

The Transparency Act – Summary for Ferno Norden Group AS

Introduction

Ferno Norden Group AS is a company that sells medical-technical and police equipment and is owned by RAC Invest AS. Our core business is the sale of pre-hospital equipment and rescue equipment to both the civilian market, the professional market, to the armed forces and to public customers in the Nordic countries.

Ferno Norden Group takes social responsibility seriously and has since April 1995 been ISO certified for Quality and from June 2000 also certified according to ISO 14001 for Environment in accordance with the standards which are now called 9001-2015 and 14001-2015 with Quality and Environment Certificate issued by NEMKO. Through the ISO certification and the ongoing quality work, the company is in a good position to implement the requirements of the Business Transparency Act and work with basic human rights and decent working conditions (The Transparency Act) in the business.



The company has worked actively with the UN's sustainability goals for several years and has chosen to specialize in five of the seventeen sustainability goals identified in the UN Agenda 2030. Most of the selected sustainability goals are focused on human impact factors and conditions such as education (#4), competence (#8), inclusion (#9) and collaboration (#17).



Work on due diligence assessments has been initiated, but as in most Norwegian businesses, this work will continue for a long time! This is the first report that has been created based on the requirements of the Transparency Act and it builds on the company's ISO work and has been created in collaboration with the company's largest suppliers. In this report, we provide an overall picture of the methodology and preliminary assessments.

Ferno Norden Group undertakes to promote and respect human rights and decent working conditions. This obligation must be incorporated into ethical guidelines, and purchasing guidelines as these are established, anchored in the current ISO certification.

Due diligence assessment- 2023

Method:

Ferno Norden Group has carried out the due diligence assessment by group for actors (suppliers and partners) in our value chain:

The core business:

- Sales of pre-hospital equipment
- Sale of civil and military rescue and evacuation equipment
- Sale of equipment for the emergency services
- Sale of equipment for vehicles
- Conversion of vehicles

Suppliers:

- Pre-hospital, military, and civilian rescue equipment
- Medical equipment
- Equipment for vehicles
- IT and system (Hardware and software)
- Audit and finance
- Property and operation

Ferno Norden Group has carried out an overall risk assessment for violations of human rights and decent working conditions.

We have based the following criteria:

Risk	Description	Criteria
1	Very rare	Not likely to occur in the next 5 years
2	Rare	Predominance of probability to occur in the next 3-5 years
3	Likely	Expected to occur in the next 3-5 years
4	Very likely	Ongoing or expected to occur within 3 years
5	Foreseeable event	Ongoing

Criteria for assessment of impact:

Risk	Description	Criteria
1	Insignificant	Will not cause any harm or violation of human rights
2	Low	Will probably cause less serious physical damage, and/or some psychological damage
3	Middle	Will not cause any damage, but may result in human rights violations
4	High	Will probably cause less serious physical damage, and/or serious psychological damage
5	Serious	May cause loss of life or serious physical injury

Assessment

Ferno Norden Group has carried out a self-evaluation of the suppliers in 2023 and will ask for further information and confirmation from our suppliers until the next report is issued.

Supplier category	Number of	Probability	Consequence	Comment
Pre-hospital, military and civilian rescue equipment	30-50	2	2	Nordic, West European and American manufacturers, but HSE deviations occur
Medical equipment	15-25	3	3	Recognized Nordic suppliers who may have sub contractors in Asia with a risk of human rights violations
Equipment for vehicles	30-50	1	1	Suppliers from Nordic and Western European countries, contractors in Asia with a risk of human rights violations as well as Whelen from the USA, which we know very well.
IT and system (software)	10-15	2	2	Recognized Norwegian and international suppliers who may have subcontractors in Asia with a risk of human rights violation
Audit and finance	1-5	1	1	Norwegian suppliers
Property and operation	3-5	1	1	Norwegian suppliers

The continued work will form part of the overall internal control system and the ISO Quality System in Ferno Norden Group for the group's own operations and for the group's subsidiaries.

As a supplier to the Nordic aid organisations, defence organizations as well as emergency services and other pre-hospital operations, Ferno Norden Group is subject to the rules in the "EU Medical Device Regulation" (EU MDR) and through this is required to set requirements for suppliers in relation to CE marking and other imposed standards such as documentation and instructions for use in the local customer/user's language.

The further work will include a further assessment of the extent of possible breaches and opportunities for improvement among the company's suppliers to set requirements for improvements and documentation of this. A clarification of the company's supplier policy, including the preparation of ethical guidelines and guidelines for purchasing in accordance with the premises of the Transparency Act, will also be an important part of further work.

Any questions regarding the transparency act must be addressed to fno@fernonorden.com.

Horten, 25th. May 2023

For Ferno Norden Group AS



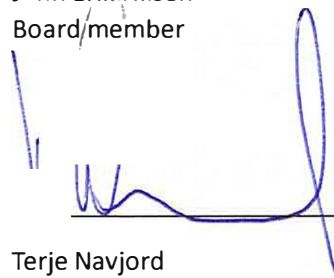
Dag André Gimle Johansen
Managing Director / Chairman of the Board



John Erik Nilsen
Board member



Tor Kirkeng
Board member



Terje Navjord
Board member