

Account for due diligence according to the Transparency Act

INTRODUCTION

This account covers the operations of FSN Capital Partners AS (“**FSN**”). FSN was established in Norway in 1999 and now has subsidiaries in Sweden (FSN Capital Partners AB), Denmark (FSN Capital Partners Aps) and Germany (FSN Capital Partners GmbH). FSN and its subsidiaries are jointly referred to as “**FSNC**”.

This report describes the steps taken by FSNC to assess, prevent and mitigate the risks of adverse impacts on human rights and decent working conditions in its business operations and supply chains, during the fiscal year from 1 January 2024 to 31 December 2024.

WHO WE ARE

Who we are and who we want to be as a responsible company

FSNC is a leading private equity investment adviser in Northern Europe. FSNC operates with a clear and strict ethos that is promoted from the top and captured by the phrase “*We are decent people making a decent return in a decent way*” and encompasses responsible investment practices, proactive ESG-management and a commitment to ethical behavior and decision-making. FSNC’s three core values are Growth Mindset, Integrity and Team First.

The FSNC ethos is codified in our internal code of conduct and is deeply rooted in our culture and our people. At FSNC we take our responsibility to having a positive impact on the people and communities where we work very seriously, and we are committed to protecting the human rights of people who work throughout our value chain. We have built our ESG-policies and approach on international conventions, standards and guidelines, such that our Code of Conduct is based on the UN Global Compact, our Supply Chain Code of Conduct being based on the UN Convention on the Rights of the Child and the ILO’s core conventions on fundamental principles and rights at work, and our Responsible Investment Policy being based on the United Nations Principles for Responsible Investment (PRI). FSNC became a signatory to the UN principles for Responsible Investment in 2012 and has reported publicly on ESG-performance since 2014.

How we are set up

FSN acts as investment advisor to the FSN Capital Funds. The FSN Capital Funds invest in growth-oriented Northern European companies and aim to transform their companies into more sustainable, competitive and profitable entities, and do so in a responsible manner.

FSN does not provide other products or services than its investment advice services to the FSN Capital Funds. The FSN Capital Funds are not part of the FSNC group of companies.

FSNC is as of June 2025 led by its 11 partners and has in addition a team of 82 fulltime employees across its four offices in Oslo, Stockholm, Copenhagen and Munich, bringing together a complementary combination of private equity, financial and consulting and operating experience. FSNC applies a robust governance framework with a dedicated Investment Committee and Portfolio Performance Committee, in addition to several other firm committees such as the Executive Committee, Valuation Committee and Allocation Committee.

The commercial value of FSNC's ESG-work is strongly anchored in the organization. Our ultimate ESG-goal is to support the FSN Capital Funds in being a global leader in responsible private equity ownership. To achieve this goal, we have invested substantial resources into our strong ESG and Legal teams whose primary mission is to support and advise the FSN Capital Funds. The ESG and Legal teams also devote substantial resources to supporting FSNC's own internal processes and general compliance.

Our policies and procedures

FSNC policies are deeply rooted in our culture and people. Our policies emphasize the personal responsibility of all board members and employees of FSNC to comply with applicable laws, regulations and guidelines that are issued by any public authorities, emphasizing that such compliance shall always prevail over business goals and needs. The FSNC Code of Conduct make specific reference to the obligation of all employees and board members to respect the principles set out in the UN Global Compact, deriving principles from the UN Convention against Corruption, the UN Declaration of Human Rights, the ILO Convention on Fundamental Principles and Rights at Work and the Rio Declaration on Environment and Development. Equally, the FSNC Code of Conduct specifically requires compliance with the OECD Guidelines for Corporate Governance for multinational enterprises and the UN Convention on the Rights of the Child.

FSNC has also implemented policies to ensure a professional, inspired and safe workplace in accordance with mandatory legislation. FSNC believes that a healthy workforce contributes to stronger and safer performance in the workplace and has made active efforts to ensure a good and inclusive working environment characterized by equality and diversity through its implementation of a Diversity, Equality and Inclusion Strategy within FSNC.

