

NORWEGIAN TRANSPARENCY ACT STATEMENT

1 INTRODUCTION

Pareto Securities Group¹ (hereinafter jointly referred to as “**Pareto Securities**” or “**we**”, “**our**”, or similar) is issuing this public statement in compliance with the requirements of the Norwegian Transparency Act² (the “**Transparency Act**”). The Transparency Act is based on the UN’s Principles on Business and Human Rights (UNGP) and the OECD’s Guidelines for Multinational Enterprises.

Pareto Securities’ Transparency Act statement for the financial year 2024 outlines our organisational structure, our guidelines for addressing actual and potential negative impacts on fundamental rights and decent working conditions, as well as our due diligence assessments on these matters, all as of 31 December 2024.

Please be advised that the content of the Transparency Act statement may be updated periodically. The latest version will be made available on our website without prior notification.

2 ABOUT PARETO SECURITIES

Pareto Securities is an independent, full-service investment bank with a leading position in the Nordic capital markets, a strong international presence, and global placing power. Our independence lets us focus on providing our clients with the best financing solutions in the market.

Pareto Securities was established in 1986, and is headquartered in Oslo, Norway, with 12 offices in 10 countries. We offer services within investment banking, brokerage, research, funds, as well as product finance products within real estate and shipping & offshore. We provide business management services and technical maritime advice services for the product finance products, and rig broking services. Unless a specific entity is mentioned, this statement pertains to all entities within Pareto Securities.

Our primary role is to contribute to a well-functioning financial market and efficient allocation of capital by providing various regulated financial services and activities. Pareto Securities and other market participants in the financial markets in which we operate are subject to extensive supervision by financial supervisory authorities in various jurisdictions.

¹ Pareto Securities AS with branches in Denmark and Germany, Pareto Securities AB with branch in Norway, Pareto Securities Oy, Pareto Securities Ltd, Pareto Securities AG, Pareto Securities Inc, Pareto Securities Pty Ltd, and Pareto Securities Pte Ltd, Pareto Business Management AS, Pareto Maritime Services AS, and Pareto Offshore AS

² Nw: Lov om virksomheters åpenhet og arbeid med grunnleggende menneskerettigheter og anstendige arbeidsforhold (LOV-2021-06-18-99)

3 PRINCIPLES AND POLICIES

We are committed to upholding human rights and aim to integrate these principles into our procedures. Respect for the dignity of individuals and the importance of fundamental human rights and decent working conditions form the basis of the behaviour we expect from everyone associated with us, whether as an employee, business partner, or supplier.

We do not tolerate any form of discrimination, harassment, or bullying within Pareto Securities or its supply chain, and we are firmly opposed to child labour. We strive to run our business in accordance with the Ten Principles of the UN Global Compact, which require businesses to proactively protect human rights, labour rights, and the environment, and to promote anti-corruption.

Pareto Securities operates with key policies and processes to ensure respect for fundamental human rights and decent working conditions within our business operations and our value chain.

Our [Code of Conduct](#) outlines the behaviour we expect from every employee and stakeholder, based on our core values: trust and quality. To ensure a consistent understanding of our Code of Conduct, all employees are required to confirm that they have read and will adhere to it.

Our [Code of Conduct for Suppliers and Business Partners](#) reflects our expectations to suppliers and business partners regarding business integrity, human rights, and climate action.

Our [Human Rights Policy](#) outlines our approach to managing human rights risks within our operations. It clarifies our expectations for conducting business in line with the principles described in the policy and highlights our continuous efforts to mitigate the risks of human rights violations.

Our [Sustainability Policy](#) establishes standards and principles to ensure that fundamental responsibilities in human rights, decent working conditions, and environmental responsibilities, are met.

Our [Anti-corruption Policy](#) reflects our firm stance against all forms of corruption, including bribery and trading in influence. We do not allow anyone involved in our business to offer, give, ask for, accept, or receive any form of bribe, including facilitation payments.

Our [Diversity and Inclusion Policy](#) reflects our zero tolerance for discrimination or harassment.

In addition to these policies, we have established a comprehensive framework to integrate statutory requirements across various processes. This framework includes a wide range of regulations and procedures, including operational routines, client measures, electronic monitoring, sanctions regulations, a whistleblowing channel, and internal control procedures.

We also present relevant information about our work and focus areas within environmental, social (including human rights) and governance (ESG) in our annual ESG Report.

