The platform is publicly available on our website, in the Global Standards of Business Conduct, and in supporting policies.

Employees are similarly encouraged to share concerns, initiate complaints, or ask questions by speaking with line managers or contacting Human Resources representatives, our Office of Ethics and Compliance, or our Legal Department. We also provide specific internal resources for suppliers and their employees to ask questions, request information or report concerns confidentially through a dedicated e-mail resource. Contact information is made available in company policies that reference human rights, including our Human Rights Policy and Supplier Code of Conduct.

Our **Investigations Policy** outlines our process for conducting internal investigations and taking remedial actions regarding allegations of suspected or known misconduct or violations of applicable laws, Global Standards of Business Conduct and Solenis' policies and procedures. Investigation and remediation are to be conducted in an appropriate, confidential, and expeditious manner, as guided by our Investigations Protocol and Investigations Toolkit. Investigations can result in remediation measures to address violations and correct non-compliances, such as training or corrective actions, and may result in disciplinary action, up to and including termination of employment. Together, the Reporting Policy and Investigations Policy provide a framework for ensuring non-retaliation against those who initiate a complaint.

## HOW DUE DILIGENCE IS CONDUCTED IN OUR SUPPLY CHAIN

As outlined in our Human Rights Policy, Solenis is committed to conducting comprehensive due diligence and certification procedures aimed at preventing human rights risks within our supply chains, in compliance with laws and regulations.

This commitment is achieved through our **Supplier Risk Management Program**, administered through the Global Risk Management Solutions (GRMS) platform, and required for direct material suppliers conducting business with Solenis. The program provides a robust framework for identifying, assessing, and mitigating risks associated with our suppliers, and features individual programs for direct raw material suppliers, indirect suppliers, and on-site contractors.

To qualify for our program, suppliers complete a **pre-qualification risk assessment** with screening criteria on human rights, labor conditions, and compliance with applicable laws, including document verification. Suppliers are also required to acknowledge our Supplier Code of Conduct; meet alternate criteria (such as being a signatory of the UN Global Compact); or maintain similar principles in their own code of conduct. As part of ongoing due diligence,

suppliers renew their engagement through an annual questionnaire to assess performance, record annual progress, and re-evaluate supplier risk levels. Risk assessments are conducted throughout the supplier lifecycle, from selection and onboarding to ongoing monitoring and management, to ensure we only award and maintain business with suppliers that meet our standards. For suppliers that do not meet our standards, we provide education, create work plans, and hold them accountable to meet our requirements.

Additionally, enrolled raw material suppliers are requested to accept and comply with our **Sustainable Procurement of Raw Materials Policy**, which includes our Raw Material Supply Sustainability Performance Survey. All selected raw material suppliers are annually assessed on factors including human rights to determine compliance, or maintain an EcoVadis Bronze-level assessment or higher. We monitor progress and specify issues to be addressed for non-compliant suppliers, who must implement corrective actions with evidence of improvements to retain their approved supplier status. Additionally, we maintain automated supplier performance scorecards for our direct material suppliers to give us a holistic view of performance and identify areas for improvement, including on risk performance and sustainability compliance. Under the terms of the Policy, suppliers are required to give permission to verify compliance, allow on-site audits, and enable their employees to report concerns directly.

We include **standard sustainability clauses** as part of the terms of supplier contracts, including adherence to our Supplier Code of Conduct, mandatory GRMS registration, and a regulatory compliance assessment through a Vendor Regulatory Request (VRR) form. Additionally, our contracts mandate that suppliers conduct background checks to ensure any individual assigned to work at Solenis facilities is legally authorized to work and meets our minimum qualifications. We have also implemented a risk exposure assessment for all contracts to ensure potential risks are identified prior to supplier onboarding, and managed through our Contract Life Cycle Management process.

We proactively engage with our business partners to increase risk awareness and foster compliance. This includes one-on-one supplier meetings and a dedicated supplier page on our website where suppliers can find our policies related to human rights, and further information related to our Supplier Risk Management Program. We also seek ongoing engagement through the **Voice of Supplier** section of our supplier performance scorecards, and request annual supplier feedback through online surveys to identify potential areas for improvement and collaboration opportunities.

## DUE DILIGENCE FINDINGS

We conducted a scan of 2023 direct and indirect supplier data that considered potential risks related to fundamental human rights and working conditions associated with the supplier's location, sector, and product or service supplied to Solenis. This review used information from reputable, international organizations that is publicly available and annually updated. Based on initial results, we have determined the risk to fundamental human rights and decent working conditions in our operations and supply chains to be low.

