NORTEK GROUP 2023

Statement for Responsible Business Conduct

Document information

Company Nortek AS
Prepared by Therese Baas, Inga Kristine Wegger
Reviewed by Finn-Ivar Marum
Approved by Nortek board

Date 21.06.23

Preamble

The actions of companies have significant impact, both positive and negative, on the lives of citizens around the world. Not only in terms of the products and services they offer, or the jobs and opportunities created, but also in terms of working conditions, human rights, health, the environment, innovation, education and training.

For this reason, it's expected that companies understand their positive and negative impacts on society and the environment by doing due-diligence exercises. This enables companies to, identify, prevent, manage and mitigate any negative impact that they may cause, including within their global supply chain. Living up to this duty is commonly known as 'corporate social responsibility' or 'responsible business conduct'[1].

UN's 17 Sustainable Development Goals, the foundation for responsible business conduct.

This report covers the company's duty to account for the due diligence assessments conducted in 2023 according to the Norwegian Transparency Act, LOV-2021-06-18-99[2]. In the report Nortek outlines the goals and measures that have been evaluated and implemented to reduce the risk of negative impacts from the company's activities and business relationships on fundamental human rights and decent working conditions.

The company has not identified any violations of human rights or decent working conditions during the reporting year. Additionally, the company has not identified any new significant risk of such violations or negative impacts which are not already addressed in the report.

We continuously monitor the achievement of our goals, the implementation of initiated measures, and the resulting outcomes.

Report contact person: Therese Baas, Quality and Digital Director

Inquiries: Please complete the contact form on www.nortekgroup.com

The Nortek board signature

The Transparency Act was endorsed and adopted by the Nortek Board in June 2022.

The Nortek Board and the CEO of the Nortek Group confirm they have received and read the report titled "Statement for Responsible Business Conduct – Nortek Group 2023."

Nortek Group
21. June 2024, Rud

Atle Lohrmann
Chair of the Board

Finn-Ivar Marum
CEO and member of the Board

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LIST OF ABBREVIATIONS

Abbreviation	Full description
ISO	International Organization for Standardization
CSR	Corporate Social Responsibility
ESG	Environmental Social Governance
GDPR	General Data Protection Regulation
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
HQ	Headquarters
HR	Human Resources
HSE	Health, Safety and Environment
ICT	Information and Communications Technology
KPI	Key Performance Indicator
OECD	Organisation for Economic Co-operation and Development
PCB	Printed Circuit Board
RBC	Responsible Business Conduct
SDG	Sustainable Development Goals
T&C	Terms and Conditions
UN	United Nations

1. Due-diligence process

This report summarizes Nortek Group's work on transparency and due diligence to promote and ensure fundamental human rights and decent working conditions in its supply chain, as per LOV-2021-06-18-99[2]. It is based on the UN Guiding Principles on Business and Human Rights and the OECD Due-Diligence Guideline for Responsible Business Conduct[3].

The due-diligence process, outlined in Figure 1, includes six steps to help companies implement more responsible and sustainable practices into their business model.

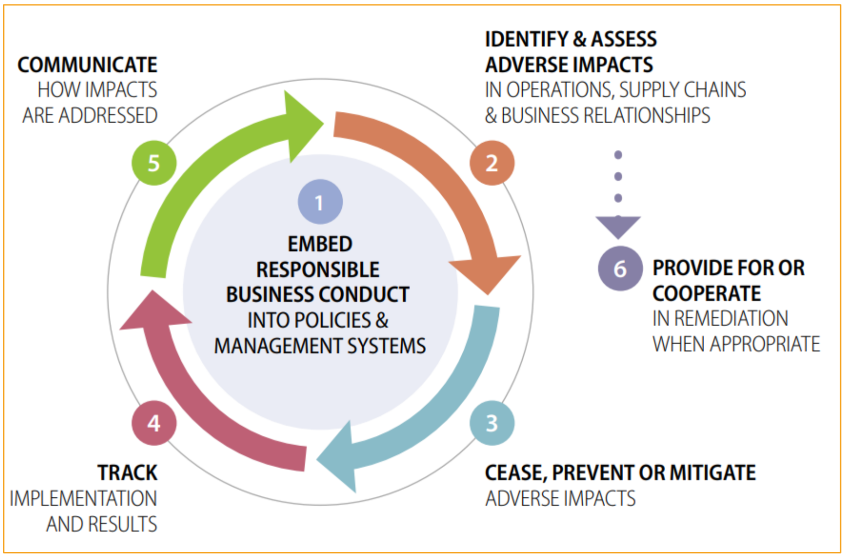

Figure 1: OECD Guideline due-diligence process and supporting measures[3] process should be aligned with the risks and company's context, such as size, operations, markets and influential power.

Performing due diligence acknowledges both the positive contributions and the potential negative impacts on humans, society, and the environment. It encourages transparency about challenges and collaboration with stakeholders to mitigate adverse effects.

The report structure is according to the OECD model, featuring individual chapters for each step.

Step 1: Embed responsible business conduct into policies & management systems
Step 2: Identify & assess adverse impacts in operations, supply chains & business relationships
Step 3: Cease, prevent or mitigate adverse impacts
Step 4: Track implementation and results
Step 5: Communicate how impacts are addressed
Step 6: Provide for of cooperate in remediation when appropriate

2. Company overview and key information

2.1 Overview

The Nortek Group, hereafter called Nortek, is an ocean technology company providing oceanographic instruments for current and wave measurements and underwater navigation systems. In addition to the headquarters and manufacturing site in Norway, the company has a global presence with offices in seven countries and a network of distributors around the world.