FSNC's Code of Conduct is available in the annually published ESG Report, published on the FSNC website. The Code does not permit any harassment, discrimination, differential treatment or other conduct which may be interpreted as threatening or degrading. As set out in our Supplier Code of Conduct, FSNC requires business partners and suppliers to apply the same principles in respect of the work environment and safety in the workplace.

Notification channels and complaint mechanisms

FSNC fosters an open-door policy and has adopted a whistleblower policy and procedures for reporting and handling of any non-conformities (*Nw. kritikkverdige forhold*). Employees are encouraged to report on any violations of applicable laws and regulations, firm policies or commonly approved ethical norms.

FSNC's whistleblower policy outlines to whom reports can be made and provides an external channel to address concerns where internal whistleblowing may not be appropriate. The policy applies to all employees in FSNC, whether full-time, temporary or hired personnel. An electronic whistleblower channel available to third parties (whether affiliated to FSNC, such as business partners and suppliers, or non-affiliated parties) has been established, and reports can be made anonymously through the FSNC webpage.

FSNC has adopted separate procedures for due handling of reported issues of concern. Ground principles for handling of reports are:

- All reports are taken seriously;
- All reports will be sufficiently investigated within reasonable time in a fair, open-minded and objective manner;
- Confidentiality and information security;
- Protection of whistleblowers;
- Whistleblowers reporting in good faith will not be subject to reprisals;
- Non-anonymous whistleblowers will get timely feedback and information about the process;
- Right to be informed of the nature and cause of the accusation against oneself and to be heard (principle of contradiction); and
- Process to be documented in writing (principle of notoriety)

Information relating to the whistleblower policy and reporting channels has been made available in a short-form Code of Conduct in all meetings rooms across offices to ensure that all employees are constantly reminded of the core principles of the code and ensure that all employees at all times are encouraged to report on censurable conditions.

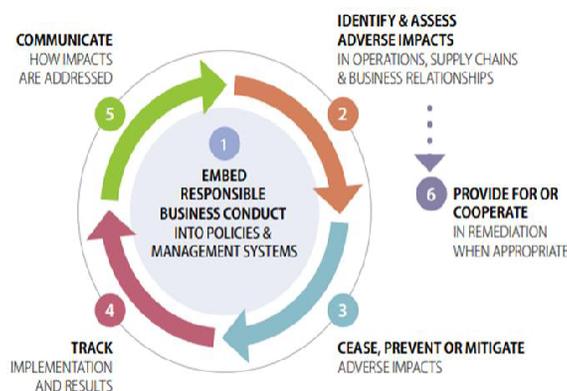
PROCESS FOR DUE DILIGENCE

The Transparency Act and OECD guidelines for multinational enterprises

The Transparency Act supports the United Nations Guiding Principles (UNGP) and OECD guidelines for multinational enterprises' approach to due diligence and recognizes the need to have processes in place to assess, identify, prevent, mitigate, and account for how the impact on human rights is addressed. It is understood that this is an ongoing activity, as risks may change over time in line with operational changes or external influences.

FSNC has established policies and guidelines for due diligence that harmonize with the OECD guidelines for multinational enterprises. The due diligence process has been established by and will be monitored by the ESG and Legal team at FSNC and will be owned internally by the Tax Compliance Manager at FSNC. Other firm functions will support the process depending on the matter subject to due diligence.

What FSNC aims to achieve through its policy is to prevent and mitigate risks, as well as to implement measures to mitigate any *de facto* adverse impact.



The process for mapping our own operations, supplier and business partners

How do we assess risk?

FSNC has engaged with BDO Advokater AS (“**BDO**”) pursuant to which BDO provides operational assistance to FSNC to ensure compliance with its third-party risk management procedures and more generally applicable legal and regulatory requirements related to third-party risk management. Third-party screening is conducted in relation to new business relationships as well as on an ongoing basis to detect any changes to any third party’s compliance status. FSNC’s third-party risk management procedures take a holistic approach, also covering *i.a.* anti-money laundering, sanctions screening and assessment of corruption risk.

A core element of the procedures is compliance with the Norwegian Transparency Act and more specifically to identify products and services that originate in industries that are associated with high risk, as defined by the Norwegian Government Agency for Financial Management (*Nw*: Direktoratet for forvaltning og økonomistyring) (“**DFØ**”), screening and monitoring of actual or potential adverse human rights impact and screening and monitoring of third parties’ approach to working conditions.

