



## STATEMENT ON THE TRANSPARENCY ACT IK GROUP

### 1. Introduction

#### 1.1 Introduction to the Transparency Act and Due Diligence Assessments

The Transparency Act came into force on 1 July 2022. The purpose of the Act is "to promote companies' respect for fundamental human rights and decent working conditions", as well as to "ensure public access to information". The Act is based on the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

Pursuant to Section 5 of the Transparency Act, companies covered by the Act must provide an annual report of their due diligence assessments.

Due diligence is a process or working method for mapping, preventing, accounting for and following up on how actual and potential negative consequences of the business are handled.

A conducted and published due diligence assessment can provide the general public with insight into key findings, as well as any measures that have been implemented or are planned to be implemented. This can help maintain the organization's reputation, building trust with stakeholders such as customers, investors, and in society at large.

#### 1.2 Reporting Obligation for IK Group AS consolidated

In 2024, IK Group AS (hereinafter referred to as "the Group") had sales revenue of MNOK 647 and 200 employees. The Group is thereby obliged to prepare a statement.

This statement covers the period from January 1 to December 31, 2024.

#### 1.3 Contact Information

Inquiries regarding this report may be directed to: [sustainability@ik-worldwide.com](mailto:sustainability@ik-worldwide.com)

## 2. Information about the Group

### 2.1 Corporate Structure

The group comprises the parent company IK Group AS and the 100% owned subsidiaries IK-Norway AS, Izomax AS, Norclamp AS, Online Electronics Ltd and IK Engineering sp. z.o.o (80% owned).

IK-Norway AS and Izomax AS are on an independent basis within the scope of the Transparency Act as defined in section 2 and are included in the overall reporting for the group (ref. section 1.2).

The business of IK Group AS is investments and operations through third parties. IK-Norway AS, Izomax AS, Norclamp AS, Online Electronics Ltd and IK Engineering sp. z.o.o are niche providers of solutions, products and services for subsea and pipelines, with a focus on the worldwide oil and gas industry.

### 2.2 Guidelines and routines

The companies in the group are subject to and operate in accordance with the quality management system IK-BMS.

Established guidelines, routines and processes within the Group (the list is not exhaustive):

- a) Employee handbook
- b) Action plan and guidelines for dealing with bullying, harassment and unacceptable behaviour, including recommended measures in case of violations and how to address them
- c) Policy for whistleblowing on unacceptable conditions in the workplace (prepared in accordance with recommendations and examples from the Norwegian Labour Inspection Authority's guide)
- d) Code of Conduct, Anti-Corruption Policy
- e) Equal rights, freedom of expression, and decent working conditions
- f) Restrictions on trade with countries listed on the UN sanctions list

- g) Health & Environment
- h) Risk assessments and governance
- i) Incident reporting
- j) Supplier follow-up, where the following factors are part of the risk assessment carried out before a supplier is approved, as well as being subject to potential audit/supervision:
  - i. What is the law enforcement practice and history regarding human rights and labour standards?
  - ii. Are there specific country- or sector-related issues/regulations concerning safety and social responsibility?
  - iii. Is information available about the supplier's health, environment, safety, and social responsibility policies and practices?
  - iv. Is information available about subcontractors/further supply chain and potential health, work environment (wages and working conditions), safety, and social responsibility for these?

## 2.3 Alignment with the UN Sustainable Development Goals

The work on due diligence assessments is closely linked to the group's sustainability efforts, including the UN Sustainable Development Goals, see figure below:



Each business unit in the group has chosen its own sustainability goals, which have guided the development of objectives, plans, and related execution in connection with work on sustainability, fundamental human rights, and decent working conditions.

### **3. The Due Diligence Assessment**

#### **3.1 Internal Due Diligence – Own Organization**

##### **3.1.1 The IK-BMS Quality Management System**

The IK-Business Management System (IK-BMS) has helped to provide the group with valuable information to strengthen the work related to risk, opportunities and continuous improvement in relevant areas, including the work on fundamental human rights and decent working conditions.

Output from IK-BMS has been reviewed continuously throughout the year, and measures implemented accordingly. Annual Management review has been carried out according to plan.

IK-BMS has added value to the organization through efficient processes to achieve set goals, and training in the system has been part of the onboarding process for new employees.

The IK Policy (guidelines and procedures) has been distributed to registered users of IK-BMS for review and confirmation. The response rate was 82%, which is considered satisfactory.

##### **3.1.2 Sustainability Strategy – Cooperation with Experts**

The group has entered into agreements with external experts related to its work on sustainability, fundamental human rights and decent working conditions. The goal has been to develop a sustainability strategy to position the group and the business areas for the future.

##### **3.1.3 Audits and Inspections**

Audits and inspections have been carried out as planned.

Group was audited by DNV GL against EN ISO 9001:2015 and passed successfully. The main objectives of the audit were to confirm that the management systems complied with the standards and to evaluate the effectiveness of the management processes concerning the Group's ability to meet standards, legal and contractual requirements, as well as the Group's KPIs.

### 3.1.4 Internal Reporting

A separate category, "Sustainability suggestions," in IK-BMS highlights the Group's focus on sustainability, fundamental human rights, and decent working conditions.

Defined KPIs related to health, environment, safety, and sustainability (for example, waste sorting rates) have been an important part of the quarterly reporting to the board.

### 3.2 External Due Diligence - Suppliers

The assessment of external suppliers has been an ongoing process documented in a dedicated module in the IK-BMS quality management system.

The Group's purchasing manager has maintained and updated the module throughout the year, and it has proven to be an important tool for evaluating whether the supplier's performance is satisfactory regarding fundamental human rights and decent working conditions.

Based on the assessment, each supplier has been assigned a risk score, which has formed the basis for potential follow-up, inspection, and/or audit.

Seven supplier audits were carried out in 2024, and no significant non-conformities were identified.

### 3.3 Due Diligence Assessment - Conclusion

Based on the review, the group has not identified any actual negative consequences or significant risk of negative consequences related to violations of human rights or decent working conditions, either internally within the organization or in relation to external suppliers.