## GEOGRAPHIC RISKS

**Countries we procure from are considered to have low or very low risk** across several human rights indicators (child labor, forced labor, freedom of association, discrimination, wages, working hours, adverse environmental impacts, Indigenous people's rights, health and

safety, and right to privacy, amongst others). Countries considered very low risk include Austria, Denmark, Finland, Germany, the Netherlands, Norway, Sweden, and Switzerland. Countries considered low risk include Australia, Belgium, Canada, Chile, Costa Rica, Cyprus, Czech Republic, Estonia, France, Ireland, Italy, Japan, Liechtenstein, New Zealand, Portugal, Singapore, Slovakia, Slovenia, South Korea, Spain, the United Kingdom, and the United States.

**Countries we procure from are considered medium risk** due to a combination of factors, including the prevalence of child labor ([UNICEF, Children's Rights Atlas](#)), lack of right to privacy ([World Justice Project](#)), discrimination ([We Forum, Asher Fergusson, Fragile States Index](#)), adverse environmental impacts ([Environmental Performance Index](#)), lack of Indigenous people's rights ([Children's Rights Atlas](#)), and corruption ([Transparency, World Justice Project](#)). These include Argentina, Bulgaria, Georgia, Ghana, Greece, Hong Kong, Hungary, Israel, Namibia, Panama, Poland, Romania, and Ukraine.

**Countries we procure from are considered high or very high risk** due to a combination of the factors above, as well as a lack of freedom of association, lack of rights to collective bargaining, opinion and expression ([Global Rights Index, Ratifications of C087 and C098](#)), prevalence of forced labor (Walk Free's [Global Slavery index](#)), lack of property rights ([Heritage](#)), abuse of force by private or public security forces ([CAHRA, Fragile States Index](#)), as well as risks to the rule of law ([World Justice Project](#)) and potential infringements on personal autonomy and individual rights ([Freedom House](#)). Countries considered high risk include Belarus, Brazil, China, Colombia, Dominican Republic, Egypt, El Salvador, Guatemala, India, Indonesia, Jamaica, Malaysia, Mexico, Pakistan, Peru, Russia, Saudi Arabia, Serbia, South Africa, Thailand, Trinidad and Tobago, Tunisia, Turkey, United Arab Emirates, and Vietnam. Countries considered very high risk are Zimbabwe and Eritrea.

There is insufficient data available to assess the risk in Andorra, the Cayman Islands, and Taiwan.

## SECTOR RISKS

We have also identified risks to fundamental human rights and decent working conditions that, while not directly related to our operations, are present in the sectors we and our suppliers operate in.

- The key human rights related risks in the **chemical** industry include occupational health and safety risks, potential exposure to poor working conditions or hazardous materials, and potential negative impacts on vulnerable groups (e.g. exploitation of scarce local raw materials and water sources).
- The **construction** industry has widespread use of contractors and subcontractors, who often rely on the use of vulnerable workers, such as migrant workers, day-laborers, or temporary workers. These workers are more susceptible to trafficking and discrimination, excessive recruitment fees, and withholding of documents. The [International Labor Organization](#) estimates that approximately 16% of forced labor exploitation cases worldwide occur in the construction industry, and it is one of the most hazardous sectors for workers. Another key risk in the industry is related to health and safety; the major health and safety risks include fatal and non-fatal incidents, spreading of communicable diseases, and working excessively long hours.
- The **hospitality industry** includes facilities maintenance, cleaning, travel & entertainment services, and security services. The key human rights related risks in the hospitality

industry include low wages and long hours, adverse environmental impacts, and higher risks of forced or child labor, as these services often rely on recruiting through contractors and subcontractors, and often employ vulnerable workers such as migrant or temporary workers.

- The **logistics industry** includes shipping, transportation, and warehousing services, and carries potential risks of modern slavery. Ocean freight in particular can have high risks of forced labor as workers may be deprived of their rights to annual or shore leave and repatriation, and may be forced to continue working beyond the terms in their employment contracts. Similarly, **warehousing services** are increasingly outsourced to third-party logistics companies and often rely on temporary or subcontracted labor, which comes with higher risks of exploitation or hazardous work conditions.
- The **manufacturing industry** includes a range of skilled and low-skilled positions; low-skilled labor has an increased risk of human trafficking as many workers lack other employment options. These workers also lack leverage to negotiate for higher wages, safer working conditions, and reasonable working hours, and are vulnerable to significant job insecurity. There are also high risks of child labor in the manufacturing industry.
- The **packaging industry** has potential risks of forced and child labor in its upstream pulp and paper supply chains. The forestry and logging industry has been linked to violations of Indigenous peoples' rights, and in the US, forestry is one of several industries that uses incarcerated labor, with documented cases of unfair treatment and unsafe working conditions. Similarly, the **plastic packaging and petroleum product industry** can often include temporary workers who may be at risk of forced labor, excessive working hours, withheld wages, restricted freedom of movement, and unsafe or unhealthy working conditions.
- The **waste management industry** has high risks of insufficient labor standards, negative community impacts, and poor workplace health and safety. There is also a risk of forced labor, as the industry often relies on temporary workers or migrant workers recruited by sub-contractors who are more vulnerable to exploitation and abuse, including human trafficking.