DFØ has defined products as high risk “(...) when there are systematic documented high risk of human rights abuse occurring in the supply chain, meaning the value chain from raw material extraction to component production until finishing assembling.” To make the list relevant in the daily practice of public procurers, specific product categories have been selected based on Norwegian public procurement

activities. The DFØ high risk list is a guidance tool, and not exhaustive. Products not on the list could therefore also be high risk purchase.

The industries generally defined as high-risk in Norway include *inter alia* the construction industry, the maritime construction industry, cleaning workers, fish processing enterprises, electricians, freight transport by road, passenger transport by road, hotel, as well as restaurants and catering. Among high-risk products are electronics and IT-equipment, office supplies, furniture, medical supplies and food and beverages.

To assess FSNC's operations in this context, BDO provides its "Risk Compass" to FSNC, a digital tool that provides insight into industries and countries to which FSNC has exposure. The tool relies on data from various sources, including supplier data from FSNC and customs declarations to provide an overview of the countries which one is buying and selling services and good from and to, which is considered a crucial element of establishing the necessary overview of suppliers and business partner.

For some categories of product/services and/or industries, the risk depends on the country risk for human rights and decent working conditions. The Risk Compass assesses country risk, by applying Basel AML Index, and Transparency International's Corruption Perception Index. FSNC has established acceptance thresholds to these indexes.

RISK ASSESSMENT RESULTS

FSNC's own operations

FSNC has assessed the risk of causing or contributing to breaches of human rights and decent working conditions and considered its own operations as a low-risk business in this context.

In regard to health, safety and environment (HSE), FSNC's self-assessment concludes with low risk in connection with the workplace. As described in the foregoing, FSNC applies a set of governance policies that are implemented and deeply rooted in our organization. FSNC demonstrates zero tolerance for harassment, discrimination, differential treatment or other conduct which may be interpreted as threatening or degrading.

FSNC has initiated a number of initiatives to secure HSE-matters in our organization. In 2023 FSNC included all employees in a yearlong initiative with the ambition of developing a sustainable and credible Diversity, Equality and Inclusion ("DE&I") Strategy within FSNC. The strategy was aimed at including six main components; (i) Talent and Recruitment (improving how we search, find and attract the best talent); (ii) Career Opportunities (making sure everyone get the right opportunities), (iii) Career Development & Learning (creating equity in development and learning regardless of background, experience and gender); (iv) Parenting (ensuring working parents want to have a fulfilling career at FSNC); (v) Work Conditions (creating an environment where you can perform at your best while having different life situations / commitments); and (vi) Teamwork and Collaboration (creating the optimal team environment which is

high performing and highly collaborative). At FSNC, we named this initiative “Winning Together” and the work done in 2023 resulted in four pillars of action with specific recommendations intended to be implemented throughout 2024 and 2025. The first pillar is to create awareness on DE&I and set expectations for all at FSNC as leaders, amongst others by implementing an inclusive leadership pledge. The second pillar is to enhance core processes to fortify DE&I, which will include a review and improvement of parental leave and family support policy as well as changes to our promotion process to increase transparency. The third pillar is to empower the organization to continuously learn and develop understanding of DE&I, by, *inter alia*, leadership training tailored to the respective cohort. The final pillar is to adapt behaviors to create an environment craving diversity, underwriting equality and embracing inclusion, by among others embedding rituals in team settings to boost psychological safety and foster inclusion in our teamwork.

FSNC is a high-performing human capital business with a complementary combination of certain competences that have the common feature of being ambitious, visionary and insisting on excellence – having the drive, perseverance and focus to deliver unusually good outcomes consistent with our commitments towards the FSN Capital Funds’ ultimate clients. Working hours and overtime is an inherent and general risk in any comparable business, ours being no exception. FSNC has not, when consulting with top-tier firms across our jurisdictions, identified material adverse findings with respect to working hours. Given the general and inherent risk related to our business in this area, this is, however, an area which will continue to be a focus of the organization.