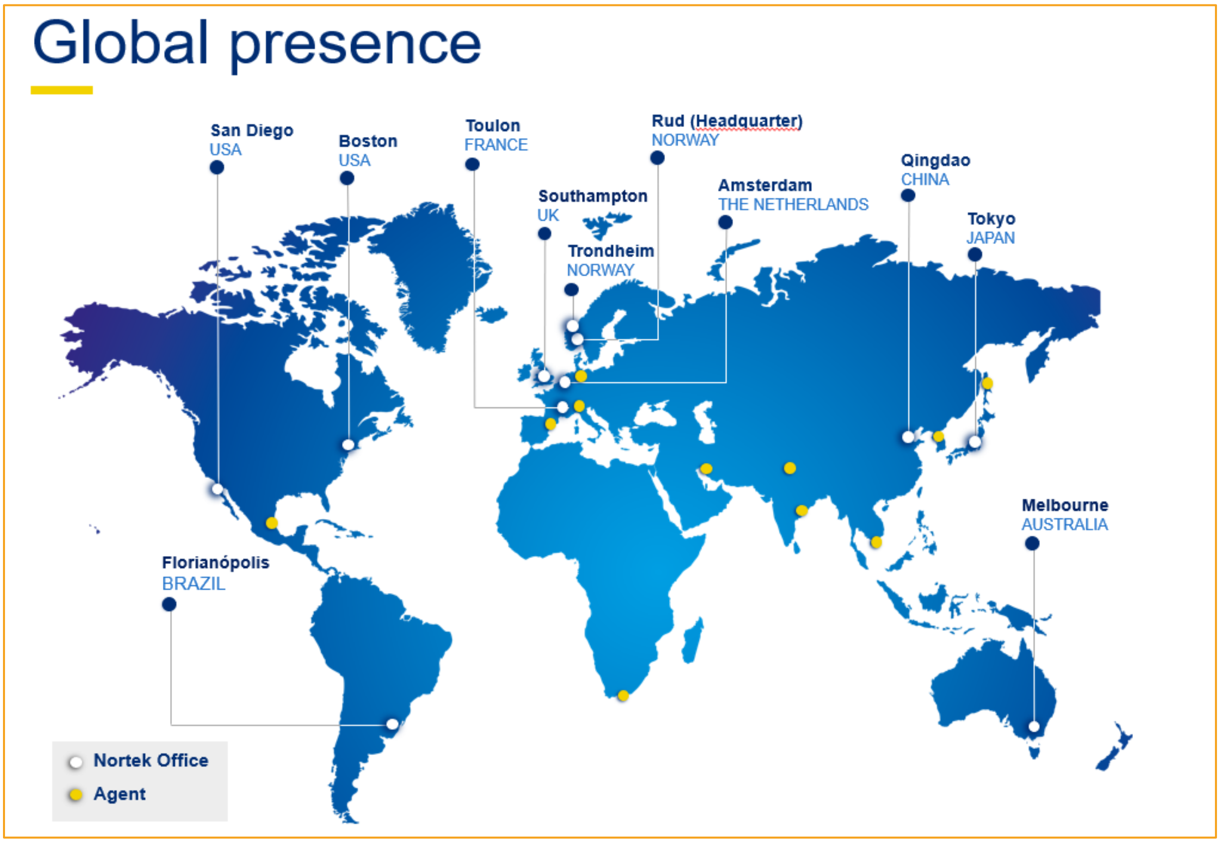

Figure 2: Nortek global footprint and presence. 2/3 of all employees are located in Norway.

Nortek is committed to conducting its business in a responsible and sustainable manner, with a strong focus on environmental stewardship and social responsibility. The company has established science-based targets for emission reduction to benefit people, nature, and the climate. The company's operations are guided by a set of core values, including a commitment to innovation, collaboration, and ethical behavior for employees and the supply chain.

The key information is from the Nortek GRI Report 2023[4], following the GRI 102: General disclosures, Organizational profile section.

102-1 Name of the organization
Nortek AS, org.no. 996 707 415 | Web: www.nortekgroup.com

102-2 Activities, brands, products, and services
Development, production, distribution and service of oceanographic instruments and underwater navigation systems.

102-3 Location of headquarters
Vangkroken 2, 1351 Rud, Norway.

102-4 Location of operation
Nortek maintains operations/office locations in the following countries: Norway, UK, The Netherlands, France, USA, Brazil, Japan, China and Australia. The manufacturing site is at HQ in Norway. Visit www.nortekgroup.com/about/contact for office locations and agents.

In 2023 Nortek had 11 agents, re-selling Nortek products. Africa (1), Asia (5), Europe (3), Central America (1) and Middle east (1)

102-5 Ownership and legal form
Nortek is a privately held company owned 100% by General Oceans AS, org. no 927 002 264

102-6 Markets served.
Products sold worldwide through sales offices and agents

102-7 Scale of the organization
Nortek had 161 employees in 8 different countries. The annual revenue for 2023 was 543 mill. NOK.

102-8 Information on employees and other workers
As of December 2023: 140 full-time, 14 part-time, 6 contractors, 1 trainee. Employee distribution: Norway (98), UK (7), Netherlands (16), France (12), USA (10), Brazil (3), Japan (2), China (9), Australia (4)

102-9 Supply chain
Nortek has rigorous policies and procedures in place in our certified Management System to select, manage and follow-up suppliers.

