

Concept from Northern Data NOR AS

The Norwegian Transparency Act

The Norwegian Transparency Act was implemented on July 1st, 2022 (“Act”). The legislation applies to larger companies based in Norway that offer goods and services domestically or internationally. The purpose of the Transparency Act is to ensure companies respect fundamental human rights and maintain decent working conditions in their production and service processes. It also aims to provide the public with information on how businesses address negative impacts on human rights and working conditions.

Companies subject to this law must conduct due diligence assessments of their vendors and business partners regarding these issues. Northern Data NOR AS is required to perform these regular due diligence assessments in line with the OECDs Guidelines for Multinational Enterprises, as per Section 4 of the Act. Additionally, the company must provide information to the public, meaning anyone can request details on how the company addresses actual and potential impacts, according to Section 4 and 6. This information will be updated and published on our website annually.

Our due diligence assessments will follow the OECDs Guidance and will include the following steps:

1. **Internal Accountability:** Northern Data NOR AS will update its guidelines and management systems to integrate due diligence assessments. This involves revising all processes, documentation, and drafts related to procurement, sales, and other business partnerships to ensure they consider partner commitments.
2. **Impact Identification and Assessment:** Northern Data NOR AS will identify and assess actual and potential adverse impacts on fundamental human rights and decent working conditions linked to our operations, products or services, supply chain or our business partners. The assessment will consider:
 - a. **Risk of Adverse Impacts:** The extent of the assessment will depend on the risk level, influenced by factors like the type of service or product, vendor knowledge, producer, country of manufacture, and origin. We will use the high-risk list from the Norwegian Agency for Public and Financial Management during the mapping.
 - b. **Consequences:** The more severe the potential impact on individuals or groups, the more comprehensive the assessment.
 - c. **Influence:** The scope of the assessment and our ability to influence the situation will depend on the size of the business partnership.
3. **Addressing Adverse Impacts:** If adverse impacts on human rights and working conditions are detected, Northern Data NOR AS will take steps to prevent, mitigate or eliminate the harm. Actions may range from additional follow-ups and reporting on the supplier to sanction, or as a last resort, termination of the partnership.
4. **Monitoring Implementation:** Northern Data NOR AS will monitor the implementation of actions, and the results achieved.
5. **Communication:** Northern Data NOR AS will communicate the actions taken and the results, along with any further necessary actions. This information will be published on our website.
6. **Cooperation on Recovery and Compensation:** If required, Northern Data NOR AS, will cooperate to provide recovery and compensation when it was identified that it has caused or contributed to actual damage.

These assessments will be conducted by the end of 2024 / at the beginning of 2025, and the results and further actions will be published immediately thereafter on the website of our German holding company: [ESG \(northerndata.de\)](https://www.northerndata.de)