4 RISK ASSESSMENT

4.1 Introduction

Pareto Securities AS is required to conduct an enterprise-wide assessment to promote fundamental human rights and decent working conditions. This assessment aims to identify, assess, and understand the risks Pareto Securities' operations have caused or may cause negative impacts for these rights and working conditions (the "**Enterprise Risk Assessment**"). The Enterprise Risk Assessment shall be reviewed at least annually and updated as deemed relevant, or more frequently, if necessary, and tailored to the nature and size of Pareto Securities.

The Enterprise Risk Assessment is conducted by and for the use of Pareto Securities AS, in accordance with the Instruction regarding the Transparency Act as adopted by the Board of Directors of Pareto Securities AS. This statement summarises the results and conclusions of the Enterprise Risk Assessment.

4.2 Organisation: Employees and Office locations

The vast majority of Pareto Securities' staff are full-time employees on permanent employment contracts. Temporary contacts³ are utilised for internships, which serve as our main source for recruiting staff. Both categories of employees enter into contracts based on Norwegian standard template employment agreements, which are reviewed by legal counsel and adapted to the relevant jurisdiction. No instances of involuntary work have been identified during our gender equality and diversity inquiries.

Pareto Securities requires educated and highly qualified employees and employs staff in countries characterised by solid regulatory frameworks, strong governance, and adherence to the rule of law, with minimum human rights conflicts. Therefore, the overall risk of actual or potential adverse impacts on fundamental human rights and decent working conditions among our employees is considered low.

We are committed to fostering a healthy and safe work environment and promoting continuous professional and personal growth.

We have a Working Environment Committee consisting of all genders that meet regularly and have appointed safety representatives according to local regulations.

We have established appropriate reporting channels for raising concerns about negative conditions within Pareto Securities.

Fundamental human rights considerations are integrated into the Human Rights Policy, relevant policies, supplementary guidelines, and processes in Pareto Securities, as outlined in Section 3.

Pareto Securities AS publishes annual statements on gender equality and anti-discrimination on our website.

³ In Pareto Securities AB, the interns are employed under fixed-term employment (Swe: "*Tidsbegränsad anställning*")

Based on this, we consider the risk of our organisation leading to actual or potential negative consequences for fundamental human rights and decent working conditions to be low.

4.3 Business activities - Industry wide assessment

The Norwegian Securities Dealer's Association (VPFF), of which Pareto Securities is a member, has developed an industry template assessment and draft routine to assist investment banks. The Enterprise Risk Assessment is based on materials prepared by the Norwegian Securities Dealers Association, relevant to our activities as an investment bank.

The Enterprise Risk Assessment aims to analyse existing and potential negative impacts on fundamental human rights and decent working conditions arising from Pareto Securities' business activities, including its supply chain and business partners, and proposes mitigating measures to reduce negative impacts.

4.4 The Securities Business

The business model of the Securities Business involves assisting clients with capital raising and secondary trading in securities. Additionally, the Securities Business provides M&A advice (advisory services related to the acquisition and divestment of companies), fairness opinions, valuations, currency exchange, investment recommendations, and other research products and services. The provision of investment services is regulated and subject to supervision by the relevant Financial Supervisory Authorities.

We have conducted a thorough analysis of the Securities Business in the Enterprise Risk Assessment. Based on our review, we consider the risk of misuse in providing investment services to negatively impact fundamental human rights or decent working conditions to be low. We have identified a few areas for improvement and implemented certain procedures accordingly.

4.5 Business Management

Pareto Business Management AS (PBM) oversees the accounting and business management functions for real estate and shipping & offshore SPVs syndicated by Pareto Securities. The provision of accounting services is a regulated activity in Norway, and PBM is subject to supervision by the Norwegian Financial Supervisory Authority. The company adheres to the Transparency Act and conducts its own risk assessment regarding the promotion of fundamental human rights and decent working conditions, publishing a separate statement accordingly.

4.6 Technical advice to project shipping companies

Pareto Maritime Services AS (PMS) offers maritime technical and commercial expertise consulting services, as well as management services for shipping projects primarily established by Pareto Securities AS. The company is ISO 9001 certified and employs three individuals. Our overall assessment is that the risk of negatively impacting the promotion of fundamental human rights or decent working conditions in Pareto Maritime's advisory role is considered low.

4.7 Offshore brokerage

Pareto Offshore AS offers brokerage services and expert advisory for the offshore energy industry, employing four individuals. The primary role of Pareto Offshore is to assist rig-owning entities with the purchase and sale of rigs. The intermediary and advisory role in asset transactions could only, to a limited extent, be argued to contribute to the financing of companies engaged in activities that negatively affect the promotion of fundamental human rights and decent working conditions.