Supplier and Business Partner Code of Conduct
The codes outline corporate governance, social, and ethical responsibility requirements for all suppliers and business partners. They include mandates on environmental management, governance, trade compliance, human rights, and working conditions. These requirements are enforced through contracts and regular meetings and audits. The updated Business Partner Code of Conduct was issued in 2024[5].

Climate action and the environment
Nortek encourages suppliers and partners to disclose their carbon footprint, implement environmental management systems, and set science-based targets for emission reductions. Suppliers are also required to establish systems for waste management and recycling.

Local suppliers
Nortek supports local communities and suppliers, conducting an ESG assessment of all service, materials and parts suppliers > 1 mill NOK, which constitute over 70% of supplied goods and services. Of these, 65% are based in Europe (52% in Scandinavia), 31% in the USA and 4% in Asia.

Due diligence
Suppliers and partners must adhere to the Supplier[6] and Business Partner Code of Conduct[5]. These standards are enforced through meetings and audits as part of the OECD due-diligence process. Nortek will continue to monitor ESG risks with key suppliers and partners.

102-10 Significant changes to the organisation and its supply chain (since last update) The General Oceans Group consists of four operating companies as of December 2023, Nortek, Reach Robotics, Strategic Robotic Systems, Tritech and Klein Marine Systems.

102-11 Precautionary Principle or approach
Nortek's ambitious climate strategy is based on three pillars:

1) Reduce own emissions with 1/3 by 2030.
2) Deliver carbon neutral products to our customers.
3) Enable healthier oceans through our technology and costal community support.

Throughout the year, ESG risks have been regularly assessed, and processes like the Supplier and Business Partner Code of Conduct have been implemented to ensure a responsible supply chain. Nortek achieved ISO 14001 certification in 2023.

102-12 External initiatives

Nortek has adopted or endorsed external sustainability principles, standards and regulations including, but not limited to:

E=Environment | S=Social | G= Governance

Description	Type	Implementation
O 9001 Quality Management System	E, S, G	Ensures quality and customer satisfaction.
ISO 14001 Environmental Management	E	Integrated with the Management System.
Paris Agreement[7]	E	Basis for our climate goals and plans.
Greenhouse Gas Protocol[8]	E	Framework for climate reporting and CO2 accounting.
GRI Standards[9]	E, S, G	Framework for ESG reporting; yearly GRI report.
Norwegian Transparency Act	S, G	Ensures human rights and decent working conditions; covered by Supplier Code of Conduct and due-diligence process.
Norwegian Accounting Act, § 3-3c – Corporate Social Responsibility[10]	E, S, G	Covered by company policies and sustainability processes in the management system.
United Nations Sustainable Development Goals[11]	E, S, G	Focus on five selected SDGs.
International Labour Organization (ILO) Standards[12]	S, G	Basis for Supplier and Business Partner Codes of Conduct.
United Nations Universal Declaration of Human Rights	S, G	Basis for all Nortek Codes of Conduct.
Report Waste Consumption to SSB (Norway)	E	Waste handling system tracks all waste categories.

3. Supply chain overview

3.1 Description of purchasing model and supply chain

The central purchasing department at HQ in Norway manages all materials and parts purchases for the manufacturing site, using a standardized procurement process to handle the global supply chain.

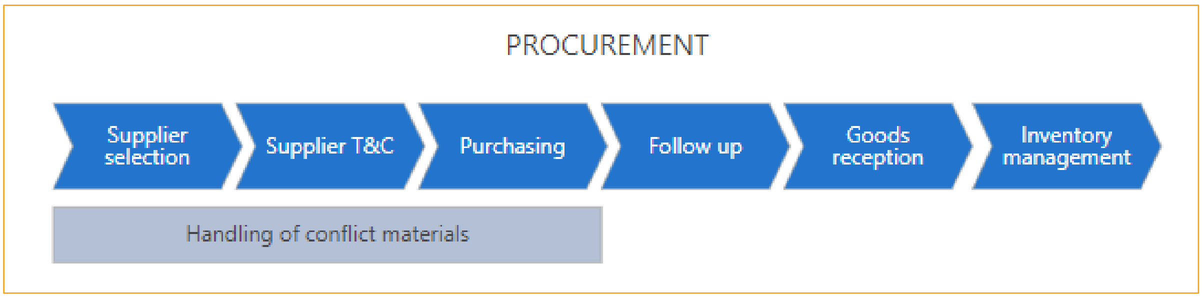

Figure 3. Overview of top-level procurement process

- Evaluates and qualifies new suppliers. ESG risks and documentation is part of the assessment.
- Manages the supplier contractual framework and Supplier Code of Conduct
- Identifies and mitigates potential risks associated with suppliers
- Manages the procurement process including forecasting and competitive bidding to ensure cost-effectiveness

Local management at each office location collaborates with HQ to follow up on local service suppliers and business partners.

3.2 Key information

Nortek's suppliers provide materials, parts, and services to the company. Services are primarily provided by local partners near our offices, while materials and parts are sourced globally, following international supply chain patterns.

Table 1: Overview of supplier relationships

Category	Type	Comment
Total number of suppliers the company had a commercial relationship with in 2023	497	Subsidiaries not included
Type of supplier [Purchased volume]	55% Material and parts suppliers 45% Service suppliers	

Table 2: Overview of what is purchased.

