

EcoOnline: 2023 Account for due diligence and the Norwegian Transparency Act

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Introduction

This statement highlights EcoOnline's compliance with the Norwegian Transparency Act 2022 (the "Act"), which mandates in-scope companies to perform relevant due diligence and publish a record of that due diligence by dint of Sec. 5 of the Act. This statement is prepared on behalf of EcoOnline Global and its group companies ("EcoOnline" or the "Company") and outlines EcoOnline's commitment and processes for managing actual and potential impacts on human rights and working conditions across the Company's operations and supply chain. Data and information reported in this statement is reflective of the financial year ending 31 December 2023, unless otherwise stated.

Transparency, accountability and respect for human rights throughout EcoOnline's operations and its supply chain is vital and at the core of the Company's standards. To ensure compliance, EcoOnline has implemented an appropriate due diligence programme that comprises suitable policies, processes, and procedures, which are implemented prior to engaging new suppliers.

EcoOnline's due diligence activities applies to contractors, consultants, collaborators and other service providers.

Furthermore, EcoOnline has developed and implemented a comprehensive suite of policies and procedures that specifically address human rights across all its group companies, emphasising and building upon principles such as dignity, equality and non-discrimination.

For the reporting period covered by this statement, EcoOnline has reviewed 754 of its suppliers.

1. Opening Statement from the Board of Directors

This report outlines EcoOnline's commitment to transparency, accountability, human rights and working conditions across its global operations and its role, as a leading software company, to create and maintain a culture of safety and sustainability.

We are privileged to deliver this report, demonstrating our commitment and compliance with the Norwegian Transparency Act, and the OECD Guidelines for Multinational Companies and the UN Principle on Human Rights as the guiding frameworks.

2. About EcoOnline

EcoOnline is a software-as-a-service (SaaS) provider developing innovative technology solutions to support the digital and environmental evolution being embraced by our customers to build a sustainable world, now and in the future.

Product coverage includes Environment, Health & Safety (EHS) software, Lone Worker Safety, Chemical Safety, Crisis Management, Environmental Management and Sustainability Reporting, and our teams build and implement transformative software that ensures customers are not only compliant but are achieving far greater goals that they have set for themselves. EcoOnline puts people first and champions the protection of people and the planet.

Notably, the Company has a global market presence, serving more than 10,000 customers across the United Kingdom, North America, Scandinavia and the Asia Pacific regions. The Company maintains a diverse workforce of 900+ employees.



2.1 Organisational Structure

Headquartered in the United Kingdom, the Company maintains operational bases in the United Kingdom, United States, Canada, Norway, Sweden, Denmark, Finland, Ireland, Germany and New Zealand.

While the Act is not applicable to all group companies, EcoOnline's companies operate under the same strict due diligence as part of the corporate group. The Company is currently progressing a strategic Legal Entity Rationalisation (LER) initiative to streamline its operating structure and global processes, and to enhance its due diligence capabilities.

To find out more about EcoOnline, please click here: <https://www.ecoonline.com>

2.2 Responsibilities and division of tasks

Ultimate responsibility for compliance with the Act rests with EcoOnline's Board of Directors ("Board"), who remain accountable for and delegate relevant compliance activities to the Company's Executive Leadership Team (the "ELT" or 'Executive Leadership'). Executive leadership remain accountable to the Company's Board, however, facilitate compliance with the Act across the Company by engaging appropriate business functions and operational resources such as Legal, Compliance, Risk, Procurement, and Environmental, Social & Governance.

In deploying operational resources, the ELT are committed to and maintain a high standard of compliance with respect to the Act and the Company's specific obligations, including but not limited to aligning with guidelines, performing due diligence assessments, reporting and delegation of authority to operational management functions.

2.3 Board Resolutions

EcoOnline's Board of Directors have adopted a resolution to ensure compliance requirements by incorporating the Act's mandate into the Company's policies (see 'Policies', 3.0).

Furthermore, EcoOnline implements dedicated guidance which is crafted to ensure that the Act's requirements are captured, understood and implemented throughout the Company's supplier due diligence process (see 'Supplier due diligence', 4.0). EcoOnline's policy, guidance and processes are complimentary and reviewed annually to ensure a satisfactory level of due diligence and compliance with the Act.

