

# Account for due diligence 2023

*Omya Hustadmarmor AS's work to implement the Transparency Act*

## General description of Omya Hustadmarmor AS

Omya Hustadmarmor AS is a subsidiary of Omya AG, a leading global producer of calcium carbonate and a worldwide distributor of specialty chemicals.

The Norwegian operations mainly produce and export dolomite- and calcite-based products, including transport by chemical tankers. In addition, both industrial minerals and specialty chemicals are imported and exported.

Omya Hustadmarmor AS has an annual purchasing volume of approximately NOK 700 million. Minerals, electricity, and inputs for production represent the largest purchasing volumes. The supplier portfolio ranges from local to international.

The Norwegian company consists of 3 production sites.

The operations in Elnesvågen (Hustadvika Municipality) produce liquid and dry calcium carbonate products. Raw materials for the operations in Elnesvågen are calcite marble from Brønnøy Kalk AS in Brønnøy Municipality in Nordland County and from local mines in Hustadvika municipality.

The operations in Hammerfall (Sørfold Municipality) mine and crush dolomite marble, while the operations in Knarrevik (Øygarden Municipality) produce dry products from Hammerfall dolomite as well as from imported industrial minerals.

In addition, the company has transport business with three chemical tankers that are mostly engaged in contract shipping in Northern Europe.

The company's market is mainly the European paper industry, the polymer industry, the construction industry, and environmental solutions such as water treatment and agriculture.

Omya's core values are modesty, courtesy, integrity, and perseverance.

## Guidelines and procedures for handling actual and potential adverse impacts

Omya Hustadmarmor AS strives to have sustainable business practices that respect people, society and the environment and has its own policy for this. This policy, together with Omya's Code of Conduct (Corporate Policy 4), Sustainability Policy (Corporate Policy 11), Integrated Management System Manual and Procedure for Due Diligence, forms the basis of our sustainability work.

Omya Hustadmarmor AS undertakes, through the policy, to conduct due diligence in accordance with the Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (Transparency Act).

The company is certified according to the following standards: ISO 9001, ISO 14001, ISO 45001 and ISO 50001 and the international trading is carried out through the parent company.

Omya operates a diverse portfolio of businesses in multiple market environments. Despite market, regional and regulatory differences that exist across our global operations, it is important to ensure that our procurement activities are conducted in alignment with our values, our Code of Conduct, and our policies in general.

## Our approach to the work with the Transparency Act

The focus for 2023 has been on:

- Complete procedures for handling the right to information
- Further development and improvement of risk methodology to identify suppliers for Due Diligence evaluation
- Perform Due Diligence evaluations of prioritized suppliers
- Cooperation with Omya Group and Region Europe to prepare for alignment of Policies and Procedures for Due Diligence
- Account for Due Diligence

### Methods

The management team of the company established in 2022 a working group that has led the work also in 2023. The working group has consisted of representatives from operations, procurement and sustainability and has reported to the management group and the board.

### Value chain

Based on the premises of the Transparency Act, we have made an initial assessment of our procurement categories with supply chains, including both suppliers of core process inputs (Directs) and indirect inputs (Indirects).

Supply chain mapping and associated risk assessments linked to various procurement categories have been carried out based on;

- Geography (risk maps)
- Complex value chains
- Industry/burdened value chains
- Business-specific risk factors

Based on the above risk categories, it is necessary to make assessments broken down to sub-category level.

The work on risk assessments is a continuous process.

### Prioritisation for due diligence

The Transparency Act is built on the materiality principle and has a risk-based approach. The company has prioritized taking small steps instead of going broad and having to spend a lot of time managing data instead of understanding and implementing the steps in the OECD guideline.

## Significant risks and adverse impacts that the enterprise has identified

### EcoVadis 360° evaluation

Omya reports and is assessed by the independent sustainability platform EcoVadis every year. EcoVadis conducts a 360° evaluation that includes relevant public information on companies' sustainability practices, identified via more than 2500 data sources including non-governmental organizations, press and trade unions.

There were 17 findings in the 2017-2021 survey, whereof 2 affected the EcoVadis score. None of the findings were relevant to Omya Hustadmarmor AS.

### Results from high-level due diligence

From the high-level due diligence assessment in 2022 (reviewed in 2023), the following supply chains were identified where detailed due diligence assessments are to be conducted:

- Packaging
- Chemicals
- Grinding media
- Import minerals
- Road transportation
- Waste management
- Contracted services
- IT equipment and service
- Distribution of chemicals

### Result of detailed due diligence

Objects that were considered/are under evaluation:

- Supplier of packaging (Big Bags)
- Supplier of workwear
- Supplier of waste services
- Supplier of import mineral (import minerals)

Supplier of BigBags: No findings of concern

Supplier of workwear: No findings of concern so far but we still are in the phase of validating the information we have received from the supplier. The verification of the information will continue in 2024.

Supplier of waste services: No actual adverse impact found but the supplier has limited knowledge and overview of their own downstream supply chain. We will follow up on this in future supplier audits.

Supplier of import minerals: This a supply chain that we evaluated also in 2022. Due to the general risk picture (geography and activity) we monitored the suppliers also in 2023 with a special focus on child

labor and forced labor. No actual adverse impact was identified but we will continue this work also in 2024 as we have started importing a new mineral from the same geographical area (Asia).

### Measures that the enterprise has implemented or plans to implement

- We have in 2023 done supplier evaluations, supplier audits, literature search and embassy dialogue. In addition to this we cooperated closely with the local Omya Sustainability and Supply Chain organization in Asia
- We have cooperated with Omya Group about Directive on Corporate Sustainability Due Diligence to prepare for alignment between Omya Group and local procedures. Until further notice we will continue to follow local procedures for Due Diligence
- We will investigate the possibility to do audits of our raw material suppliers (import minerals) to verify the information we got (e.g., SMETA audit)

### Experiences from the work with the due diligence assessments so far

- It is challenging to verify information especially when we are talking about suppliers far away like Asia
- Not all suppliers have the overview over their downstream supply chain
- We have prioritized to do detailed evaluations on a few of our suppliers instead of doing many on a more "superficial" level. We will evaluate this practice after 2024

### Plan for 2024

- Do Due Diligence assessment of import minerals in cooperation with local organization in Asia
- Review risk assessment and evaluate the methodology we have used so far
- Do Due Diligence assessment of transportation on road
- Do Due Diligence assessment of PPE supplier
- Continue to cooperate closely with the Omya Group through the work to implement the Directive on Corporate Sustainability Due Diligence on Group level

Elnesvågen 18.04.2024



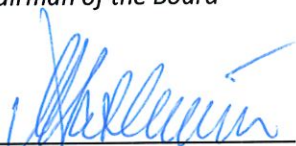
Per-Gunnar Leversen  
Chairman of the Board



Robert Petzenhauser  
Board member



Johnny Heggemslj  
Board member



Arild Mathisen  
Board member



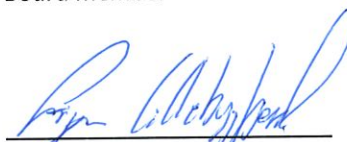
Karin Elisabeth Krause-Hansen  
Board member



Lars Johnny Ekren  
Board member



Yngve Hansen  
Board member



Espen Lillebrygfjeld  
Managing director