Supply chain and business partners

In addition to having engaged with BDO for operational assistance related to third-party risk management in general, FSNC has also taken specific action towards certain recurring business partners active within industries identified as particularly high-risk business areas in our due diligence. FSNC has advocated adequate contract clauses being included in relevant contracts to safeguard remuneration and working conditions for employees of these business partners.

Where required, FSNC also relies on a specific questionnaire detailing specific requirements in terms of compliance. In addition, FSNC has also distributed its supplier code of conduct to select business partners whose written contracts are entered into and as such formulating its clear expectations that business partners will adhere to the provisions of such and also accompanied by relevant contract clauses giving audit and termination rights to FSNC in case of a breach.

FSNC’s business partners typically incur HR costs for FSNC, such as newspapers and media subscriptions, seminars, phone and internet, travel expenses, memberships and insurance. FSNC also has business partners in connection with our offices in our four locations, cantina, rent, cleaning, office supplies, furniture, software for our internal IT department and basic amenities like power and water. In addition,

FSNC also holds certain subscriptions, related to financial markets and trends, banking services, and relevant industry journals.

FSNC has assessed the risk of adverse impact through a general risk assessment relying on the Risk Compass tool as described in the foregoing, and based on such risk assessment, FSNC will prioritize identified matters where the risk of adverse impact appears most imminent, considering the nature and scope of the potential adverse impact and the reversibility of any such impact.

We have not identified any actual adverse impacts on human rights or decent working conditions through our mapping and risk assessment. However, there have been allegations in media targeted towards certain food delivery services firms used which *inter alia* relate to working conditions, and FSNC is taking specific actions towards these specific business partners in line with the procedures described herein.

There are certain services provided that are identified as high-risk industries in relation to the potential for adverse impact on decent working conditions. FSNC acknowledges that, by virtue of having business partners within these sectors, FSNC acknowledges the potential of FSNC too being at risk of contributing to adverse impacts. The relevant industries identified where FSNC has business partners are event planning, cleaning, restaurants and catering / food and beverage, hotel and accommodation, office supplies, information and communication, furniture and the travel industry.

Measures to cease, prevent and/or mitigate risks

FSNC applies country risk ratings as well as industry risk ratings as a key determining factor in our third-party risk management process. These ratings are also used for ethics and integrity screening and in our supplier and business partner selection process.

FSNC applies a follow-up system to ensure that any non-conformities are addressed.

Based on our risk assessment we have identified certain specific follow up actions:

1. Continue to follow-up specific and recurring business partners active within industries identified as high-risk. Where there are contracts in place with such business partners, or the entering into of an agreement is sensible in the given circumstances, FSNC will use its best endeavors to amend or implement contractual obligations to require compliance with the FSNC supply chain code of conduct, giving audit and termination rights in case of a breach. Obligations are aimed at ensuring that the remuneration and working conditions of the business partners are safeguarded.
2. Where there, in relation to specific and recurring business partners, is no contract and the implementation of such is not sensible in the circumstances, FSNC will continue to rely on a detailed questionnaire to be presented to such business partners, requesting information from

such business partners in how and to what extent its employees' remuneration and decent working conditions are safeguarded.

OUR RESPONSIBLE PATH INTO THE FUTURE

The way forward

FSNC has a firm commitment to integrity and a strong sense of responsibility. It is crucial for FSNC to be a responsible business partner, therefore FSNC will continue its efforts to ensure adequate measures being implemented to mitigate risks related to human rights and decent working conditions in our supply chain. FSNC acknowledges the continuous efforts that need to be invested in our third-party risk management work and see this as a continuous journey where we will apply the principle of positive dissatisfaction – where we constantly challenge the status quo to develop ourselves even further.

FSNC will continue its efforts to actively address risks related to human rights and decent working conditions, applying also a more holistic approach covering also other relevant third-party management risks going forward, looking not only to our business partners and suppliers, but also to ourselves.

Adopted by the board of directors of FSN Capital Partners AS on 27 June 2025


Frode Strand-Nielsen

Frode Strand-Nielsen
(chairperson)



Ulrik Smith
(board member)

Åse Ullmann

Åse Ullmann
(board member)



Robin Mürer
(board member)

Hanne Iversen
Hanne Iversen

Hanne Iversen
(board member)



Morten Welo
(CEO)