Guidelines and policies may be obtained, upon request, from EcoOnline's Head of Legal (emma.truslove@ecoonline.com) or the Risk Manager (james.henley-royse@ecoonline.com)

2.4 Impacts and due diligence assessments

Specific measures (mitigations) to counteract actual or potential negative consequences associated with fundamental human rights and decent working conditions across EcoOnline and its supply chain are implemented on a risk-based basis. The Company regularly assesses its risk exposure, determines the level of downside risk related to its suppliers and supply chain, and implements appropriate mitigations to reduce risk, third-party or otherwise, to within risk appetite.



Examples of measures include mitigating action plans, audits, internal risk and compliance controls, enhanced contractual obligations, contractual penalties for regulatory breaches, supplier due diligence process, policy, guidance and biannual supplier due diligence reviews.

3. Policies

EcoOnline implements a comprehensive policy suite and complimentary procedures that are explicitly crafted to mitigate potential human rights and regulatory contraventions. Each policy sets forth the Company's commitment to upholding the principles of dignity, equality and non-discrimination.

EcoOnline's policy and process suite comprises, but is not limited to:

- Code of Conduct
- Supplier Code of Conduct
- Anti-bribery and Corruption Policy
- Anti-Money Laundering and Counter Terrorism Funding Policy
- Recruitment Policy
- Whistleblowing Policy
- Equal Opportunities Policy
- Risk Management Policy
- Grievance Policy
- Gifts and Entertainment Declaration Procedure
- Supplier Due Diligence Procedure

4. Supplier due diligence

To identify potential adverse impacts on fundamental human rights and decent working conditions across its supply chain, EcoOnline has implemented a supplier due diligence process.

Due diligence across the Company and its supply chain is vital, therefore, prior to the onboarding of any new supplier, suppliers must complete relevant documentation prior to EcoOnline signing any supply contracts. Due diligence is completed regardless of whether the supply of services is for contractors, consultants, collaborators, outsourcing activities or other services performed by suppliers for or on behalf of EcoOnline.

The following process is applied across the Company:

- I. Suppliers complete a self-assessment questionnaire, including relevant human rights, decent working conditions, environmental responsibility, information security and data protection sections,
- II. Suppliers must demonstrate that they have a policy prohibiting bribery, corruption and human rights contraventions such as modern slavery,
- III. EcoOnline undertakes an independent review and assessment of supplier responses to identify and assess the presence of actual or potential adverse impacts on fundamental human rights and decent working conditions. This includes assessing third-party risk in relation to geography, sector, product, enterprise and jurisdiction,



- IV. EcoOnline screens all entities, using a third-party solution, to ensure sanctions compliance.

4.1 Mapping of the supply chain

To effectively deliver its SaaS solutions and become the preferred EHSQ provider, the Company works with a range of suppliers to deliver best in class services. These suppliers are grouped into four categories:

- **Infrastructure Critical** (*includes service hosting and security monitoring providers*)
- **Strategic Business Services** (*includes financial services institutions, insurance providers, consultants and law firms*)
- **Other Technology Providers** (*includes technology and other business service providers who provide tools and services to support the Company's day-to-day activities, critical for delivering services to EcoOnline's customers*)
- **Other Business Services** (*includes business service providers who provide services to support the Company's day-to-day activities, critical for delivering services to EcoOnline's customers*)

4.2 Limitation of search results and selection

Following the mapping of suppliers (4.1) a focus group and Finance Steering Committee convened for the reporting period to streamline the Company's supply chain, identify mitigation opportunities and evaluate the need for any third-party supplier investigations.

EcoOnline maintains an effective supplier due diligence process which helps the company identify risk before it materialises. For this reporting period the Company did not directly or indirectly engage or conduct business with suppliers situated in high-risk jurisdictions that may have been susceptible to human rights contraventions, corruption, bribery or financial crime.

The company continues to reduce its supplier population in line with its legal entity rationalisation project, choosing to novate some suppliers to its final operating entities and, where necessary, terminating suppliers that are no longer required by the business.

Accordingly, by rationalising its legal entities and reviewing relevant suppliers, the Focus Group and Finance Steering Committee has reviewed an additional 754 suppliers for this reporting period.

As a native SaaS company, much of the Company's supply chain is represented by purchased services, illustrated by top vendors such as Microsoft, Amazon, Advania, Sopa Steria and Yonder.

4.3 Methodology

To gather and assess information from the selected suppliers, EcoOnline leveraged its supplier due diligence process and collected data from relevant suppliers' records, including previous supplier due diligence assessments. Data input also leveraged external screening solutions to detect suppliers with any adverse media markers or a recent history of poor conduct.