Category	Supply chain	What we buy
Material and parts	Global supply chain	• POM parts (plastic) • Electronics • Metal parts (titanium, aluminium, steel)

Category	Supply chain	What we buy
		• Cables and connectors • Batteries • Industrial ceramics • Chemicals • Machines and tools
Services	Local supply chain	• Office • Electricity • Cleaning • Banking • Groceries • Furniture • Consulting • Cloud services • IT equipment • Software applications

Parts and materials sourced globally

Table 2 is not unique to Nortek. Plastics are derived from oil and gas, precious metals and minerals are mined, and electronics are manufactured in large factories serving companies worldwide. These supply chains share common extraction and production methods, along with similar challenges related to human rights, labor conditions, and environmental impact.

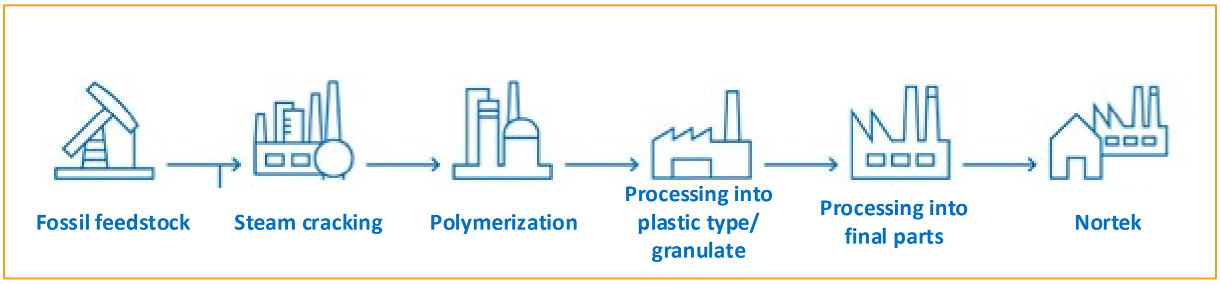

Figure 4. Overview of plastic supply chain

3.2.1 Key global supply chains used by Nortek

Table 3: Supply chain examples

#	Material/ part	Supply chain	Processing	Adverse impacts and industry risks
A	Metals and minerals	Mining, extraction, smelting	1. Mining and crushing ore 2. Chemical extraction and smelting 3. Raw materials in bar/granulate form 4. Machined into final parts	**A1)** Mineral extraction and processing pose human rights risks, such as forced displacement, land grabbing, environmental destruction, dangerous conditions, and child labor. Conflict minerals (tin, tantalum, tungsten, gold) are associated with violence and abuses in conflict zones. **A2)** The chemical industry involves dangerous materials like explosives, gases, inflammable liquids, and toxic substances.
B	Plastic	Oil/natural gas extraction, refining, polymerization	1. Extract fossil feedstock from oil/gas reservoirs. 2. Refine raw materials into ethane and propane, then crack them into ethylene and propylene using heat and chemicals. 3. Combine ethylene and propylene with a catalyst to form polymers, extruded into plastic tubes or granulate. 4. Machine or process further into final parts	**B1)** Oil & gas are non-renewable resources that contribute to high carbon emissions and climate impacts, along with plastic pollution in sea and land. **B2)** Exploration and development risks include land grabbing, geopolitical instability, habitat disruption, and oil spills affecting ecosystems and human communities. **B3)** Workers face dangerous conditions, including fire, explosions, and chemical exposure.
C	Electronics	A + B + Manufacturing of electronic components[13]	1. Raw materials are used to create circuit board components (microchips, resistors, etc.), which are then printed onto PCBs. 2. The electronic boards are sold as final parts	See A1, A2, B1, B2, B3 C1) The electronics industry faces issues like excessive working hours, poverty wages, forced labor, and dangerous conditions. It drives mineral mining, consuming 35% of global copper and 9% of gold production. C2) Chemicals are used extensively throughout the electronics manufacturing process.
D	Batteries	A + B + Manufacturing of batteries	1. Sub-suppliers purchase raw materials, plastic, chemicals, and electrical components to manufacture batteries. 2. Batteries are typically sold through distributors to end users.	See A1, A2, B1, B2, B3, C1

The supply chains for materials and parts may combine the processes above and pass through several distribution channels before reaching Nortek.

4. Due-diligence plans

The 3-year plan to assess the different areas of our supply chain are based on an overall risk assessment considering:

- Suppliers which we purchase in volume from on a regular basis.
- Suppliers and business partners we may influence the most based on revenue.
- Area of the world where the supplier or business partner is located.

Risk and influence increase with the amount purchased relative to the size of the supplier. Suppliers and partners with revenue below 1 million NOK are excluded from this assessment due to their low contribution to overall supply chain risk.

Nortek has the most influence over suppliers from whom we regularly purchase in large volumes and those with the highest revenues.

The focus in this report has been the top tier suppliers > 1 mill. NOK.

4.1 Goals and progress 2023

Table 4: Goals and progress 2023

Year	Goal	Status
2022	Perform due-diligence of top 15 material and parts suppliers > 1 mill. NOK	Completed
2022	Establish templates and framework for the OECD due-diligence process within Nortek	Completed
2023	• Include ESG topics in the supplier risk assessment process and audits • Perform due diligence of top tier services suppliers > 1 mill. NOK • Establish framework for Business Partner audits • Established framework for global trade compliance	Completed

4.2 Plans for the coming years

Table 5: Due-diligence plans

Timeline	Supply chain area	Comment
Year 3: 2024	• Conduct due diligence of top business partners and suppliers with revenues > 1 million NOK. • Establish a Business Partner Code of Conduct for top-tier partners to sign. • Review the risk indicators used	Business partners are mainly resellers of Nortek's products in regions without our own presence. Top-tier service suppliers, primarily in Norway and Scandinavia, are considered low-risk in terms of ESG aspects.

