



SKANDINAVISK BATTERIIMPORT NORGE AS (SKANBATT)

HUMAN RIGHTS POLICY

Our commitment

Batteries play a key role in the green transition. They store energy for all kinds of electrical appliances as well as energy from solar panels on buildings and for a range of business and leisure uses.

However, the battery supply chain also involves risks to people and the environment, both at manufacturing level and in the context of extracting the raw materials used in batteries. For batteries to truly contribute to a successful green transition and climate action, we need a sustainable battery value chain, where environmental and social risks in the production of components and minerals extraction must be managed.

In Skanbatt, we are committed to ensuring that the batteries we sell are as sustainable as possible, with regard to both environmental and social footprint. This includes the need to safeguard human rights throughout the battery value chain. We are committed to meeting the corporate responsibility to respect human rights, which means treating people with dignity and decency and having regard for their well-being in the context of business activity.

This human rights policy explains our commitment and how we seek to put it into practice. The policy clarifies further what we expect from suppliers (see code of conduct for suppliers).

We comply with relevant national and international laws, rules, regulations, and norms in our daily business. As part of this commitment, we strive to implement our corporate responsibility to respect human rights in line with the United Nations Guiding Principles (UNGP) on Business and Human Rights and the OECD Guidelines for Multinational Enterprises throughout our operations.

We support the 2030 Sustainable Development Goals and respect all internationally recognized human rights, including the International Bill of Human Rights and the principles concerning fundamental labour rights set out in the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

As set out in the UNGP, all companies have a responsibility to respect human rights, which means preventing and addressing negative impacts on people resulting from their business operations.

We undertake human rights due diligence to identify, prevent, mitigate and account for how we address risks to people's human rights in our operations and our value chain.

As required by the Norwegian Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (the Transparency Act), we will publish an account on our human rights due diligence. Also, as required by the Transparency Act, we provide information about our human rights due diligence if requested by external parties.

Moreover, we are monitoring developments relating to forthcoming EU regulations for sustainable batteries.

Key human rights issues for our company

Our own activities

We are committed to respecting the fundamental human rights and labour rights of our employees. We comply with all relevant Norwegian legislation concerning the working environment, health, safety and environment (HSE), diversity and anti-discrimination as well as employees' freedom of association. Our daily work in these areas is governed by our personnel handbook.

All employees are entitled to a working environment that supports a health-promoting and meaningful work situation, free from physical and mental harm, and with a welfare standard that is at all times in accordance with the technological and social development in society. We ensure HSE in the workplace and ensure safe handling of batteries. We have had no accidents, and risks to people are low.

Employees must be treated with respect and dignity. Undesirable strain, bullying and harassment are not accepted in our company.

We are committed to strengthening diversity across the company, which includes strengthening gender balance at management level and recruiting employees from different nationalities. We do not accept any form of harassment or discrimination toward employees or others with whom we relate through our business.

We respect the privacy of our employees.

Employees are encouraged to speak up about concerns that may arise in the workplace. HSE incidents are reported via our internal HSE procedure. Our procedure for handling bullying and harassment or other indecent conduct and ethical concerns is easily accessible for all employees.

Our supply chain

It is well-known that global electronics manufacturing supply chains involve significant human rights risks. As the transition to green energy gains in speed, there has also been increased attention to challenges along the battery supply chain. Risks to people exist at both manufacturing tiers and in the extraction of the metals and minerals that are used in batteries.

Three-quarters of the world's lithium-ion batteries are produced in China, and almost all the metals needed to make them are processed in the country. International media and NGOs have reported that parts of the industry may be connected to coercive labour practices. This is a key concern in addition to other risks relating to safe and decent work in line with international labour standards.

In addition, there is a risk that critical minerals and metals may originate from conflict-affected and other high-risk areas. It is estimated that more than 70% of the world's cobalt – which is a key component in lithium-ion batteries – originates from the Democratic Republic of the Congo. A well-known concern is the link between severe human rights abuses committed by actors involved in illicit trade and armed violence in the context of the extraction of some of these raw materials. Risks involve use of violence, displacement of communities and forced and child labour.

These risks are serious concerns for our industry and our company, and we are committed to promoting a sustainable supply chain in line with the UNGP and the OECD Guidelines. Supply chain transparency and getting access to adequate information to establish facts concerning respect for human rights at all tiers in the upstream supply chain is a common challenge.

