

REICHHOLD



The Transparency Act

Due diligence assessment 2023



Company – General information

▪ ORGANIZATION

Reichhold AS in Norway is part of a global concern, Polynt Group SPA, with head office in Scanzorosciate in Italia.

▪ PRODUCTS, SERVICES, MARKETS

Reichhold produces unsaturated Polyester Resin, Gelcoat and Bonding paste for the composites industry.

Reichhold is producing plant for Polynt Group who sell the products to customers, mainly situated in Norway and Europe.

Raw materials for Reichhold's production are chemicals imported mainly from European producers and distributors.

▪ ANCHORED WORK WITH TRANSPARENCY ACT

Work with the Transparency Act is anchored in the board, locally and centrally in Polynt Group:

Locally: «Policy for Polynt Reichhold's work for human rights and decent working conditions (Transparency Act)» and in the company's Personnel Handbook.

General Manager and responsible for HR, Logistics and Finance follow up on routines and reporting to comply with the Transparency Act.

For Polynt Reichhold, General Manager has been appointed as main contact for inquiries regarding the Transparency Act.

Centrally: <https://www.polynt.com/sustainability/sustainability-statement-and-scoring/>

Polynt Group works in accordance with ESG. A separate department has been created centrally for this work. All companies, including Reichhold Fredrikstad, which are part of the Polynt Group contribute to mapping within the environment, labor and human rights, ethics, and sustainable procurement. The result of this work has given us a rating in Ecovadis for 2023 of 52/100 points and a bronze medal.



▪ **NOTIFICATION CHANNELS AND COMPLAINT MECHANISMS**

Locally: The company has established «Committee for equality and discrimination» with representatives from HR, HSE, Administration, Production and Safety Representative. Employee interviews are conducted annually.

Company Policies to be found on Polynt web:

- o Whistleblowing
- o Anticorruption and Bribery
- o ESG - Environmental, Social & Governance
- o HSE
- o Labor and Human Rights
- o Ethical code



Due Diligences and risk assessments routines

Polynt Reichhold is ISO 9001 certified. In the company's quality assurance system, a job description has been prepared with instructions for carrying out Due Diligences assessment in accordance with the Transparency Act.

An overview of all suppliers of goods and services to the company for the year 2022 has been prepared. Based on this overview, different assumed risks as working conditions, industry, country of origin, assumptions and based on generally known information, suppliers will be prioritized for Due Diligence.

The suppliers are divided into groups:

- Raw material suppliers, producers and distributors of chemicals, packaging etc.
- Transport services, bulk and packed goods. We have selected transport services based on the knowledge of the EU mobility package who will focus on improving the regulations and enforcement related to working conditions and operations within road transport.
- Purchase of materials (general), working clothes, safety equipment and office supplies.
- Purchase of services, hired personnel.

Locally: Supplier Code of Conduct is sent and followed up.

A covering letter has been prepared with reference to the Transparency Act and Norwegian Law (Åpenhetsloven).

A framework agreement will be prepared where we ensure that we work preventively with a view to due diligence assessments.

<https://www.polynt.com/wp-content/uploads/2023/02/Supplier-Code-of-Conduct-for-website.pdf>

Based on the reply of this, we will make a risk assessment.

ESG team sends and follows up on Supplier Code of Conduct for group-based agreements and contracts.

Due Diligences – work carried out/in progress

▪ INTERNAL COMPANY CONDITIONS

Polynt Reichhold focuses on the working environment and safety and works according to the following priorities: 1 Safety, 2 Quality and 3 Efficiency.

The company has rules for the use of work clothes and protective equipment that must be followed by all employees and visitors.

The company is connected to health services and health checks are carried out for all employees. The occupational health service carries out local measurements of dust, noise and vibration in risk areas.



Centrally there is collaboration with the ESG team in the group for the company's various functions in terms of sustainability and gender equality. This includes work with human rights such as salary ratio between gender and job groups, parental leave and whether we have minority or vulnerable groups, and about conducting employee interviews.

"Equality and discrimination committee" has conducted a survey among employees to uncover actual or potential negative consequences/discrimination related to equality and discrimination, and to be able to take measures.

Questions that were covered:

- o Recruitment
- o Promotion and development opportunities
- o Wages and working conditions
- o Facilitation
- o Possibility to combine working life and family life
- o Harassment, sexual harassment, and gender-based violence
- o Work environment

Based on answers to the survey, measures and a follow-up plan have been drawn up.

Employee interviews have been conducted with all employees in accordance with ISO 9001. Action items from the survey have had special focus during employee interviews.

The survey has shown need for more information related to the questions in the survey. All employees have access to our Personnel Manual where relevant information can be found. A process has now been initiated with information to all employees about the Personnel Manual and encouragement to actively use the manual.



▪ **EXTERNAL CONDITIONS**

The company uses a separate form for risk assessments of suppliers. Prioritization of which suppliers are risk assessed is based on an overview of suppliers of goods and services.

Selection of suppliers is, for example, based on:

- o Industry
- o Low wage occupation
- o Origin
- o Size of suppliers

In the form for risk assessment of suppliers, severity, probability and the company's ability to influence are assessed for risks we believe may be present.

We base our knowledge of potential risks on media and websites referred to by the Norwegian authorities.

A high score and a high degree of influence for the company are prioritized in relation to further control and possible measures.

To survey suppliers, a centrally prepared questionnaire (Suppliers Qualification Questionnaire) is used, which is sent to a selection of suppliers. This form of mapping is something we will work on continuously. The results from this survey will also be a part of the basis for risk assessment.

A questionnaire has been sent from the group centrally to all suppliers of raw materials with group-based agreements and contracts.



Due Diligences – consequences of negative feedback

If violations of human rights and decent working conditions are uncovered, it will be implemented measures to stop, prevent and limit negative consequences based on the company's assessments.

Measures can, for example, be:

- o Change of supplier
- o Requirements for changed working conditions

To date, no feedback has been received about objectionable conditions from the questionnaires sent to suppliers.

Efforts are being made to gather feedback and provide information to suppliers who are somewhat unfamiliar with the Transparency Act and due diligences and risk assessments.

Centrally, the group ESG team is providing status of feedback.

It is still too early in the process to see if there are cases that will require action.



Fredrikstad, 14.06.2023

Signed by the BoD:

Sergio Mario Conni	-	Chairman of the Board
Maurizio Leonardi	-	Board member
Richard Donovan	-	Board member
Terje Hauge	-	Board member
Petter Borge	-	Board member