

Reporting year 2023

Transparency Act statement

Due diligence assessments for sustainable business practices

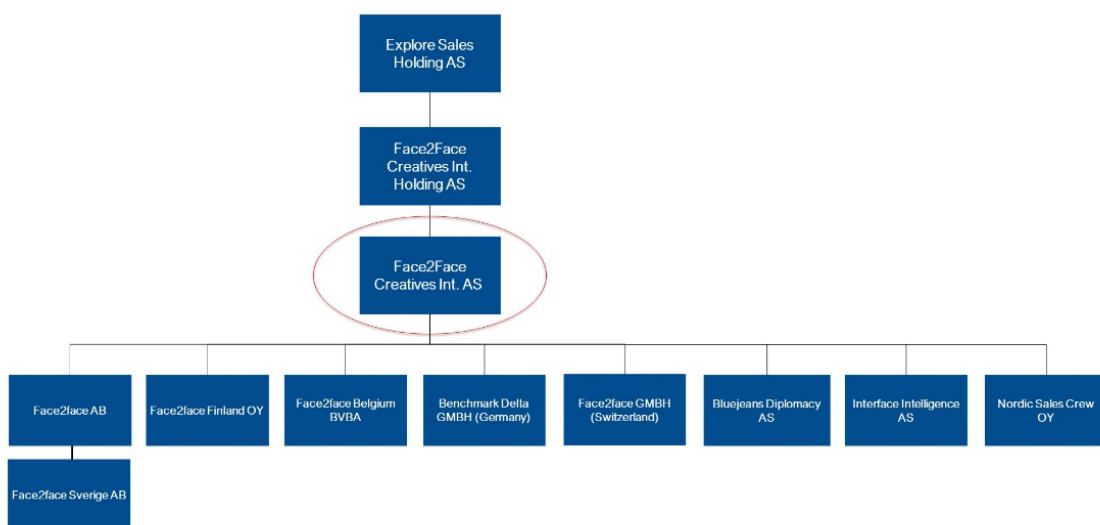
FACE2FACE CREATIVES International AS

About the company

FACE2FACE CREATIVES International AS offer our clients brand awareness, top-line growth and a predictable, positive ROI. Since 1999, we have designed and conducted result-generating campaigns for the most powerful brands in the world. Our campaigns engage, create measurable results and build strong and lasting relationships between brands and consumers.

From our offices in Oslo, Stockholm, Helsinki, Brussels, and Zurich, we serve clients all over the European continent. FACE2FACE CREATIVES International AS is part of the Explore Sales Holding AS group structure. The company has subsidiaries in the Nordics and Europe.

This statement covers the operations of FACE2FACE CREATIVES International AS.



Ethical guidelines and routines

At FACE2FACE CREATIVES, we care about our impact on human rights and decent working conditions. Our Supplier Conduct Principles outline our expectations for our suppliers. We expect our suppliers to respect the UN's International Declaration of Human Rights and the Guiding Principles on Business and Human Rights. This involves ensuring that business operations are conducted in accordance with these principles.

Regarding labor rights and working conditions, suppliers must respect the rights and principles set out in the International Labour Organization's (ILO) core conventions and the Declaration on Fundamental Principles and Rights at Work. Workers must have the right to organize and engage in collective bargaining without fear of reprisals. Suppliers must inform workers of their rights under national laws and must not interfere with the establishment or operation of such organizations.

Furthermore, suppliers must not use forced labor or other forms of involuntary labor. Employment must be voluntary, and workers must have the right to terminate their employment with reasonable notice. Suppliers must not employ children under the age of 15, or higher if national laws require it. Work performed by individuals under 18 must not harm their health, safety, or development. If child labor is discovered, suppliers must immediately take steps to protect the best interests of the child.

Suppliers should promote equality and diversity in the workplace. Discrimination based on race, gender, sexual orientation, religion, political opinion, or other factors must not occur. Workers must be treated with respect and dignity. Suppliers must not tolerate harassment, discriminatory actions, or threatening behavior. Workers must have written employment contracts that clearly describe the terms of employment. Wages must be fair and at least meet legal and industry standards. Working hours must not exceed legal limits, and workers must have the right to at least one day off after six consecutive working days.

We have internal procedures for reviewing suppliers and the use of the Supplier Conduct Principles. When entering into major supplier agreements, the company ensures that the supplier has guidelines equivalent to the Supplier Conduct Principles. All major supplier agreements are reviewed and confirmed by the CFO before signing.

The full Supplier Conduct Principles are available online [here](#).

Due diligence assessment

FACE2FACE CREATIVES is subject to the Transparency Act and is required to report on our due diligence assessments. The work with the Transparency Act is anchored in the management team and the board of directors. The board has been involved in the process and has appointed the Chief Financial Officer (CFO) as responsible for the assessments.

Our due diligence assessments are based on a review of the supply chain to identify and follow up on our most critical suppliers. We have also conducted an internal self-evaluation to assess our guidelines and our impact on human rights and decent working conditions. Generally, we consider the risk to be low as we provide services within the EU and have a transparent supply chain with few physical products. The evaluation shows that we already have efficient guidelines addressing human rights and working conditions, but we still see potential for improvement in understanding impact through our suppliers.

The selection of suppliers to assess is based on trade volume and the industry and market in which the suppliers operate. Industry and market risk are assessed according to the Norwegian Government Agency for Financial Management's high-risk list. We have selected key suppliers that meet the criteria for size and risk, with the intention of including more suppliers annually. The selected suppliers provide goods, except for the company that provides cleaning and property services. The headquarters building, individuals, and suppliers with a trade volume of less than NOK 100,000 are not included in the assessment.

Requests for information can be sent to transparency@face2facecreatives.com. We respond to questions related to our business and our due diligence assessments. We also want the channel to help uncover negative consequences. Any actual or potential consequences that are reported to the company will be followed up by the CFO who initiates necessary internal procedures.

Supplier survey

To obtain updated information about the conditions at our selected suppliers, we use Factlines. Their software and method are suitable for investigating suppliers, conducting risk assessments, and documenting follow-up activities. We have asked the selected suppliers to explain how they work according to various sustainability considerations and to document this.

The questions in the self-assessment cover the requirements of the UN Global Compact and include questions about basic human rights and decent working conditions in line with OECD guidelines. The self-assessment includes the following topics:

- Corporate social responsibility strategy and guidelines
- Supply chain: follow-up, insight, and control
- Risk and due diligence assessments
- Governance systems in the business
- Working conditions and rights
- Indigenous peoples and environment
- Conflict minerals
- Anti-corruption

Discovered actual and potential consequences

Actual negative consequences for basic human rights or decent working conditions

No actual negative consequences were discovered in our assessments.

Risk of violations of basic human rights or decent working conditions

We have not found any significant risks among our suppliers. However, we have identified two areas for improvement with some suppliers:

1. Knowledge of location and country of origin: A supplier lacks an overview of the country of origin of the goods they trade and the location of key component manufacturers.
2. Missing supplier code of conduct: Some suppliers have not developed guidelines for their subcontractors.

Our measures

The company will follow up directly with suppliers where areas of improvement have been identified and assist in developing a plan for them to implement the necessary measures. We will also expand our due diligence assessments to include more suppliers.

Oslo, 26th of June 2024



Martin A. S. Alquist

Chair of the board of directors