We expect suppliers and other business partners to adhere to our code of conduct for suppliers, which includes an expectation to meet the globally agreed minimum standard of respecting international human rights and decent work standards, including preventing and addressing forced and child labour.

We screen our suppliers on their commitment to human and labour rights and their own human rights due diligence.

We also ask our suppliers to document their own due diligence concerning responsible sourcing of the metals and minerals that are used in batteries, and we prohibit the use of conflict minerals unless they are purchased from responsible sources.

If we identify direct links to severe human rights abuses in any components of our products, we will enter into dialogue with the supplier to address the issue. If identified abuses are not addressed and remediated after a reasonable period of time, contracts may be suspended or terminated.

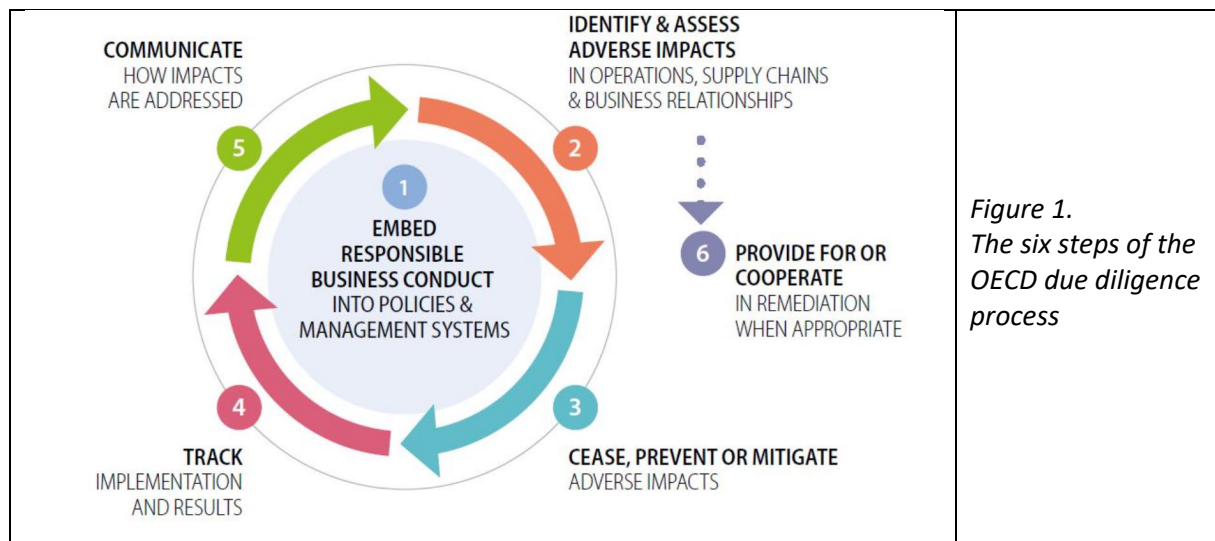
We are committed to collaborating with other industry actors, suppliers, the government and other stakeholders to ensure that battery supply chains become more sustainable and that the social pillar is safeguarded in the move towards the green transition.

Link: code of conduct for suppliers

Our approach

Our commitment to respect human rights and decent work standards is implemented in line with the UNGP and OECD Due Diligence Guidance for Responsible Business Conduct (figure 1). This approach includes:

- Top-level commitment and oversight;
- Embedding the responsibility to respect human rights in relevant policies and procedures;
- Awareness-raising among employees;
- Processes to identify potential and actual human rights risks in our own activities and in our value chain;
- Requiring human rights due diligence from our suppliers and business partners;
- Procedures to follow up on identified risks and impacts;
- Tracking the effectiveness of measures to address identified risks and impacts, with a view to ensuring continuous improvement;
- Reporting on our human rights due diligence, in line with the Norwegian Transparency Act;
- Contributing to remediation of harms if caused or contributed to by our activities;
- Periodically reviewing and improving our policy and its implementation.



*Figure 1.
The six steps of the
OECD due diligence
process*

Responsibility

The policy is approved by the board. The CEO is responsible for its implementation.

Transparency about our commitment to human rights

In accordance with the Transparency Act, we publish our due diligence account on our webpage. We update and publish the account yearly.

We respond to requests for information about our human rights policy and due diligence, in line with the information duty of the Transparency Act.

Contact: ls@skanbatt.no

Approved by the board: 29/6-23