Continue the OECD due-diligence process and the supplier/business partner risk assessment for all suppliers and partners above the 1 mill. NOK threshold.

5. Step 1: Embed responsible business conduct into policies and management system

5.1 Policy

Ref. OECD Due Diligence Guidance for Responsible Business Conduct section 1.1[3]

Responsible business conduct is integrated into the Nortek's Group Policies. Currently, we operate eight policies and one whistleblowing procedure:

- Code of Conduct
- Supplier Code of Conduct
- Business Partner Code of Conduct
- Health, Safety & Working Environment
- Quality
- Privacy & GDPR
- External Environment & Sustainability
- Communication
- Whistleblowing Procedure

Social responsibility and governance topics are part of all policies. The policies have been communicated to the company's employees and are available on the company's intranet. The company regularly conducts awareness training related to the ethical guidelines and policies.

Nortek's Codes of Conduct are based on the UN declarations, core ILO conventions, UN Global Compact's 10 principles for sustainable development, and the OECD Anti-Bribery Convention. They address:

- Laws and regulations
- Trade compliance
- Labor rights and working conditions
- Child labor and forced labor
- Freedom of association and the right to organize
- Corruption, business integrity, and reporting
- Environment, sustainability, and reporting
- Resource efficiency, recycling, and clean energy
- Health, safety, and working environment
- Responsible materials sourcing and conflict minerals
- Information disclosure and cooperation
- Non-compliance
- Supplier and business partner declarations

Nortek's major suppliers and business partners must sign the applicable Nortek Code of Conduct or provide documentation proving they meet the requirements.

5.2 Global trade compliance

Increased sanctions and embargoes from the EU/USA as well as the US/China trade war have placed heightened requirements on Nortek. To address these challenges, Nortek focused on trade compliance to support global business growth, ensure supply chain efficiency, and maintain operational integrity.

5.3 Management system

Ref. OECD Due Diligence Guidance for Responsible Business Conduct section 1.2[3]

5.3.1 Oversight and responsibility

- The CEO is responsible for the company's ethical guidelines, which were last updated on August 21st, 2023.
- The Quality Department is responsible for the due-diligence process
- The Group Senior Management is responsible for ensuring compliance with the ethical guidelines within their respective departments.

5.3.2 Embed responsible business conduct

Nortek acknowledges that our business model and supply chain impact both people and the environment. We are committed to embedding sustainability and responsible business conduct into our strategy and operations through Nortek's ESG framework.

Nortek's ESG framework, as shown in Figure 5, is guided by our policies. The business processes ensuring daily activities and the OECD due-diligence process are detailed in the company's Management System.

Figure 5: Nortek's ESG framework is based on the company policies

Nortek operates a management system to manage activities at all organizational levels, certified to ISO 9001:2015 (quality) and ISO 14001:2015 (environment). This system complies with statutory regulations for health, safety, and the environment, and meets the requirements of public authorities, customers, and business partners.

Specific ESG KPIs are tracked by the Group Management Team. Risk management is also overseen by the Group Management Team which initiates mitigating actions when adverse effects are detected. They are responsible for establishing plans and stopping or adjusting activities that do not align with Nortek's ESG framework, company policies, laws, or local regulations.

5.3.3 Sustainability

Nortek is committed to sustainable operations, managing its business to promote sustainability. Every two years, Nortek conducts a materiality assessment to prioritize issues impacting the business, communities, and the environment.

A responsible supply chain is crucial for:

- Long-term sustainability, ensuring ethical and sustainable sourcing to minimize environmental impact. By reducing carbon emissions, conserving resources, and promoting eco-friendly practices, Nortek contributes to mitigating climate change.

- Uphold fair labor practices and worker welfare. Nortek collaborates with suppliers and partners to ensure safe working conditions, fair wages, and respect for workers' rights through its Code of Conduct, external ESG audits, supplier meetings, and qualification processes.

- Enhancing resilience and reducing risks. By holding suppliers and business partners accountable for quality, ethics, and legal compliance, Nortek minimizes risks related to product defects, legal issues, and reputational damage.

5.3.4 Organisation, roles and internal communication

Functions, departments and roles involved in the due-diligence assessments.

Senior management:	• Annually reviews ESG strategy, KPIs, and results. • Oversees employee training in the Group’s Code of Conduct’s and Policies.
Quality department:	• Manages governance, compliance, risk management, and internal control. • Oversees Sustainability and ESG efforts, including due-diligence and audits
Procurement department:	• Operates the Nortek Integrity Line whistleblowing channel.
HR department:	• Ensures compliance with Transparency Act communication requirements via the company website.
Finance department:	• Manage financial control and compliance of Business Partners

5.4 Engagement with suppliers and other business relationships

Ref. OECD Due Diligence Guidance for Responsible Business Conduct section 1.3[3]

The company's supplier and business partner qualification process evaluate quality, costs, and supply chain risks, including ESG topics.

The procurement department holds regular meetings with key suppliers to mitigate supply chain risks and ensure responsible business conduct.

The Quality and Finance departments manage business partner due-diligence processes and audits.

6. Step 2: Identify and assess actual and potential adverse impacts associated with the enterprise's operations, products and services

6.1 Scoping exercise to map and prioritise

Ref. OECD Due Diligence Guidance for Responsible Business Conduct section 2.1[3]

The exercise is performed in Nortek's due-diligence tool based upon the requirements of the OECD due-diligence guidelines. The overall risk mapping as shown in the dashboard on the next page, covers risks related to the geographical location of the supplier, exposure by industry sector, purchasing volumes and certifications/policies. Publicly available information sources and supplier feedback have been used in the assessment.