Solenis actively mitigates these risks through the due diligence measures and risk management processes outlined in this report.

*We did not receive any reports or incidents related to fundamental human rights or decent working conditions in the reporting period.*

## IMPLEMENTATION OF APPROPRIATE MEASURES

### CORRECTIVE ACTIONS AND TERMINATION OF AGREEMENTS

Our suppliers are expected to meet the minimum standards stipulated in our Supplier Code of Conduct. For suppliers that do not meet our minimum standards, we will specify which issues need to be corrected or improved, and the supplier must take corrective actions promptly and provide adequate evidence of improvements.

As well as stipulating compliance requirements for suppliers, our Supplier Code of Conduct and Sustainable Procurement of Raw Materials policies reserve the right to terminate supplier contracts in the event of material breaches or a supplier's refusal to take corrective actions. Our supplier contracts require adherence to applicable laws and contain a performance



guarantee clause, which is reviewed and validated quarterly and can result in immediate termination in the event of non-conformance.

## RECORD KEEPING

Solenis maintains thorough record-keeping practices as directed by the Legal Department and outlined in our Global Standards of Business Conduct and **Records Management Policy**. Completed training and employee certifications are recorded annually as part of our compliance program. Additionally, our Supplier Code of Conduct requires our suppliers to accurately and reliably report and record information on their business activities, performance, and disciplinary measures.

## TRAINING

Our **Annual Training and Communication Plan** sets out mandatory annual training requirements for all employees globally on key compliance areas, including the key topics covered under our Global Standards of Business Conduct. Each year, employees are required to review and certify their compliance, and in 2023, our completion rate was 95%. The Office of Ethics and Compliance actively follows up on all outstanding certifications, and continuously looks for process improvement opportunities.

Additionally, we have developed a **Procurement Learning Journey**, a platform that summarizes all the skillsets and knowledge we expect our Global Procurement team members to grow and develop, which includes training on sustainability and supplier risk management. We provide additional tailored training to employees in various functions, based on risk assessments and operational needs.

## PERFORMANCE TRACKING AND DISCLOSURE

To assess effectiveness, we have clear and defined sustainability targets and performance indicators to measure progress. Our Office of Ethics and Compliance monitors compliance and collects risk-related data through various sources, including employee certifications of the Global Standards of Business Conduct and internal investigations. We track and measure supplier engagement in our Supplier Risk Management Program annually. Additionally, each year we ask employees to report any known violations of the Global Standards of Business Conduct, supporting policies, or applicable laws. Data is processed within our Enterprise Risk Management Process and continuously informs the revision of our policies, processes, training, and communication.

Solenis annually discloses performance data concerning our governance, risk management, due diligence, and compliance initiatives pertaining to human rights, child labor and forced labor in our externally assured **Annual Sustainability Report**, which includes a dedicated Environmental, Social and Governance (ESG) Data Table and Global Reporting Initiative Content Index. We have mapped our priority sustainability topics and identified Key Performance Indicators to measure our progress.

## FUTURE COMMITMENTS

We are committed to a model of continuous improvement by enhancing our procedures to identify, prevent, mitigate, and address potential and actual human rights impacts within our operations and supply chains, and intend to continue our momentum throughout 2024 and beyond. Specifically, we intend to:

- Conduct an updated **materiality assessment** in 2024 to identify and prioritize key material issues that have the potential to impact the company and are of importance to our internal and external stakeholders.
- Refine and update our **ESG governance framework** to reinforce our commitment to responsible business conduct.
- Further advance our **supplier risk program** by enhancing our periodic risk assessment tools on ethics risks in our direct material supply chains, including but not limited to our raw material suppliers and intermediaries.

## HOW TO REQUEST INFORMATION FROM SOLENIS

Pursuant to Section 6 of the Transparency Act, any person has the right to obtain information from Solenis regarding the scope of the Act and how we address actual and potential adverse impacts. Both general information and information relating to a specific product or service can be requested through the following channels:

For our **on-line portal** (confidential and anonymous), click here: "**Share Your Concern**".

As an alternative, concerns can be shared via the **phone**:

- United States and Canada: +1 833 203 3981
- For other countries, **click here** for the access code and phone numbers.

Requests can be denied if:

- The request does not provide a sufficient basis for identifying what the concern is regarding;
- The request is clearly unreasonable;
- The requested information concerns data relating to an individual's personal affairs; or
- The requested information concerns data regarding technical devices and procedures or other operational and business matters which for competitive reasons is important to keep confidential.

The right to information regarding actual adverse impacts on fundamental human rights with which the enterprise is familiar applies irrespective of the limitations outlined.

The right to information does not cover information that is classified pursuant to the Security Act or protected pursuant to the Intellectual Property Rights Act.

Alma Charlotta Kanto Öqvist

Director

DocuSigned by:

*Alma Charlotta Kanto Öqvist*

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