5 SUPPLY CHAINS AND BUSINESS PARTNERS

5.1 Introduction

Pareto Securities' major suppliers and business partners include landlords of our office spaces, renowned international IT providers, market information providers, and advisory services. The suppliers and business partners of Pareto Securities Group are mainly located in Europe, with a few based in the United States.

Our suppliers and business partners are categorised into two main groups. Suppliers are entities that directly contribute to our products and services, such as components in the final product or service. In contrast, business partners are entities that do not directly contribute to the final product or service. This distinction is important, as Pareto Securities is required to assess the supply chain (sub-contractors) only for the suppliers under the Transparency Act, as per Section 4 b) of the Act.

Furthermore, suppliers and business partners subject to the Transparency Act are not monitored beyond the initial risk assessment unless specific circumstances indicate potential risks. As these entities have their own obligations under the Transparency Act, Pareto Securities considers this approach both feasible and justifiable under a risk-based methodology. A similar approach is anticipated for suppliers and business partners under the forthcoming EU Directive on Sustainable Due Diligence.

If concerns regarding a business partner or supplier's business practices, human rights, working conditions, or environmental impact are identified, a more comprehensive review will be conducted to ensure they meet our requirements before any agreements are finalised.

Overall, the risk of Pareto Securities' activities negatively impacting fundamental rights and decent working conditions through its supply chain and business partners is considered low. The supply chain is relatively straightforward, and the business partners are primarily located in countries with established legislation to safeguard basic human rights and decent working conditions, or they possess internal systems and guidelines to address these issues.

5.2 Mapping and assessment of the negative impact on fundamental human rights and decent working conditions

Various external risk drivers can contribute to a range of adverse impacts through our supply chains and business partners. These drivers are associated with the location and activities of a supplier or business partners and can be utilised to identify high-risk locations and sectors.

Typical risk drivers in our mapping process include geographic risks, sector risks, product risks and enterprise-level risks. Considering our operations and the manner in which our suppliers and business partners operate, we assess the probability of negative impacts on fundamental human rights and decent working conditions as low.

6 SUMMARY OF MITIGATING MEASURES

As described above, our overall assessment is that our business activities and organisational structure pose a low risk of negatively impacting fundamental human rights or decent working conditions. However, to meet regulatory requirements and provide guidance to our employees, the various entities within Pareto Securities are subject to several written instructions and policies that directly or indirectly mitigate any remaining risk of our organisation or activities resulting in negative impacts on fundamental human rights or decent working conditions.

Each new employee confirms to the relevant Pareto Securities entity that they have read and understood the written instructions in place. During the initial phase of their employment, they typically attend introduction courses held by the Compliance department where key instructions are discussed.

Employees are encouraged and required to speak up and to report any suspected or observed violations of the law, according to our Code of Conduct, or if they are asked to do something that might be a violation. Reports may be made to a supervisor or through our anonymous whistleblowing channel.

In our supply chain, all business partners and suppliers of goods and services to Pareto Securities are assessed prior to placing orders or entering contracts, considering relevant risks, sustainability risk human rights risks.

We have established a Code of Conduct for business partners and suppliers to underscore their responsibilities regarding human rights and working conditions when conducting business with us, as well as to enhance their management processes. The Code of Conduct is available on our website.

External parties are encouraged to report through Pareto Securities' whistleblowing channel at www.paretosec.com, a digital tool that facilitates the submission of any suspected violation of local and/or EU/EEA law, Pareto Securities' internal policies and standards, or other serious concerns affecting the Group. The whistleblowing channel allows for anonymity and is operated by an independent Norwegian law firm through a third-party system provider.

7 RIGHT TO INFORMATION

Upon written request, any individual has the right to obtain information from Pareto Securities regarding how we address actual or potential adverse impacts on fundamental human rights or decent working conditions.

Please send requests to: E-mail: esg@paretosec.com
Pareto Securities AS, Dronning Mauds gate 3, PB 1411 Vika, 0115 Oslo, Norway

This statement shall be updated and published at www.paretosec.com no later than 30 June of each year, and otherwise in the event of significant changes to the Enterprise Risk Assessment.

Board of Directors of Pareto Securities AS

10. april 2025

Morten Goller
Chairman

Svein Støle
Board member

Siri Johanne Krafft
Board member

Trine Charlotte Høgås-Ellingsen
Board member

Mats Carlsson
Board member

Christian Jomaas
Chief Executive Officer

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Jomaas, Christian

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Krafft, Siri Johanne

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Mats Håkan Carlsson

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