The primary focus has been on the top material and parts suppliers / service suppliers > 1 mill. NOK, Ref. section 4.

The risk is further broken down and presented in the following sections:

- RBC risks concerning primary suppliers based on geographical location
- RBC risks concerning primary suppliers based on industry. Also addressing the complexity of the supply chain and parts/materials used.

6.1.1 RBC risks related to service suppliers

The top tier service suppliers were included in the 2023 assessment. The RBC risk, based on their geographical location (primarily in Norway) and industry (see Table 2), is considered very low compared to the materials and parts suppliers.

Given the low RBC risk profile of the service suppliers, they are not prioritized further in the RBC risk assessment.

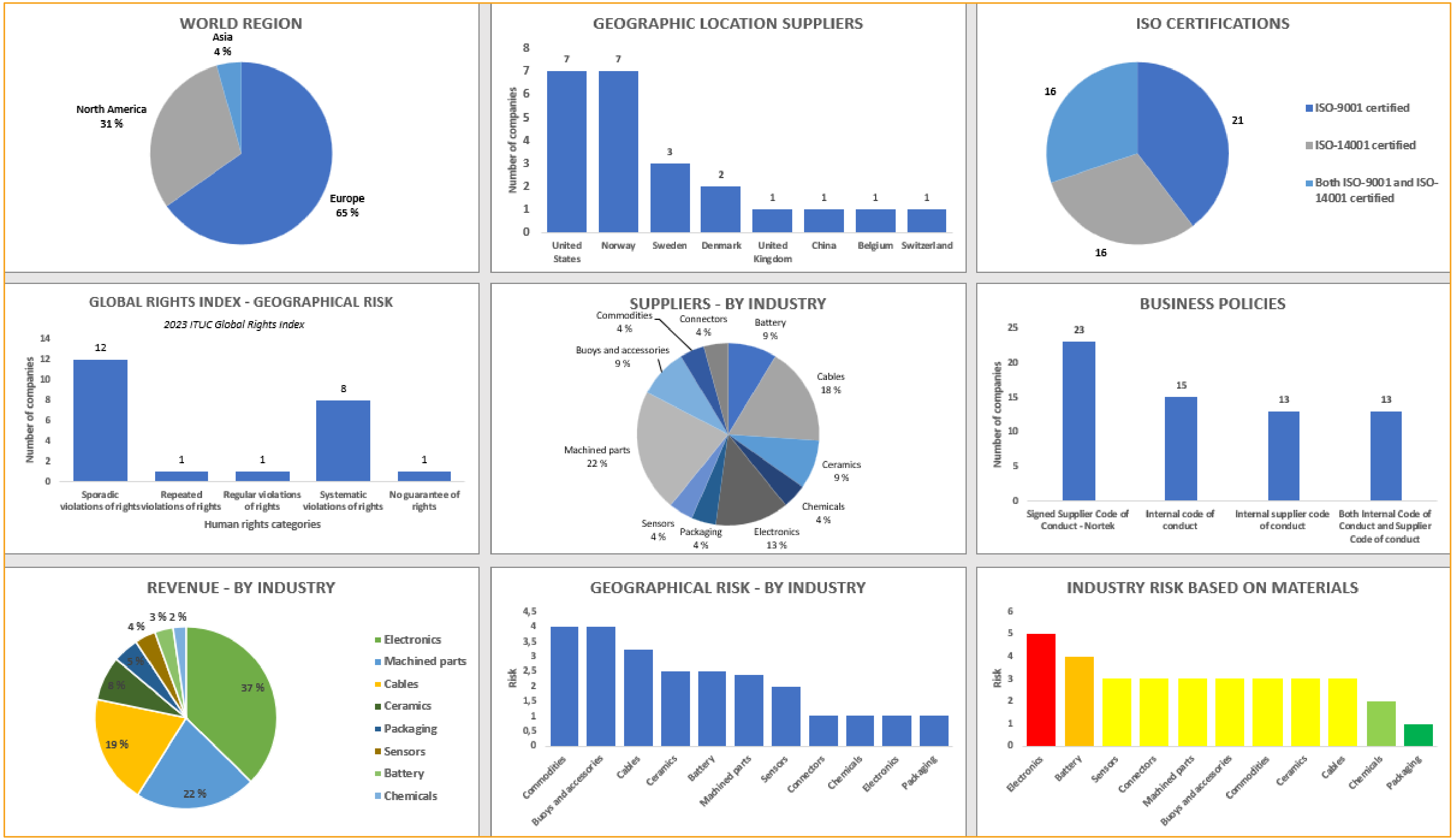

Figure 6: Nortek's Supplier due-diligence dashboard 2023

6.2 Identify and assess specific actual and potential adverse RBC impact

Ref. OECD Due Diligence Guidance for Responsible Business Conduct section 2.2 and 2.3[3]

6.2.1 RBC risk assessment based related to suppliers' geographical location

In 2023, Nortek's top primary suppliers came from Europe (65%), North America (31%) and East Asia (4%). According to the Global Rights Index[14], 60% came from very low-risk countries (Norway, Denmark, Sweden, and Switzerland), while 35% were from medium-risk countries (UK and USA) and 4% from high-risk countries (China).

Nortek's primary suppliers have multiple sub-suppliers and business partners. One-third of all purchased materials and parts came from Norwegian primary suppliers. Norwegian suppliers and Nortek HQ are following strict regulations under the Norwegian Working Environment Act[15] and HSE-Internal Control Regulation[16].