This approach was chosen such that the Company could retrieve the most up-to-date data in relation to its current suppliers and, where appropriate, establish a solid foundation for further inquiry.



The assessment criteria comprised:

- Geography / Jurisdiction
- Sector and Product
- Supplier relationship / Category
- Contract value
- Compliance grade (employment, labour, human rights, bribery and corruption, environment)

5. Identified Risks

5.1 Internal Risks and Mitigation Measures

Based on the supplier reviews performed in 2023, EcoOnline did not uncover any human rights deviations, violations or risks of indecent working conditions.

While the Company did not identify material risk in relation to working conditions, it does recognise the nature of its business and that SaaS companies tend to be fast paced. This may lead to excessive stress and/or psychosocial issues among employees.

To reduce the potential of any psychosocial risks materialising, EcoOnline continuously monitors and enhances its processes related to the following:

- A work-life balance, including flexible working and remote working options.
- Promoting a positive work culture that encourages transparency, open dialogue, support and collaboration.
- Providing stress management and resilience training programmes for employees.
- Conducting regular employee satisfaction surveys to identify areas of improvement and address concerns.
- Offering access to counselling services and employee assistance programmes to support employees' mental health.

5.2 Supply Chain and Supplier Risk Management

Identifying and responding to real and potential negative impacts related to its operations and supply chain, EcoOnline considers it essential to carry out due diligence. The Company is committed to ensuring that it conducts its business sustainably and responsibly, placing the OECD due diligence guidance for Responsible Conduct at the core of its strategy. Notably, the guidance represents a mutual understanding among government, stakeholders and the Company to conduct due diligence, ensuring responsible business conduct.

Accordingly, EcoOnline's strategy comprises six components:

- I. Embed responsible business conduct into policies and management systems.
- II. Identify and assess actual or potential adverse impacts associated with third-party suppliers and the Company's operations, products and services.
- III. Prevent and mitigate third-party risk.
- IV. Track implementation and results.
- V. Communicate how impacts and risks are assessed.
- VI. Provide or cooperate in remediation where required.



To assess and screen supplier risk, EcoOnline also works with an external provider, Dow Jones (“DJ”). DJ’s solution helps the Company to perform adverse media checks to flag financial or reputational risks and delivers sanctions screening.

DJ revealed marginal adverse media flags for some of the 754 suppliers, however, coupled with EcoOnline’s supplier due diligence, the Company did not find any evidence that would result in a breach of regulation, fundamental human rights or working conditions.

Based on the assessment of 754 of the Company’s vendors (some of which are now terminated), EcoOnline maintains that its overall risk exposure in relation to human rights and decent working conditions remains low.

6. Conclusion

In assessing the risk and the likelihood of breaching the Act, EcoOnline considers its risk to be low.

This assessment is based on several factors, including:

- **Commitment to Transparency**, EcoOnline places a strong emphasis on transparency in its operations. The Company has implemented robust policies, procedures, and systems to ensure compliance with relevant legislation and promote transparency throughout its organisation. This commitment includes adhering to the requirements of the Act.
- **Supplier Due Diligence**, EcoOnline conducts thorough due diligence on its suppliers to assess their compliance with transparency, working conditions and anti-slavery requirements. By carefully selecting suppliers and engaging in ongoing dialogue, the Company minimises the risk of partnering with offending suppliers or supplier who may not meet the minimum standards.

This statement is made in accordance with the Act, relating to enterprises' transparency, fundamental human rights and decent working conditions, and constitutes EcoOnline’s account



of due diligence as required by Section 5 for the financial year 2023 (commencing 1 January 2023, and ending 31 December 2023).

Tom Goodmanson

26-07-2024 | 10:42 CEST

Tom Goodmanson
CEO
EcoOnline Global

Date

Legal entities covered by this statement:

Erling Lux HoldCos, Erling Lux Bidco, EcoOnline AS, Airsweb Limited, EcoOnline AB, EcoOnline OY, EcoOnline ApS, EcoOnline AS Limited, Nordic Port AB, Safe Apps Limited, EcoOnline GmbH, EcoOnline UK Limited, EcoOnline Sygol Limited, eCompliance Management Solutions Inc, Alcumus America LLC, EcoOnline Simple Compliance Limited, EcoOnline Info Exchange Limited, Ecometrica Limited, Mango Software Limited, Mango Limited, EcoOnline ePermits Holdings Limited, EcoOnline ePermits Limited.

