

The Transparency Act- Account of due diligence for Jotunfjell Partners AS

Jotunfjell Partners AS (JFP) is an investment and advisory company with a business address and office in Oslo. Jotunfjell Partners' investments of an industrial nature take place mainly through the subsidiaries Vita Holdco AS, Gold Invest AS, Airport Retail Group AS and Brothers & Sisters AB. In addition, the company has investments in Enklere Liv Mercante AS, Elite Foto AS, PCM Holding in Örebro AB/Pagelle AB, Beha Group AS and Rygge Sivile Lufthavn AS. The portfolio has been expanded with investments in Audhild Viken AS, Best of Brands AB, Target United AS and MSPA AS in 2022.

The company has income from consultancy activities, agreements on business development and management assignments in addition to income from investments.

Our primary focus has been on the Nordic region, and we have strategically invested in distressed situations or loss exits involving large companies or private equity. Typically, JFP aims for long-term ownership and has only made a limited number of exits.

Our main strategy revolves around being the sole or majority owner of the companies in our portfolio. We actively engage in challenging turnaround situations and leverage synergies between our various retail businesses.

This responsibility comes with a commitment to social and environmental accountability in all our actions. We acknowledge the impact our activities have on the environment and society as an investor, particularly within the retail sector. This impact stems from our operational practices, the stores we operate, and the products we indirectly source.

JFP has implemented an Environmental, Social, and Governance (ESG) strategy, aiming to conduct business in a manner that minimizes negative impacts on people and the planet while contributing positively to society. This strategy entails ongoing efforts to assess the ESG impact of our portfolio companies and define actionable goals for improvement.

Based on our commitment the Board of Directors have adopted "Procedures for compliance with the Transparency Act" and we have set up the JFP's Code of Conduct (CoC) to make our position clear for all our portfolio companies. The CoC is a statement on responsible business conduct, and all our portfolio companies must comply and commit to the CoC.

The CoC principles reflect JFP's ethical principles and ESG strategy. We require that international human rights are respected and that our business partners and our portfolio companies and their contracting parties do not contribute to violations of these. This includes ensuring that the workers' wages satisfy the requirements for the minimum wage, that working hours are in accordance with applicable national law and that the workers have the opportunity for adequate rest. In addition to human rights the CoC includes governance, environmental and Anti-Corruption requirements.

The Transparency Act

The Act shall promote companies' respect for fundamental human rights and decent working conditions in connection with the production of goods and the provision of services. This applies to the company's own business, suppliers and the suppliers' value chain. Among other things, the law requires the businesses to carry out due diligence assessments to understand the risk of possible breaches - and to introduce measures where necessary. Furthermore, the business has a duty to inform about how we perform the due diligence assessments and the results of these.

As JFP is a holding company with operations limited to advisory services to portfolio companies, the company has no "Supply chain" as defined in the Act, hence the assessment will include the company's business partners. Please see the subsidiaries' homepages for further information regarding their account for the due diligence process pursuant to the Transparency Act section 5. You will find links to the homepages here: [Portfolio Companies – Jotunfjell Partners AS \(jfp.no\)](#)

JFPs due diligence process

It is important that JFP can verify that its own business as well as our business partners run their business without jeopardizing basic human rights and decent working conditions. JFP has identified all business partners and continuously assesses the risk in order to understand and map what actual risks and vulnerabilities exist for their employees and in their supply chains when applicable. This mapping forms the basis for further investigations and the due diligence process. The due diligence assessment is risk based meaning we are prioritizing where we identify potential high risk and where we can make the most positive impact. The assessment includes the company's major "business partners". We have obtained information about risk factors in the geographical area and risk industry where the business partner operates by using the following risk indexes:

- Human rights: Freedom house
- Decent work conditions: International Trade Union Confederation
- Anti-corruption: Transparency International
- Industry: European Bank of Reconstruction and Development's (EBRD) index that links social risk to NACE codes

Based on risk we request the business partner of their investigations and assessments related to respecting basic human rights and decent working conditions in their own company and at their subcontractors. We have also searched the web to uncover any discrepancies or get confirmation of compliance.

The due diligence process has not identified any actual adverse impacts and significant risks of adverse impacts on our business partners. However, the work on requesting information continues so that the mapping is improved, and the risk picture becomes clearer. Identifying compliance with basic human rights and decent working conditions will be part of the onboarding of new business partners and included in the contract terms. We use the negotiation situation in connection with new agreements to negotiate compliance with ethical guidelines and the right to information on compliance with fundamental human rights and decent working conditions.

In our own organization and as a part of the internal governance as an investor and parent company, human rights and working conditions will receive increased attention. This includes within the Board of Directors annual plans and reporting, health, environment and safety work, project planning, employee dialogues and training. Evaluation and risk assessment processes will form the basis for identifying and prioritizing measures to improve conditions.

Questions?

If you have any inquiries under the Transparency Act, please feel free to direct them to info@jfp.no. We are here to provide further clarification and address any concerns you may have.