6.2.2 RBC risk assessment related to sourced parts/materials and industry

Table 6: RBC risk assessment

Industry	Risk assessment	Adverse impacts
Electronics	The electronics industry's rapid growth and complex supply chain may expose workers to human rights abuses due to weak regulations, including forced displacement, land grabbing, dangerous working conditions, and child labor, especially in gold and copper mining. Workers also face health risks from production chemicals linked to miscarriages and cancer. Additionally, the increase in e-waste is a major global environmental concern.	Ref. Table 3, #C
Machined parts (minerals, metals)	The supply chain for machined metal parts is less complex and often traceable to raw material extraction. However, metal extraction shares similar human rights and environmental challenges as described above.	Ref. Table 3, #A
Machined parts (plastic)	Plastic production involves hydrocarbons like oil and gas, making it difficult to trace the supply chain back to the origin due to the mixing of raw materials. Oil and gas extraction often occurs in non-democratic countries, posing risks for human rights breaches, land exploration, extensive chemical use, and environmental concerns.	Ref. Table 3, #B
Chemicals	Although used in small amounts, chemicals in production always pose health and environmental risks.	Ref. Table 3, #A-A2
Cables	Cables consist of metals, plastic, and chemical coatings. Refer to the risk assessments for metals and plastic.	Ref. Table 3, #A, #B
Ceramics	Industrial ceramics contain lead oxide, a toxic compound. About 50% of lead is mined in Asia, posing significant risks similar to other mining activities.	Ref. Table 3, #A
Battery	Batteries contain chemicals and rare metals like lithium. Non-rechargeable batteries contribute to growing e-waste, while rechargeable batteries are crucial for renewable energy storage.	Ref. Table 3, #D
Packaging	Packaging materials include paper/cardboard, plastic, and reusable wood boxes. Wood is renewable and helps absorb carbon dioxide. Paper and cardboard can be recycled. Refer to the risk assessment for plastic.	Ref. Table 3, #B

6.3 Risk evaluation and prioritization

Ref. OECD Due Diligence Guidance for Responsible Business Conduct section 2.4[3]

Based on the risk evaluation of adverse impacts, we considered geographical location and industry ESG factors. Figure 7 illustrates the prioritization of our efforts, highlighting the suppliers and industries that warrant our attention in relation to Responsible Business Conduct (RBC).

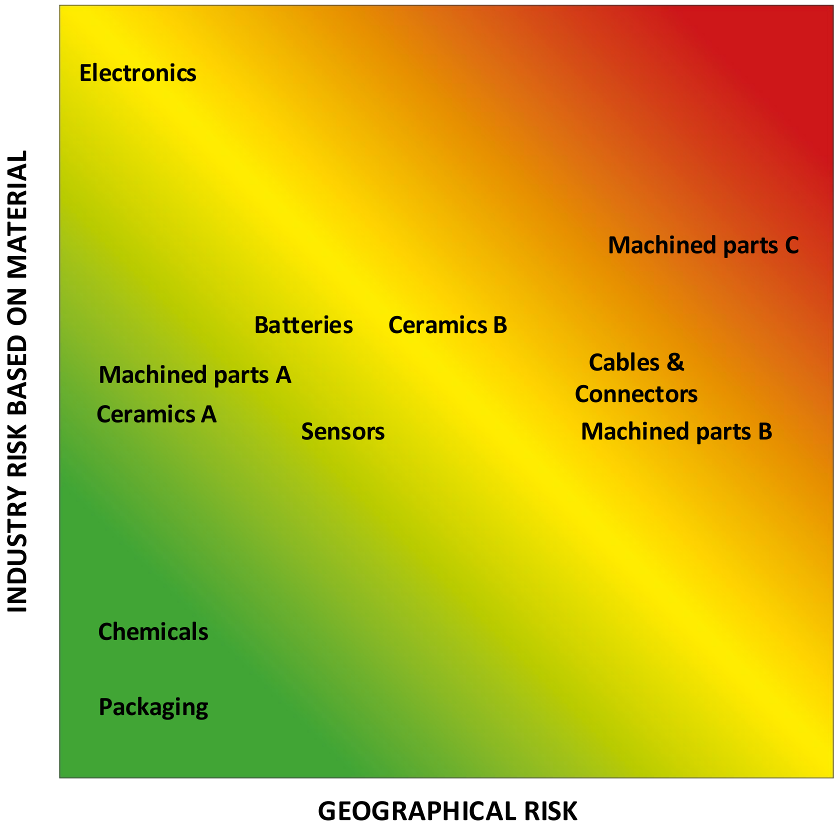

Figure 7: Material risk plot. A and B is used when the same material/part is supplied from different geographical locations of the world.

6.3.1 Adverse impacts not prioritized

The extraction of raw materials used in Nortek instruments, such as plastic, titanium, lithium, copper, tin, gold, tantalum, and cobalt, may involve ethical and human rights concerns.

Nortek requires suppliers to adhere to its Supplier Code of Conduct and obtain sourcing certificates. However, very limited influence and information access prevent further prioritization of these extraction risks.

