

To our stakeholders

I am pleased to confirm that T&G Elektro AS reaffirms its support of the 10 Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations, with emphasis on the progress during the last year. We also commit to share this information with our stakeholders using our primary channels of communication.

Every time T&G Elektro AS is making a general company presentation for customers, suppliers or other parties, the 10 UN Global Compact Principles are presented. We are proud to be firm supporters these principles. A goal of ours, is that all our employees feel the they are an important part of our value system and that their perspectives, ideas and concerns are heard and appreciated.

Sincerely yours,



Martin Grimsgaard
Chief Executive Officer

Høvik, Norway, February 2, 2021

Human rights

Description of the relevance of human rights for the company (i.e. human rights risk-assessment). Description of policies, public commitments and company goals on Human Rights.

T&G Elektro AS supports the Universal Declaration of Human Rights, and they are also adapted into the Norwegian law. We are working in a global world with some suppliers from developing countries where humans might not be as good protected as in our own country. For us, as a small private owned company, we want to be sure that we do business with companies which also support and act the Universal Declaration of Human Rights. T&G Elektro AS issues to relevant companies a Supplier Code of Conduct ensuring the compliance with international human rights and to the 10 principles of the UN global compact, to which they have to agree and sign before we enter in to any businesses. We also explicitly demand that our Supplier Code of Conduct is flown down to sub-suppliers.

Description of concrete actions to implement Human Rights policies, address Human Rights risks and respond to Human Rights violations.

All new employees are trained according to our training plan where our Conduct Principles and values are presented and discussed. We have quarterly Corporate Social Responsibility (CSR) meetings in all departments. In the CSR meetings, the 10 principles of the UN global compact are discussed, and all employees are encouraged to share their ideas on how we can improve. Our HR handbook made known to all employees upon hiring, state that no negative feedback for whistleblowers is permitted. At the same time, routines for how to raise issues of various kinds, including HSE issues, are made known, also how to do this anonymously. The management conducts an active open-door policy. We have zero tolerance for harassment or violence at work, including harassment due to ethnic background, sexual orientation, handicaps, religion or political views. Harassment of colleagues or others will result in a written warning from the management, and can eventually result in having to leave the job permanently. Moreover, we have quarterly holistic safety reviews and subsequent meetings, including representatives for the employees and top-level management. We also support our local soccer team Stabæk with earmarked funding for their encouraging work for drug addicts to start playing and their arrangements for handicapped and disabled children.

Our supply chain and sales departments have implemented in their routines to share our Code of Conduct, to ensure that both suppliers and costumers comply to international human rights.

Description of how the company monitors and evaluates performance.

The ability of our suppliers to confirm compliance with our Supplier Code of Conduct is a part of the quarterly evaluated KPI for the supply chain. Moreover, will any breach

of our ethic principles immediately be discussed at top level management. Our goal is to never have any of these cases at our table.

Labour

Description of the relevance of labour rights for the company (i.e. labour rights-related risks and opportunities). Description of written policies, public commitments and company goals on labour rights.

Norway has a strict set of labour rights, and they make the foundation for our organization. We know and appreciate that our diligent and well-skilled employees are our biggest asset. In addition to the already legalized practices, we have additional benefits for our employees, such as 2.5 times higher pensions than required, free insurances and paid leaves for doctor's visits etc. Our employees receive competitive salaries and annual salary increases on the level of the rest of the Norwegian industry. All employees have the organizational freedom to join a labour union. These practices are all written out in our personnel handbook and are equal for all employees. To ensure the wellbeing of our employees and their personal growth, we have confidential talks between the nearest leader and the individual employee after 1, 4 and 6 months of employment, and subsequently on an annual basis.

Description of concrete actions taken by the company to implement labour policies, address labour risks and respond to labour violations.

We have a dedicated QA & HSE manager at our plant, who continuously monitor registered HSE deviations and is responsible to close them shortly (within a month). We have conducted risk assessments with attached assessments of preparedness and action plans, for all relevant physical risks (for example for fires, exposure to chemicals etc.). These assessments are revised on an annual basis. We have hired an occupational health care company who aids our HSE work, through biannual health examinations, investigation of the psychosocial working environment and other needs. All personnel have documented training in our procedures for evacuation in case of fire. Moreover, does all relevant personnel have training in how handle chemicals safely, reading safety data sheets and how to properly use personal protective equipment.

The support of labour rights is a part of our suppliers' code of conduct. We do not use conflict minerals and have an explicit policy that our suppliers do not use conflict minerals either.

Description of how the company monitors and evaluates performance.

We monitor our performance by measuring the sick leave, the turnover, the number of HSE deviates and how long it takes to close them. HSE is always a discussion point in the quarterly the management meetings.

Environment

Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.

We have an environmental policy, where the overall goal is as follows; "Our aim is to undertake the most efficient and resource-saving production possible to promote a good natural environment and a good economy". We aim to be ISO14001 certified by the end of 2022.

Description of concrete actions to implement environmental policies, address environmental risks and respond to environmental incidents.

We have recently reviewed our waste handling system, to optimize it in terms of recycling. All our employees have received training in waste handling, including how to handle dangerous waste such as chemical waste. We are also renewing the heating system of our buildings to make it more energy efficient. In the last year we have moreover become representatives in our county's response team towards chemical spills, representing all business in the county. We also enable green commuting for our employees, with charging stations available for electric vehicles. Our company car has also been exchanged for an electric car during the last year. Needless to say, have our travels been cut significantly during the last year. We hope to continue using digital meetings also when the pandemic is over.

We report on the REACH and RoHS status of our products on a regular basis to our costumers and encourage them to choose greener alternatives. For all products that are not REACH or RoHS compliant, we can offer greener alternatives. Moreover, the chemicals we distribute are accompanied with CLP compliant safety data sheets, also providing information on their effects on the environment.

Description of how the company monitors and evaluates environmental performance.

Environmental deviations are handled in the same way as other HSE deviations. We will re-evaluate our environmental monitoring scheme as a part of the process to become ISO14001 certified.

Anti-corruption

Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment). Description of policies, public commitments and company goals on anti-corruption.

The Norwegian law statutes have clear regulations regarding corruption and improper influence. The most important clauses in the statutes relating to relation building state that it is unlawful to both give and receive improper benefits. These regulations apply to both private and public employees and also elected representatives. These regulations also include benefits that are given (or received) from a person (or persons) abroad. We endorse the Norwegian laws on anti-corruption.

Description of concrete actions to implement anti-corruption policies, address anti-corruption risks and respond to incidents.

Anti-corruption and ethical standard are described in the personnel handbook. This section is heavily exemplified, spelling out clearly that for example receiving bribes, conditional bribes or sexual favors, is completely unacceptable. All employees go through these guidelines upon hiring as a part of our routines. The QA & HSE managers are available to give advice on possible breaches of our ethical guidelines.

Anti-corruption is implemented into our supplier's code of conduct.

Description of how the company monitors and evaluates anti-corruption performance.

Fortunately, we have limited experience in dealing with breaches in our ethical guidelines regarding anti-corruption. Routinely, these breaches should be reported to the QA & HSE managers, who will raise it to top level management, and possibly further report it to the authorities. We do not accept any breaches in the ethical guidelines regarding anti-corruption.