7. Step 3: Cease, prevent and mitigate adverse impacts

Ref. OECD Due Diligence Guidance for Responsible Business Conduct section 3.1[3]

7.1 Mitigation plan

Table 7: Mitigation plan, see also the Due Diligence Plan in section 4

What	Cease, prevent, mitigate - Goals	Status
Supplier and Business Partner Code of Conducts	The Codes of Conduct ensure that Nortek's suppliers and business partners adhere to high RBC standards, including safe working conditions, workers' rights, human rights, anti-corruption, and other ethical practices.	All top tier primary suppliers and business partners have signed the document.
ESG audits	An ESG audit evaluates the environmental, social, and governance risks of a supplier's or business partner's operations, ensuring the accuracy of reported information.	ESG audits are part of Nortek's annual audit program.
Conflict Minerals	Nortek has a process for handling conflict minerals[17], which are only indirectly sourced.	Top primary electronics suppliers address Conflict Minerals
Training	The company regularly conducts awareness campaigns and training related to the ethical guidelines.	Yearly campaigns and training

7.2 Other actions initiated to mitigate adverse impacts

Ref. OECD Due Diligence Guidance for Responsible Business Conduct section 3.2[3]

Other cross-cutting measures to stop, prevent, or reduce negative impact on people, society and the environment in the supply chain.

7.2.1 Sustainability and climate action

- In 2023, Nortek implemented the ISO 14001-certified Environmental Management System.
- We are adopting a circular economy model to reduce waste, maximize resource efficiency, and promote sustainability through:
    - Sorting and recycling. 95% of materials in a Nortek instrument is recyclable.
    - Conducting life cycle assessments of products to reduce our carbon footprint.
    - Developing durable, repairable, high-quality instruments with long life expectancy.
- Nortek's technology measures adverse climate impacts from currents and waves, erosion, ice melting, water management and increased temperatures in the ocean, helping scientists and nations in understanding climate impact on humans, animals, and livelihoods.
- Nortek has set science-based climate targets aligned with the Paris Agreement's 1.5-degree goal.
- Our climate accounting meets the GHG protocol requirements.

7.2.2 Combating corruption and bribery in own business and in the supply chain

- Nortek has zero tolerance for corruption and bribery, as stated in the Group's policy.
- The Code of Conduct applies to all employees, with mandatory annual training.
- Violations can be reported via the Group's Integrity Line and are followed up.

8. Step 4: Track implementation and results

Ref. OECD Due Diligence Guidance for Responsible Business Conduct section 4.1[3]

The company has not identified any violations of human rights or decent working conditions during the reporting year. Also, the company has not identified any new significant risk of such violations or negative impacts not already addressed in the report.

During the reporting year, no one has requested information on how Nortek complies with the requirements of the Transparency Act.

We aim to enhance knowledge and opportunities for implementing appropriate measures through:

- Dialogue with stakeholders (suppliers, customers, business partners, and employees)
- Regular KPI reviews
- Audits and third-party assessments

For roles and responsibilities see section. 5.3.4

9. Step 5: Communicate how impacts are addressed

Ref. OECD Due Diligence Guidance for Responsible Business Conduct section 5.1[3]

9.1 Public information

The report is publicly available at:	www.nortekgroup.com/company/sustainability
Transparency act inquiries:	Complete inquiry form on the webpage

10. Step 6: Provide for or cooperate in remediation when appropriate

Ref. OECD Due Diligence Guidance for Responsible Business Conduct section 6.1[3]

If we find evidence of violation of human rights or breaches of the Nortek Codes of Conduct, we will take immediate action to protect the individuals involved and work to improve the conditions wherever possible.

If our policies are continued violated, we will terminate the contract.

11. References

[1] European Commission, "Corporate social responsibility & Responsible business conduct", *Internal Market, Industry, Entrepreneurship and SMEs* https://single-market-economy.ec.europa.eu/industry/sustainability/corporate-social-responsibility-responsible-business-conduct_en
[2] Act 18. June 2021 nr. 99 relating to enterprises' transparency and work on fundamental human rights and decent working conditions (Transparency Act) https://lovdata.no/dokument/NLE/lov/2021-06-18-99
[3] OECD (2018), OECD Due Diligence Guidance For Responsible Business Conduct
[4] Nortek Group (2023), *Nortek GRI Report 2023.*
[5] Nortek Group. *Nortek Group Policy: Business Partner Code Of Conduct.*
[6] Nortek Group. *Nortek Group Policy: Supplier Code Of Conduct.*
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[9] Global Reporting Initiative (2020), *GRI Standards*. Global Reporting Initiative. Available at: https://www.globalreporting.org/standards/ (Accessed: 6 June 2024)
[10] Norwegian Accounting Act 1998, § 3-3c – Corporate Social Responsibility. Available at: https://www.lovdata.no/dokument/NL/lov/1998-07-17-56/KAPITTEL_2-1#§3-3c (Accessed: 6 June 2024).
[11] United Nations. (2015). *Transforming our world: the 2030 Agenda for Sustainable Development*. A/RES/70/1. Available at: https://www.refworld.org/docid/57b6e3e44.html (Accessed: 6 June 2024).
[12] International Labour Organization (2021). *C190 - Violence and Harassment Convention, 2019 (No. 190)*. Available at: https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C190 (Accessed: 6 June 2024).
[13] Make ICT Fair (2021), *Human rights risks in the ICT supply chain.*
[14] ITUC (2024), *2023 ITUC Global Rights Index*
[15] Act. 17. June 2005 nr. 62 relating to the working environment, working hours and employment protection, etc. (Working Environment Act) https://lovdata.no/dokument/NLE/lov/2005-06-17-62
[16] Regulation 6. December 1996 relating to systematic health, environmental and safety work in businesses (Internal Control Regulation) https://lovdata.no/dokument/SF/forskrift/1996-12-06-1127
[17] Make ICT Fair (2021), *Human rights risks in the ICT supply chain.*

Public information about Sustainibility and the Transparency Act is available on **www.nortekgroup.com**.
Please use the contact form on our website for external inquries.